

GENERAL PURPOSE STANDING COMMITTEE No. 1

Monday 17 November 2003

Examination of proposed expenditure for the portfolio area

EDUCATION AND TRAINING

The Committee met at 2.00 p.m.

MEMBERS

Reverend the Hon. F. J. Nile (Chair)

The Hon. A. S. Burke

The Hon. J. C. Burnswoods

The Hon. C. E. Cusack

The Hon. P. Forsythe

Ms L. Rhiannon

PRESENT

Department of Education and Training

Ms J. McClelland, *Director-General*

Mr M. G. Bowles, *Deputy Director-General*

Mr A. J. G. Bendall, *Manager, Freedom of Information and Privacy*

CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS

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

**Budget Estimates
General Purpose Standing Committee Secretariat
Parliament House
Macquarie Street
SYDNEY NSW 2000**

CHAIR: I welcome you to this supplementary estimates hearing of General Purpose Standing Committee No. 1. I thank the departmental officers for attending today. At this meeting the Committee will examine the proposed expenditure by the portfolio areas of Education and Training. Before questions commence, some procedural matters need to be dealt with. Part 4 of the resolution referring the budget estimates to the Committee requires that evidence be heard in public. The Committee has previously resolved to authorise the media to broadcast sound and video excerpts of its public proceedings. Copies of the guidelines for broadcasting are available from the attendants. In accordance with the Legislative Council guidelines for the broadcast of proceedings, only members of the Committee and witnesses may be filmed or recorded. People in the public gallery should not be the primary focus of any filming or photographs. In reporting the proceedings of this Committee the media must take responsibility for what it publishes or the interpretations placed on anything said during the hearing.

There is no provision for honourable members to refer directly to their own staff while at the table. Witnesses, honourable members and their staff are advised that any messages should be delivered through the attendant on duty or the Committee clerks. For the benefit of members and Hansard, and the effective operation of this Committee, it is important that departmental officials identify themselves by name, position and department or agency before answering each question. When a member is seeking information in relation to a particular aspect of a program or subprogram, it will be helpful if the program or subprogram is identified. In accordance with previous resolutions by the Committee, the Opposition will have 20 minutes to ask questions, the crossbench members and the Chair, as a crossbench member, will have 10 minutes and Government members will have 20 minutes. If honourable members run out of questions, the Committee will move on to the next set of questions. I declare the proposed expenditure open for examination. Do you wish to make an opening statement?

Ms McCLELLAND: No.

The Hon. CATHERINE CUSACK: Thank you for your attendance today. I refer to your understanding of the purpose of this estimates committee inquiry. This is the means by which the Parliament can obtain information on budget portfolios and the way agencies implement policies. The questions that were put on the *Notice Paper* are our means of getting information about departmental policies and procedures. The Committee has reconvened its examination of this portfolio because the responses it received were not informative. First, I refer to question 10. My colleague asked how many home school liaison officers are employed by the Department of Education and Training. The answer was that the ratio of officers to students varies. Can you provide more information about how many home school liaison officers are employed by the department?

Ms McCLELLAND: The ratio of home school liaison officers to students varies from district to district because of different attendance patterns. Some 96 home school liaison officers are employed by the department. Of them, 12 are specialist Aboriginal student liaison officers. In addition, the department has a number of other community liaison officer-type officers who work with communities from non-English speaking backgrounds in a broad range of areas.

The Hon. CATHERINE CUSACK: Is that in addition to the 96?

Ms McCLELLAND: Yes.

The Hon. CATHERINE CUSACK: What about the 12 Aboriginal student liaison officers?

Ms McCLELLAND: No, they are included in the 96.

The Hon. CATHERINE CUSACK: How many are allocated to primary schools versus secondary schools?

Ms McCLELLAND: I do not have those figures with me. I understand that they work across the field. They look to work with schools and district office staff to put in place various strategies and programs to target and improve attendance at schools. Their focus will vary depending on the needs of the district and the apparent problems. In addition to these positions, as a result of negotiations between the NSW Police and the department, a very productive forum referred to as Task Force Var has been established. One of the initiatives was designed to help improve attendance and as a result of

that there is now a new program called the Priority Action Schools Program. It is a \$16 million program targeting 72 or 74 schools.

Those schools are provided with a substantial amount of money—up to \$400,000 in some cases—to put in place a range of strategies to help with issues such as poor attendance, behaviour problems and a range of other issues that might be impacting on student learning outcomes in those schools. The initial results indicate that the program is very effective. I have recently met with a group of principals from south and south-western Sydney who have been involved in the program. The stories about turnarounds in attendance and student participation were very encouraging. Home school liaison officers are only one part of the solution to encourage students to attend school.

The Hon. CATHERINE CUSACK: I understand that. It was a clear-cut question. An honourable member asked how many computers were stolen from schools in the 2002-03 financial year. The answer was that the Government is committed to preventing the theft of computers.

Ms McCLELLAND: Some figures on numbers of computers stolen were released in response to a freedom of information request last year. However, I do not have the figures with me.

The Hon. CATHERINE CUSACK: My question relates to the *Notice Paper*.

The Hon. PATRICIA FORSYTHE: Those figures were included in discussions in last year's estimates and we are trying to get an update.

Ms McCLELLAND: Mr Bowles has advised me that the figures for the previous year were approximately 2,500. The figure for the 2002-03 financial year is 1,728. Since July 2002 more than 35,500 new computers fitted with security devices have been supplied to schools. In addition, we have had a major exercise with our Safety and Security Directorate, which has been working with the police to look at where theft has been occurring and the patterns of theft. You might have read in the paper a couple of months ago about a successful operation where police targeted a ring of people who were involved in the theft. It is estimated that more than 35 per cent of our school computers are fitted with security devices. Not only are we fitting the new computers, but as the existing computers reach the end of the lease cycle they are replaced with computers that are fitted with security devices. Those measures, together with other security measures—including increased fencing in some schools and improved surveillance of schools—are bringing down those numbers substantially.

The Hon. CATHERINE CUSACK: What is the estimated value of the computers stolen last year?

Ms McCLELLAND: Approximately \$3 million.

The Hon. PATRICIA FORSYTHE: Last year an issue discussed at estimates was a pending court case involving a subcontractor of a security firm of a school who was apparently charged in relation to some theft of computers. Arising out of that, has there been a review of security policies in relation to subcontracting security officers?

Ms McCLELLAND: I do not recall the specifics of the case you are talking about, but I remember that there was some publicity about it. The Safety and Security Directorate, which was established last year, now has responsibility for school security. Not only is it looking at our contracting arrangements, but it is also looking at the strategies that were used to put in place throughout our schools. I do not have details as to the specifics of subcontractors.

The Hon. CATHERINE CUSACK: Do you agree that as Director-General you have a duty of care to your employees?

Ms McCLELLAND: Absolutely.

The Hon. CATHERINE CUSACK: Who is ultimately responsible for ensuring that your employees work in an environment where they have the resources and the support that they need to do their job?

Ms McCLELLAND: One of my responsibilities under the Occupational Health and Safety Act is to ensure that employees have a safe environment in which to work.

The Hon. CATHERINE CUSACK: I am particularly interested in ensuring that employees are not put under any pressure to act either unethically or illegally in the way they might perform their duties.

Ms McCLELLAND: Again, that is also a responsibility of mine as the employer and as Director-General. In fact, we have been working with various stakeholders to develop and refine a code of conduct for staff employed in the department that emphasises the need for ethical behaviour, and the types of behaviour that we expect of our employees, particularly in certain circumstances.

The Hon. CATHERINE CUSACK: Do you see that as important?

Ms McCLELLAND: I think I answered that in my answer to the first question.

The Hon. CATHERINE CUSACK: In 1996 the ICAC recommended that all agencies have codes of conduct to assist their employees. Do all agencies under your control have codes of conduct?

Ms McCLELLAND: I thought I answered that in responding to your second question; perhaps I was not clear enough. We have been working with our stakeholders to develop a code of conduct. I have to say there has been some resistance from some industrial organisations, first, to having a code of conduct and, second, to the content of that code of conduct. We have had several drafts over a couple of years and there has been extensive consultation.

The Hon. CATHERINE CUSACK: On your web site there appears to be a code of conduct for schools and a code of conduct and ethics for TAFE as separate codes for each agency?

Ms McCLELLAND: To date they have had separate codes, but we are looking at one to bring the two together. That is part of the redrafting of the revised code.

The Hon. CATHERINE CUSACK: I have not been able to identify a code of conduct for the Department of Education and Training.

Ms McCLELLAND: The document we are working on covers all staff throughout the department.

The Hon. CATHERINE CUSACK: At the moment everybody under the department has a code of conduct that they are working to, except the Department of Education and Training. Is it correct that the schools, TAFE, higher education and the boards have codes of conduct to which they can relate?

Ms McCLELLAND: I am sorry, but I do not understand the question.

The Hon. CATHERINE CUSACK: Is there a code of conduct that applies to schools?

Ms McCLELLAND: Yes.

The Hon. CATHERINE CUSACK: Is there a code of conduct and ethics that applies to TAFE?

Ms McCLELLAND: Yes.

The Hon. CATHERINE CUSACK: Is there a New South Wales-only code of conduct?

Ms McCLELLAND: Yes.

The Hon. CATHERINE CUSACK: Is there a professional responsibilities of teachers code of conduct that obviously applies to schools?

Ms McCLELLAND: I am not sure which ones are draft and which ones are not.

The Hon. CATHERINE CUSACK: They are all listed on the web site as being codes of conduct, but I cannot find any code of conduct for the Department of Education and Training.

Ms McCLELLAND: Senior executive service officers are covered by the SES code of conduct that is part of the conditions of the SES. Most of the people employed in the Department of Education and Training—I would have to go to the specifics—would be covered by the one relating to schools and other parts of the department.

The Hon. CATHERINE CUSACK: Listed on the web site are two documents produced by the Ombudsman called "Bias, Bad Faith and Breach of Duty" and "Conflict of Interests". I presume they are the policies of the department in relation to ethics?

Ms McCLELLAND: Policies are set in the context of whole of government and we rely on advice and frameworks that are set by organisations such as the Ombudsman's Office, the ICAC and the Premiers Department. Sometimes our policies are made more specific to the department because of specific circumstances of where people are working.

The Hon. CATHERINE CUSACK: In 1996 the ICAC asked each individual agency to develop its own code of conduct. Virtually all government agencies have done so. However, I cannot identify one for the Department of Education and Training.

Ms McCLELLAND: If I may clarify my response to that, which obviously I have not made clear. We have been working on a revised code of conduct over a couple of years, involving extensive consultation with stakeholders, and I mentioned some of the hurdles we have had to overcome to get there. We are now fairly close to being in a position to release that.

The Hon. CATHERINE CUSACK: I now refer to guidelines for freedom of information applications. On 6 October the Premier's Department issued a memorandum drawing attention to the Ombudsman's guidelines for freedom of information applications. It provides, "It is essential that determinations of freedom of information applications are made by the agency on the merits, based solely on the criteria set out in the Freedom of Information Act and independent of political influence or considerations." Would you agree with that policy?

Ms McCLELLAND: Our policy has been revised recently as a result of the inquiry by the Ombudsman into the handling of freedom of information relating to Hunters Hill. We revised our policy substantially. We referred it to the Ombudsman's Office for comment, and the response we have had back from the Ombudsman's Office about our revised policy has been very positive—which picks up many of the points that were identified in its criticisms about our handling of that previous application.

The Hon. CATHERINE CUSACK: Would you support the Ombudsman's guidelines, which say that the determinations need to be free of political influence or considerations?

Ms McCLELLAND: We operate within the context of the Government's policies, the guidelines and the law.

The Hon. CATHERINE CUSACK: Do I take that to be a yes?

Ms McCLELLAND: Yes.

The Hon. CATHERINE CUSACK: In relation to the new policies that have been developed by the department, I draw your attention to the flow charts that have been devised by the department in relation to how a freedom of information application would be handled. Have you seen those flow charts as part of the policy?

Ms McCLELLAND: I have, but I have not seen them recently.

The Hon. CATHERINE CUSACK: I show you a copy of the flow charts. In reviewing the procedures and looking at the flow charts, I cannot find anything on those flow charts to suggest that a freedom of information application should be forwarded to the Minister's office.

Ms McCLELLAND: In what sense?

The Hon. CATHERINE CUSACK: That the Minister's office would need to be notified about freedom of information applications or involved in any of the determinations.

Ms McCLELLAND: I presume you are referring to the comment in the Auditor-General's report in relation to one case in the Department of Education and Training.

The Hon. CATHERINE CUSACK: Yes.

Ms McCLELLAND: That case involved the release of information that had to be produced in tabular form, as I understand it. The content of the material that was released did not differ from any of the information in the tabular form, but there were explanatory notes provided to put it into some context. So the information that was sought was released, with additional information to explain the context and the details of that information.

The Hon. CATHERINE CUSACK: In relation to freedom of information applications made to the department, are they routinely notified to the Minister's office?

Ms McCLELLAND: Mr Bowles is able to discuss the procedures there. But my understanding is that decisions about the information to be released and the interpretation of the Act are made by departmental officers on the merits of the case and without political interference.

The Hon. CATHERINE CUSACK: Would freedom of information applications by any persons to the department be notified to the Minister's office?

Ms McCLELLAND: The Minister's office would be kept informed of applications that might be received, and the Minister's office would be kept informed of information that had been released.

The Hon. CATHERINE CUSACK: Would that be at the time of the release of the information, or are they involved in the determination of this prior to the determination being made?

Ms McCLELLAND: The determination is made by officers of the department on the merits of the case and in accordance with their interpretation of the Act.

The Hon. CATHERINE CUSACK: Would Dr Bendall be the senior person in your department making those determinations?

Ms McCLELLAND: Dr Bendall is the officer making those determinations, based on advice from the area that has primary responsibility for collecting that information. I am sorry, I have just received verification that he is not the determining officer. Mr Bowles might like to clarify that.

Mr BOWLES: Dr Bendall is not the determining officer for freedom of information applications; that is usually a senior officer of the department.

The Hon. CATHERINE CUSACK: Could you have a look at that flow chart and explain how the decision is made as to who the determining officer would be?

Mr BOWLES: Without reference to the paper for a moment, who is the determining officer depends on who has primary responsibility for the particular issue at hand.

The Hon. CATHERINE CUSACK: How is that determined?

Mr BOWLES: Through Dr Bendall's area. He will make an assessment of the issue, and then he will refer it to the relevant deputy director-general, and also copy in other deputy directors-general, in trying to make sure we capture all issues at hand.

The Hon. CATHERINE CUSACK: In relation to these flow charts and those guidelines, are they a complete set of the department's policies on freedom of information?

Ms McCLELLAND: I am advised by Dr Bendall that they relate to non-personal applications, not personal applications. The majority of the applications we receive relate to personal applications. I think it is only about 30 per cent that are non-personal. But the non-personal applications were the applications that were the subject of a review by the Ombudsman, hence the focus on those in that document.

The Hon. CATHERINE CUSACK: Are there any other guidelines relating to how non-personal applications are managed?

Ms McCLELLAND: My understanding is that the new guidelines are our guidelines on that, and they replace the previous guidelines. As I said, they were developed in the context of meeting the issues that were raised by the Ombudsman's Office in relation to Hunters Hill.

The Hon. CATHERINE CUSACK: When Dr Bendall receives an application and decides who the determining officer will be, for example, do these guidelines explain how he makes those decisions? Do you not have any other guidelines or requirements that you need to pay attention to, or that influence your decisions as to who you allocate and who you notify about these applications?

Ms McCLELLAND: Many of the matters are fairly straightforward. For example, if it is a properties matter the obvious person to refer it to would be the deputy director-general corporate services, who has responsibility for properties. However, there may be some circumstances in which, for example, the district office might also hold some material, in which case the deputy director-general schools and the relevant district superintendent might also be asked for information. Similarly, information about personnel matters would typically go to the deputy director-general corporate services, who has responsibility for personnel. But there may also be some other parts of the department that might have relevant documents. We try to trawl as many of those areas as possible to ensure that we capture all documents. Again, that was one of the issues raised by the Ombudsman in the Hunters Hill case. He was critical of the department's failure to capture some documents because we had taken perhaps too narrow a focus on who might have access to them.

The Hon. CATHERINE CUSACK: These guidelines are the only guidelines that you have to use when you are making those decisions?

Dr BENDALL: Except that I also refer to the Premier's Department guidelines and the Ombudsman's guidelines, as obviously the whole of government does.

The Hon. CATHERINE CUSACK: Are the Premier's Department guidelines I have just referred to the guidelines that you refer to?

Dr BENDALL: The Ombudsman's guidelines and the Premier's Department guidelines are separate documents. The Premier's Department guidelines were put out in 1994, and I understand that the Ombudsman produced a set of guidelines in 1994 and a further set in 1997. My understanding is that they have been working to produce one set of guidelines between the two agencies that would be the whole-of-government guidelines, but they are still in draft form and they cannot reach agreement on some points. So the 1994 guidelines from the Premier's Department are the most up-to-date guidelines.

The Hon. CATHERINE CUSACK: So no other document or directive influences how you allocate those things?

Dr BENDALL: No.

Ms LEE RHIANNON: There were two parts to question 7, and the second part was not answered. It was a question with regard to private schools that receive subsidies on their interest payments. There was a lengthy answer to part (a) of the question. Part (b) of the question was: Will the department release the reports which result from these checks? There was not an answer to that part of the question. Would you like to comment on that? Is it possible to get an answer now, or would you like to take the question on notice again?

Mc McCLELLAND: I am trying to find that question.

Ms LEE RHIANNON: It is question 4 in the document dated 3 September.

Mc McCLELLAND: In answer to the question about the release of those reports, we do not normally release the information provided in them because of commercial-in-confidence considerations, but I am advised by my people that the Interest Subsidies Management Committee will have a closer look at the checks that are put in place to ensure that the funding is being appropriately allocated, and discuss how that might occur. In addition, that committee will look at the protocols currently relating to the provision of that subsidy.

Ms LEE RHIANNON: When do you expect the Interest Subsidies Management Committee to report on those matters?

Ms McCLELLAND: That committee meets on a reasonably regular basis to look at the operation of the scheme and to talk about operational matters. I am advised by my people that they are happy to raise the issue of checks and whether they need to look at further checks that might be put in place.

Ms LEE RHIANNON: Would you expect that committee to report to the Minister sometime in the new year?

Ms McCLELLAND: Yes. They normally report to the Minister through me on any proposals or changes they might recommend.

Ms LEE RHIANNON: Do you anticipate that that report will be made public?

Ms McCLELLAND: Any changes that might be made to this scheme would normally be announced by the Minister.

Ms LEE RHIANNON: Can you advise this Committee of the current role of the Learning Materials Production Centre within the Department of Education and Training and where the centre's current functions will be placed within the proposed new structure of the department?

Ms McCLELLAND: The Learning Materials Production Centre plays a very important role in providing learning materials for, particularly, students undertaking distance education in New South Wales. A large number of students in rural and remote areas of the State are undertaking distance education. The work of that unit is highly regarded and we would want to see its work continued. The plan we have under the current proposal—we are now reviewing the consultation we have had on that current proposal—is that the Learning Materials Production Centre will form part of a new online learning area, and that will bring together a range of different parts of the department that are currently producing materials and working on online learning.

Currently, we have about four or five different sections of the department working on different resources. We want to bring all of them together, so we will have a very rich array of resources for students and also for teachers, so they can access material, regardless of whether they are in TAFE, or in schools, or in remote parts of the State. The Learning Materials Production Centre's role will be an important part of that online learning area.

Ms LEE RHIANNON: Do I understand you correctly to have said that all of that material will be online?

Ms McCLELLAND: Not necessarily, no, but it will all be going online. One of the important issues that people are raising with us during the consultation is that although online learning is great and gives teachers access to material very quickly and readily, there is a place for print material for teachers and students—not in all cases, but in some cases—because they value the existence of print material. That is particularly so for some distant education programs; print material is very important for them. But the combination of having some material available in print, having access to teachers online, and being able to engage with other students online, will improve the richness of the services and support that we can give students and teachers in those areas.

Ms LEE RHIANNON: I understand that last year it cost more than \$70,000, and took nearly six months, to select the right subject specialists, that is, the material development experts and support staff at the Learning Materials Production Centre. Are you confident that the new system that you will have in place will be able to match that level of staff development, or improve on it, and what funds have been allocated to the recruitment process for the new proposed structure?

Ms McCLELLAND: If I could answer the second part of the question first. When we finally go out with a new structure we will also put out details of processes and procedures that we will put in place to fill those positions. Our first obligation will be appoint staff whose positions have not changed, or where there might have been a number of people competing for positions. So, initially, most of the positions will be filled through internal placement procedures, before we even go out to the marketplace for new recruits, because we have a large number of people with skills and expertise that we want to keep. As to a costing of that process, I do not have details of that.

Ms LEE RHIANNON: When will you have details, and will they be available?

Ms McCLELLAND: The details of the placements procedures will be released around the same time as we release details of the new structure. My expectation is that it will take some time, from when the new structure is announced, to work through all those placement procedures—which we are currently negotiating with the relevant unions—to the time we have those positions filled. In the meantime, staff will continue to work in the roles they currently have.

Ms LEE RHIANNON: In the budget you have, I think, \$73 million allocated for rural education. Given that the Learning Materials Production Centre develops flexible learning materials for disadvantaged and isolated students, can you say that rural education will not be disadvantaged in the restructure.

Ms McCLELLAND: In fact, rural education is a very important priority for us. Currently, we have 40 district officers spread throughout New South Wales. One of the points made to us in the original consultation was that schools really liked having a smaller grouping of schools to relate to. In fact, that was highly valued. Under the revised proposal that is out for consultation, we will increase the number of school groupings to 44, including a new grouping in the Bourke area to provide focused support for schools in Bourke, Brewarrina and Lightning Ridge—those very remote schools—an additional position in Muswellbrook, one in Wyong, and one in the growth area of Windsor-Kellyville. The rejigging and the putting in of those additional resources have meant that we are able to sustain the support we currently have in other parts of the country, and that we have a number of very important education support centres supporting rural schools.

A vast array of initiatives is being put in place to support rural schools. The importance of attracting teachers to those locations is critical. We have had a number of incentives in place for some years, particularly the Incentive Transfer Program, which is seen by the teachers as very important. They are prepared to go to a school for a particular time, with a guarantee of transferring back to a location of their choice at the end.

But in addition to that, there are some new initiatives that have been announced recently: improved teacher housing subsidy for teachers going into those locations, which teachers have been saying to us is an important factor for them; a new retention benefit that was piloted last year; and as well as getting teachers to go out to those locations, communities are saying that it is fine to have them transferring back, but that they want to have better continuity. So we have offered a \$5,000 incentive for teachers to stay in those locations beyond their normal period of service. Also, the Minister recently announced some new enhanced leave provisions for teachers in the very remote locations—

between three and five additional days depending on where they are located—so they can attend to normal domestic arrangements such as medical services for children, all of those things, taking into account the distance. So there is quite a significant package of initiatives in addition to the specific targeted funding for schools in country areas and distance education.

Ms LEE RHIANNON: I am aware of studies by the Teachers Federation and how they have talked about a looming crisis in teacher numbers in rural New South Wales, particularly in western New South Wales. In addition to the incentives that you have talked about, have there been any studies on attracting teachers to these areas and then keeping them there? Have you got any comparative figures on how it is working?

Ms McCLELLAND: We did some research some years ago in terms of what were the most significant factors for teachers. By far the most significant was the capacity to transfer out after a designated period. So we have had that as a foundation for our incentive programs for some time. The retention benefit that I mentioned, this is only its second year of operation so it is really too early to say. I will probably be able to get some figures, but certainly a substantial number of teachers were paid the benefit last year and again this year, which is an indication that they have stayed on a year longer than they would have otherwise. It is a bit early days but we will see.

Again, the leave provisions have only just been announced so it is a bit early days. Our figures are showing us that there are some pockets where there are projected teacher shortages, mainly in maths, science and technology, but we also have targeted scholarship programs and a range of other initiatives to get teachers to those locations.

Ms LEE RHIANNON: So are you saying it is still too early days to have comparative figures?

Ms McCLELLAND: In terms of some of those specific initiatives that I talked about it is too early days to look at it but what we can do is look at our projected supply of teachers for those locations based on our estimates of where the vacancies will be and project whether we are going to be able to fill them. As well, we are working very closely with the universities to encourage teachers to go to those parts of the country for their practicum and we take out groups of students to visit those locations, to meet the community members and the schools, and we are finding that familiarisation and just feeling comfortable about those environments is proving to be very effective.

Ms LEE RHIANNON: Could you provide on notice some figures to the Committee on the current number of teachers and what you were just talking about in terms of projected supply so in future estimates we will have a baseline for comparison?

Ms McCLELLAND: Yes. Our projections tend to be based on groupings in different parts of the State, different areas of the State, breaking the rural community down into parts. So we have some broad indications, but normally we talk in terms of rough overall figures and shortages and we target our scholarship and other recruitment programs accordingly.

Ms LEE RHIANNON: Would you take that on notice and provide some figures so we have some comparison next time we meet?

Ms McCLELLAND: I will take your request on notice.

CHAIR: Ms McClelland, you mentioned the security devices on computers. Could you explain those security devices and how they prevent computers being stolen?

Ms McCLELLAND: They are called lock-down devices. They are security lock-down devices that are attached to the computers and they lock them down. I might refer that question to Mr Bowles, who has more knowledge of the technical aspects.

Mr BOWLES: It is a device that is attached to the computer box and to the desk. It stops people being able to pick up the computers. Ms McClelland said we had some security issues around the removal of computers from schools. Indeed, we have seen camera footage of people trying to steal computers with lockdown devices on them. They find they cannot and they basically give up and take

off. The device attaches itself to the computer, and then to the desk, and every new computer that is installed or changed over at the end of the lease has a lock-down device.

CHAIR: If the desk were small, it could be removed with the computer?

Mr BOWLES: If in fact it was small enough I suppose that could happen. A lot of these computers are built onto benches along walls. It just depends on each school. But, yes, I suppose if there was a small desk you could probably do that. But obviously it makes it a lot more difficult for people to do that.

CHAIR: I have noticed in visiting schools in the metropolitan area that some schools have the higher security fencing, others do not, and some have very little fencing. How do you evaluate what schools will have fencing? Or will all schools eventually have fencing, and it is just a process of time and funds?

Ms McCLELLAND: Not all schools want fencing or need fencing. Fencing has been put into schools in areas where there has been deemed to be a need for fencing. Our safety and security directorate, which was established last year, has done an assessment of schools and has identified the schools where fencing could well be a deterrent and an added security device. There is a program and a commitment to put in place fencing over the next few years, and the schools that have fencing are receiving it very favourably. It looks attractive and they feel secure.

There is also a very significant improvement in the statistics, and I will just give you some indication. We did a review of pre- and post-fence installation incidents at 37 schools. Based on incidents reported, the survey showed that following the installation of the fencing there was a 76 per cent reduction in vandalism, an 81 per cent reduction in illegal entry, a 79 per cent reduction in trespass, and a 100 per cent reduction in fire. So the benefits are really proving to be quite substantial. As well, there is the added benefit of improved morale and the appearance of those schools.

CHAIR: Questions were asked earlier about the interest subsidies on loans for approved building projects—as per page 6-30 of Budget Paper No. 3, Volume 1. There have been some reports in the media that there have been calls for the interest subsidies scheme to be abolished or reduced. As you know, the Government, through the former Minister at the time of the last election, gave a written undertaking to the New South Wales parents council to retain the interest subsidies scheme. In view of statements in the media that the interest subsidy scheme should be abolished or cut back, are you aware of any discussion or plans to either vary or abolish it?

Ms McCLELLAND: As you said, the interest subsidy scheme provides subsidy for non-government schools building programs. There has been a review of non-government funding arrangements and the whole area of non-government schools by Warren Grimshaw, a former head of the Ministry of Education. His review is being carried out in two parts. The first part relates to the regulation of non-government sector reporting arrangements that might be put in place. There have been some ongoing discussions with representatives from the non-government sector about that. The second part relates to funding of non-government schools in the context of Commonwealth funding policies, State Government funding policies, and a whole range of policies. I understand that Mr Grimshaw is due to report some time later this year or early next year.

CHAIR: There is no definite date?

Ms McCLELLAND: I do not have a definite date, no. I would expect that it would be a bit later this year or early next year.

CHAIR: You would have no idea as to what recommendations would be adopted or when they would be implemented?

Ms McCLELLAND: No.

CHAIR: I refer to Page 6-31 of Budget Paper No. 3, Volume 1, per capita pupil allowances to non-government primary schools and secondary schools. A calculation of these allowances is done

at the discretion of the Minister under section 21 (2) of the Education Act. Is this matter part of the ongoing review of non-government schools being conducted by Mr Grimshaw?

Ms McCLELLAND: The 25 per cent per capita grants come from the Education Act itself. I understand that Mr Grimshaw would probably look at funding for the non-government sector and there are two main components. The first is the per capita grants and the second is the interest subsidy scheme. I would expect that, as part of that review, he would look at how both of them are operating in the context of Commonwealth funding policies that have changed substantially in recent years.

CHAIR: As you know, computer skills assessments have become a very important part of the education system. Will the Department of Education and Training conduct statewide tests at no cost to non-government schools, or will those schools be refunded the cost to undertake the year 6 test developed by the department and proposed as part of the requirements for annual reporting by non-government schools?

Ms McCLELLAND: In 2002 the test was conducted in pilot form in 170 Government schools and 11 Catholic schools. In 2003 the "paper and pencil" component was held in all New South Wales Government schools and 85 Catholic schools. The pilot was expanded to 479 Government schools that did some online component as well. I am advised that a cost-recovery charge is applied for participation in those tests to cover the cost of investment of development by the department and the instruments developed as a result.

CHAIR: I have been advised that it costs a non-government school approximately \$44 per student: the cost ranges from \$37 per primary student to \$52 per secondary student to provide skills test in years 3, 5, 6 and 7. Do you know the cost of providing the years 3 and 5 basic skills test, the year 6 computer skills test, the year 7 English language assessment, and the Secondary Numeracy Assessment Program [SNAP]?

Ms McCLELLAND: I would need to take that on notice.

CHAIR: When the 25 per cent grant was established we did not have all these requirements. Would there be any consideration of a special refund to cover the tests for non-government schools so they are not disadvantaged?

Ms McCLELLAND: I would need to take that on notice as well.

CHAIR: You mentioned the Grimshaw report. Have any recommendations of the Vinson report, which I know was not a departmental report but a Teachers Federation report, been adopted or considered?

Ms McCLELLAND: Many of the Vinson recommendations are being implemented in some way or another—perhaps not in the exact form that Vinson recommended, but the spirit of them. You will recall that Vinson talked about class size reductions in the early years of learning. That is a very important program at the moment. We are commencing a program to reduce class sizes in kindergarten and years 1 and 2 in the next few years, commencing with the kindergarten classes in many priority schools funding program for schools next year.

Recommendations about additional professional development and allowing schools to have a greater say about their professional development was referred to by Vinson. He also made some recommendations about students with special needs and students with behavioural problems. Some of the programs and policies being put into place by the department reflect some of Vinson's thinking, although they are not exactly the same. Some of the work we are doing in the restructuring of the department, attempting to bring schools and TAFE closer together, reflects some comments that Vinson made about students in the 14- to 19-year-old age group, and the opportunities that might be enhanced if schools and TAFE were to be more closely aligned and work more closely together. They are just some examples of some of the areas where Vinson is being implemented.

The Hon. JAN BURNSWOODS: Could you tell the Committee what action the department is taking to improve learning outcomes for Aboriginal students in Walgett?

Ms McCLELLAND: I was very disappointed to read the article in today's *Daily Telegraph* about Walgett and some of the concerns that have been raised there. We have been doing a lot of work in the Walgett community. At the beginning of 2003, in recognition of the needs of the community the Walgett Community College was established. We have put in additional resources. An additional 11 teaching service positions and 2.5 teachers positions have been made allocated to the college at a cost of \$735,000. We have also implemented a number of programs. It was very disturbing to read the report today about student attendance. There was the suggestion that on one day only two students attended school. I am told that was the day of a local teachers strike and that there have been no other days when only two students have attended.

That is not to say that we cannot improve attendance rates at Walgett. Attendance rates are certainly below those of the rest of the State. There is a group of students with chronic attendance problems and we have been working with the students to try to improve this and to look at innovative ways of encouraging those students to come to school. Walgett High School has an enrolment of 123 students and there are probably around 20 students who have particular problems, but the average daily attendance rate for high school students is around 70 per cent. That is lower than the normal attendance rate. I am not suggesting for a moment that we cannot improve it, but it is certainly nothing like what was reported in the *Daily Telegraph* today.

There is a range of programs to improve attendance, for example, teacher encouragement. The teachers at Walgett are highly committed to the work they are doing and I would like to acknowledge the commitment of those teachers. They are extremely dedicated and are trying their very best to put in place programs, some of which are really quite creative. There is a mentoring-through-young-people-at-risk project for chronic non-attendees. They have learning support teams. They have also looked at ways to make the front office more attractive, and have welcoming staff. They follow up with individual students. Both the primary and high schools have breakfast programs. They also involve the kids in role monitoring, in helping them to monitor their own attendance.

We work very closely with home school liaison officers and NSW Police. There is a street beat twice a week, an effective home school liaison program and elders camps. These are some examples of the programs we are putting in place there. We also have programs that we are trying to put in place to work on the prevention side, such as recognition and awards to encourage students by enhancing their self-esteem and praising them for their achievements. There is a focus on interagency by working with other organisations such as NSW Police, the Department of Community Services, the Department of Health, local council and local business people in Walgett so that the school is seen as part of the community and working closely with the community.

A promotional strategy has been developed in consultation with young people called "Don't be a fool, go to school", designed to encourage those young people to believe that it is quite cool to go to school. Teachers are constantly looking at ways of making the curriculum more interesting and the learning more innovative, so that the kids really do not feel like it is imposed on them; they have more control over their own learning and they can enjoy their learning. There is additional staff support. There is a co-ordinator of college programs and a co-ordinator of student service. They both play an important role in the development of local initiatives. There is special education support, with two support teachers for behaviour and three support teachers for mild intellectual disabilities. They provide targeted programs.

There is a strong focus on the college and their planning on student support and behaviour. There has been a significant reduction, despite the *Daily Telegraph* article, in both short and long suspensions at the college since the beginning of this year, from 55 down to 19 in primary for short suspensions and 37 down to 4 for long suspensions. That is a fairly dramatic reduction in the number of suspensions, just in the short time that this model has been in place.

We are working very strongly on literacy. Foundations in literacy and numeracy are critical. There is a strong focus on literacy planning and programming, with detailed literacy plans across both primary and high schools, with literacy teams working in both sites. I mentioned support for students with learning difficulties. There are 2.3 support teacher learning positions—1.5 in primary and 0.8 in high school. There are support classes for students with mild intellectual disabilities, with 15 Aboriginal tutors employed for in-class tuition and five Aboriginal education assistants. That is contrary to the impression one would have gained from reading the report this morning, the

implication being that there are very few Aboriginal staff working in the school. There is a strong presence of Aboriginal staff working in the school to provide role models and to support those students.

There are also additional resources in the form of books that are written from an Aboriginal contextual basis and in a style that is attractive and appealing to Aboriginal students, as well as high interest books purchased for high school students to support a reading program. There is a daily reading program in the high school in which students in year 7 and year 8 read to someone every day. There is in-class tuition in primary school and speech and language programs run by people with expertise. There is also support for medical issues, such as hearing, with people coming in to assess the hearing of students and take any remedial action that might be necessary. A strong focus is also on supporting teachers, and I have mentioned they are doing a fantastic job.

The primary assistant principal position was upgraded to deputy principal to attract an experienced person to support beginning teachers in literacy. There is strong support for teachers to attend training programs and focus on literacy. I mentioned the additional resourcing and staffing of the college. In addition to the normal school entitlement, there is a college principal, a co-ordinator of college programs, a co-ordinator of student support and the position of assistant principal has been upgraded to deputy principal. There is an above establishment assistant principal primary, a head teacher mentor and four additional teachers—two primary and two high; two support teachers behaviour, one primary and one high; and two teachers aides behaviour support, one primary and one high, and a 0.5 college clerical support. As well, there are four casual teachers who provide built-in relief to cover those teachers who might be absent.

I mentioned a moment ago Aboriginal staff; 24 Aboriginal staff work in the college in various roles, including class tutors, and six Aboriginal teachers are employed in various roles at the college. Two Aboriginal teachers are allocated to support roles so they work across the college rather than having full-time classroom responsibility. I mentioned the importance of partnerships. There are strong partnerships with the Walgett community. The college is trying to promote and provide increased opportunities for community participation. There is a program operating in the Walgett area called Rivertown, which is an across-agency program. Specific action programs and initiatives include the Walgett community education board. There has been an interim Walgett community education board, which met six times this year, and is providing significant input into college planning so that it ensures that it meets the needs of the local community.

Members of the college executive also attend regular meetings of the Aboriginal education consultative group in Walgett to ensure that at those meetings they talk about what is happening at the school. There is strong interagency collaboration and strong Aboriginal parent community association [APCA] involvement in the school. Then there are programs such as community solutions. There is a vast array of initiatives. We do not suggest for a moment that we have got it perfect but we are trying and we are committed to turning this around.

Our basic skills test results this year, putting aside Walgett specifically, show that we are starting to make inroads into that gap between Aboriginal students and other students. In the lowest bands in the basic skills test this year, the performance of Aboriginal students improved and is starting to come closer to that of other students. We are committed. The Minister has announced a review of Aboriginal policy. He has set some fairly strong and clear targets to be achieved by 2010 and we are working very closely with the Department of Aboriginal Affairs to have a comprehensive plan for education to meet the needs of Walgett as well as those of other Aboriginal students.

The Hon. JAN BURNSWOODS: Could I ask a question now in relation to the class size reductions, kindergarten to year 2. I am referring specifically to Budget Paper No. 3, Volume 1, page 6-5, which shows \$329 million being provided in additional funding over the next four years for reduced class size from kindergarten to year 2. Can you indicate the implementation timetable for this initiative, and outline the findings to date on the pilot that was done over the past year or so on the reduction in class sizes, K-2?

Ms McCLELLAND: As you said, this is a substantial program. There is \$320 million of new money that has been allocated to this program. That includes capital funding of \$107 million to implement the class size reduction program. As I mentioned in an earlier answer, the plan is to reduce

the class sizes in kindergarten and years 1 and 2 by 2007. Kindergarten classes will be down to an average of 20, year 1 will be down to an average of 22, and year 2 will be down to an average of 24. We are progressively implementing this program over a number of years, starting firstly with kindergarten students in the priority schools funding program, which used to be the disadvantaged schools program. Those schools will be the first to have their kindergarten class sizes reduced and then the following year the other kindergarten class sizes will come down. In the next year, year 1 schools in priority schools funding schools will have their class sizes reduced to 22, followed subsequently by all other year 1 classes and then similarly with year 2, so it will be implemented over a number of years.

The program will ultimately deliver an extra 1,500 new teachers into the system. As well, I mentioned the capital funding to build and install additional classrooms. You might have seen some press reports of a new design that we commissioned to provide accommodation in those schools where they cannot accommodate these class sizes because their accommodation does not provide for the extra spaces. The planning for any change in class sizes started clearly to occur with the pilot that you mentioned. There was a \$5 million pilot in which we reduced class sizes in a number of schools. At the same time we did an audit of all class sizes right throughout the State and also accommodation needs, so we were in a good position to know where the needs were and where we needed to target additional accommodation. The early indications of that pilot are that it has been very well received by the schools where they have had their class sizes reduced.

Teachers are talking about being able to spend more time with individual students, feeling good about their progress, and observing more interest and engagement with the students. At this stage it is too early to look specifically at educational outcomes but we have been working very closely with Professor Bob Meyenn from Charles Sturt University who is basically setting up a research foundation for us. When I say "a research foundation", it is the foundation for further research so that we will be able to look at the longitudinal benefits of the class size reduction program. It is a very important initiative. We have had a team involving all of our key players working together co-operatively to develop the implementation strategy. I feel very confident that it will be very important and very beneficial to young people.

The Hon. JAN BURNSWOODS: I refer to Budget Paper No. 3, Volume 1, page 610, where there is a reference to 16 primary schools, two new secondary schools and one school for special purposes [SSP] to be constructed under a funding arrangement with the private sector. Can you tell us something about the mechanics of the scheme and the calculations about the long-term financial benefits and other benefits in relation to entering this scheme? What will happen to the schools concerned at the end of the lease period? Please address the questions of whether they refer to public ownership and, if they do, what the eventual cost will be?

Ms McCLELLAND: Under this program, which is typically known as the privately financed projects [PFPs], we are working with the private sector to build new schools at Horsley; west Dapto; Mungerie Park in the Rouse Hill area; Blacktown at Perfection Avenue, Stanhope Gardens, which is a primary school; a primary school at Kellyville and a special needs school at Kellyville; and primary schools at Shellharbour and Warnervale; as well as new secondary schools at Glenwood and Liverpool. The privately financed projects methodology involves the private sector financing the construction and operation of nine schools for a 30-year contract period. I am told that the value of the contract is \$133 million. We fund the capital costs as if it were a normal program and we pay back the cost of the construction works to Treasury over a six-year period. They have been the financial arrangements that have been negotiated with Treasury.

We also fund the recurrent costs from our normal program. The contractor is paid a monthly fee for the provision of services to the schools—services such as security, cleaning, building and grounds maintenance, waste services and a help desk for those services. There is a very strict contract so if the contractor fails to provide the services up to a pre-agreed standard or if the schools' facilities cannot be used for any reason because those standards have not been met or the contractor has failed in their obligations, then the contractor is not paid for the services for that period and for that failure. The contractor's achievement of these standards will be audited by the department on a regular basis, and formal, comprehensive audits will be conducted. The cost of this project, calculated over a 30-year contract period, will be about 7 per cent or \$9 million less than the cost of the way the department currently builds and operates the schools.

One of the main benefits from these arrangements is that we get the schools much faster than if we were to fund them in the traditional way. Most of these schools come on deck in 2004-05 whereas if we had gone the traditional way we could be waiting up to six years in some of those cases. Given the growth in the parts of the State where we are putting in those schools, it is very important that we have government schools in there quickly so that we are in there, along with other areas. There are also benefits for the principals and school administrators because they are relieved of many of the daily tasks of property management and they can focus on the core business of the department—the delivery of educational services. The contractor is responsible for the delivery of all the operational services required by the schools and provides a 24-hour, seven days a week help desk service for all schools under the contract.

The contracts are very detailed, and the services are detailed in output turns, not about processes. The department does not take the risk of detailing how the services are to be provided, but specifies how the services are to be required and when, so that we have very objective measures against which we can monitor the performance. The contractor will provide an on-site janitor during school hours and as well there is the undertaking that we will maintain the general assistance positions in those schools. The schools will be very well served in terms of their day-to-day support and maintenance.

At the end of the contract term schools revert to public ownership, at no cost to the department. Three years prior to the end of the term independent surveys of the facilities will be conducted and funds deducted from the final payment to the contractor to cover any reduction in the standard of the facilities below the pre-agreed standards. The test to be used is that all major life cycle elements such as roofs and pathways must have an expected usable life of at least six years beyond the end of the contract period. They are very tight requirements and we are very excited about that. I am told that the new facilities being built are very attractive; I have not yet had an opportunity to get around to see them all. It is a very exciting development.

The Hon. CATHERINE CUSACK: Dr Bendall, do you have a responsibility to prepare notes for the Minister's house folder in relation to FOI applications?

Dr BENDALL: By and large I understand that the Minister is giving briefings on the area covered by the documents that are going to be released with FOI applications. Largely they are produced by the determining officer, rather than myself. I tend to contribute some background as to what had happened during the FOI application, for instance, the course of the FOI application, and that would be all. The major responsibility for preparing those notes falls to the determining officer, not to myself.

The Hon. CATHERINE CUSACK: Who is the determining officer?

Dr BENDALL: For non-personal applications it is either the relevant deputy director-general or whoever that person appoints as their delegate. For instance, as the director-general has already pointed out, if it were a properties matter it would be directed to Mr Bowles. Mr Bowles would either determine that himself or he might ask the general manager of properties to determine it. That is the way that operates.

The Hon. CATHERINE CUSACK: So there is no single brief on freedom of information applications that go to the Minister's house file?

Dr BENDALL: I think there might be a general house folder note which simply talks about the requirements of the Act; the time limits, the way the Act actually works. If there is a general question about FOI, he has an answer to that. But certainly there is no general house folder note on all FOI applications.

The Hon. CATHERINE CUSACK: So there would be no house folder note about any particular FOI application? Perhaps the director-general could answer that, as she would be more aware of the Minister's house file.

Ms McCLELLAND: I am not aware of any specific briefings on a particular FOI matter. There may be briefings on issues which might be the subject of a request for information; for example, there have been recent requests for information about sick leave or stress leave. The Minister would, typically, have some house note on personnel matters such as those. So there could well be correlation between some of the issues sought and some of the house notes.

The Hon. CATHERINE CUSACK: Would that be initiated by the relevant assistant director-general? I am trying to understand if there is a system of identifying the contentious FOI matters in the department and the briefing notes for the Minister's office about those matters. Is there any such system?

Mr BOWLES: Not specifically like that. As the director-general said, there might be correlation between some issues under FOI, say the sick leave issue. But there is no relationship that I am aware of that would say that there is a system to get that sort of thing happening, no.

The Hon. CATHERINE CUSACK: Is there a designated FOI officer in the Minister's office?

Mr BOWLES: Not that I am aware of. That would be an issue for them.

The Hon. CATHERINE CUSACK: My understanding is that every Minister's office needs to have a designated FOI officer.

Mr BOWLES: I know we send normal reporting to one person. But I am not sure.

The Hon. CATHERINE CUSACK: What is that report?

Mr BOWLES: Just the list of FOI applications.

The Hon. CATHERINE CUSACK: So there is a report of FOI applications that goes to the Minister's office?

Mr BOWLES: They will have an understanding, as I said before, of what applications are there.

The Hon. CATHERINE CUSACK: Is that report submitted fortnightly?

Mr BOWLES: Yes.

The Hon. CATHERINE CUSACK: Does it cover all FOI applications?

Mr BOWLES: That is my understanding.

The Hon. CATHERINE CUSACK: Who prepares that report?

Mr BOWLES: That would be prepared in Dr Bendall's area.

The Hon. CATHERINE CUSACK: Dr Bendall, do you prepare that report?

Dr BENDALL: Yes.

The Hon. CATHERINE CUSACK: I remind you that FOI is about transparency. We are very keen to know the transparencies of the FOI processes. Would a contentious FOI normally include additional briefing notes as part of the report that you make to the Minister's office?

Dr BENDALL: No, it is simply the report that goes to the Premier's Department via the Minister's office.

The Hon. CATHERINE CUSACK: What is the name of the person in the Minister's office to whom you address the report?

Dr BENDALL: My understanding is that it is Jennie Leigh. My understanding is that her main function is to prepare FOI responses to applications received by the Minister's office. Clearly people can make FOI applications to the Minister's office for documents they hold, which is separate from the FOI applications that we would receive. We would not be aware of those. Her responsibility is to respond to those. For instance, if someone asks for copies of correspondence by the Minister, that would be handled by the Minister's office, not the department.

The Hon. CATHERINE CUSACK: So she would be the designated FOI officer in the Minister's office?

Dr BENDALL: Yes

The Hon. CATHERINE CUSACK: Why were you so doubtful about that a few minutes ago when I asked you who was the designated FOI officer in the Minister's office?

Ms McCLELLAND: My recollection is that it was Mr Bowles who was doubtful, not Dr Bendall.

Mr BOWLES: Yes, I think it was me who was doubtful, mainly because I do not deal with anyone specifically.

The Hon. CATHERINE CUSACK: Are additional briefing notes about contentious FOI matters attached to that report?

Dr BENDALL: No.

The Hon. CATHERINE CUSACK: Are they submitted separately?

Dr BENDALL: As I indicated before, I do not tend to prepare briefing notes about FOI applications. All we do is inform the Minister's office as to the ones that have been received and what determination has been reached after it has been reached. So, I am not actively involved in briefing the Minister about each of them.

The Hon. CATHERINE CUSACK: On those reports do you have the identity of the applicants?

Dr BENDALL: Yes.

The Hon. CATHERINE CUSACK: And the date? Would you explain what is in the report?

Dr BENDALL: Basically it is the identity of the applicant, the date it was received, what has been asked for, the date it is due. And for those that have been determined, it is the date it was determined and what the determination was; whether it was to provide access in full, access in part, or to refuse the application for whatever reason; the exemption that was relevant to the particular application; and whether there has been an advanced deposit requested and negotiations with the applicant to refine the application. Those types of procedural matters, that is what is contained in it.

The Hon. CATHERINE CUSACK: Is there a document that you can refer to that asks you to make those reports to the Minister's office?

Dr BENDALL: My understanding is that there was a directive from the director-general of the Premier's Department which requests mainline Ministers to report to the Premier's Department. In a sense we report to the Premier's Department through the Minister's office.

The Hon. CATHERINE CUSACK: Has that been conveyed to you verbally? Or do you have a document that explains what is required?

Dr BENDALL: There is a document. I do not have it with me, but there was a document which basically lists what should be included in the reports.

The Hon. CATHERINE CUSACK: Can that document be found and made available to the Committee, please?

Dr BENDALL: Yes.

The Hon. CATHERINE CUSACK: When I asked you earlier about procedures governing freedom of information I asked whether this document—the very substantial document on the department's web site—covered all the procedures relating to FOI, for non-personal applications, and you said that that was all the procedures, in addition to the Premier's memorandum. Are there any additional procedures that you are complying with?

Dr BENDALL: No, there are no additional procedures apart from the reporting process I just mentioned, to the Premier's Department. My understanding is that the Minister's office is open to request any information it wishes from the department at any time. There are no formal procedures for doing that, but if it wishes information from the department, it simply asks.

The Hon. CATHERINE CUSACK: Would that not be inconsistent with the Ombudsman's guidelines, which specifically say that the Minister's officers should be limited in what they are made aware of and that there should be no hint at all of political interference in the processing of FOI applications?

Dr BENDALL: I would argue that the Minister simply asking for information is not political interference. To my knowledge there has been no attempt from the Minister's office to interfere in my procedure or the way the determining officers do their task.

The Hon. CATHERINE CUSACK: Was my application for information about Tamworth West Public School notified to the Minister's office via your fortnightly report?

Dr BENDALL: Yes, it was.

The Hon. CATHERINE CUSACK: Would that be how the Minister's office first became aware of it?

Dr BENDALL: As far as I recall, yes.

The Hon. CATHERINE CUSACK: Is there any other way it could have become aware of it?

Dr BENDALL: Not that I am aware of, no.

The Hon. CATHERINE CUSACK: Who was the determining officer in relation to that matter?

Dr BENDALL: It would have been Mr Bowles, had a final determination been made, because it involved properties, or, as I said, he could have asked the general manager of properties to do so.

The Hon. CATHERINE CUSACK: Let us go through it. Would not a request for a 50 per cent reduction in the fee be part of the determination? That is not a matter of information; it is a matter of a decision on the part of the department, is it not?

Dr BENDALL: Yes.

The Hon. CATHERINE CUSACK: Who was the determining officer in relation to that matter?

Dr BENDALL: I was.

The Hon. CATHERINE CUSACK: I notice in the information tabled to Parliament that all of my information has been forwarded to Michael Waterhouse. In what capacity was that information provided to Michael Waterhouse?

Dr BENDALL: He is the Director of Legal Services and he is the departmental officer to whom I report.

The Hon. CATHERINE CUSACK: Mr Waterhouse was formerly employed in the Minister's office?

Dr BENDALL: The Minister before the last one, yes.

The Hon. CATHERINE CUSACK: Perhaps I can direct that question to Ms McClelland. Can you give me Mr Waterhouse's background and tell me and how he comes to hold such an important position in your department?

The Hon. Jan Burnswoods: Point of order: Mr Waterhouse is a public servant. I take exception to the tone of that question, and specifically the question in relation to his qualifications. I take exception to an innuendo being made against a person—in his absence—who has been through the appointment process. He was not notified that he was required to attend the hearing. Politics is one thing, but this kind of attack on a public servant, by innuendo, is beneath the member who asked it.

The Hon. CATHERINE CUSACK: To the point of order: I am baffled by the point of order. I have simply asked if I can be provided with some information about Mr Waterhouse and how he came to be appointed to that important position. I do not understand the innuendo or sensitivity that the Hon. Jan Burnswoods is talking about.

CHAIR: I am sure Ms McClelland can answer that.

Ms McCLELLAND: Mr Waterhouse is a senior executive service [SES] officer in the department. He was appointed in accordance with the normal procedures for SES officers. He is employed and appointed under the terms and conditions pertaining to all SES officers. As to his previous background and experience, everybody has qualifications and experience that are relevant. I would refute the suggestion that Mr Waterhouse is not approaching his role in an impartial way.

The Hon. CATHERINE CUSACK: When did I make that suggestion?

Ms McCLELLAND: By implication, I thought that was what you were leading to in the question.

The Hon. CATHERINE CUSACK: What was it I said that made you think that?

Ms McCLELLAND: The fact of his former position. I cannot recall, but there was some question about how he could be in such a role.

The Hon. CATHERINE CUSACK: Yes, that is correct, that was the question. With regard to Mr Waterhouse's background, as I understand it he has previously served in the office of the Minister for Education and Training?

Ms McCLELLAND: Yes, that is correct, as his chief of staff.

The Hon. CATHERINE CUSACK: When was he there?

Ms McCLELLAND: I do not have the details.

The Hon. CATHERINE CUSACK: When was he appointed to his current position?

Ms McCLELLAND: I do not have the details of that either, but it was some years ago.

The Hon. CATHERINE CUSACK: So basically all Department of Education and Training FOI applications are his responsibility, is that correct?

Dr BENDALL: Yes. He is the Director of Legal Services. His responsibilities are for the Legal Services Unit, which basically are the legal officers of the department, and for the Freedom of Information and Privacy Unit, of which I am the manager. I also act as a legal officer for the department.

The Hon. CATHERINE CUSACK: He was in that position during the Hunters Hill FOI application?

Dr BENDALL: No—oh, during the very last Hunters Hill FOI, the third of the applications. I was not in my position either for the first two.

The Hon. CATHERINE CUSACK: But he was in that position during part of the Hunters Hill FOI issue?

Dr BENDALL: As I recall, yes.

The Hon. CATHERINE CUSACK: You forwarded my FOI application to him with a suggestion in relation to my request for a 50 per cent fee reduction. You forwarded it to him saying that you were of a mind to grant my 50 per cent fee reduction on the grounds of public interest, is that correct?

Dr BENDALL: The actual words I used were, "I have no in-principle objection to giving the 50 per cent reduction."

The Hon. Jan Burnswoods: I wonder whether the Hon. Jan Burnswoods should declare a conflict of interest. This is getting very personal. She is asking about her own FOI application in regard to one particular school, and she has been the subject of great attack by the local newspapers. I am not sure that a public estimates committee hearing is the place to pursue one individual's private agenda.

CHAIR: I take it that the honourable member is trying to establish procedures.

The Hon. CATHERINE CUSACK: That was forwarded to Mr Waterhouse, who indicated that he wished to discuss how this could be handled. You indicated you had no in-principle objection to giving the 50 per cent public interest discount, and he replied to you by saying, "Can you please come down to discuss it?" Can you tell me what occurred at the meeting you had with Mr Waterhouse?

Dr BENDALL: We had a discussion of practice in previous applications, non-personal FOI applications, when we had not given a 50 per cent reduction, what evidence had been presented as to the public interest in this case, and basically we had a discussion following which I made the decision, which I communicated to you in the following emails.

The Hon. CATHERINE CUSACK: Would it be fair to say he objected to granting the 50 per cent fee reduction?

Dr BENDALL: No.

The Hon. CATHERINE CUSACK: What was the particular matter he wished to discuss with you?

Dr BENDALL: Simply the decision I was to make as to whether the 50 per cent fee reduction would be offered. He did not particularly put a view as to whether it should be or not.

The Hon. CATHERINE CUSACK: With regard to granting the 50 per cent fee reduction, you indicated later that you had made an assessment of the public interest and basically said that the

department did not think it was in the public interest to release the information. What criteria did you use when you assessed public interest in relation to Tamworth West?

Dr BENDALL: Basically, whenever there is an application of that kind we assess whatever evidence the applicant has provided of the public interest involved in the issue relating to the documents. That is what we did in this case. We also weighed it up against the public interest involved in us not being able to recover any costs involved in processing the application.

The Hon. CATHERINE CUSACK: Is there a document you can refer to as to how you evaluate public interest?

Dr BENDALL: No, not that I am aware of, apart from the Premier's Department guidelines and the Ombudsman's guidelines which I have already said were used, and which we refer to whenever we are processing an FOI application.

The Hon. CATHERINE CUSACK: So you did not feel under any constraint or pressure at any time in relation to processing this application?

Dr BENDALL: No.

The Hon. PATRICIA FORSYTHE: I refer to a document that has just been released entitled "School Asset Maintenance Task Force—Final Report", dated 8 November 2003. The bottom of page 5 of that report refers to "an increased focus and upgraded process for the retirement of surplus assets". Page 6 refers to "specific issues like the retirement of unused assets". Could you explain what those statements mean?

Ms McCLELLAND: I do not have the report with me. My understanding is that what is being discussed there is the need for us to look at our stock and see where our needs are—we might have properties, facilities or land that may no longer be needed for a number of reasons, for example, enrolment movements—and develop a sensible plan to dispose of those sites, where appropriate, or put them to other more pertinent uses.

The Hon. PATRICIA FORSYTHE: The document refers to "an increased focus". Does that mean that we should anticipate a policy focus on the selling of unused school or TAFE assets?

Ms McCLELLAND: We have had a policy. It has been part of our normal practice of asset management to dispose of surplus property after we are well satisfied that it is no longer needed. Many of the properties that have been disposed of were bought some time ago when we were projecting particular enrolment increases that were not realised. In other cases, where schools have sites that are in excess of their requirements, including projected requirements, or where particular parts of sites are not being used and they are inaccessible, we sometimes allow those schools to dispose of those sites. Ninety per cent of the proceeds of the sale are returned to the school for improvements and the remaining 10 per cent goes into a pool of funds to benefit other schools. When the site does not belong to a particular school, we have an arrangement with Treasury that those funds be invested into the pool of funds available for other schools.

The Hon. PATRICIA FORSYTHE: Has any decision been taken in relation to the Seaforth TAFE site?

Ms McCLELLAND: No decision has been taken at this stage.

The Hon. PATRICIA FORSYTHE: Given that this policy has just been released, should we expect to see a "For sale" sign there at some time in the near future?

Ms McCLELLAND: I cannot comment. As I said, no decision has been made about the future of that site. Were it to be sold, the funds that would be returned would go into the pool of funding that would be made available to benefit other schools and TAFE.

The Hon. PATRICIA FORSYTHE: Page 6 of that report refers to "not only specific issues like the retirement of unused assets but the parallel acceptance that less important assets will not be

maintained to the same standard as core areas". Does that mean that all schools and TAFE colleges will be asked to prepare a policy in relation to what they regard as core areas? What does the department regard as less important assets?

Ms McCLELLAND: This report was prepared by an independent person, Mr David Gates. He has provided some advice to the department. A steering committee will be overseeing the implementation of these recommendations. That steering committee will consider those recommendations and determine some action plans for implementation in accordance with the time frames.

The Hon. PATRICIA FORSYTHE: Given that he has used the expression "less important assets", there must be within the department, therefore, some policies or definitions as to what might be core areas and what might be considered less important assets. Are you able to elaborate on that?

Ms McCLELLAND: I cannot put myself inside Mr Gates's head, but there would be some schools, for example, that were built to cater for a large student population and the number of students at that school might now be much smaller. Some parts of that school might not be used as frequently as others. We might need to look at those issues. I think those are the sorts of things that he was talking about. Mr Bowles might be able to add something to that, as he has been involved in the steering committee.

Mr BOWLES: That is correct. A large number of schools have had reduced or reducing enrolments over many years. Therefore, the capital stock in some areas may not be used. It was just Mr Gates's way of saying that we need to have a look at those sorts of facilities and make some decisions around them. Again, this is a consultant's report based on his review, his trips around the place and his discussions with people.

[Short adjournment]

CHAIR: Ms McClelland, in your earlier answers in relation to Walgett you indicated that the media had perhaps misrepresented the situation because there was a teachers strike or no-school day. Did that have any long-term effect on the students? Did the fact that the school was closed when it should have been open create any sort of destabilising of student attendance?

Ms McCLELLAND: I am not aware of the specific details. I am told that only two was a complete aberration, that it was for that reason and that attendance figures are much higher on other days. I really have not had time today to be fully briefed on the specifics of that. I can certainly pursue it. My assumption would be that the school would return to normal the next day, which typically happens after that sort of situation.

CHAIR: Would it be true that where there is some industrial action it can cause some negative effects on students, especially perhaps at Aboriginal or ethnic schools?

Ms McCLELLAND: Industrial action by its very nature disrupts students and sometimes parents. Schools normally are required to put in place arrangements to ensure the safety and security of students during that time. That is our paramount concern. Where schools are not able to assure parents of that supervision and coverage then in some cases the school has to be closed, which is very unfortunate. It is not particularly common but there are certainly procedures for dealing with schools where there is industrial action.

CHAIR: I got the impression that when there are enough staff to keep the school going parents do not know whether the school will be closed completely or partially operating, and that creates uncertainty.

Ms McCLELLAND: We normally ask the principals to give parents adequate notice of the supervision arrangements so that parents can make up their own minds. There have been some recent court cases relating to the sort of supervision that is required in schools, and that certainly has influenced our policies and thinking there.

CHAIR: There has already been reference to the Hunters Hill High School. Can you update us as to the timetable for the construction of the new assembly hall?

Ms McCLELLAND: If I may, I might ask Mr Bowles to speak to that. He has responsibility for the properties area and is probably able to give you a fuller answer than I am able to.

Mr BOWLES: We are in the process of trying to get development approval through council. The application is about to be lodged or may already have been lodged in recent days. I am not quite sure specifically. We have been trying to work with the local school and community to finalise that and make sure that we deal with all the local issues around that hall.

CHAIR: Have the funds for it been allocated in this financial year?

Mr BOWLES: Not in this financial year. It will be subject to the capital allocation for next year. But I might add that, given that the hall was damaged by fire, some funds will come through insurance through the Treasury Managed Fund.

CHAIR: I have a general question about Hunters Hill High School. Can you give us an update on the future viability of that high school? Are you aware of future student enrolment projections?

Ms McCLELLAND: The new principal, Judith Felton, has been working closely with parents. We have also provided some support. A principal has been working with the principal to develop some options and concepts for the future direction and focus of that school. I do not have the enrolment figures with me, but I am told that enrolments are starting to pick up and that a number of students from local feeder primary schools are choosing Hunters Hill. We are committed to Hunters Hill remaining open and to its becoming a very important comprehensive high school in our array of schools in that part of Sydney.

CHAIR: Some concern has been expressed about Redfern Primary School, which a number of Aboriginal students attend. The budget papers outline a plan to shift those students to Alexandria Park Community School. Can you update the Committee on the current situation with regard to Redfern school and the Alexandria Park Community School?

Ms McCLELLAND: I recently visited Alexandria Park Community School, and it will be a fantastic school. It has a very powerful and committed principal. There are strong programs in place for the junior and senior years and there are many partnerships with Aboriginal community sporting organisations. The afternoon I was there a representative of one of the major sporting bodies was there talking about programs for these young people. The school has a strong focus on technology and on Aboriginal studies. In addition, a major refurbishment is occurring at the moment. The facilities, when completed, will be quite outstanding.

CHAIR: Has Redfern school closed or is it still functioning? Is there a transition period?

Ms McCLELLAND: I will take that question on notice and get some details in terms of the transfer arrangements. I do not have the timetable or the transition arrangements in front of me.

CHAIR: At the time of the inquiry some Aboriginal folk resisted the change. I wondered whether some students have been lost in the transition.

Ms McCLELLAND: Judging from my visit to Alexandria Park, it is going to be a very exciting place and a very exciting part of education. I think it will provide a strong model for Aboriginal education.

CHAIR: The report refers specifically to values. I accept the important religious instruction program in State schools. Do you have any process whereby you assess the efficiency of this program? I know that you are not involved so much with the content of the program but do you assess whether it is working satisfactorily? Should action be taken to improve it?

Ms McCLELLAND: Are you referring to the Special Religious Education Program?

CHAIR: Yes, involving teachers from outside schools.

Ms McCLELLAND: There is a person within the organisation who is responsible specifically for approving and monitoring that program. Quite a rigorous process occurs before a religious group is approved to conduct religious instruction in our schools. Groups are required to comply with certain codes of behaviour and there are certainly child protection requirements. As to the monitoring or evaluation of that program, I have not seen any information recently. I am not aware of what procedures we have in place, but we can certainly take that question on notice.

CHAIR: I assume that the program is working satisfactorily or you would have received some complaints. I was thinking more about teachers not turning up, students having to wait and so on. I am in favour of the program's continuing—I do not want to stop it—but I wonder whether anyone considers how well it is running statewide?

Ms McCLELLAND: From the State's perspective, our role is mainly to monitor the quality and ensure that processes are in place to ensure quality. The program's operation at school level is probably handled more by principals. During my time as director-general I have not received any complaints about the program. That is not to say that the odd individual matter has not been raised with a principal. But I think principals have fairly good relationships with the religious organisations and try to resolve any difficulties at a local level.

Ms LEE RHIANNON: Returning to public-private partnerships [PPPs], you said that an assessment is made three years before a contract ends. I would like more details about that process. Who conducts the assessment, how detailed is it and what form does it take? There is much public concern about the handover issue because it is felt that these endeavours are often handed over in a run-down state.

Ms McCLELLAND: Before I come to the specifics of that question I think it is important to make clear that one of the obligations under the contract is to maintain the school over the 30-year contract period in a condition that is suitable for the educational needs of the students. It is not about making sure the school is okay at the end of the contract period; it is most important to ensure that it is up to standard throughout that time. As to who carries out the assessment three years prior to the conclusion of the 30-year contract, I do not have the contract with me and I would only be guessing as to who fills that role. It is not a problem to look at the contract and clarify that point. I will take that question on notice.

Ms LEE RHIANNON: I am interested in who conducts the assessment and what degree of detail is involved. Do they examine the standards of the materials used? I am also interested in the last three years of the contract. If something serious happens—something becomes run down—in that time after the assessment has been made what is the position in terms of the handover and the money exchanged?

Ms McCLELLAND: What safeguards are in place?

Ms LEE RHIANNON: Yes.

Ms McCLELLAND: I will take that question on notice. Those details would be specified in the contract so we will refer to it. I do not have a contract with me.

Ms LEE RHIANNON: People have expressed concern about the operation of PPPs in terms of maintenance and other activities undertaken by the company. What relationship do those people have with the principal? What is the chain of command in terms of ensuring that the jobs are done properly? If a job is not done—for instance, I think they are responsible for everything from maintenance to putting toilet paper in the toilets—how is the problem rectified?

Ms McCLELLAND: As is mentioned earlier, there are very clear outcome standards in the contracts. They will be developed with regard to the specific needs of that particular school. For example, it might be that the cabling in the school is not working. If it is not, the principal makes a report. We have a contracts administration group in the property area responsible to Mr Bowles. It

would immediately contact the contractors and we would impose the penalties specified in the contract for failure to provide and perform that service.

Ms LEE RHIANNON: Are they financial penalties?

Ms McCLELLAND: Yes.

Ms LEE RHIANNON: Can you provide that information on notice?

Ms McCLELLAND: The contract specifies the penalty. I would need advice about the extent to which that is commercial in confidence. I do not want to give an undertaking if I am not in a legal position to do so.

Ms LEE RHIANNON: Will you investigate that and, if appropriate, provide that information?

Ms McCLELLAND: Yes, I will. There are heavy financial penalties. We also have built-in mechanisms so that principals will have access to people within the department they can ring to help sort it out. The private contractors have a lot at stake in making these contracts work. It is a new game for both sides and we will be working to ensure that schools gain the maximum benefits.

Ms LEE RHIANNON: What experience did you draw on to judge whether this was a worthwhile endeavour to introduce in New South Wales?

Ms McCLELLAND: We did a lot of research, mainly on what was happening overseas. We had people visit the United Kingdom and Scotland and we attended presentations. We also had many discussions with the then Department of Public Works and Services—now the Department of Commerce—and Treasury. A number of government agencies have looked at it. We looked at the financial, time and service provision benefits. We particularly looked at safeguards. For example, people raised concerns about availability of the school for school and community use. The contract makes it very clear that the premises must be available for the school 24 hours a day seven days a week, unless otherwise determined and agreed by the school. There are some important safeguards to ensure that the premises are used for the benefit of the students.

Ms LEE RHIANNON: I refer back to the lifelong learning restructure. Please elaborate on what evidence exists to suggest that the proposed restructure will have direct benefits for isolated and particularly disadvantaged students.

Ms McCLELLAND: To answer that question I need to talk about the philosophy of the restructure. To some extent, it relates to the earlier question about Tony Vinson asked by the Chair. One of the comments that he made about the department was that it was too remote from the schools, TAFE colleges and teachers, and that we needed to take the department closer to the people it is serving. One of the philosophies underpinning the restructure is to do just that by grouping our schools into regions. Under the second model we are proposing 10 regions.

They would have exactly the same footprint—if I can use that term—as TAFE, so that instead of having the relationship between schools and TAFE through a management structure we would have it through a regional footprint with school regional directors of schools collocated with TAFE directors. That means a senior person would be present at those locations. We have not had that probably for 10 years. People have been telling me that it is very important in terms of being able to get a better handle on what is needed at the local level—having the capacity to tailor solutions to the needs of the community rather than having a one-size-fits-all approach. At the moment, under the district model we have 40 districts.

The staffing composition of those districts tends to be much the same regardless of whether they are in Western Sydney or Deniliquin or Broken Hill. We have tried to shape the staffing composition of those regions to reflect the local needs. For example, if you were to look at what is proposed in the western region you would find far more Aboriginal education consultants and consultants supporting new teachers, because there is a large number of new graduates in that area. We also have a number of positions focusing on equity. Similarly in western and south-western

Sydney, the number of consultants in the equity areas is substantially higher than in some parts of the State where the equity groups are not as strongly represented. That is not only taking the organisation closer to schools and TAFE but it is also shaping the resource allocation to meet the needs of those communities. As I said, there is the further step of creating additional groupings of schools, particularly in areas of growth and particular need, such as Brewarrina and Bourke.

Ms LEE RHIANNON: Given that the lifelong learning proposal involves significant reductions in materials development officers and support staff, are you confident that enough learning materials will be available to support disadvantaged students and students generally doing the school certificate tests?

Ms McCLELLAND: I am excited about the new online learning area, which incorporates some of the areas we discussed earlier, for a range of reasons. It will give people access to a broader range of materials than they have had in the past. Groups working on materials for their particular program have produced fantastic resources, but access to them has been limited to particular client groups. This proposal will ensure that teachers have access to a broader range of materials. For example, TAFE has developed some materials for students undertaking the Higher School Certificate that are relevant to and of significant value for teachers in schools. In the past they have not had access to them. There is a broadening of the richness of materials.

We are also putting in place a teaching and learning exchange so that teachers can access the exchange and key in, whether it be an industry in Technical and Further Education or a curriculum area in a school, and pull curriculum support materials, assessment tools, web sites and a range of other resource that are relevant to that program. It is only in its early stage, but in time the plan will involve teachers making a contribution. We will have teachers supporting other teachers. Teachers say the most valuable support they receive is that of their colleagues and they like the notion of sharing something that has worked well. I hope we can foster innovations as well as provide significant report.

Ms LEE RHIANNON: I appreciate that answer. However, the concern is that the emphasis is still about everything being online and requiring those computer skills. At times I hear that some teachers struggle with those skills. I am concerned that schools have sufficient computers. Do all our teachers have the computer skills required to be able to benefit from what you are talking about?

Ms McCLELLAND: If I can repeat an earlier answer, it is not envisaged that all materials will be online. There will always be a need for some paper-based resources both for students and teachers. Certainly, that is the advice we are getting from teachers, and I think it is important that we listen to it. As far as the skills of teachers are concerned, as part of the Computers in Schools Program, which has been operating for a number of years, the elements of that have been the roll-out of computers to schools and the connection of schools to the Internet, but there has also been a substantial program to train teachers in the use of technology. We have had more than 15,000 teachers trained in the teaching in learning technology [TILT] program and another 12,000 teachers did TILT-plus, which was the advanced program. That program has been very successful in terms of getting people started and using technology.

As well as that, the curriculum and support area of the department has been developing curriculum support materials which look at the way in which technology can be integrated into teaching and learning. The Board of Studies in its syllabus documents also has certain outcomes as far as technology is concerned. More recently we released a paper which you may have seen on pedagogy in schools and how teachers teach, strategies they use, relating that to the environment in which kids operate and, again, how different strategies such as technology can be used to enhance learning. Let me make it clear: we do not see technology as being a substitute for quality teaching, but it is certainly a vehicle to enhance it and support it.

The Hon. TONY BURKE: Page 65 of Volume 1 of Budget Paper No. 3 indicates that almost \$492 million will be allocated over the next four years for the department's literacy and numeracy strategy. Would you provide an update on the progress of literacy and numeracy plans?

Ms McCLELLAND: Literacy and numeracy is critical to our workers and education system. Over the period 2003-04 to 2006-07 the Government has committed almost \$492 million for strategies to improve literacy and numeracy outcomes for students. Those strategies include continuing the basic

skills tests and the primary writing assessment tests, both of which are in years 3 and 5. We have an English language and literacy assessment and a secondary numeracy assessment program in year 7. Approximately 96 per cent of schools elected to have that test conducted in year 8 as well. Those tests have given us a very rich source of longitudinal data, spanning now a number of years, so we can track students through from the early years of learning through to their performance in years 3, 5, 7, 8 and then the School Certificate and Higher School Certificate.

We are able to look at the impact of programs such as Reading Recovery and some of the early literacy strategies that we have in place to help young children who are entering school bring their literacy standards up to the level that is needed to carry out the programs. To give you some idea of how we are going, there has been an OECD study—that is, an international study—looking at literacy and numeracy levels in major countries across the world. New South Wales rates very highly on the indicators. We are up with the top of those performers. Where we can probably do better is in terms of narrowing the gap that I mentioned earlier, the gap between performance of Aboriginal students and others. We have got to do some more work there and by doing that, it will take us even higher up the stakes than where we are currently.

The results are encouraging. Similarly, the results from the years 3 and 5 basic skills test and the ELLA and SNAP tests, as they are called, are encouraging. The number of students in the lower bands are reducing and we are seeing more students moving through the higher bands, which is showing us that those strategies are working. The importance of those tests is not in testing per se. I think sometimes the focus tends to be on the tests and the results. Where those tests are particularly important is in providing a diagnostic tool for teachers because they indicate, for example, in the area of literacy, the areas where the student needs improvement and, similarly with numeracy, whether it is basic counting, money or measurement. So teachers can actually assess the learning needs of students and tailor the program to meet them. That has been the power of those tests.

Reading Recovery is a very important program that was commenced a few years ago. This year we are providing training and support to 924 teachers across 837 schools, and that program is assisting nearly 8,000 year 1 students with reading difficulties. It is a pretty intensive program, one-on-one, but if you go to schools and see the children participating in it, it is actually very rewarding. The real benefit is they get a sense of confidence and self-esteem that they can do it and, what is more, they start to like doing it, which is really important in terms of the future progress.

We also have operating in 2003 the Early Literacy initiative, which I mentioned a moment ago, that focuses on improving early literacy achievements for years K-3, particularly in the low socioeconomic status schools. We find that in some of those schools the children entering the schools have not had the same opportunity to attend preschools or long day-care centres as some of the other students. So they have not had as much access to formal education environments and structures, nor have they perhaps had access to books and literacy as much as other children, so the focus is on helping those kids develop a readiness for learning.

We have spoken earlier about Walgett Aboriginal literacy. There is a \$3.1 million program devoted to Aboriginal literacy and numeracy and related attendance projects, and that is focusing specifically on Aboriginal students who have particular needs. The Priority Schools Funding Program is funded jointly by the Commonwealth department and the State department. I recall that in the last estimates committee the Chair asked whether that was still operating. The program is still operating and it provides additional support for students from low socioeconomic background to improve their literacy and numeracy. There are 541 schools—comprising 409 primary schools, 80 high schools, 19 central schools and 35 special schools—with a total of 153,473 students who are participating in that program.

Many of our students are new arrivals from overseas countries. They come here with very little knowledge of English and even those who have been here for a couple of years, if they have not had the formal tuition they start to lag behind. We have a very strong ESL Program operating in schools. Close on \$86 million is going into that program to support ESL students in government schools and intensive English centres. It is interesting, if you look at the history of our population and the focus of the ESL program, we are starting to see the students from non-English-speaking background are now starting to perform at least on a par with—and in some cases better than—other students. Those intervention programs are certainly proving to be effective.

In 1999, the Government also introduced summer schools for students making the transition from primary schools to high schools. That tends to be a time of transition that some students going from the security of a primary school to the less structured environment of secondary schools find very daunting and unsettling. Those summer programs target students in those low socioeconomic areas to ensure that their literacy and numeracy skills will equip them for high school. More than 4,000 teachers and executive staff in more than 1,200 schools are currently involved in linkages initiatives, focusing on those sorts of linkages between primary and secondary schools.

Another interesting program that we have been operating, which I think is very exciting, is one in which, again, the school sector is working in conjunction with TAFE. TAFE has been running accredited peer tutor training programs for students in our schools. Students learn how to be a tutor, they get accreditation towards a TAFE program, and then they work with other students in schools to support them with their literacy and numeracy. The kids love it, the mentors love it, the teachers love it, and the younger kids love it as well. That has been a really interesting program. In 2003 73 schools began implementing the program, and a further 47 schools are preparing to implement the program in 2004. About 4,000 students have benefited from that program. I suspect that the program will take off beyond even those 47 schools; the word is out and it is working very well.

We have had a very strong focus in numeracy for primary teachers. We have a very good program called Count Me in Too. It makes learning mathematics and numeracy fun. The kids play games; they are quite challenging. The teachers like it, because the kids like it, and also the teachers like it because they are comfortable with teaching it. The program is proving to be very good, and again our results are showing the impact of that. We have another program that builds on that, called Counting On, which is for those middle years of schooling in the transition to the secondary program. If we look at the commitment to the end of this financial year, we have spent about \$841.5 million on literacy and numeracy support since 1994-95. So it has been a substantial investment. The results are proving that our strategies are working, but we are always doing continuous improvement.

The Hon. TONY BURKE: I turn to students with a different set of needs: gifted and talented students. Page 619 of Budget Paper No. 3, Volume 1, outlines the department's budget operating statement. Could you detail the department's provision for the education of academically gifted and talented students included in the operating statement?

Ms McCLELLAND: The education of gifted and talented students is, as you said, a high priority, as is dealing with students with special needs. In fact, some would say that students with gifts and talents also have special needs. But it is important that, as an education system pursuing excellence in outcomes for all students, we focus on these students as well as on those who might have some difficulties. The work that we have been doing has been greatly informed by the recent visit to New South Wales by Professor Gagné from Canada. Professor Gagné is a world-renowned expert in gifted and talented educational research, and he has been very generous with his time in talking to us about what he has found to work in other countries, which has been very important, and also in talking to principals and teams of parents.

We have had a very strong focus on gifted and talented education, mainly through our selective schools and opportunity class programs. But the Government's election commitment is to expand those programs for comprehensive high schools as well. Again relating it back to the Chair, Tony Vinson emphasised the importance of having extension programs, not simply at selective high schools but in our comprehensive high schools as well. The Government's commitment is on strengthening and reinforcing the importance of comprehensive high schools through programs such as this. Currently we have 17 fully selective high schools, we have seven high schools with selective classes and we have four agricultural high schools. Last year new selective high school classes were established within Sydney Secondary College, Ryde Secondary College and Chatswood High School.

On 11 November the Minister for Education and Training, the Hon. Dr Andrew Refshauge, announced in Parliament a new plan for secondary education commencing in 2005. Under this plan up to 15,000 New South Wales students will benefit from new gifted and talented programs to be implemented in all high schools from 2005. The draft plan provides focused education opportunities for those additional 15,000 students. It will involve more than 430 comprehensive high schools across the State, so regardless of location those students will benefit. The draft plan also examines how

schools can identify gifted and talented students. It is not necessarily easy to identify them, and students can have gifts and talents in a whole range of different areas.

The work will also look at the most appropriate curriculum for those students, whether we need to tailor our pedagogic and teaching practices to meet the needs of those students, and also the best ways of delivering programs for gifted and talented students, including academic extension classes. There are some interesting models operating in some schools. For example, Turramurra High School is working closely with the University of Sydney to provide a gifted and talented extension program. It is really fascinating when you talk to the staff there and see the benefits that the students are getting. It will be very important in developing the policy and implementation strategies that we work very closely with parents and communities so that people are committed to it and they feel included, and also that we provide the best way for schools to plan how they will put these programs in place. As I said, the program will begin in 2005 in all comprehensive high schools.

Over the next year we will be providing support to schools and working with them to help them develop their programs as to how they might operate. At the primary level, we have opportunity classes providing academically rigorous programs for students. There are 70 primary schools, accommodating 111 year 5 to 6 opportunity classes. Under the current Government 26 new opportunity classes have been established in 17 primary schools. We now have around 3,330 places available for gifted and talented students in primary schools. Last year we introduced opportunity classes in Balmain, Wilkins and Maryland public schools. Coming back to Alexandria Park, which was the focus of an earlier question, an opportunity class will be established at Alexandria Park Community School in 2004.

The Hon. TONY BURKE: Are those 17 fairly evenly spread across the State?

Ms McCLELLAND: I do not have a breakdown. Until recently there was a tendency for them to be concentrated in the Sydney metropolitan area, but more recently it has been important to have them available to students in different parts of the State.

The Hon. TONY BURKE: Page 6-3 of Budget Paper No. 3, Volume 1, makes specific reference to quality teaching and teacher supply. Could you indicate how teacher supply is being met and the level of funding included in the budget for that purpose?

Ms McCLELLAND: I probably touched on some of these issues in relation to an earlier question, but I will recap on what I said so I have a comprehensive answer for you. We have a very detailed process or program for projecting work force demands and work force supply. We work very closely with universities to look at their intakes and projected graduations. We also have very detailed figures on our resignations and retirement rates, our age profile, and a whole range of work force statistics. As a result of that, as I have mentioned, we can break the State down into different parts, by different subject areas, and so we are able to look pretty closely at how our balance of supply and demand is operating.

I mentioned earlier that our projection for primary teachers is very healthy. In fact, we have an abundance of primary school teachers. In the secondary school area, we have some projected shortfalls in some locations in some subject areas, mainly in mathematics, science and technology. So we have introduced a range of initiatives to try to plug those gaps. I mentioned—I think in response to a question from Ms Lee Rhiannon—the scholarship program, which is very important. We offer teacher scholarships to students in their final years, and sometimes in their early years of education, depending on where they are prepared to go and the subject areas in which they are undertaking training. We have a commitment to 800 new teacher education scholarships over the next four years; 150 scholarships have been awarded for 2003, and 25 of those have been for Aboriginal people to become teachers in our schools.

Another interesting program relates to some of those areas of projected short supply, such as technology and science. There are people who are not already in teaching who have the subject expertise but do not necessarily have the teacher education qualifications. So we have a program, called the Accelerated Teacher Training Program, under which we recruit people with that expertise, whether they be engineers or scientists, and then provide teacher education programs for those people. That program is proving to be very effective. This year we had 108 new teachers in mathematics,

science and technology coming into our schools through that program. We have a further 111 being sponsored to undertake the program at the present time, and they will come into our schools in 2004. We are recruiting roughly similar numbers for next year, to come on board the year after. Those programs are generating quite substantial numbers. The other thing is that the people coming in are really looking forward to a career change; they want to be teachers. They have had experience outside teaching and are looking forward to coming into the teaching system. That is proving to be a good program.

We have had a very intensive teacher recruitment promotion campaign. We had television advertisements. We have set up a shopfront in Elizabeth Street that people can walk into, or they can access it online. We have teams of people in regional New South Wales who go out to our schools promoting teaching. We have young people, males and females, going round trying to encourage students who might be making career choices to go into teaching, talking up the benefits of teaching and encouraging them to go into those areas. The returns on that program are quite encouraging. The number of inquiries has increased dramatically, I think by about 75 per cent. Similarly, the number of applications has increased dramatically—including from male students, who were seen as being hard to attract into teaching. We think that campaign is paying real dividends. We are also blitzing careers events, university open days and all those sorts of things, and try to have young people talking about the benefits of teaching.

As to retraining programs, we have encouraged teachers who want to retrain in other fields to do so. Some teachers, when they encounter students with special needs, decide they really like that field of teaching. So we have retraining programs for teachers of students with special needs. We have retraining programs for teachers who are interested in being counsellors, teacher librarians and so on. In all the specialty areas of teaching we have retraining programs to ensure the supply of specialists in those fields. I mentioned some of the incentives that we are providing—transfers, rental assistance, and new leave provisions under which teachers will get extra leave for teaching in some locations, and the retention benefit that we are paying to keep teachers in those locations. I mentioned also initiatives to encourage teachers to go out to the bush. We have a program called Beyond the Line, under which they go over the Great Dividing Range and out into the bush to meet the communities and hopefully do their practicums out there as well. We have had 528 students participating in that program, going to 99 different schools, and we have further visits planned at the end of November.

Ms LEE RHIANNON: Mr Chair, as we are running out of time and members have other questions, would it be possible for Ms McClelland to table the remainder of her answer?

Ms McCLELLAND: I can be really quick, if I could and talk about two other things. I refer to the Teacher Mentor Program. There have been some concerns that beginning teachers need supporting. Last year we piloted a program to put 50 mentors into schools with high numbers of beginning teachers, to provide them with extra support and keep them there. Also, there is work on the quality teaching paper and the interim committee of teachers looking at teaching standards.

CHAIR: We have only 15 minutes left, so I allocate 5 minutes to Opposition members, 5 minutes to crossbenchers and 5 minutes to Government members.

The Hon. CATHERINE CUSACK: Ms McClelland, on 10 October you wrote to the Director-General of the Premier's Department certifying that all the documents regarding the order for papers for the Tamworth West Public School were contained in the information forwarded to the Parliament. That included a request for all documents relating to freedom of information applications on the subject. But today we have heard of a new document that included advice to the Minister's office regarding the freedom of information request. Why was not that report included in those documents tabled in Parliament?

Ms McCLELLAND: I am not aware of the document to which you are referring.

The Hon. CATHERINE CUSACK: We have just heard that a fortnightly report that is submitted to the Minister's office advised him of the fact that I had made the application, disclosed my identity and set out what was contained in the application. I presume at various stages that report to the Minister's office was updated, and it related to that freedom of information application.

Ms McCLELLAND: And you are saying that that document was not included in the material that was released?

The Hon. CATHERINE CUSACK: No, even though you certified that all documents were included. Would that response to the Premier's Department, and the information received back, have been prepared by Michael Waterhouse?

Ms McCLELLAND: No, my understanding is —

CHAIR: Could that report be identified clearly?

The Hon. CATHERINE CUSACK: It is the index to the order for papers for Tamworth West Public School, forwarded by the Department of Education and Training to Col Gellatly, who then forwarded it to John Evans. The letter I am referring to is from Jan McClelland and is dated 10 October, as part of those papers.

Ms McCLELLAND: The documents that I saw included several volumes of documents that had been compiled by officers in the department, covering all of the papers relevant to that request. Mr Bowles, did you want to add something to that?

Mr BOWLES: No, not specifically.

Ms McCLELLAND: Dr Bendall, do you want to add anything?

Dr BENDALL: I think, basically, the interpretation relating to the FOI application: the documents that you received about the FOI application were all the documents contained on my FOI file. Now, the report to the Premier's Department is not contained in that. So, in a sense, that is probably the reason why it was not included.

The Hon. CATHERINE CUSACK: The request by the Parliament for papers was not restricted to the papers on your file. It asked for all departmental documents. Did you discuss the documents you would be submitting to Parliament with Mr Waterhouse?

Dr BENDALL: No. Mr Waterhouse was not responsible for putting them together; a legal officer was.

The Hon. CATHERINE CUSACK: Whom does the legal officer report to?

Dr BENDALL: Well, to Mr Waterhouse directly, but ultimately to the Director-General.

The Hon. CATHERINE CUSACK: So this correspondence would have passed through Mr Waterhouse on its way to the Director-General for signing?

Dr BENDALL: Not to my knowledge, no.

Ms McCLELLAND: If I could make a comment to the Committee at this point. I would like to stress that the department and officers in it take their responsibilities very seriously. They work to the best of their ability to meet demands and requests, particularly in relation to requests by the upper House for documents. We take all steps to ensure that the documents are included. This request that you are talking about followed on from an earlier request that we had in relation to all documents relating to the restructuring. There is no filtering of those documents; they are compiled by people in the spirit of the request. I would like to reassure the Committee of the good intentions and the good spirit in which this work is handled.

The Hon. CATHERINE CUSACK: Do you accept that we have identified a document that should have been included in a request?

Ms McCLELLAND: I have not got the specific request. If that has been omitted I will take that on board. I am advised by Mr Bowles that 140 hours of work went into compiling the folders of material that went across to the upper House and that a number of people were involved in that

process. So the department did take it seriously. The department expended considerable resources on meeting that request and if there is a document that has been admitted that has not appeared, I will need to look into that.

The Hon. CATHERINE CUSACK: It would be a contentious document and it is a document that clearly Dr Bendall is aware of as he participated in responding to this request.

Ms McCLELLAND: All I can do is repeat that the intentions of the staff working in the department are honourable when it comes to meeting requirements, particularly of the New South Wales Parliament.

Dr BENDALL: With respect, it would have been one paragraph of that document that related to your freedom of information [FOI] application.

The Hon. JAN BURNSWOODS: Is this a fortnightly report or a schedule or something?

Dr BENDALL: Yes. It is a table.

The Hon. JAN BURNSWOODS: Of things that are alive?

Dr BENDALL: Yes.

The Hon. CATHERINE CUSACK: The director-general has certified that all of the documents have been included. I am trying to establish whether Mr Waterhouse had signed off on that advice to you as director-general—whatever was involved in preparing that advice.

Ms McCLELLAND: The advice to me as to signing off on that request to the director-general of the Premier's Department came from the director of my own office, who had satisfied himself that the proper process had been followed. As Dr Bendall said, it had been oversighted by a legal officer and I actually saw the material that was being sent across. I looked through the folders. But I have to say that it would be very difficult for me to determine at that point whether a document was missing.

The Hon. CATHERINE CUSACK: I understand you need to rely on the advice of the department, and that is why I am trying to ascertain the steps that were gone through. Can you give me an assurance that Mr Waterhouse was not involved in compiling those documents, because you seem to be suggesting that he was not?

Ms McCLELLAND: I seem to be suggesting that he was not?

The Hon. CATHERINE CUSACK: Yes.

Ms McCLELLAND: The advice I took was from the director of my own office, whom I trust implicitly and who operates according to very, very high standards of integrity.

The Hon. PATRICIA FORSYTHE: Can I ask, for the sake of clarification, the name of the director of your office please?

Ms McCLELLAND: Mr Chris Ryan.

The Hon. PATRICIA FORSYTHE: Is he also a ministerial staff member?

Ms McCLELLAND: Mr Ryan has had many roles, both in the organisation and in the ministry, and for a short time was seconded, as I understand it, to former Minister Aquilina's office.

Ms LEE RHIANNON: My question relates to the status of the Learning Materials Production [LMP] staff. Will you honour the employment contracts of staff at Learning Materials Production who are due to finish at the end of 2004 and 2005?

Ms McCLELLAND: In answer to that question I will need to look at the final structure and what positions are in that structure and what the status of each of the individuals is in that area. I do not have the details of how many of them are permanent or how many of them have been seconded from schools. We have certainly been working very closely with both the Teachers Federation and the Public Service Association to put in place procedures to help staff who might return to schools, or to establish some priority for placement between permanent officers, temporary staff, and casual staff. So all I can say in response to your question is that we will look at the employment rights and our obligations in relation to all of our staff.

Ms LEE RHIANNON: I appreciate you cannot have all the details here but considering, firstly, that our office has been approached about it and, secondly, that it is obviously a major issue of job security, are you happy to take it on notice?

Ms McCLELLAND: Yes I am happy to take it on notice, but I am not sure that my answer can be any different from what I have just given because it really depends on what the structure is, how many positions are there and what the status of the current people is in relation to their claims for the position. So certainly we will be looking at each and every case and our prime focus is on placing people in positions. But I am happy to look further. I am not sure that my answer will be any different from what I have just given.

Ms LEE RHIANNON: Just to emphasise, the specific part of question was about honouring the employment contracts. Thank you for taking it on notice.

CHAIR: Just to clarify the earlier discussion about that document, Dr Bendall, it seems that your answer is basically that you have to make a decision about what comes under the freedom of information request, and you felt that that was not relevant to that request?

Dr BENDALL: That is right. It was not actually a document that was part of the application or the processing of the application, it was a table including a list of all non-personal applications prepared subsequent to the application being finalised that was provided as a report to the Premier's Department. So in my view it is arguable whether it related to the FOI application per se.

The Hon. JAN BURNSWOODS: Ms McClelland, you would know that the committee I chair has recently done a lot of work in relation to assistance for children with learning difficulties. I am particularly interested in programs that the department has to assist students with learning support needs, such as those with dyslexia.

Ms McCLELLAND: Recently the Deputy Premier, and Minister for Education and Training, Andrew Refshauge, announced a new \$12 million plan to strengthen support for students with special learning needs. The plan has a number of benefits to it. First of all, under previous arrangements we used to have lengthy assessments of students on an annual basis, regardless of whether their needs changed or regardless of the type of need. So we had a very cumbersome, quite extensive bureaucratic process. In particular, it was taking a lot of the time of counsellors away from their real counselling work to do assessments. That will no longer be needed. Schools will instead use results from basic skills tests, learning assessments, those sorts of things, to determine the needs of students. Those needs will be assessed and will only be at transition points in the student's learning. For example, when students go into primary from infants or go into high schools we might reassess their learning needs.

Also, as a result of the focus that teachers have been saying they want, an additional 43 special needs teachers will be engaged under this scheme, bringing to 1,233 the total number working in schools across the State. I mentioned the savings to counsellors' time through cutting of red tape. They will now be free to provide true support for their schools. There will also be an extra \$1.5 million to help students in need of extra support. There will be more flexibility at the local level as to how schools can use these resources.

The school districts will decide how to distribute the special needs teachers among primary schools from the start of term one 2004, and high schools will receive allocations based on those district needs. The benefit of this is that we have had all the players involved in discussing this—primary principals and secondary principals—and they are saying that this is the way to go rather than

having a whole series of individual programs with resources locked in, sometimes overlapping with the same groups of students. What this will do is ensure that all of those resources are focused on students with special needs, including students with dyslexia, to help them with their work.

This is an important direction. It is an important change to the way we do business. It is moving away from one size fits all—statewide control of everything—to targeting resources to support these students by having schools and districts that have a much greater say in how they are used and targeted.

CHAIR: We calculate that you have taken about nine questions on notice. Because of the reporting date we will have to ask you to endeavour to answer those questions within 14 days. Usually you would have longer than that. In an earlier inquiry I think it was 35 days. I do not know whether any of the questions would require longer, but we would appreciate it if you could do your best to answer the questions within 14 days.

Ms McCLELLAND: As I mentioned, I will need to look at the legalities of one of the questions to determine whether I am able to release information because of its commercial-in-confidence nature.

CHAIR: Might there be a departmental policy document as distinct from the commercial document.

Ms McCLELLAND: Perhaps we could even draw out some points that might be relevant.

The Hon. CATHERINE CUSACK: There were two other questions we wanted taken on notice, but we ran out of time to ask them. What are the SES levels for Mr Ryan and Mr Waterhouse?

Ms McCLELLAND: I think Mr Ryan is SES level 3 and Mr Waterhouse is SES level 2. I will need to confirm that.

(The witnesses withdrew.)

The Committee proceeded to deliberate.
