

GENERAL PURPOSE STANDING COMMITTEE No. 1

Thursday 8 June 2000

Examination of proposed expenditure for the portfolio area

EDUCATION AND TRAINING

The Committee met at 7.00 p.m.

MEMBERS

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

The Hon. Jan Burnswoods
The Hon. Patricia Forsythe
The Hon. P. T. Primrose

Ms Lee Rhiannon
The Hon. J. M. Samios
The Hon. H. S. Tsang
The Hon. Dr P. Wong

PRESENT

The Hon. J. J. Aquilina, *Minister for Education and Training*

Department of Education and Training

Dr T. Burke, *Relieving Director-General*

Mr K. Dixon, *General Manager, Finance*

Ms J. McClelland, *Deputy Director-General, Corporate Services*

Board of Studies

Mr J. Ward, *General Manager*

Minister's Staff

Mr T. Grau

Ms J. Shand

CHAIR: I welcome you to this public hearing of General Purpose Standing Committee No. 1. First, I wish to thank the Minister and the departmental officers for attending today. At this meeting the Committee will examine the proposed expenditure from the Consolidated Fund for the portfolio area of Education and Training. Before questions commence some procedural matters need to be dealt with.

As you would be aware, part 4 of the resolution referring the budget estimates to the Committee requires the Committee to hear evidence on the budget estimates in public. Under Standing Order 252 of the Legislative Council, this Committee has resolved to authorise the media to broadcast sound and video excerpts of its public proceedings held today. The Committee's resolution conforms with the guidelines governing the broadcast of proceedings adopted by the Legislative Council on 11 October 1994. The attendant on duty has copies of these guidelines.

For the media, I emphasise that only members of the Committee and the witnesses before them may be filmed or recorded. People in the public gallery are not considered to be part of the proceedings and, therefore, should not be the primary focus of any filming or photographs. In reporting the proceedings of this Committee, as with reporting the proceedings of both Houses of Parliament, you must take responsibility for what you publish or what interpretation is placed on anything that is said before the Committee.

While there has been provision in previous years' budget estimates resolutions for members of a Committee and substitute members to refer directly to their own staff at any time, there is no such provision in the current resolution. Members and their staff are therefore 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 very important that departmental officials identify themselves by name, position and department or agency before answering each question. There is wide latitude allowed in asking questions on any of the budget estimates and related documents before the Committee. However, where a member is seeking information in relation to a particular aspect of a program or subprogram, it will help the Minister and the Committee if the program or subprogram is identified.

The Committee has agreed not to allocate specific blocks of time to individual parties or members. Members will be provided with an opportunity to pursue specific lines of questioning until such time as they have exhausted questions relating to that issue. I will endeavour to ensure that this process is as equitable as possible and that all members are given an opportunity to ask questions. As you are aware, a period of two hours has been set aside for today's public hearing. If, at the conclusion of the hearing, members have not exhausted questions to which they require answers, the Committee may decide to hold additional hearings before it is required to report on 23 June 2000.

I declare the proposed expenditure open for examination.

The Hon. PATRICIA FORSYTHE: Why did your department, only days after agreement was reached on the new teachers award—an award which I think you have described as generous—decide to advertise for a principal for one selective Sydney high school at a higher salary rate than principals at similar high schools will receive?

Mr AQUILINA: The honourable member would be aware that the particular selective high school she is talking about is Manly High School. The issue of Manly High School is one where we have had a considerable amount of parental concern as well as concern from the local community. It has gone through a substantial amount of upheaval with I think three different parents and citizens associations this year. It was also a school through which we conducted a very thorough and detailed review, pointing out some of the inadequacies of the system that has operated there over a number of years.

Suffice it to say that in our examinations and through the review we found a number of anomalies. One anomaly is that a number of teachers at the school did not go along with the school being created a selective high school some 10 years ago, and I think it is fair to say that lots of those teachers bear some resentment towards the school having been made selective even though they are still on the school staff. It became clear during the course of the review, and particularly in relation to the parental anxiety which was established at that time, that we needed to do something a little out of the ordinary to restore public confidence in the administration of the school and to revive the school to produce educational standards which we all expect of a selective high school.

It was for that reason that the decision was made by the department to advertise for a principal who would be willing to go into the school to address some of the outstanding matters that had been brought to light during the review, take firm control of the school and put the school back on the path that we would expect of a selective high school. It was appreciated by the department that this would take a person of somewhat substantial qualities. It would also require an extraordinary degree of commitment and dedication. For this, it was felt that some degree of remuneration over and above what would normally be a principal's package would be required. It was for that reason that we advertised in that way. Hopefully, the advertisements will turn up a person or persons who will be able to satisfy that very demanding task.

The Hon. PATRICIA FORSYTHE: Do you see this as a one-off or as the setting of a precedent? From your answer I think many principals around the State would feel considerably let down that you do not in fact assume that they all work over and above the call of duty and work to resolve issues. Why do you see Manly as being so out of the ordinary?

Mr AQUILINA: I do not know of too many schools that have had the kind of intensive review or that have gone through the kind of intensive public scrutiny in recent times that Manly High School has gone through. I do not think any principal would feel in any way slighted by what we have offered for Manly High School. I make the point that it is open to anyone to apply for that particular position. Those who feel that they have the qualities, the calibre and the dedication required to fulfil that role are free to apply.

I do not see how, within a public education system, anyone could hold the Government or indeed a department to blame, because we are recognising some outstanding features in relation to this particular school and are offering a remuneration package over and above what we would normally offer to make sure that we attract the best-quality applicants.

The Hon. Dr P. WONG: It has recently been reported that falling student numbers in public schools has allowed the State Government to cut more than 220 teaching positions, saving the education budget \$13 million. According to the report, this year just over 306,000 students are being taught in public schools, compared to more than 310,000 in 1999. What strategies have you put in place to prevent this trend continuing?

Mr AQUILINA: A number of issues have been brought to life here. The downturn in enrolments which is revealed in this year's budget papers reflects a number of things. First, it is not a consistent downturn. In actual fact, whilst there has been a drop of some 4,000 students in the secondary field, primary enrolments have increased by 1,000, making it a net downturn of something like 3,000 students.

The honourable member asked what strategies the Government has in place to address this. It is important to note that one of the major reasons we have had a drop is that there has been a drop in year 7 enrolments. That is primarily because of the fact that in many of our high schools the relatively low retention rate in years 11 and 12 precludes students from being able to continue their studies for year 12 in the full range of subjects that we would expect a normal high school to offer.

For this reason I have embarked on a fairly extensive secondary school restructure, and we already have a number of secondary school restructures under way. There is the one in my own electorate, which is called the Wyndham College, for years 11 and 12, which forms a senior college for Seven Hills High School, Riverstone High School and Quakers Hill High School, which have been transformed into years 7 to 10 schools. Already that school—the first one in operation in the State—is showing a marked improvement in retention rate, with an 84 per cent retention rate for this year.

Other multicampus schools in the pipeline are Dubbo, Georges River, and Chifley College at Mt Druitt. We are looking at a number of other similar—I say the word "similar", although it needs to be remembered that all of these are unique—arrangements throughout other parts of the State, as well as throughout the Sydney metropolitan area.

The aim is to offer far more genuine choice in relation to years 11 and 12, which would therefore encourage year 7 enrolments to be increased, providing a substantial genuine choice in relation to what local private schools may be able to offer, and would also then encourage students to stay on to years 11 and 12 because of the wider range of subjects that may be on offer at the senior campuses of those schools.

Beyond that, we are also very strongly pursuing other aspects of our public education system which have been part of recent developments, such as the Computers in Schools program, where we are training

teachers to be able to use advanced technology in the classroom and where we are introducing the latest technology into the schools. It may be remembered that yesterday in the other place I announced the fact that the first of the 90,000 computers that we introduced into schools three years ago are currently being replaced in a process which guarantees their replacement on a three-yearly basis.

The other aspect I strongly emphasise is our pursuit of literacy and numeracy strategies, arising from the basic skills test in years 3 and 5, as well as the English literature and language assessment [ELLA] test in years 7 and 8, and the various strategies we have to reinforce the basics and also to provide direct links between primary and secondary schools, particularly in tracing through the progress of students through years 3 and 5 basic skills test and on to the ELLA test of years 7 and 8.

The Hon. Dr P. WONG: You referred to the fact that the number of government primary school students has increased. The figure I have indicates that the number has increased slightly, from 454,000 to 454,628, and from 455,000 to 455,535. What is your figure?

Mr AQUILINA: The 1998-99 figure is 454,101, increasing to 454,628, which is an increase of 527. However, I was actually relating to this year's figures, which show for 2000-01 an increase to 455,535, which is a further increase of 107. Therefore, in actual fact the enrolment in primary schools has tended to strengthen over the last two years.

The Hon. Dr P. WONG: I refer to Budget Paper No. 3, Volume 1, pages 6-17 and 6-19. It was estimated that there will be an increase of 2 per cent in the number of students in public primary schools receiving support through the English as a Second Language [ESL] program, and the secondary school figure is also up by about 2 per cent.

The average staffing in a secondary school is estimated to fall by 0.66 per cent of 231 teachers and in a primary school to rise by 0.5 per cent of 179 teachers. Will there be increased funding for ESL programs and any increase in the number of ESL teachers? I ask this question bearing in mind that that is part of the education policy of the Australian Labor Party [ALP].

Mr AQUILINA: I will take on notice the provision of a specific answer in relation to the exact details because I want to provide a specific, detailed response to the honourable member. Basically, we work to a formula. If the number of students increases, obviously the number of teachers will also increase to reflect the increase in the number of students. We certainly do not have any expectation whatsoever of depriving ESL students of resources to meet their needs. If there is an increase in ESL, as the honourable member has indicated, then the number of teachers will be increased accordingly.

The figures I have—and, as I have said, I am keen to provide these—indicate that from 1999-2000 the funding for ESL students was \$87,046,000. However, in the year 2000-01, the estimate is \$79,242,000, which reflects, as I am given to understand, an anticipated reduction in Commonwealth support. That is why we have put forward that figure. That is primarily the point. There has been a reduction in the amount set aside for ESL but this is in anticipation of a reduction in Commonwealth support for ESL students.

The Hon. Dr P. WONG: I just have a quick supplementary question. Is that not contradictory to ALP policy on ESL teaching?

Mr AQUILINA: No. Mr Chairman, I make the point that as far as we are concerned, we are maintaining our commitment as a State. But, clearly, if the Commonwealth decides to reduce its support for the provision of ESL in the schools, that has an impact on our overall budget. That is not the only area, as all honourable members would be aware, where the Commonwealth Government is reducing its funding support for the level of programs that are being provided for our students in Government schools. As a result of enrolment trends of increasing numbers of temporary migrant students and permanent migrant students, it is anticipated that there will be a significant budget shortfall in the 2000-01 financial year. Again, that is an area in which the Commonwealth Government has substantially reduced its funding.

Ms LEE RHIANNON: Considering the shift in attendance at public schools, could you supply information about any discussions being held or plans in place to close public schools? In response, could you address the future of Ultimo Public School and whether there has been any discussion with a view to selling off the land occupied by that school?

Mr AQUILINA: Certainly. Of course, the provision of education at all levels is constantly under review. We need to continue to look at schools where there is a dramatic drop in enrolments to see whether or

not those schools continue to be viable. There are a small number of schools closed each year because of falling enrolments. Basically, there is a very strict provision in relation to the closure of schools whereby 18 months notice of a proposed school closure which is disputed by the community must be given. The Act provides for an appeal mechanism in that regard.

I have to say that since I have been Minister, I think we have had to exercise that mechanism on one occasion only and that related to the Baulkham Hills public school. In relation to Ultimo, I am not aware of the fact that there are plans to sell off Ultimo. In actual fact, what we are looking at there is consolidation of the school, but that is not to say, of course, that there will not be some other schools where the consideration of closure may need to be taken into account. Where we have had school closures in recent times they have related primarily to closures of infants departments where we have consolidated the infants with the primary sections of schools. This has usually been used as a way of improving the overall educational facility that is provided for students and has, yes, quite often led to the selling off, perhaps, or the close of the infants section of a school.

Ms LEE RHIANNON: Could you just explain what you mean by a consolidation of Ultimo? Does that mean that there might be a retraction and part sale of some of the land? Have there been any talks with Meriton about this?

Mr AQUILINA: As far as I am aware, the answer is no. We have not had any talks with Meriton.

Ms LEE RHIANNON: And as to the first part of the question? Can you explain what you meant by consolidation? Does that mean a contraction with part sale of the land? Could you just explain what you mean by consolidation?

Mr AQUILINA: Consolidation in that context relates to the fact that there has been consultation with some of the neighbouring schools in relation to overall enrolments and the talk has been about consolidating some of those students within the Ultimo school, as I understand it.

The Hon. PATRICIA FORSYTHE: I would like to ask some questions about the enrolment benchmark adjustments. I will begin by trying to get an understanding of this year's policy. Can you tell me why you selected the schools in categories 1 to 3 to reduce the per capita funding to which they were entitled?

Mr AQUILINA: When we introduced the recouping of funds in order to compensate in part for the money which the Commonwealth Government is taking away from our public schools through the enrolment benchmark adjustment, clearly we needed to make a policy decision on how to apply that. The sum of \$5 million which I have recouped for this year was recouped from categories 1, 2 and 3 schools because it was felt that they were the schools best able to carry the burden of having that money recouped. Clearly, I was very conscious of the fact that the lower one goes down the categorisation of those schools, the less affluent the schools are and the more difficulties parents would have in meeting the fee structures and the more difficulties the schools would have in actually coping with withdrawal of those funds.

As all people would be aware, we have non-Government schools that are actually classified on a 1 to 12 basis or in 1 to 12 categories. The schools that are the wealthiest are category 1 and the those that seem to be the least wealthy schools are in category 12. We looked at the amount of joint Federal and State money that schools were receiving and we were conscious of the fact that a number of schools in categories 1, 2 and 3 were receiving money in excess of \$1 million and some were receiving around \$2 million in joint funding from Commonwealth and State Governments. We also looked at the increases in Commonwealth funding as well for those schools. In making the decision to take away the funding from schools in categories 1, 2 and 3, we did so because we felt that it would have minimal effect on those schools.

It needs to be remembered that when one looks at the increase in Commonwealth funding to those schools and balances each out against the money we recouped from the \$5 million, the level of effect to those schools was somewhere in the vicinity of 0.02 per cent to 4.5 per cent. In fact, for the volume of money that they received, it had a very marginal effect.

CHAIR: On a point of clarification. Minister, you referred to the reduction in Commonwealth funding. I refer to Budget Paper No 2, page 3.5, table 3.2: Summary of Revenues. Is it correct that that chart shows a dramatic increase in Commonwealth funding—in fact, a 35 percent increase to \$12.78 billion in 2000-01? How much of that funding source will be used to increase provision of schooling services in New South Wales? How much will go to government schools and how much to non-government schools?

Mr AQUILINA: The point that needs to be made is that we have to look at the funding allocation in real terms. Even though I have indicated that we took away \$10 million from the non-government school sector last year in our State budget, in actual fact the State allocation of funding to non-government schools still increased. Last year it was something like \$16 million and this year the allocation of funding to non-government schools has again substantially increased and has gone up from \$421 million to \$443 million.

The Hon. PATRICIA FORSYTHE: That is because more people live here.

Mr AQUILINA: That is the point I am making. The point that also needs to be made in relation to the Commonwealth is that our enrolments did increase. Some of the reasons for the escalation of the per capita grants for 1999-2000 to 2000-01 was due to increased student enrolment, increases in the cost of educating a student in the Government school sector, particularly as a result of teachers salary award provisions and other Government initiatives, and the continued inclusion of the Government's computers and technology in schools strategy. The inclusion of the technology initiative was in response to the non-government school sector's agreement and the Government's commitment to provide computers to non-government schools, which was best met through incorporating the cost of providing computers in Government schools in a per capita regime. There will be an increase in the superannuation guarantee levy to 8 per cent from July. Also, non-government schools received significant financial support, as is indicated, from the Commonwealth Government.

There are many reasons why, despite the fact that we recouped some money, the level of funding from the New South Wales Government to non-government schools increased, and that would be similar to what happened with the Commonwealth Government. But we still need to look at what it should have been had not the Commonwealth Government actually stopped an amount of money. The figures that I have quoted are not my figures, they are the figures of the Commonwealth. During the past three years the Commonwealth Government has, by its own indication, reduced what should have been our allocation in 1998 by \$4.3 million, reduced our allocation in 1999 by \$9.7 million, and reduced our allocation in 2000 by \$17 million—and that amounts to something in the vicinity of \$31 million. That will continue to increase and by 2004 we estimate it will be approximately \$50 million per year.

The Hon. PATRICIA FORSYTHE: The Minister has referred to the Commonwealth taking away money from Government schools. The Minister's press release yesterday refers to Commonwealth cuts to public education. Dr Burke, could you provide me with actual evidence of the reduction in expenditure for government schools as a result of the Commonwealth's enrolment benchmark adjustment?

Dr BURKE: To clarify the question, are you asking me to detail the cuts in spending for government schools as a result of that reduction in funding?

The Hon. PATRICIA FORSYTHE: The Minister has referred to cuts in Commonwealth cuts to public education and has talked about the Commonwealth taking away money from Government schools. Would you provide some evidence of the actual reduction in expenditure for Government schools?

Dr BURKE: I would prefer to take that question on notice at this time because I do not have the exact details of the cut that you are talking about.

The Hon. PATRICIA FORSYTHE: Minister, how do you answer the allegation that by selecting only category 1, 2 and 3 schools you engaged in a blatant act of discrimination?

Mr AQUILINA: Clearly it is up to the Government to make a policy decision. Inevitably it means that you have got to draw a barrier somewhere. We made the decision as a Government that the schools that were most able to afford the money being recouped were categories 1, 2 and 3 schools. Even the increase in Federal funding that those schools had received, I have already indicated, that the overall effect was a marginal one, ranging from 0.02 percent to 4.5 per cent. I know that there are claims being made about the dramatic loss of funding that these schools have experienced but I am happy to table the detailed tables which showed precisely what the increase in Commonwealth funding has been for those schools since last year, what State Government funding has been provided since last year, and what the net effect of increased Commonwealth funding versus reduced State Government funding is overall. In most schools it will be seen that indeed it is fairly marginal factor. In fact, for a large number of schools the total impact is a drop of approximately \$2,000 to \$3,000, although it is greater for some schools. The much larger schools are receiving joint funding anywhere between \$1.5 million to in excess of \$2 million.

Leave granted.

Documents tabled.

CHAIR: Minister, you indicated that there has been cuts in funding to the non-government schools sector in March as indicated in this budget. What consultation took place with non-government schools sector representatives to prepare and explain these cuts?

Mr AQUILINA: I point out that the \$10 million that was to be cut from the non-government school sector was signalled at the time of the budget last year, that is the 1999-2000 budget which was brought down in May 1999. There was a substantial amount of publicity about it. It was commonly known at that stage that the overall allocation of funding to the non-government schools, despite the fact that it had increased from the previous year, was reduced by \$10 million from what it would otherwise have been, so as to recoup some of these funds. It is true or that we did not have detailed discussion. There were a number of organisations, including the New South Wales Branch of the Australian Parents Council, who sought from me detailed advice as to how we would implement the \$10 million cutback.

I was not in a position to be able to give an answer at that stage because at around about the same time the Commonwealth Government was also making a lot of public statements about the fact that it would be reorganising the way in which it would be allocating funds to non-government schools, specifically by doing away with the 12-category structure and introducing a system based on the income of parents of students attending those various schools. I raised this matter with the Federal Minister on many occasions. I held off taking any action to recoup any of the funds in the hope, firstly, that the Federal Government would have a change of heart and withdraw the enrolment benchmark adjustment because of quite strong and united opposition from both the government sector and the non-government sector around the nation; and, secondly, because we were being told that an announcement about the abolition of categories and the introduction of the new methodology for the funding of non-government schools in Australia was imminent.

At the end of the day it got to the stage where I needed to advise schools of what their level of funding was. It was at that stage that we had to make the decision to recoup some of those funds. In recognition of the fact that there had been virtually no time for consultation with the schools, instead of taking the full amount of \$10 million, I reduced that to \$5 million. The policy decision was also made to restrict that to category 1, 2 and 3 schools. Since then I have made a public statement, which I reiterated in the Parliament yesterday, that there will be no more money taken out of the schools for this calendar year, given that the schools set their annual budgets on a calendar year basis, not a financial year basis.

However, I have also given the indication that the second lot of \$5 million will be recouped over the first six months of next year, and then the first half of the \$17 million, that is, roughly \$8.5 million, will be recouped from the second semester or second half of the year 2001. I have also given an undertaking that I will advise those schools of exactly what impact this will have upon their individual budgets well before they draw up their budgets for next year—I would anticipate by about late July or early August—unless, of course, the Commonwealth Government has a change of heart and finally decides to do away with the EBA, which has been so roundly criticised by all concerned.

I would also like to indicate that at the last Ministerial Council meeting I moved a resolution that we form a working party comprising the States and Territories to have a look at the application of the EBA. Dr Kemp was not pleased with that. In fact, when we debated it at the Ministerial Council meeting he, in a sense, refused to have it passed as a resolution of the Ministerial Council, so we had it passed instead as a resolution of the States and Territories. It needs to be noted that it is not an official MCEETYA working party, that it is a working party of the States and Territories. Therefore I would anticipate that, when that working party brings down its final recommendations, Dr Kemp will probably feel that he is in no way obliged to abide by them if he does not feel fit to do so.

The Hon. J. M. SAMIOS: Dr Burke, has your department received legal advice in relation to your EBA policy funding cuts?

Dr BURKE: Yes.

The Hon. J. M. SAMIOS: Will you make that advice available to the Committee?

Mr AQUILINA: That is basically a policy matter, and I will answer that question. It is not usual for governments to release a Solicitor General's advice. If the Committee is thinking in any way that those who oppose what the Government has done will take some heart from release of that advice, they might find it to be quite to the contrary. In keeping with precedence and normal practice, I do not propose to release the Solicitor

General's advice to the Government. But I will re-emphasise the point that I made in the Parliament last night that the Solicitor General's advice to the Government is that the Government is perfectly in order in making the decision that it did, from a legal perspective. Indeed, there was some other advice by the Solicitor General which, if the Government so wishes, would enable the Government to go much further.

CHAIR: Minister, would you consider making the document available to the Committee on the basis that it not be a public document?

Mr AQUILINA: Not at this stage, Mr Chairman. I would need to confer with my colleagues in that regard. It is a Government matter, and I do not feel I would have the right, in relation to the Solicitor General's advice being released to a Government Minister, to make that decision. It certainly is not the sort of decision that any Minister would make lightly.

The Hon. P. T. PRIMROSE: On that point, Mr Chairman: I understand that the House can at any time, if it chooses, resolve to make public any document that is tabled before this Committee. So this Committee could not really give an undertaking to the Minister that it would not become a public document if the Minister did table it here.

The Hon. Dr P. WONG: I would like to make a statement. I am concerned that the Minister says that the Solicitor General's advice is not of major importance, yet fails to show a willingness to table the document.

The Hon. JAN BURNSWOODS: The Minister did not say either of those things.

The Hon. Dr P. WONG: Yes, he did.

Mr AQUILINA: I again make the point that it has nothing to do with my willingness or otherwise; it is not a practice of governments to release a Solicitor General's advice provided to the Government. The Solicitor General provides advice to the Government and the Government acts upon that advice. That advice is the prerogative of the Government.

The Hon. Dr P. WONG: I would like to continue with questioning. Obviously, from the words "enrolment benchmark adjustment", the funding of the Commonwealth is related to the enrolment of students at schools in particular, government and non-government. Does not the falling number of government school students reflect mismanagement by your department of the public education system?

Mr AQUILINA: The Commonwealth Government has chosen to use an enrolment benchmark going back to 1996. I will choose to use an enrolment benchmark going back to 1995, which was the year that our Government was elected. Might I say that the difference in enrolments between 1995 and 1999 is roughly an increase in enrolments in public schools of almost 9,000 students. Yet, over that same period, the Commonwealth Government has chosen to take away somewhere in the vicinity of \$31 million from government schools.

CHAIR: That is the point I was trying to make earlier when I quoted from your budget in the budget papers. That indicates a 35 per cent increase in Commonwealth grants.

Mr AQUILINA: Mr Chairman, I agree with that; it is an increase of 35 per cent. But it should have been more than that had that Government not taken away funding.

CHAIR: Are you saying it should be something like 36 per cent?

Mr AQUILINA: No. Whatever 35 per cent plus \$31 million is should be the real formula. I am not the one who is saying our allocation has been reduced by this quantity of money. This is what the Commonwealth Government has indicated to us as being its reduction of the funding which would otherwise have come to us.

The Hon. PATRICIA FORSYTHE: Minister, section 21 of the education Act is fairly clear: 25 per cent of funds granted to governments for schools should be granted to non-government schools. Can you indicate what percentage has actually been given to non-government schools in the past year as a consequence of your action?

Mr AQUILINA: The figure of 25 per cent is quite explicit under the Act; it is 25 per cent, which has been given. Where the Act is not explicit, of course, is in relation to the regimen which is taken into account in

the determination of that 25 per cent. I know that there has been many a debate, both with this Government and previous governments, in relation to the determination of that regimen. Could I just say, Mr Chairman—

The Hon. PATRICIA FORSYTHE: So did you change the criteria?

Mr AQUILINA: No. Could I just say, Mr Chairman, that earlier I gave advice that the Solicitor General had looked at this matter and indeed has brought forward a decision that the way in which the Government has acted in relation to this matter is entirely appropriate. There was some other additional advice which was provided, but I do not think it is relevant or germane to relate that matter here. But, clearly, we are very much within the legal advice in relation to the allocation of that 25 per cent.

The Hon. PATRICIA FORSYTHE: Where is the \$5 million that has been withheld from those schools? Where has that gone now?

Mr AQUILINA: That \$5 million has been put in additional to the amount of funding being provided to the public education sector. It is, as I said, to make up partly for the \$10 million that was withheld from public schools. It is providing additional literacy, it is providing additional computers in schools, and it is providing additional resources. It is going towards global budgets. It is being used by the government schools.

The Hon. PATRICIA FORSYTHE: To clarify: In relation to the 25 per cent figure, do I interpret from what you have said that you have in fact changed the criteria?

Mr AQUILINA: That 25 per cent specifically relates to the amount of money given over to the non-government sector, which is dependent upon the calculation of total funding for education within the public sector. The adjustment we have made is based upon a range of criteria. We checked this out with the Solicitor General. The Solicitor General told us that it was perfectly in order for us to make this allocation and to continue to pursue it. It should be remembered, of course, that the money which was taken from non-government schools is only part of the additional money which was given to them by the Commonwealth Government. Had the Commonwealth Government provided us with additional funding, we would have had an opportunity to provide, as a percentage of that, additional funding to the non-government sector. But we did not have that funding because the total amount was reduced.

Ms LEE RHIANNON: Let me bring a bit of balance to these questions about the private and public sector split. I understand that the State's interest subsidies to private schools will grow at 13.6 per cent between 1999-2000 and 2000-01. Will you explain the large growth rate, given the need for capital expenditure in public schools and TAFEs? Could you also explain why nearly \$8 million is being cut from maintenance budgets in government primary and secondary schools while facilities in private schools are being afforded such considerable generosity?

Mr AQUILINA: I do not know where the honourable member gets her facts and figures from, but funding for the maintenance of government schools has not been cut. If anything, maintenance for government schools in this year's budget has dramatically increased. In fact, last year the amount of money allocated for school maintenance was \$122,714,000. This year the amount of money allocated for school maintenance is \$144,932,000.

Ms LEE RHIANNON: I was going on the figures on page 6.19 of Budget Paper No. 3, Volume 1, Operating Statement. Under the line item Maintenance there is a drop in the amount of money. That is where I was drawing the data from.

CHAIR: The reference is not on page 6.19.

Ms LEE RHIANNON: On page 6.19 of Budget Paper No. 3, Volume 1, I have Operating Statement, line item Maintenance. The reference is: Minister for Education and Training, agency 33, Department of Education and Training, program 33.1 Pre-school and Primary Education Services.

CHAIR: That is on page 6.18.

Ms LEE RHIANNON: It is on page 6.19 in my documents. There is another reference on page 6.21.

CHAIR: Are you looking at a budget paper?

Ms LEE RHIANNON: I am looking at the budget papers. I have a photocopy from the blue and yellow documents that we have been given.

Mr AQUILINA: The problem relates to the fact that a comparison is being made between actual expenditure and estimated expenditure for this year. This issue is often raised when we are looking at budget papers. Of course, one needs to compare apples with apples. So, basically, the comparison that needs to be made in relation to estimated expenditure in this budget has to be estimated expenditure from the last budget and not actual expenditure. There is, in fact, a substantial increase.

I refer the honourable member to subprogram 33.1.2, Primary Education Services in Government Schools. The line item Maintenance is listed in last year's budget as \$63,475 million. This year it is \$64,809 million. The revised figure, which is actual expenditure, often relates to one-off expenditures. That can often be, for example, additional money which is allocated perhaps towards the end of the financial year. You will find that this year that figure will grow again.

Ms LEE RHIANNON: Going from the revised budget—which I understood you to say was the actual figure—to the amount for this year, there is a drop.

Mr AQUILINA: As I said earlier, one needs to compare estimate with estimate, not actual with estimate. The actual figure expended last year related to an additional amount of money which was made available towards the end of the year by recouping some money from other budget figures and putting it in there. That is what boosted the revised figure and increased actual expenditure. This year we have an estimated expenditure which is higher than the estimated expenditure last year. It may well be that, by the time the year is out, we will be able to boost that again in other ways. So the actual expenditure could end up being much higher.

The honourable member may be aware that only a fortnight ago I was able to release an additional \$8.3 million for increased joint funding and additional amenities involving 637 schools. You will not find that in last year's budget figures. It will come up as an increase in actual expenditure because of money that we were able to gloss off other areas and allocate for that additional maintenance work. That often happens. One really cannot compare last year's actual with this year's estimate; it has to be a comparison of estimate with estimate.

Ms LEE RHIANNON: I look forward to an increase then.

The Hon. JAN BURNSWOODS: You referred earlier to extra money. Are provisions for school security and improvements to school security within the maintenance budget, or is that a separate amount?

Mr AQUILINA: It is a separate amount. The additional money I have just referred to will not come out of the 2000-01 budget; it will show up as an additional amount of actual expenditure in the 1999-2000 budget.

The Hon. JAN BURNSWOODS: On improvements in security?

Mr AQUILINA: Not for improvements to security; for maintenance.

The Hon. P. T. PRIMROSE: As the matter of school security has been raised, will the Minister tell us what he has done about school security?

Mr AQUILINA: I am pleased to announce that we are seeking to go further with some new projects on school security beyond the ones that we have had to date. I am announcing today the introduction of Microdot technology, which identifies and registers valuable school equipment, saving schools thousands of dollars. We have trialled on a six-month basis a program called Datadot, which has reduced school property loss in 40 Wollongong schools by 89 per cent—a saving of some \$6,000 for each school.

As a result of that six-month trial in those 40 schools we have now decided to provide the opportunity of using this technology to all schools across the State. Datadot will be used to identify valuable and portable school equipment, including computers, VCRs, television cameras, mobile phones, cameras, tools and artwork. It builds, as I said earlier, on existing school security measures which we have, such as electronic and video surveillance, random security patrols, floodlighting, security fencing and various community programs such as School Watch.

Under the datadot security initiative every piece of valuable school equipment will be marked with a device. For an investment of around \$70 schools can mark up to 1,000 items with a serial number, and all equipment is recorded on a register. If police come across an item they believe is stolen, they can simply scan the serial number to determine whether or not it is the school's property. Stickers will also be placed on the items to warn potential thieves. It will send out a very clear message to thieves that the material they are trying to steal is marked in such a way that it cannot be erased and it can be detected. In the past five years more than \$25 million has been allocated to improve school security. I am pleased that we will be able to further improve school security through this measure. I thank the honourable member for his question.

CHAIR: Returning to the EBA issue, it has been suggested that your overall budget is a massive budget for the State and the amounts of money you take from the non-government sector are small compared to the budget you indicated earlier, but it has a big impact on the non-government schools. Apparently they are increasing their fees to compensate. It has been suggested that this is a way of putting political pressure on the Federal Government, in your battle with it, to make parents in the non-government sector angry about these cuts. Is there any truth in that?

Mr AQUILINA: Can I make a couple of observations about that, Mr Chairman. The State Government did not choose the EBA; it is an instrument of the Commonwealth Government. It has chosen to take the funding away. Yes, our budget is a big budget but every dollar counts, and \$5 million can mean being able to provide substantially more computers in our schools or more resources for literacy or numeracy, or to enable us to build more than one primary school. Of course, all these things are incremental.

In relation to the capacity of the schools to be able to absorb what we have taken from them, I make the point that again the overall impact is in the vicinity of 0.0 per cent to 0.5 per cent when measured against the increase in Commonwealth funding. As an example, Kings School has had a net loss of \$59,000. Whether or not that justifies the sorts of letters it has sent home to parents and the additional fees it has levied on parents is up to the school to decide but, clearly, as I have indicated, and as you will see quite easily from those graphs I have tabled, the net impact on a large number of those schools is less than \$10,000—in some cases only around \$2,000.

The Hon. PATRICIA FORSYTHE: I would like to ask one more question on the EBA. Next year, as you know, the categories of the schools change. Rather than 1 to 12 categories, there will be a whole new categorisation. Have you made a decision about what schools you will target for next year?

Mr AQUILINA: No, I have not yet, and for the same reason that I did not notify the schools until the death knell to send out notification about their funding.

The Hon. PATRICIA FORSYTHE: You did not actually notify them, you sent them cheques.

Mr AQUILINA: They got notification about the funding they were going to get, but they got it at the time that we had to send them the money. I suppose I could have just sent them the money and not told them anything about it. That would have been another matter, as well. The point needs to be made here that I did hold off until such time as the Commonwealth made its intentions plain about what was happening with the categorisation. I am now awaiting further details in relation to what the proposed level of funding for each of the schools is based upon the Government's new categorisation.

Ms LEE RHIANNON: Do you have a percentage for how much of the State budget is spent on non-government schools and how much you spent on TAFEs—an actual percentage?

Mr AQUILINA: The budgets are clearly pointed out. The total amount on TAFE education in this budget is \$1.212 billion. The total amount on school education is \$5.472 billion in recurrent expenditure plus \$216 million in capital works. In TAFE it is \$1.212 billion recurrent and \$82 million in capital works—that would relate to about 16 per cent.

Ms LEE RHIANNON: How much for government schools?

Mr AQUILINA: The total for schools is just under \$5.7 billion. The non-government component of that is about \$448 million.

Ms LEE RHIANNON: I just wanted the percentages to make a comparison.

Mr AQUILINA: It is a \$5.7 billion total for schools, capital and recurrent. The amount for non-government schools is \$448 million, so it will work out at about 8 per cent.

Ms LEE RHIANNON: For government and non-government schools? You have \$816 million, so the rest is for government schools?

Mr AQUILINA: Yes.

The Hon. PATRICIA FORSYTHE: I would like to ask a question about capital works. I ask Dr Burke, in relation to major new works that have been identified in the budget papers, were each of the projects on the Department of Education and Training's recommended priority list?

Dr BURKE: Yes, they were.

The Hon. PATRICIA FORSYTHE: Were there any projects that were included on your priority list that have not yet been funded?

Dr BURKE: I think you will understand that the priority list can be very long indeed and it can be in terms of projections into the future. There will always be some into the future that might not end up on a budget for a financial year.

The Hon. PATRICIA FORSYTHE: Are any projects included on this year's list as a result of intervention from the Minister's office?

Dr BURKE: No, I do not think so. I am not aware of that.

Mr AQUILINA: The issue in relation to capital works is very transparent. We have a three-year program here, where works follow through. I do not think a single project would be completed in any one year. Most of the work is staged. There is the planning stage, stage one, and it follows through with subsequent stages. It is very transparent. But it is fair to say that demands are very large. To the best of my knowledge there are 540 primary schools with a sizeable enrolment without school halls. How does one work out the priority for those? They are all on a priority list somewhere, but we have to give consideration to those schools with increasing enrolments; those schools that have been deprived of essential resources for some period of time; those schools where it is necessary to upgrade the quality of the school to protect the product we have. Unless those schools are attended to we will have a rapid deterioration in maintenance. These are all primary considerations that are brought into account.

Our Properties Directorate comes up with recommendations. We look at those recommendations and we also look at the need to pursue new schools in areas of rapid population growth. I assure the honourable member that the demands always far outstrip the capacity to be able to meet those demands in any way one wishes to look.

CHAIR: You referred to a priority list. Can you table that document; is it available to the Committee?

Mr AQUILINA: There are a number of items on those lists. There is no priority list that goes from one to 2,000.

CHAIR: From one to 100, for example, or from one to 50?

Mr AQUILINA: I am not happy with that. On this year's budget I think we have eight new schools being budgeted for and substantial upgrading of 119 schools. The list continues on from that. There are others which then continue on, and I am quite happy to indicate what they are. I think there would be many others that would like to be on that priority list as well.

CHAIR: There are about 120 or 130 on that immediate list, by the sound of it.

Mr AQUILINA: And they have been budgeted for in this budget.

The Hon. JAN BURNSWOODS: That is only major works. There are hundreds of others.

Mr AQUILINA: No.

CHAIR: You were speaking of major projects, the priority list for new schools.

Mr AQUILINA: They are major capital works. There are also hundreds of minor capital works carried out. As I indicated only last week, I released a \$8.3 million program which affects 637 schools spread right across the State. I am still being thanked by honourable members from the member's side of politics who are absolutely astounded by what we have been able to do for their schools.

The Hon. H. S. TSANG: Especially the north shore.

CHAIR: Minister, I refer to page 6-26 of Budget Paper No. 3, Sales of Goods and Services, Rents and leases—other. At present what are the plans for the property and/or buildings at Seaforth TAFE? Have you budgeted for any income from rent, lease or sale of that property?

Mr AQUILINA: No, we have no plans at this stage in relation to the Seaforth property. Seaforth TAFE is closed and will remain closed. In relation to what happens to that property, I am holding it in reserve to ensure that we have the opportunity to look at the whole provision of educational opportunity in that northern beaches area. I am confident that the arrangements we have made in relation to TAFE are more than adequate to be able to provide the facilities that will be required at the Northern Sydney Institute of TAFE. Indeed, I attended the excellence awards presentations at the Northern Sydney Institute of TAFE last night. I commend the teachers, administration and students on their outstanding achievements. Some 23 State medals out of a total of 64 medals were awarded to the Northern Sydney Institute of TAFE last year.

Clearly, they are producing quality product there, and I think they are doing it very well. A number of those State medals were presented to students at the Brookvale TAFE campus. But we have other challenges in the northern beaches area, particularly in relation to the development of opportunities for public school education. I simply want to keep that property in abeyance until such time as we have firmed our approach and made a firm decision in relation to exactly what we will do to strengthen opportunities for secondary school education in the northern beaches area. Seaforth TAFE campus may come into consideration in that regard in one way or another.

CHAIR: If the property is empty is it being maintained and protected?

Mr AQUILINA: I certainly hope so.

CHAIR: You should know; you are the Minister.

Mr AQUILINA: I have not had any reports to the contrary.

The Hon. J. M. SAMIOS: Minister, how much is it costing to provide security and maintenance on the Seaforth site?

Mr AQUILINA: We provide security to a large range of buildings. It is part of our responsibility to secure all our property, irrespective of where it is located. I do not have the security costs specifically for Seaforth TAFE but I will undertake to get that for the honourable member.

The Hon. J. M. SAMIOS: Perhaps Dr Burke knows.

Mr AQUILINA: No, he does not know.

Dr BURKE: No, I do not have that.

The Hon. J. M. SAMIOS: What was the cost of alterations at Brookvale to accommodate different subjects and additional students?

Mr AQUILINA: I think this was indicated at a previous meeting. From memory, it was indicated to this Chamber at some time.

The Hon. J. M. SAMIOS: How does that compare with the original estimates for those alterations? Perhaps Dr Burke could answer that.

Dr BURKE: I am sorry but I do not have those figures with me.

The Hon. PATRICIA FORSYTHE: Will you take that question on notice?

The Hon. JAN BURNSWOODS: That information was provided to this Committee, which is the committee that conducted the inquiry.

Mr AQUILINA: I know. I understand that it was provided on a previous occasion, and that is why we do not have it with us. It has been a matter of public record for some time.

CHAIR: I take that to mean that they are estimated costs. You want to know the real costs.

The Hon. J. M. SAMIOS: Yes.

CHAIR: That is subsequent to the inquiry.

Mr AQUILINA: I was quite certain that those costs had been provided previously to this Chamber.

The Hon. J. M. SAMIOS: What are the estimated savings with the closure of Seaforth TAFE?

Mr AQUILINA: It is expected that we will save a net amount of about \$240,000 per year in recurrent funds, together with a saving of about \$400,000 in capital expenditure which would have been needed to maintain the buildings to a reasonable standard.

The Hon. Dr P. WONG: How many part-time or full-time teachers from Seaforth TAFE are now unemployed after the closure?

Mr AQUILINA: It was not a question of saving teachers. As I understand it, all the teachers have been redeployed elsewhere.

The Hon. Dr P. WONG: How many of them have been retrenched?

Mr AQUILINA: All the teaching disciplines previously at Seaforth have been relocated to Brookvale. The only change to course provision was in the Diploma of Fine Arts, where the elective streams of photography and printmaking were replaced by digital art. In terms of personnel, I am not aware of anyone who was not relocated in terms of being able to find a job.

The Hon. Dr P. WONG: What is the estimated cost of making Brookvale campus accessible for disabled students?

Mr AQUILINA: Again, I thought that that figure had been provided. It has been aired publicly, and I have seen it in other documentation. Because it is public knowledge, I did not think we would need to have it here today, and I do not have it on the top of my head.

The Hon. Dr P. WONG: What is the cost of renting laboratory facilities which are not available at Brookvale at the moment?

Dr BURKE: The laboratory is rented from a school. Is that the one you are speaking about?

The Hon. Dr P. WONG: Yes.

Dr BURKE: We are not paying rent for that because it is part of the TAFE system.

Mr AQUILINA: It is at Freshwater High School.

CHAIR: I have a general question. As we know, there has been a long drawn out dispute with the Teachers Federation over a wage increase and other matters. Many parents are very supportive of the basic skills test which you introduced. I know the agreement includes a wage increase, but does it now include an agreement to co-operate with the basic testing program in schools?

Mr AQUILINA: Yes, it does. The agreement with the Teachers Federation in relation to the new award specifically includes the co-operation of the federation in relation to basic skills testing and the other statewide tests which the Government provides.

The Hon. Dr P. WONG: When will the Government provide capital works funds to rebuild the classrooms, resources rooms, store room, kitchen and hat room at Harbord Primary School which were burned down in a fire in December 1998? Why is the work not in the current capital works budget, given that preliminary planning for the work is complete?

Mr AQUILINA: I will have to take that question on notice. I am not aware of any specific issues relating to Harbord. Normally, if there has been a fire the school is virtually rebuilt almost immediately. If it has not been on this occasion, then it relates possibly to a drop in enrolment or some other aspect.

The Hon. PATRICIA FORSYTHE: In relation to the \$29.5 million that has appeared this year in relation to the precinct of the Conservatorium of Music, what does that relate to? What would you get for \$29.5 million? Or was that part of the original tender?

Mr AQUILINA: The precinct area which the honourable member refers to is actually the heritage area. The funding for that came from a specific allocation through the heritage portfolio. Recognising the fact that it is an area of significant archaeological importance for the State, it will be a large foyer which will contain the preservation of a number of archaeological items of heritage importance and also provide the museum for some 10,000 artefacts that have been unearthed as a result of the excavations that have taken place in conjunction with the construction of the Conservatorium.

I think it will be a remarkable asset for this State and nation, and it will serve as an outstanding display of the archaeological qualities of the development of the colony—something which, if it had not been for the reconstruction of the Conservatorium, would never have been unearthed for the benefit of the general public and Australia as a whole.

CHAIR: However, the costs of the project have blown out dramatically. Does that relate mostly to the heritage issue?

Mr AQUILINA: The increase in the costs is a matter of public record; it has now been indicated on a number of occasions. It relates to substantial delays that were experienced in the construction that took place. It relates also to the significance of the archaeological items which were revealed as a result of the excavation, and the obvious need to preserve them in a sensitive way because of their archaeological importance and because of their relevance for this State and nation. Beyond that, some architectural matters also needed to be given additional consideration, which also created some significant increased cost.

At the end of the day, Australia will inherit a remarkable resource which will become yet again one of the major icons of Sydney and this nation. It will provide a Conservatorium for the teaching of music which is among the best in the world, if not the best in the world, and certainly I think will rate very highly with the other major icons of Sydney in terms of its attractiveness and its remarkable qualities. I do not think anyone needs to be in any way embarrassed or ashamed of the Conservatorium. Certainly I am not, and certainly this Government is not, and I think that every Sydneysider will have every reason to take great pride in the Conservatorium and the museum of archaeological items which will be displayed along side it.

CHAIR: You indicated that delays had pushed up the costs. Were the delays in some of the heritage sites industrial delays?

Mr AQUILINA: They were a combination of industrial delays which were part of the drive to sensitively consider the archaeological finds that were made during the course of the excavations. In hindsight, I think they were certainly warranted because of the additional consideration that needed to be given to the sensitivity of those sites.

The Hon. PATRICIA FORSYTHE: Did your director-general receive a performance bonus this year?

Mr AQUILINA: No. I will qualify that answer. Not as yet, that I am aware of. The matter is still being considered. I will qualify the answer further. The answer is no. But that is not to say that he may not. I want to make that quite plain.

The Hon. Dr P. WONG: Given that most State wards and children in care have a well-documented history of leaving care with well-below-average education attainment, have high truancy rates, and often exhibit

psychological and behavioural problems, what provision is there in the current education budget to address the particular education needs of State wards and children in care? If there is no such provision, why not? What steps will the director-general and the Minister take to ensure that the special education needs of this vulnerable group in our society are addressed as a matter of priority?

Mr AQUILINA: I am not quite sure of the full import of the member's question. The department has a number of institutions. For example, we have schools inside juvenile justice centres. I do not know whether that is quite what the member is referring to. However, we have a responsibility there and a policy to conduct schools with juvenile justice centres. We also have a very specific integration program of students with disabilities. We also have some 84 child-care centres associated with our schools. Those budgets are indicated quite specifically as line items throughout the budget papers.

There was talk earlier about falling enrolments. I draw to the attention of honourable members the fact that it is clearly pointed out in the budget papers how significantly the enrolment of children with disabilities has increased in our government schools, which is an indication of the fact that we have to offer great quality care for children with disabilities. In fact, it is a very substantial increase. Also, the enrolment of Aboriginal children in our schools has increased by something like 400 from the previous year. The enrolment of children with other special needs has increased as well.

The Hon. P. T. PRIMROSE: What about truancy?

Mr AQUILINA: The schools that we are providing are for children with behavioural problems. In fact, in the last couple of years I think we have increased those schools by three.

CHAIR: Have steps been taken to ensure that children who were enrolled at the Wilcannia school—apparently some of them are doing very well in the HSC—resume their courses?

Mr AQUILINA: They have. In fact, I spoke to the principal of the school early last week. At that stage he was able to advise me that the children had returned to school in large numbers and that they were trying to proceed in the normal way as much as they could, having undergone the media storms they have experienced in the last month or so.

Ms LEE RHIANNON: What is the budget for the Disadvantaged Schools program for the financial year 2000-01 and how does this compare with the previous financial year?

Mr AQUILINA: The amount of funding for disadvantaged schools in 1999-00 was \$52,278,000. This has increased to \$53,828,000 for this year, an increase of some 16 per cent.

Ms LEE RHIANNON: How much of this is accounted for by the Federal Government's specific purpose payment to New South Wales for targeted and joint programs in government schools?

Mr AQUILINA: Currently 477 government schools are on the DSP list. This includes 367 primary schools, 77 high schools, 16 central schools and 17 schools for specific purposes. One school was closed at the end of 1999, and that school was removed from the DSP list. A new disadvantaged schools list for 2001-04 is due to be identified in August this year. Funding for direct financial assistance in consultancy services to DSP schools is provided by the Commonwealth literacy and numeracy program for schools.

The Government provides State funding for additional teachers in DSP schools. This provides 134.65 primary teaching positions and 143.8 secondary teacher positions under the disadvantaged schools initiative.

Ms LEE RHIANNON: What is the total amount of funding from the Commonwealth Government for the targeted and joint programs?

Mr AQUILINA: The total grant to schools in 2000 amounts to \$17.56 million—about the amount taken away this year through the EBA.

CHAIR: Minister, you have mentioned several times falling enrolments in the government school sector. Have any surveys been conducted to establish why parents are removing their children from government schools? Is there any evidence that the disruptive tactics of the Teachers Federation upset many parents—particularly working parents who had no-one to mind their children and were therefore disadvantaged by the continuing strikes?

Mr AQUILINA: We do not have any conclusive survey data at this stage. However, we are undertaking some studies and initiating programs to determine what affects, and has affected, and influences parents in relation to student enrolments. It would appear from the drop in year seven enrolments this year that there has been some impact on parents' feelings about the stability of education in the public school system. However, I am confident that we will be able to build up the numbers again. Increased retention rates in years 11 and 12 and better choices and opportunities, which I described previously, will satisfy that need.

The Hon. Dr P. WONG: The adult migrant English services program does not appear in the budget papers. It is a federally funded program, but it was reflected in State budgets in previous years. What has caused this change?

Mr AQUILINA: I will take that question on notice and provide an answer to the Hon. Dr P. Wong.

Ms LEE RHIANNON: My question is directed to Mr Dixon. What is the Commonwealth's funding contribution to TAFE New South Wales for the financial year 2000-01 on an expenditure and capital outlay basis?

Mr DIXON: I will have to take that question on notice.

Ms LEE RHIANNON: I have a series of questions that I will put on notice. As to salary funding, given that the teacher salary increases that were recently agreed upon are supposed to be fully funded, how will the Minister ensure that that occurs?

Mr AQUILINA: The Treasurer has indicated in relation to the agreement that funding will be provided through certain percentages in the State budget. We must also remember that there are various productivity savings within the concept of that award that are taken into account.

The Hon. PATRICIA FORSYTHE: I have a series of questions about TAFE's sponsorship of the Olympics. What is TAFE's actual financial contribution and what will it receive for its money?

Mr AQUILINA: All people will be aware that sponsorship of the Olympics is a commercial matter. TAFE operates as a commercial entity and I do not think I have the right to reveal that information. I am not sure what specific issues the Hon. Patricia Forsythe is referring to, but I would be doing a disservice to all other sponsors of the Olympics if I were to reveal those figures tonight.

The Hon. PATRICIA FORSYTHE: Last year I asked a more specific question regarding publicity and the fact that TAFE New South Wales was purchasing a number of tickets for the Olympics.

Mr AQUILINA: If that is the honourable member's question, I will answer it.

The Hon. PATRICIA FORSYTHE: That is my next question.

Mr AQUILINA: TAFE has purchased no tickets for the Olympics.

The Hon. PATRICIA FORSYTHE: Does TAFE have access to a corporate box?

Mr AQUILINA: No, not as far as I am aware. No tickets have been purchased by TAFE and no free tickets are being provided to TAFE—or indeed to any personnel within the Department of Education and Training—for the Olympics. I do not think I can be more specific than that.

CHAIR: Following up the question about tickets, the Olympic committee was anxious that children should have access to low-cost tickets, and several schools took up that offer. However, I understand that some teachers did not co-operate in that program and returned the tickets. Has the department taken any action to try to overtake the situation and ensure that children in those schools get the opportunity to purchase tickets, in spite of the efforts of teachers who may be opposed to the Olympics or who may wish to hurt the Government in some way?

Mr AQUILINA: I do not think there was any attempt by teachers to oppose the Olympics. I think they felt that, during the industrial disputation, it placed an additional administrative burden upon them. Teachers were not forced to participate, but I understand that quite a large number of schools offered to co-operate and

provided low-cost tickets to children. Others opted not to participate in that scheme. I am not sure what has happened to those tickets or whether there will be an opportunity to have a second go at them. I understand that the tickets that were not used were returned to SOCOG.

CHAIR: Will you take any steps to compile a list of schools where the children missed out so that they may have an opportunity to purchase tickets? It seems a pity that the children should be punished by the actions of their teachers.

Mr AQUILINA: Sure, but it must be understood that the provision of tickets was an additional request made of teachers. Perhaps we will have an opportunity to revisit this matter. I do not know at this stage. Certainly, if my department, my office and I can assist in facilitating that process I will be happy to revisit the matter.

The Hon. PATRICIA FORSYTHE: On page 91 of the *Hansard* record of last year's estimates committee hearing you describe some TAFE classes as having:

... ridiculous maximums ... some classes have a maximum of 12, others have a maximum of 15. It is somewhat ironic actually that people may be doing a TAFE course with a maximum of 15 and young people at the school just down the road are doing exactly the same course and they have got a maximum class of something like 20.

As a result of the new teachers award, have you now achieved higher maximum class sizes throughout TAFE?

Mr AQUILINA: The short answer is no. TAFE class sizes have been increasing as a result of the various business plans put forward by the different institutes around the State. The Hon. Patricia Forsythe has publicly criticised me and TAFE on several occasions over the fact that there has been a number of voluntary redundancies over the past couple of years as a result of budgetary measures. Those voluntary redundancies have targeted a number of course areas that are no longer as popular as they were—for example, fashion and design and some of the metal and engineering courses. We have had to phase out those courses in order to provide other facilities and opportunities.

Yes, in some areas, class sizes have increased as part of that overall plan and overall pattern. There is nothing sacrosanct about that. Clearly, we are in the position of being required to improve our efficiency in order to maintain a degree of effectiveness. Our student enrolment over the past five years has increased from 412,000 to 445,000. The Commonwealth keeps saying that the only way in which we can fund our growth is through increased efficiency. The Commonwealth is not going to give us any more money for growth.

The Hon. Dr P. WONG: Is there any funding for a multicultural library in TAFE? How much has been allocated for it, and how many staff does it employ?

Mr AQUILINA: I will undertake to provide the honourable member and the Committee with those details.

The Hon. Dr P. WONG: I noticed you mentioned a few times computer resources at schools. The Department of Education and Training's performance audit report on the use of computers in schools for teaching and learning reveals at page 34 that the proportion of program funds for training and development in curriculum support declined in 1999-2000 whereas the funds for hardware increased. Insufficient technical support has attracted complaints from all schools and has resulted in the reluctance of teachers to use computers in teaching. How does the Government intend to improve the situation? How will the Government allocate funds for school computer programs? How much funding is there for technical support? The audit report states that all indications are that the proportion of computer resources going to training and development of curriculum and technical support is below better practice levels.

Mr AQUILINA: Let me say, Mr Chairman, that in actual fact we have a very extensive teacher training program related to the Computers in Schools program. The original program dated back to 1995 and was for the training of 15,000 teachers in what we call teaching in learning technology [TILT]. The program was designed to equip existing classroom teachers with technological know-how to be able to use computers within the curriculum. As a result of the policy which was announced by the Premier leading up to last year's State election, that same 15,000 teachers will be put through another training program known as TILT Plus so they actually have a second stage of training. As well as that, during a four-year period we will have an additional 10,000 teachers trained in TILT as well.

If you count it all over the two terms of government, we have provided, effectively, training to 40,000 teachers which is quite a substantial number. On top of that, it may be recalled that approximately three years

ago I indicated to the vice-chancellors of universities in New South Wales that at the start of this year we would not be employing any teacher graduates unless they were proficient in the use of computers in the classroom. Consequently, as part of initial training, all new teachers coming into our schools not only have to be computer literate but have to be able to utilise computers and new technology in the delivery of the curriculum within the classroom.

We are making big headway on this. I acknowledge the comments that have been made by the Auditor-General but can I just say that that examination was undertaken some time ago and it was restricted to a limited number of schools. Obviously, at that stage we had to concentrate on bringing computers into the schools—some 90,000 computers over a three-year period. Now that we have the computers in the schools, we are now concentrating more and more on pedagogy and on training of teachers to be able to make more effective use of those computers. This is an area that is rapidly changing as well. There is very little research worldwide on the use of computers in the classroom. In fact, in many ways, we are among the world leaders in this regard.

CHAIR: Just to clarify that point: You know there has been criticism in the past of teachers who were graduating, particularly in the primary area, without any classroom experience. Can you comment on what I understand is a new training program which now includes a large increase in classroom training and practice before teachers actually graduate. I understand that the University of Western Sydney is a case in point.

Mr AQUILINA: I would be very surprised if that was still the case. It would be my expectation that every teacher graduating from a teacher training institution would do so with a component of practical or classroom experience. This would be an essential part of their being able to qualify as teachers. Can I say that one of the major announcements by me in about the middle of last year was the review of teacher training. I commissioned Professor Gregor Ramsey to undertake that review. That will be a very major report and I expect it to be brought down within a matter of weeks. It will have a number of very specific recommendations in relation to the development of teacher training and the professional development of teachers.

I outlined a number of very specific references in relation to that report and they have been in the public domain for quite some time. I am certainly delighted with the education community's response and with the response from the community generally to that review. There has been a very substantial input, and some of it was very specific and original input as well. I know from my discussions with Dr Gregor Ramsey that he is indeed quite overwhelmed at the level of support he has received and by the level of input that has been contributed by the various educational communities not only around the State but also interstate and some internationally as well.

Ms LEE RHIANNON: Considering the bias of the Federal Government's education budget to private schools, has the Minister considered stabilising the share of funding that goes to public education regardless of the enrolment shared between private and public education sectors?

Mr AQUILINA: I think that the short answer to that, is of course, that the Education Act is quite specific in relation to the allocation of the percentage of funding that goes to the non-government school sector. I indicated earlier that obviously this is a matter that we look at very seriously in terms of how it is legally applied. I have to be guided here by the definitions of the Act and also by the legal advice which is provided.

Ms LEE RHIANNON: Can I just move on a little in relation to western Sydney. Given the forthcoming change to the Federal Government's basis of funding for private schools, which will have a dramatic impact on the growth of private schools in western Sydney, what steps will you take to ensure that students from western Sydney will have a diverse range of academic schools and socioeconomic backgrounds, and that they will have access to public education in western Sydney?

Mr AQUILINA: In response to that, I think we would tell the honourable member that we have already started to pave the way in that regard, with the establishment of multicampus schools. We have two being established in western Sydney already. One has been established and has been up and running now for 12 months, that is, the Wyndham College, which is directly connected to Riverstone, Quakers Hill and Seven Hills high schools. We have five Mt Druitt high schools that have been formed into Chifley College, which has provided a greater diversity of public education and greater opportunity.

I might say that these schools are able to offer not only a very commendable range of academic subjects but also the full range of vocational subjects which are an intrinsic part of the new higher school certificate [HSC]. Although they were not taken up fully, both the Chifley College and the Wyndham College offered the full range of the seven vocational areas to their students. In both schools, the only one not taken up was primary studies.

CHAIR: Do you accept that a government, irrespective of whether it is a Coalition or a Labor government, has a right to decide its policies, and if it wishes it can give extra funding to private schools as a policy matter?

Mr AQUILINA: I have never queried that. In fact, I have repeatedly made the point, and did so again in the House last night, that I have no quarrel whatsoever with the Government providing funding to the non-government school sector. If that is the wish of a particular government, so be it. If the Commonwealth Government wishes to provide funding to non-government schools, at whatever level, so be it. The only argument I have with the Commonwealth Government's current policies is its enrolment benchmark adjustment.

I see that as unnecessary, inequitable and a saddening development, because it has brought into public focus unnecessarily, and in some ways unjustly, the issue of public funding versus private funding. Again, if the Commonwealth Government chooses to provide additional funding to non-government schools, that is fine. If that is its policy, that is its prerogative. But I have to stand up for the government school sector if it is doing so by taking funding away from government schools.

The Hon. PATRICIA FORSYTHE: Minister, you answered questions earlier to the effect that the percentage loss of schools in categories 1, 2 and 3 of the \$5 million adjustment was minimal. I think you used the figure of up to 4 per cent.

Mr AQUILINA: I said 4.5 per cent.

The Hon. PATRICIA FORSYTHE: What funding increase do you say has been given to category 1, 2 and 3 schools during the 2000 year period in the rate of per capita growth from the Commonwealth?

Mr AQUILINA: It is in the table I have provided. In fact, I gave you my copy of it. It is given specifically for each of the schools.

CHAIR: I return a copy to you, Minister.

The Hon. PATRICIA FORSYTHE: Is it a fact that in category 1, 2 and 3 schools the rate of per capita grant from the Commonwealth did not increase 1 per cent; it did not increase at all?

Mr AQUILINA: I do not know which school she would like to pick, but I will pick one at random.

The Hon. PATRICIA FORSYTHE: Not the title, the rate. I have asked for the rate of increase.

Mr AQUILINA: We can play games here, Mr Chairman, but at the end of the day if one looks at a specific school, the total State and Commonwealth per capita allocation in 1998-99 was \$1,476,245. The total State and Commonwealth per capita allocation, unadjusted, for 1999-2000, that is before we took the funds out, went up to \$1,539,332. Following the reduction of the component for that school of the \$5 million, which we reduced, it went back to \$1,416,661, making a net loss for the school of \$59,584 on the figures for 1998-99, representing a decrease, one of the larger decreases, of 4.04 per cent. That is, as you have probably guessed from the amount of figures in the level of funding provided, one of the most affluent schools in the State.

The Hon. PATRICIA FORSYTHE: Minister, when you were talking about net increases and net decreases, is it not a fact that funding is based on a per capita amount?

Mr AQUILINA: What I have quoted is per capita. I have quoted per capita allocations, total funding allocated in total Commonwealth and State per capita allocation for the school.

The Hon. PATRICIA FORSYTHE: Taking the Commonwealth and looking at the enrolments for that school, is it not a fact that the per capita rate did not alter from the Commonwealth?

Mr AQUILINA: Again, one has to look at the total amount of funding provided. If you go through schools and look at the net result as I have said—

The Hon. PATRICIA FORSYTHE: But funding is on a per capita basis.

Mr AQUILINA: That is so, but we are talking about the total funding being made available to schools and about the total per capita funding both State and Federal as it was the previous year and as it is this year,

adjusted. And we are looking at what we have reduced by taking away our allocation. Quite frankly, as can be seen, for all schools the total amount that they have lost is relatively minimal. How some schools justify sending letters home to parents asking for substantial one-off levies to compensate for that is beyond me.

The Hon. PATRICIA FORSYTHE: You do disagree that category 1 schools—as a result of the \$5 million adjustment based on what they received in the second-half of last year and the amount they received from you—have not received a reduction of 37 per cent?

Mr AQUILINA: No, again I make the point that what we have reduced has to be balanced against the increase that they have received.

The Hon. PATRICIA FORSYTHE: The increase that they have received from what?

Mr AQUILINA: From the Commonwealth.

The Hon. PATRICIA FORSYTHE: Is it not on a per capita basis?

Mr AQUILINA: All of this is on a per capita basis. We have made the allocations on a per capita basis as has the Commonwealth.

The Hon. PATRICIA FORSYTHE: If they have received more from the Commonwealth it means that they have more students in their school, is that correct?

The Hon. JAN BURNSWOODS: Not necessarily.

The Hon. PATRICIA FORSYTHE: It is necessarily; that is the point of the funding.

The Hon. JAN BURNSWOODS: Isn't there anything else you want to hear?

CHAIR: The Committee members should not debate between themselves.

Mr AQUILINA: I have provided a detailed analysis for each school showing precisely the total amount of funding that they have received from both the Commonwealth and State and showing the gross loss for the school from State and the net loss they have received when taking into account both Commonwealth and State funding, and showing the total percentage change that that represents in comparison to last year's funding. Again, if one looks at it, it is relatively marginal.

Motion by the Hon. J. M. Samios agreed to:

That the schedule relating to the adjustment of \$5 million to category 1, 2 and 3 schools be made public.

Mr AQUILINA: I had tabled it earlier and I am happy to make it public. This is a public document already.

The Hon. J. M. SAMIOS: Minister, given your rush to open the new super high school in Sydney's south, what consultation, planning and additional funding has been provided for teachers at Penshurst Girls High School, Hurstville Boys High School and Peakhurst High School to commute between those schools and the new super high school to teach?

Mr AQUILINA: That is a good question. With the establishment of the new multicampus schools staff are allocated not to an individual campus but to the school as a whole. It is envisaged that in a number of schools opportunities will be provided for teachers to teach across two or more campuses, including, perhaps, the senior campus.

For example, a language teacher may well have some periods teaching at the senior campus and have some periods teaching a language at one or more of the junior campuses as well. That has all been taken into account in the cost factor of the operations of the school. In actual fact it is already in operation at Chifley College. It reflects the individual needs of that local school and also is a way of our being able to provide enhanced curriculum not only at the senior level but also at the junior secondary level.

The Hon. J. M. SAMIOS: What is the total number of hours you estimate these commuter teachers will spend travelling? What transport arrangements have been made? How many additional hours will be spent in staff meetings? How will you co-ordinate it across four campus sites?

Mr AQUILINA: All of those matters are being co-ordinated by the individual multicampus schools themselves. For each of these colleges we have the appointment of a principal to oversee the operations of the network. They are worked out in co-ordination and co-operation with each of the campuses and those hour factors are taken into consideration. With the establishment of the senior campus we are able to bring a large number of students together so that we have better opportunities to offer classes in academic subjects and vocational subjects. There are substantial savings in relation to total number of staff allocations because of that.

The point then is that those savings are being poured back into the schools for the provision of other benefits, whether they be technological benefits in terms of computer links or being able to provide staff the opportunities to teach at more than one campus. I make the point again that the allocation of staff is not to any individual campus; they are allocated to a school. If that will imply rotation of staff, so be it, but it will also give staff the opportunity to teach at a number of campuses. That approach offers a number of other benefits which would not normally be available in an individual school.

The Hon. P. T. PRIMROSE: Tonight the Opposition has been reluctant to ask you the hard questions so I will ask you one. Minister, what have you been doing about truancy? I know it has been an issue for a long time but what are the results of the Government's efforts about truancy?

Mr AQUILINA: I expected to get that question much earlier in the piece. Although truancy accounts for less than 1 per cent of total absenteeism, it can be a sign of more serious problems either at school or at home. In 1999 the Government developed two specific programs to counter truancy. The first was Operation Roll Call. Under Operation Roll Call any student who is absent from school is required to carry a leave pass. If they are found to be absent from school without a leave pass arrangements are made to get them back to school. For regular truants parents are contacted and discussions take place to identify and solve the problem.

Our commitment was to make this program statewide after the early Central Coast trial reduced absenteeism by 30 per cent. I am proud to report that out of the 454 high and central schools in New South Wales, 448 schools are participating in Operation Roll Call. I am advised that the six schools not involved in the program are schools without a truancy problem. To May this year operation roll call had resulted in 278 students being found to be truanting. That is, police in their general duties have found 278 students not carrying leave passes who should have been at school.

Across New South Wales to May, there have also been 227 street sweeps. Street sweeps involve home-school liaison officers and police officers actively targeting areas where students are believed to be truanting. It is in addition to Operation Roll Call. I am advised that, from the 227 street sweeps conducted to date, 535 students have been approached by police and home school liaison officers. Of these, 277 have been returned to schools and 258 interviewed before being directed to school.

The real value of these programs lies not in the collecting of errant students but in the follow up that takes place. To make sure the underlying reasons for truanting are addressed this Government has: set up the Phone Intervention program [PIP] in 173 high schools in which schools notify parents of the problem and can arrange meetings and conferences to find solutions—I want to make it clear that this means helping young persons and not punishing them; we appointed 85 home school liaison officers and 43 district student welfare officers to work directly with students on problems including truancy; we have employed 12 Aboriginal student liaison officers who work with Aboriginal families and their communities to promote the regular attendance of Aboriginal students; and we have ensured every school district has submitted attendance action plans.

Attendance action plans help identify problem areas and schools with lower than average attendance rates. Schools with below average daily attendance rates, below both the State and district average, are the first to develop attendance action plans. I would like to give the Committee the benefit of some feedback regarding the anti-truancy plans developed by the Government. Senior Constable Warren Stocks said in the *Western Advocate* on 2 September last year:

We have had a very significant reduction in the number of students absent from schools. We have targeted the streets and shops surrounding schools and the shopping centres with very pleasing results ... with truancy being an ongoing concern, the two programs have been instrumental in reducing local truancy levels and will remain a high priority.

The *Northern Daily Leader* reported on 23 September last year that:

Government schools' attendance programs have been hailed as an outstanding success following last week's street sweep of young people in the Tamworth CBD.

The *Newcastle Herald* reported on 29 January:

According to Maitland Police Youth Officer Senior Constable Scott Stevenson, the partnership between Home School Liaison Officers, the police and youth community groups formed by the introduction of Operation Roll Call will heighten community awareness to the problem of truancy.

As recently as 1 June the *St George and Sutherland Shire Leader* reported:

Operation Roll Call on Tuesday targeted popular youth hangouts in the Hurstville, Narwee and Riverwood shopping strips in search of wayward students.

On this occasion 58 students were identified and sent back to school. These programs are up and running. Even though truancy is not a major problem in this State—as I said before, less than 1 per cent—we are taking it seriously. We are getting kids back to school, finding out what makes them truant, and working with them and their families to keep them in school.

CHAIR: I will not ask you about Dubbo and other places. That will occur in question time in the upper House.

The Committee proceeded to deliberate.
