

UNCORRECTED PROOF
REPORT OF PROCEEDINGS BEFORE

GENERAL PURPOSE STANDING COMMITTEE No. 2

**INQUIRY INTO THE BUILDING THE EDUCATION REVOLUTION
PROGRAM**

At Sydney on Wednesday 30 June 2010

The Committee met at 9.15 a.m.

PRESENT

The Hon. R. M. Parker (Chair)

The Hon. A. Catanzariti

Dr John Kaye

The Hon. S. Moselmane

The Hon. G. Pearce

The Hon. C. M. Robertson

The Hon. R. Smith

PETER WIDDERS, Principal, Abbotsford Public School, affirmed and examined; and

ROBERT VELLAR, President, Abbotsford Public School Parents and Citizens Association, and

GLEN SCHOFIELD, Vice President, Abbotsford Public School Parents and Citizens Association, formerly secretary of Abbotsford Public School, sworn and examined.

CHAIR: Welcome to the second public hearing of the Inquiry into the Building the Education Revolution Program. This inquiry was established in response to concerns about fees, charges and outcomes of the projects and management of the program by the New South Wales Government. Today we will be hearing from schools, parents and citizens associations, the Infrastructure Coordinator General, and the Department of Services, Technology and Administration, which was previously the Department of Commerce.

The Committee has resolved that answers to questions on notice be returned within 21 days. The Committee staff will contact you in relation to any questions taken on notice. I welcome our first witnesses from Abbotsford Public School. You now have an opportunity to make a brief opening statement.

Mr WIDDERS: On behalf of the school community at Abbotsford Public School I would like to express my appreciation for the invitation to be here today. Our school community of students, staff and parents is very grateful for the money allocated under the Building the Education Revolution Program, which we recognise is first and foremost an economic stimulus measure. Our school was allocated \$150,000 under the National School Pride strand and \$2.5 million under the P21 strand.

I would like to preface our remarks with some background to our school, which relates specifically to the matter at hand. Our current student enrolment is 330 students, with 28 different language groups and also a great diversity between socioeconomic groups at our school. The Abbotsford Public School community is very involved in the life of their school. Since 2001 there have been significant projects completed at our school as a direct result of the drive and support provided to raise funds and work on project teams to implement and develop major improvement programs at the school. There has also been significant support from State and Federal governments in that time.

The school community has a very successful record of project development and completion, which has involved input from students, staff and parents. This process has typically involved the formation of a project committee of staff and parents to coordinate each project. Most projects have involved significant input from students through the student representative council. The National School Pride project of 2009-10 is the most recent example of the school community achieving wonderful outcomes. This student-initiated project has seen the refurbishment of staff and student bathrooms at our school. I will table some before and after pictures for the benefit of the Committee so you can see what excellent value for money can be achieved by a school self-managing their own projects and funding. Clear advice and support from our Department of Education and Training asset management unit officer has facilitated this project and has been greatly appreciated.

Dr JOHN KAYE: I move that the documents be tabled.

Documents tabled.

Mr WIDDERS: Our school decided to self-manage this project in spite of concerns about the responsibilities accepted as a self-managing school. I am aware that a number of schools were dissuaded from the self-management path once these responsibilities were made clear. It was a significant concern to us as a school that while the school accepted the need to be held to the same facility standard as DET held, there is no legal support available from DET for self-managed projects. I was sufficiently concerned about this issue to have the matter clarified in separate advice from DET legal branch. Since 2001 the P and C has contributed in excess of \$350,000 for a wide variety of projects at our school. We know that many, many P and C groups across the State and across the country provide such support for their school. These projects have included ICT cabling in infrastructure, air-conditioning and refurbishing of the computer lab, outdoor seating areas, grounds projects, hall fit-outs, hall curtains and an inbuilt data projector.

A key feature of the projects completed since 2001 at Abbotsford Public School has been the overwhelming sense that value for money was achieved. With the absolutely precise view of hindsight, I am

firmly of the opinion that we would have been better served by joining the five self-managing schools in New South Wales for P21 projects and completing this project ourselves with the \$2.5 million allocated. Thank you.

Mr VELLAR: While the P and C acknowledge that many other schools may have had a pleasant experience with the BER, Abbotsford Public School did not. In fact, what we experienced was, in our view, poor decisions, poor value for money and inflexibility. On top of that, we were faced with a negotiation process that was drawn out and full of contradictions by different arms of government. Some would say that the project could not be changed because of financial costs, some would say because of time lines and some would say because our enrolments did not indicate they were on the increase, while others said our enrolments were on the increase.

Some politicians expressed a process that we simply did not experience and some said things that inflamed our school community. Some supported us one minute and appeared to do a backflip the next. At just about every point in the process there was frustration. I think I had much less grey hair before the BER than I do now. But, at the end of the day, we kept going, and by that I mean we kept pursuing various politicians to get an acceptable result for our school. It would have been very easy to give up, and, in fact, on many occasions we thought should we just throw in the towel and stop fighting the Government. But the P and C executive was spurred on by two separate things, and that was an extraordinary meeting of the P and C that we held. We had about 100 people turn up and past students and staff members and there was a resounding wish for us to keep going in pursuing the Government for a better value for money result.

The second was a meeting where a politician came along and told us that if we did not take what was on offer that our community would fracture, and that really spurred us on and gave us the commitment to continue and not to give in. Put very simply, we had a set of classrooms that the teachers were in tears over losing, that the teachers union said they were happy to have their members teach in, and we had a set of classrooms that simply did not need knocking down. For \$2.5 million we would be no better off for space while we had kids being taught in the corridors because we had already run out of classrooms. At the same time we knew enrolments were on the rise.

There is a tidal wave of little kids in our community and it appears that the only department that cannot see the rise in numbers is the Department of Education and Training. Certain things added to the unreasonableness of government. Spending \$200,000 on demountables for 12 months was, to us, ridiculous, when that money could have been spent on going towards a classroom that would have served us for decades. While the BER guidelines indicated community consultation, we think we got exactly the opposite to that: we think we were ignored.

I was the one that engaged the Opposition once our lobbying within legal circles had become unsuccessful. That happened because I came home from a P and C meeting one night and my wife pointed out Christopher Pyne on television—he was on *Lateline* or one of those similar shows. She suggested writing to him. I did that and that set off a chain reaction that highlighted our plight not only in the press but in both Houses of both Parliaments. It was only as a result of the assistance of Christopher Pyne, Senator Guy Barnett, Adrian Piccoli and Don Harwin—who all visited Abbotsford Public School and took an interest in our plight—that we say we got a favourable result. I must mention that had it not been for Don Harwin I think the result for Abbotsford would have been much worse and I think the waste would have been much worse.

CHAIR: Just to clarify, with the P21 funding you wanted extra classrooms and the outcome from the Department of Education and Training was to take away four classrooms and replace them with four new classrooms. That is correct, is it not?

Mr WIDDERS: The initial proposal was to demolish four classrooms plus three external storeroom areas, which were very important in the school for P and C storage and sports storage, and the proposal from the Department of Education and Training was just for four classrooms.

CHAIR: Housing children in the demountables, that was the \$200,000 cost while that building process was under way?

Mr VELLAR: That is correct.

CHAIR: You were happy with those classrooms? They were air-conditioned, is that correct?

Mr VELLAR: Yes, they were. A significant amount of money had been spent on those classrooms over the past three or four years from Federal—

Dr JOHN KAYE: We are talking now specifically about Block H, the block that has been demolished?

Mr VELLAR: That is correct. The block that had been demolished had undergone some renovation over the past years because there had never ever been any suggestion that they were unworkable, that they were in such a state of disrepair that they needed to be brought down. I think we had a new roof put in, we had new insulation, we had those whirligigs in the ceiling and the buildings were air-conditioned from joint funding—Federal funding and P and C fundraising money.

CHAIR: This complaint has been received from a number of schools. When the new classrooms were delivered was that air-conditioning taken away? Is that what happened?

Mr WIDDERS: That is correct. The negotiating that we have been able to do is to have the air-conditioning installed prior to demolition through Investing in our Schools under the previous Howard Government. We were able to negotiate to have that air-conditioning removed and that will be reinstalled upon completion of the new buildings.

CHAIR: You said that the parents and citizens association and the school community, with additional support from outside, lobbied extensively. I understand from your submission that that then resulted in an extra \$1 million in funding for your school. Is that correct?

Mr VELLAR: It did. At the end of the day we needed a net increase in classrooms. As I said in my opening statement, we had children who were being taught in the corridors. The local paper, the *Inner West Courier*, ran a story about the provision of one of those classrooms. I brought that paper with me today if anyone wants to see the photograph. Some of our kids were being taught in makeshift classrooms. I suppose that provided some leverage for us. As result of that story we got one additional special programs room. We did not get any additional classroom capacity because the special programs rooms are somewhat smaller than a classroom. Special programs rooms are an additional room but apparently they cannot be used as a classroom. You can have things such as music and languages in those rooms. We got one of those rooms. The following Friday, after Mr Harwin made his speech in the upper House, we were told that we had a second additional special programs room. We ended up with four classrooms—a classroom is 90-square metres—and two special programs rooms. One of those special programs rooms was being paid for with State money, not Federal money, and that was costing \$400,000. It is a 50-square metre room.

CHAIR: Why do you think you got that extra money?

Mr VELLAR: It came after significant media attention and the speech made by Mr Harwin in the upper House. I think pressure was maintained on the Government to get value for money and probably to increase our classroom capacity. At the end of the day that was it. We were having \$2.5 million spent on the school and we would still need to roll in demountables to care for the kids who were coming in the following year.

CHAIR: Do you think this was to appease you so that you would stop your media campaign?

Mr VELLAR: We did.

The Hon. CHRISTINE ROBERTSON: Do you think it might have been the local member?

CHAIR: Was it the local member? The Hon. Christine Robertson asked a question. Was the local member helpful?

Mr VELLAR: After this story ran in the *Australian* various journalists interviewed me. I was honest with them and said, "Our local members, both John Murphy and Angela D'Amore, were extremely supportive of us." In fact, Angela D'Amore said, "You need to take this \$2.5 million and increase the classroom capacity for the school for future generations." That is minuted in our parents and citizens association meetings. We worked very closely with both of them—to a point. On 9 September we held an extraordinary meeting. Angela came

along and John Murphy was represented by Tony Facinelli, a gentleman from his office. Both of them said that they were 100 per cent behind increasing the classroom capacity for our school.

But one month later, at a parents and citizens association meeting, our local member told us that, unless we took what was on offer from the Government, our school community would fracture and there would be no more classrooms. This was as good as the deal that we would get. That is also minuted. I suppose it was that comment that worried us. We thought that if we kept pursuing the Government for additional classrooms we might potentially lose our \$.5 million altogether. At one point we had support. We felt that we had 100 per cent support from both our local members but at a point in time in late September 2009 I felt that that support disappeared.

Mr SCHOFIELD: Just to add to Rob's comments, when we sat in front of the local community and said, "How do you feel about having four functioning classrooms pushed over and having four brick versions of the same stood up? Is that a good use of the \$2.5 million of tax money?" there was zero support for that. We needed additional classroom space. Officers from the integrated program office came and visited us and explained value for money. It seemed that they knew everything about the \$2.5 million but very little about value. A decade ago I built a house and it cost me less than \$2,000 a square metre. These projects were going to run out at \$5,000 or \$6,000 a square metre. We could not understand that and we got very frustrated. We ended up putting options on the table for the Government to try to entice it to take something more palatable.

In between those meetings I happened to bump into Angus Dawson in the street. I said to him, "Please do not disappoint the community and come back with nothing." His answer to me was, "There are going to be disappointed people. The decision is not political; the decision is mine." He seemed to own all the decisions. He came back to us with a 50-square metre additional special programs room. After further lobbying from Rob, the principal and the parents and citizens association at large, they came back to us and the final equation was, "We are going to do this because the timelines seem to be critical." They increased the offer with State funds of \$400,000 to bring us four rooms plus two special programs rooms. The maths never stood up for us. However, we felt that we achieved something for the community and that is why we ended up accepting that.

The Hon. GREG PEARCE: I want to get this clear. A couple of times you referred to the discussion that you had in which Ms D'Amore suggested that either you take the \$2.5 million or you do not. You said that you were worried about that. Why were you worried? Did you take that as a threat that the money would be withdrawn if you did not go along with it?

Mr VELLAR: We did. There was concern within the executive of the parents and citizens association. We had been lobbying hard to get additional classrooms and to change what was on offer from the Department of Education and Training. We thought that, if we pursued it any more, we would lose it. Her comment that we would fracture as a community was left in abeyance. We thought, "What does that mean? Does it mean we will all be hating each other for not having accepted the Government's offer and that it will now be withdrawn?" At one stage we did ask her, "Does it mean that if we do not take what is on offer we do not get anything?" She said, "No, that is not case." This entire process was compounded for us by the fact that we were getting mixed messages from politicians. At one point I wrote to the chief of staff of education Minister Verity Firth and said, "These are the messages that are being delivered by the Deputy Prime Minister"—as she was then. She was saying, "We will listen to school communities and essentially they have an opportunity to change the projects if they do not like them." I have her quotes in front of me. She did that once in Parliament and once on the Alan Jones program. We were experiencing exactly the opposite. We had also written to her and we were told, "That is it. You are getting what you have been given."

The Hon. GREG PEARCE: Mr Schofield, you nodded your head in agreement in relation to that issue. Did you take it effectively as a threat?

Mr SCHOFIELD: Yes. I guess that most of the parents and citizens association did not really understand the process—which schools got offered money and which schools did not. We even debated whether or not we should hand the money back as there might be another school that could make a more efficient use of the \$2.5 million. Clearly, we had nowhere to go. We had spare land, we wanted additional classrooms, but there was no interest from the department in entertaining any of our ideas.

The Hon. GREG PEARCE: Over the past five years or so what other capital funding has the school received from the State Government?

Mr WIDDERS: I could talk about the past 10 years. There have been a number of projects. We had some refurbishments to our before and after school care to the value of \$100,000, which was urgently needed. There has not been a lot of other major capital works, apart from that project.

The Hon. GREG PEARCE: How would you characterise the \$1 million in State funding that was suddenly available as a result of this process?

Mr WIDDERS: We were very grateful for it. We had a significant track record of developing and being successful with projects over a number of years through a variety of sources, including government funding. The oval refurbishment that was promised for up to \$500,000 was well received.

Mr VELLAR: I think the Government had to put some money on the table for some extra projects. It was probably an opportune time for them. Verity Firth had committed to the covered outdoor learning area in 2008. She wrote to me and suggested that it would then be included in the Federal money, although it had been committed to using State funds the previous year. I highlighted that anomaly to her in a letter. There was an existing commitment to a covered outdoor learning area and we had been lobbying the Government to do something about the oval because there had been two reports over the past five years that there were asbestos fragments in the soil of the oval. We were approaching that from a health point of view.

The Hon. GREG PEARCE: You mentioned that you got legal advice from the Department of Education and Training in relation to self-management. Can you provide that legal advice to the Committee?

Mr WIDDERS: Yes.

Mr WIDDERS: The term "legal advice" is my summation of an email exchange. The legal officer indicated at a meeting in the department in June 2009 that that was how the legal support would work. I then clarified that by email. I should be able to track down the emails and provide them to the Committee.

The Hon. GREG PEARCE: Please do so.

CHAIR: Thank you.

Dr JOHN KAYE: Can you describe block H to the Committee? Is it a brick and tile building or a wooden building?

Mr VELLAR: I had some debate in the press with Ms Gillard over this. She suggested that the room was built in the 1950s. There was a bit of confusion about the age of the block to start with. It was a weatherboard building that was built in the 1950s and transported to school site in the late 1970s. Once it was on site it had brick cladding placed on three sides—the rear and both sides. The only weatherboard you saw was on the front of the building. That led to a dispute in the press about how old it was and how it came to be at Abbotsford Public School.

Dr JOHN KAYE: A similar description could be applied to the New South Wales Legislative Council building. It is a wood building that was transported to the site and then clad in brick. The majority of the walls are wood. Is the roof tile?

Mr VELLAR: It has a tin roof.

Dr JOHN KAYE: Are the classroom sizes standard for a Department of Education and Training building in 2010?

Mr VELLAR: The new ones are all 90 square metres. Our school has a brick structure on another part of the site. The classrooms were no bigger or smaller than some of the other rooms.

Mr WIDDERS: From the point of view of the teachers it was not about the buildings; they are secondary to the quality of teaching that happens in those buildings.

Dr JOHN KAYE: Of course.

Mr WIDDERS: The teachers unanimously felt that those buildings at that point in time were serviceable and that they would be serviceable for another 10 years with some minor refurbishment and maintenance, which was one of the eight projects we identified to the Integrated Program Office.

Dr JOHN KAYE: So there was no major maintenance issue looming? There were no white ants, no structural cracking and so on?

Mr WIDDERS: Not to the best of my knowledge and not from my workings with the Department of Education and Training asset management section.

Dr JOHN KAYE: The school had identified an alternative site to construct a block of four classrooms.

Mr VELLAR: Correct.

Dr JOHN KAYE: That site had no specific geotechnical issues associated with it?

Mr VELLAR: Not that we understood.

Dr JOHN KAYE: It had no issues associated with interrupting the normal flow of people around the school or sight lines within the school?

Mr VELLAR: No.

Dr JOHN KAYE: From the teachers' perspective that site was adequate.

Mr WIDDERS: Absolutely.

Dr JOHN KAYE: What reason did the Department of Education and Training or the Integrated Program Office give to you for not erecting a new building on that site?

Mr SCHOFIELD: Date, date, date. They had to achieve this project in a very tight timeframe. When we spoke to the program office they brought out two estimating officers or assistants. We asked why they had to push that building over and why they could not build, one, two, three or four classrooms on the spare land? The answer was that they had 700-plus projects to do, that it was bigger than the Olympics and that they were trying to do it quickly. They were really busy. That was the sort of answer we got.

Mr VELLAR: We also asked how much it was per square metre. We knew it was more than a dollar and less than \$2.5 million. But no-one would give us a number and they refused to answer.

Dr JOHN KAYE: Was that answer given to you by Department of Education and Training officials, the contractors or both?

Mr WIDDERS: That answer was given by representatives from the Integrated Program Office, who were running the whole thing. The Managing Contractor was Abigroup and the builder was Ichor.

Mr SCHOFIELD: It was Angus Dawson.

Dr JOHN KAYE: Angus Dawson told you that it was a matter of speed and that they just did not have the time to build a new block.

Mr SCHOFIELD: They had not really considered our alternate ideas in the past. It would be interrupting their timing and they needed to complete this quickly. Time was of the essence. They had a lot of projects and if they let us in with our custom option every school would want a custom option.

Dr JOHN KAYE: What a shocking thought. At what point did the school community inform the Integrated Program Office that the key objective of the school was to increase the number of classrooms?

Mr VELLAR: Immediately. I think it was two days after 25 May, when the project went in. That was one excuse given to us by Mr Dawson. His issue was about timelines. Mr Coutts-Trotter's issue was different. He wrote to the school and stated—

Dr JOHN KAYE: On what date?

Mr VELLAR: That was 14 August. He states:

I understand the decision to demolish other structures at Abbotsford Public School was made to keep the school's current footprint, which is essential to control maintenance, cleaning and utility costs.

Dr JOHN KAYE: Effectively what Mr Coutts-Trotter was telling you was different from what Mr Dawson was telling you; that is, it was about controlling the ongoing operational costs of the school.

Mr VELLAR: That is what we understood it as. If we had more classrooms, we would have to pay more electricity and cleaning costs. However, Mr Coutts-Trotter also said:

We simply could not afford to make the existing school any bigger unless there was an increase in school numbers.

Both our State and Federal members said we had an increase in kids. Our local councillor, Tony Fasanella, had two hats on. He said that the Concord childcare centre was full on the day it opened. Our local soccer clubs are seeing an increase in the zero to six age groups. On 6 October the local newspaper ran an article about the baby boom in the inner west with no involvement from us. Everybody knew the numbers were going up and there was a wave of kids coming, except the Department of Education and Training.

Dr JOHN KAYE: Would you be prepared to table the letter from Mr Coutts-Trotter?

Mr VELLAR: Yes.

Document tabled.

CHAIR: Thank you.

The Hon. TONY CATANZARITI: I thought I heard the alarm ring.

CHAIR: Cross-bench members have decided to share their time.

The Hon. CHRISTINE ROBERTSON: We are fine with that, but no-one told us.

CHAIR: We discussed that earlier.

Dr JOHN KAYE: I refer you to the issue of the two special program rooms. You have been told that those rooms are never to be used as classrooms.

Mr WIDDERS: That is correct. They will not be counted in the school's establishment of classrooms because they do not currently meet the Department of Education and Training standard for classrooms, which is 90 square metres. The special program room standard is 50 square metres.

Dr JOHN KAYE: That means that the Building the Education Revolution funds will not allow you to increase the number of students you take in.

Mr WIDDERS: The advice from the department is that if we increase our capacity we will be able to apply for extra capacity to be built. In the short term that will involve the relocation of demountables on our school site while planning is done for additional permanent classrooms to be built.

Dr JOHN KAYE: Have you had any communication with the Department of Education and Training's demographers about their short-term and medium-term forecasts for public education in the Abbotsford area?

Mr WIDDERS: The communication we have had has been mainly through Angus Dawson, the director of the Integrated Program Office, who has accepted that our enrolments at Abbotsford Public School are increasing.

Dr JOHN KAYE: Mr Dawson has accepted that your enrolments are increasing but, according to Mr Coutts-Trotter and the Department of Education and Training, despite spending \$2.5 million on your site, the way those increasing enrolments will be met is by the imposition of demountable classrooms?

Mr WIDDERS: That is correct. We were of the view that we would have been able to meet the increasing capacity by keeping block H and building new buildings on the alternate site identified.

Dr JOHN KAYE: When those demountable classrooms will be located at your school, is it likely, in your opinion, that they will be located on the site you identified for the new classrooms under the Building the Education Revolution?

Mr WIDDERS: That would certainly be my preference because it would make sure that it impacted minimally on the available playground space and lines of sight for playground duty and those sorts of issues.

Dr JOHN KAYE: Mr Vellar, when those demountable classrooms are located there, will you ask for a plaque to be placed on them that says, "This classroom was not funded under the Building the Education Revolution"?

Mr VELLAR: We have decided already that we will put our own plaque on there that will dwarf Julia Gillard's.

Dr JOHN KAYE: Mr Widders, you very courageously self-managed the National School Pride program money. When it came to the P21—Primary Schools for the Twenty First Century—money, you did not self-manage, and I do not say that as a criticism. By my calculations, you, along with 98 per cent of your colleagues, quite rightly decided not to. Was it ever put to you that there was a mid-way path between self-management and handing over to the managing contractor?

Mr WIDDERS: No, not at all. It was an either/or proposition. We certainly had discussions with the school council and the P and C. We were very clearly of the understanding that if we did self-manage the P21 project, we would take the path of employing a project manager for \$100,000 for the life of the project and then most of my time would be taken up managing the project manager.

Dr JOHN KAYE: It has been said by some people at this table that that actually would have been a desirable outcome. Is that your opinion now?

Mr WIDDERS: As I finished my opening statement, with the precise view of hindsight, absolutely, yes.

The Hon. SHAOQUETT MOSELMANE: Earlier you said that the P and C did not understand what it wanted. Is it fair to say that this sent confused messages to the Government as to what the school really wanted?

Mr SCHOFIELD: I do not recall saying we did not know what we wanted. We did not know what the process was that they were engaging to, whether we would get the money or not and if we put up too much resistance to the proposal, what was going to happen. Were they going to take the rug from under us and not spend anything on Abbotsford school—too hard to deal with. That was our only concern. We knew what we wanted. We wanted more classrooms.

The Hon. SHAOQUETT MOSELMANE: I am using your words. Another point was that school priorities were ignored by the State Government, although in your submission to us you give a list of projects but not in order of priority. Was there confusion in what you really wanted? I am trying to get to the bottom of that.

Mr SCHOFIELD: I do not know how to make it more clear.

Mr VELLAR: Can I answer that? When the BER was first announced and early in the peace, early in 2009 I think it was, there was no money figure attached. We knew schools would get something. So we thought to ourselves, "Oh, this is fantastic" and we went to both local members with some modest proposals. There were two requests. There was this long list of things we thought we would be able to get done. When the \$2.5 million was on offer, that is when our local member came along and said, "This is an opportunity to increase your classroom capacity." When there was an announcement that there would be some money, not in our wildest dreams did we think we would get \$2.5 million. We thought there might be a couple of hundred thousand dollars on offer. Then Angela came along and said, "It's \$2.5 million. This is the opportunity to increase the

classroom capacity because we know the zero to five age group's the fastest growing one, and let's go." Certainly, there was a shift in what we wanted once we found out there was \$2.5 million on offer.

Mr WIDDERS: Can I add to that also in terms of the development of project priorities. Our track record has been that we continually develop project priorities through the school council, through the P and C, through the school executive and with staff. They are, if you want to coin a phrase, all over the place because there are a number of priorities. Some specifically relate to teaching and learning, some specifically relate to facilities and some specifically relate to our wider community. The reason there is no priority order is, depending on the funding, my preferred model for P and C funding is that it goes directly to students for learning resources rather than on capital facilities, improvements and the like.

The Hon. SHAOQUETT MOSELMANE: The majority of school principals, we are told, were very happy with the BER. In your opinion, what went wrong with Abbotsford?

Mr WIDDERS: If I can answer, as a principal I do know one of my colleagues reported here and his phrase, and I think it is a great phrase, was "Don't confuse gratitude with satisfaction." We are grateful for the money, very grateful for the money. This is a once-in-a-career opportunity as an educator that I have been involved in and very pleased to be involved in. But the satisfaction, or lack of satisfaction, comes about because we feel we had an opportunity with this money to get so much more for our school community.

The Hon. SHAOQUETT MOSELMANE: My question was not about gratitude. I understand it is the people's money, but my question was: What went wrong with the situation with Abbotsford?

Mr WIDDERS: I was responding to the terms you used about my colleagues being satisfied with the project. What was wrong with it is that value for money is really at the core of it.

The Hon. TONY CATANZARITI: Who made the decision to get the \$400,000 that you said came from the State?

Mr WIDDERS: That came about as a result of the efforts of Angela D'Amore to organise a meeting with Mr Paul Murphy—Verity Firth's Chief of Staff. Angela and I attended that meeting with Mr Murphy. He was quite clear that that would be the pathway to get a political resolution to the issue.

The Hon. TONY CATANZARITI: Would you suggest that quite an effort was made to get that \$400,000?

Mr WIDDERS: Absolutely. That is why I mentioned that Angela had organised the meeting with Mr Murphy that I attended late in the process.

The Hon. TONY CATANZARITI: What did that money go to?

Mr WIDDERS: That was the extra special program room, the second special program room that was at a cost of \$400,000.

The Hon. CHRISTINE ROBERTSON: In your submission there was a complaint that the school community was not involved in that particular meeting about which you were just speaking. Is the principal in your school not part of the school community?

Mr WIDDERS: The invitation was to me and I do represent the school community. The process all the way through has been, as my track record has been as a principal of 13 years' standing, to involve our school community in the life of the school, which means in decision-making processes also.

The Hon. CHRISTINE ROBERTSON: I agree with that. I just thought it was an unfortunate line in your submission.

Mr VELLAR: That was my complaint.

The Hon. CHRISTINE ROBERTSON: You are the school community?

Mr VELLAR: Both Glen and I had made several—numerous, I think you would have to say— attempts to meet with Verity Firth face to face to attempt to find some resolution. But she would not meet with us. In fact, on one occasion when I rang her office—

The Hon. CHRISTINE ROBERTSON: I do not believe that was my question.

Mr VELLAR: It was my complaint because she would not meet with us and I would have liked to have been at that meeting.

The Hon. CHRISTINE ROBERTSON: That is not the question.

Mr VELLAR: I had made several attempts to be involved with her in discussions and when the meeting took place I was a little annoyed that that offer had not been extended to me.

The Hon. CHRISTINE ROBERTSON: Okay. Thanks very much. My next question relates to something you said earlier about the costs of domestic building compared to building a school. School buildings have rigid guidelines have been developed over many years for safety longevity and maintenance. There are things like the kind of carpet, two layers of insulation in the ceiling, pin boardwalks, and sprung timber floors so that the kids' bones are protected. They are just examples.

Dr JOHN KAYE: That is for school halls. There is no school hall here.

CHAIR: This evidence relates to classrooms.

Dr JOHN KAYE: These are classrooms.

Mr SCHOFIELD: By the way, I do have carpet and timber in my house as well.

The Hon. CHRISTINE ROBERTSON: Yes, you do, but guidelines on building for schools are much more rigid and quite deliberately so. I recognise you are talking about costs of the risks and the management processes, not actually the buildings themselves. Is that so?

Mr SCHOFIELD: I guess I am saying I understand that there are differences between a private residence and a public school, but I cannot comprehend why that difference should change \$1,500 a square metre to closer to \$6,000 a square metre, I am sorry. That has never been explained to me.

The Hon. CHRISTINE ROBERTSON: Okay. Along this line, do you think that could have had something to do with the department's desire to replace the older classrooms and upgrade them to the level at which classrooms are built these days?

Mr SCHOFIELD: Well, I pushed over a building to stand a new one up, and so did they.

The Hon. CHRISTINE ROBERTSON: I am just talking about another issue.

Mr WIDDERS: I absolutely recognise the responsibility and the right of the department to make those calls. We were trying to get a project that would achieve a number of goals within the one project. One of them was to meet the department's needs to have state-of-the-art facilities or up-to-date facilities for student learning as well as to have recognised our need that enrolments are increasing or were increasing.

The Hon. CHRISTINE ROBERTSON: Your demographic changes?

Mr WIDDERS: Absolutely.

The Hon. CHRISTINE ROBERTSON: Your assumption is that you are going to get 120 new students within the very near future.

Mr WIDDERS: The enrolment trends are very much increasing. In 2004, we had 11 classes. We currently have 14 classes. Our enrolments for kindergarten next year currently stand at 57. We are almost at the end of term II. Historically the trends are very much upwards, a point and that has been recognised by Angus Dawson.

The Hon. CHRISTINE ROBERTSON: This is an issue across the State when you work in demographic change. A lot of us are from the country, so we really understand these sorts of issues. It is very difficult for a quick short-term project like this to cover your demographic changes so quickly.

Mr WIDDERS: Sure, but I think there was flexibility built into the project to involve the community in a process of consultation to have a number of wins for a number of different parts of the organisation. The school is part of that. The Department of Education and Training is part of that, and the Integrated Program Office is also as part of that.

The Hon. GREG PEARCE: Just before Mr Widders leaves—were you told where the \$1 million of hush money was actually going to come from? If you look at the current budget, there is not any specific allocation for your school.

The Hon. CHRISTINE ROBERTSON: Oh, rubbish! Point of order, Madam Chair: The question is totally out of line. Point of order? Point of order?

The Hon. SHAOQUETT MOSELMANE: She is going to ignore it, obviously.

The Hon. CHRISTINE ROBERTSON: No, she cannot ignore it.

The Hon. GREG PEARCE: There is nothing specifically in the budget for Abbotsford school. I am asking you where the money is going to come from. Where is the money coming from?

Dr JOHN KAYE: You cannot say what the Chair is going to do. It is just not the way it is done.

The Hon. CHRISTINE ROBERTSON: But I have called "Point of order".

CHAIR: What is your point of order?

The Hon. CHRISTINE ROBERTSON: The point of order is that the question is totally out of line.

CHAIR: I think he was just asking where it was in the budget.

The Hon. GREG PEARCE: That is right.

The Hon. CHRISTINE ROBERTSON: These people did not use that expression.

The Hon. SHAOQUETT MOSELMANE: That is right.

CHAIR: The question was: Where was it in the budget? That is my understanding.

The Hon. GREG PEARCE: You did not listen to the end of the question.

The Hon. CHRISTINE ROBERTSON: I did.

CHAIR: He might have used emotive language, but nevertheless, would you mind responding?

Mr WIDDERS: That is not the term that I have used.

The Hon. CHRISTINE ROBERTSON: I think I have been ruled out of order for my point of order.

The Hon. SHAOQUETT MOSELMANE: Yes. Fairness is missing.

The Hon. CHRISTINE ROBERTSON: Yes.

Mr WIDDERS: But I have had discussions recently with Angela D'Amore, who has indicated there is funding in the State budget for the overall refurbishment program. We have already had the COLA completed for \$100,000. It was announced—

CHAIR: You will find out—the little one that died.

The Hon. CHRISTINE ROBERTSON: You disgusting woman.

Dr JOHN KAYE: Point of order!

The Hon. CHRISTINE ROBERTSON: Excuse me, the woman just made a very nasty political statement.

The Hon. SHAOQUETT MOSELMANE: Which she did hear.

CHAIR: I am sorry for those of you in the gallery and our witnesses here today. We are trying to listen to Mr Widders in response to the question with some very rude suggestions—

The Hon. TONY CATANZARITI: You made the rude suggestion.

CHAIR: —from our Government members.

The Hon. TONY CATANZARITI: No, you made the rude suggestion.

CHAIR: I apologise on their behalf.

The Hon. TONY CATANZARITI: No, you made the remark, Madam Chair.

CHAIR: Thank you very much for attendance today, for your advocacy on behalf of your school and your community, which has been strenuous. I am sure that they appreciate that—

The Hon. TONY CATANZARITI: You made the remark. Be fair.

CHAIR: —as do your teachers, parents and students.

Mr WIDDERS: I thank you on behalf of the Abbotsford school community for the opportunity to be here today.

The Hon. CHRISTINE ROBERTSON: Thank you for coming in.

Mr WIDDERS: Thank you.

(The witnesses withdrew)

TRACEY KIRK-DOWNEY, President, Parents and Citizens Association, Mount St Thomas Public School,
, and

ARTHUR RORRIS, Member, Parents and Citizens Association, Mount St Thomas Public School,
, affirmed and examined:

CHAIR: You have a capacity to make a brief opening statement, if you wish.

Mrs KIRK-DOWNEY: Yes, I would like to, if that is okay. I have something that I would like to read because I am very nervous. After that, what you meant, everyone knows.

Dr JOHN KAYE: There is actually no need to be nervous.

Mrs KIRK-DOWNEY: I was not—until I walked in. I thank the Committee for the invitation to appear before you today on a matter that is of great concern to the parents of Mount St Thomas Public School and, we believe, to our community as a whole. At the outset we would like to stress that the capital injection program into the schools, known as the Building the Education Revolution Program, is strongly supported by the Mount St Thomas parents and citizens association. It is long overdue.

We would also like to clearly state that the \$2.5 million of capital injection into our school was not too much money to spend on our public school. We need that, and much, much more to make up for decades of underinvestment. The reason we are here today is not to whinge or complain, but to share our story with you in the hope that the mistakes that have been made in the implementation of this program in New South Wales are not repeated and that the balance of the BER projects, particularly the ones that have not commenced, are implemented in a way that allows for greater value for money outcomes, and consultation with school communities, than what has happened at our school and many other schools across the State.

Mount St Thomas has just over 300 students. We are getting a 14 core hall with an adjoining COLA that has a greater effective floor space than the hall itself. We have been advised that the hall will fit all of the students but not on seats. It will come with 200 seats. However, they are not intended for the students; they are for the adults. The hall itself is not a hall—we found that out in April after construction was well and truly underway. It is apparently a learning space. Through all the ministerial correspondence and the BER website, the construction is referred to as a hall. So finding out that it was not a hall was a bit of a shock. The 14 core hall or learning space, we are led to believe, is a designated size to accommodate a school with 300 to 500 students. On this basis we initially felt lucky that we were qualifying for a larger hall to meet the needs of our school's growing population over the coming years.

That was until we discovered that the so-called larger 14 core hall could not even accommodate the 300 students we currently have. We wondered what the schools with 500 students would do. The response was that the 300 to 500 student category was simply a guide for the size of the hall, not an indication of its ability to accommodate the number of kids, which we find unusual because that is exactly the impression we were given when we read the information that was given to us and passed on by our principal. On a similar note, not even the department could explain where they got the 190 square metres of effective floor space for the 14 core hall.

Dr JOHN KAYE: Sorry, how many square metres?

Mrs KIRK-DOWNEY: One hundred and ninety square metres of effective space. That is what we were quoted for the 14 core hall as there is only actually 145 square metres on the plan for the children to sit on. The response as of yesterday is that this adds up to 190 square metres if we count the stage. So go figure! The ridiculous explanations given to parents for the hopelessly inadequate capacity of this facility are bad enough, but what is unforgivable is the lack of consultation with and information given to school communities about these projects until after contracts have been signed and parents realise that they had been taken for a ride. It certainly appears that they were desperate to ensure that no school community went their own way to the point of misleading parents about what the department would deliver them and putting incredibly onerous responsibilities on the principals should they even consider managing their own projects.

When you talk in terms of billions of dollars and thousands of schools, it is sometimes easy to lose sight of what is actually happening on the ground or, in our situation, in our playground in a real school. When the parents at Mount St Thomas spend their weekend running the school fete they do not think in terms of

billions of dollars; we think of how many \$1 lamingtons we need to sell to buy more books for our library and replace readers and maths equipment for our children. This is a lamington economy we are speaking about in public schools so when we think of a \$2.5 million grant being given to us to build a school hall and other facilities, we think of the 2.5 million cakes we would otherwise need to sell. That is why we are here, because we cannot believe how little we are getting for our \$2.5 million.

We cannot understand why the New South Wales Government or the bureaucrats could ever allow a building program that delivers school halls that are obscenely overpriced and inadequate for the needs of schools that they are meant to serve. We cannot accept the absurd and insulting explanations offered by governments and bureaucrats as to why the public school communities of New South Wales should accept significantly inferior outcomes from the BER as compared to other schools that did not have the New South Wales Department of Education and Training designs and contracts foisted upon them. On that note, if there is any time left Mr Rorris might like to add something.

CHAIR: We have some questions, but if you have anything you would like to add.

Mr RORRIS: With the leave of the Chair, I am prepared to hand up a chronology and some material that the Committee might find informative.

Dr JOHN KAYE: I move that the documents being tendered be tabled.

CHAIR: Thank you.

Mr RORRIS: I also thank the Chair and the Committee for this opportunity. As our Parents and Citizens Association President, Ms Kirk-Downey has pointed out, we would not normally be here on such a matter. We fully support the BER program. We think it is one of the best things that has happened in terms of facilities for schools. Our school community, though, is at the point of despair at the events that have happened since last year. If I could just briefly go through some of this chronology and you may have some questions on it. First, let us just say that most school communities, I think, would prefer departments to be running this program, on the assumption that the normal laws of economics prevail here. Even in the contestable area like economics, one thing that is seldom disputed is that you do get them cheaper by the dozen. On that basis alone, we had some good reason to believe that this was in fact the way to get value for money.

What we have ended up, however, since last year, is a one-size-fits-all model, where the one size does not fit all. So we get the worst of both worlds here. We get a cookie cutter model and a one-size-fits-all which itself is inadequate in terms of providing basic needs. We liken it to building a garage for your car that is double brick and got the perfect sound equipment and sprung floors but it does not fit your car. And if it does not fit your car there is a fundamental problem. This is what we have been trying to convey to the department. I would like to indicate that initially at least the Minister's office was quite helpful in terms of trying to assist us with this issue when we struck a brick wall with the department. I do not know what has happened in the department itself but certainly the explanations that were given to us by senior departmental people do not cut the mustard in terms of any credible reason why we cannot get more for our \$2.5 million.

For example, the diseconomy of scale—that was the quote—that applies here with the more halls you build does not logically compute with anyone. We have a number of parents who have a background in construction, and others still, including myself, who has had considerable experience with large projects. We do not understand the logic that says that if you replicate these designs and building projects that you will get charged more. We can understand the scarcity argument, that because all of these projects happen at the same time there might be a bit of a premium. We understand that. What we do not understand though is how it is that other schools, particularly in the private sector, that are building at the same time do not seem to be affected as greatly by these scarcity arguments, particularly in terms of labour.

In terms of the project itself, what has been particularly upsetting for us is that we just did not get that information. All we knew was that we were actually going to get a 7 core hall. That was because our enrolments momentarily dropped under 300. We were actually going to get something even smaller, so we genuinely did feel happy at the fact we had a 14 core hall. We did not know what it was. We just presumed that this was something that was \$2.5 million worth and was going to be big enough and more than big enough for us. We then entered into a ridiculous semantic exchange with the department about what "seated" actually means and we were told, "Well, it will accommodate your students on the floor". We then had a definitional debate about whether the hall was actually meant to seat the kids in the first place. We were then told the 300 to 500 students

was a guide for the size of the hall and was never intended to accommodate all the students because it was never intended to be a school hall. It was just ridiculous.

We would have preferred to have just had a very honest approach to this from the very start. It concerns us greatly that it seems that everything was stacked up against the principals doing anything other than essentially signing on the dotted line and saying, "We'll take what you're going to give us." What we hear about principals being told they would be personally liable as project managers for occupational health and safety, that some schools were told that they had to front up with 10 per cent of the project, which was later refuted by the Federal authorities, all made it almost impossible to do anything other than accept this. And once you accept a hall you accept essentially the hall that they are prepared to give you. That is where we are at. We have a series of letters from last year.

The other upsetting thing is the first response we got to three letters was after the foundations were laid, and Karyn Paluzzano, who I think signed that letter on behalf of the Minister, made the point that "Look, whatever else you might think, foundations have been laid. It's too late to do anything else." For us that was insulting because we had written three letters the previous year, and to get that letter after the foundations are laid indicated to us there was not any real interest in doing anything, probably we suspect because if they did it for our school they would have had to do it for 1,000 other ones. And I think that was a problem. I might leave my initial comments there.

CHAIR: Thank you. That has been very informative. We appreciate you coming in. The 14 core hall as you are terming it is now called a learning space. Is that the type of hall that has a large stage with ramps at the back and a garage door at the end—

Mrs KIRK-DOWNEY: Yes.

CHAIR: —a big garage door type, I do not know what it is technically called but like a big garage door?

Mrs KIRK-DOWNEY: That is correct.

CHAIR: So the rest of the school can sit outside although they are under cover without walls. Is that the sort of hall you are talking about?

Mr RORRIS: That is the hall, and we pointed out as well that all of the value-added things, such as the acoustic treatments and the fact that we were not getting air-conditioning or anything like that, because the hall was designed to such a high standard that it would meet both climate and acoustic standards. Once you open that door there goes your climate control and there goes your acoustics so it completely works against those design principles by opening the big door.

CHAIR: It is not a sprung floor outside?

Mrs KIRK-DOWNEY: No, it is concrete. In relation to the air-conditioning and the design so it does not require air-conditioning, there are about 15 fans in the hall so once you turn on the fans full blast I do not know who can hear anything from anybody really.

CHAIR: The aesthetics of it from the outside is that it is basically looks like a shed?

Mrs KIRK-DOWNEY: It is a shed.

CHAIR: You talked about other nearby private schools or independent schools that got better value. Is Holy Spirit College one of those?

Mrs KIRK-DOWNEY: Yes, it is.

CHAIR: Are you aware of what it achieved by self-managing its school hall?

Mrs KIRK-DOWNEY: Yes. We were informed by staff members and parents at the school that they had built a hall for \$800,000 to seat more than 1,000 students and parents.

Dr JOHN KAYE: Seat?

Mrs KIRK-DOWNEY: Seat—on a seat, not on the floor; that is a high school and they do not sit on the floor in high school, on a seat. Holy Spirit they do not. It has 1,000 students and parent body in an \$800,000 building. It is a basic building. It does not have all the bells and whistles but if you compare 1,000 students and parents seated for \$800,000 I am pretty sure we could get 324 children seated for \$2.5 million at Mt St Thomas Public School.

CHAIR: Do you think value-for-money wise, with the benefit of hindsight, your school would have wanted to self-manage? Do you think it would have been above the ability of the school?

Mr RORRIS: No, doubt. If we knew then what we know now there is no way that we would have proceeded with it. Admittedly our preliminary assessment of what it would cost, we could afford to put up a couple of hundred thousand dollars for a project manager to actually take those responsibilities and still come out \$500,000 to \$800,000 ahead. Having some background in that area I understand that the design standards are higher, that is true, there are some better materials and other things. What really gave us a jolt was when a local building our way in Berry won an international design competition—beat the French, beat the British and others—for a hall that seats more than 600 people. It costs about \$1.2- \$1.3 million. We thought, hang on, this just won the best building in its class in the whole world.

Dr JOHN KAYE: And it has a stage?

Mr RORRIS: And it has a stage. It does not expect people to be sitting on the ground for that.

Mrs KIRK-DOWNEY: Not only does it have a stage but it has a whole massive recreation area with rock climbing walls. It is designed so that it does not require air-conditioning but it also does not require 15 fans whirling around over people's heads.

The Hon. GREG PEARCE: What is the name of the hall?

Mrs KIRK-DOWNEY: Berry Recreation Centre.

The Hon. GREG PEARCE: I normally see Mr Rorris in my capacity as shadow Minister for the Illawarra and in his capacity as the boss of the South Coast Trades Council, so thank you for coming along today.

Mr RORRIS: I would like to make it clear that I am not appearing in that capacity today.

The Hon. GREG PEARCE: I know. Mrs Kirk-Downey, were you told that if you self-manage you would have personal responsibility and liability?

Mrs KIRK-DOWNEY: We were not told any of those things, our principal was. We were not ever given the option for the school community to take that option. Our school principal was so afraid of being personal liable for occupational health and safety, WorkCover issues and any budgetary over-runs before she even got to us that she would not even put it up as an option for us.

The Hon. GREG PEARCE: Was she told, and did she convey to you, that the school would have to put up a 10 per cent deposit?

Mrs KIRK-DOWNEY: We did not get that information, no. But we had a meeting in April with Sharon Bird and half the Department of Education and Training and the construction company, and her principal liaison officer also re-iterated at that meeting that she was discouraging her principals from project managing because of the issues raised around being personal liable so she actually put that on record.

The Hon. GREG PEARCE: Where is construction at this stage in terms of the hall? How far has it progressed? Do you have a completion date?

Mrs KIRK-DOWNEY: Yes, we are looking at August/September. The rain has probably pushed that out a bit further. We have the roof on and the framework, and slab, and they are just starting to scaffold now, I think, for the external walls.

Mr RORRIS: The footprint itself is quite impressive. One of the things that concerned us is that when we first raised these issues we were told, "No-one else is complaining and they're getting the same thing, or even less". The interesting thing is when you see the building going up it is quite impressive and large. What you do not see is that less than half of the building envelope is available to actually use in terms of the hall. One of the things that we raised, and we were hoping that commonsense will prevail, and that we would even maybe get some of the COLA which is pretty large, and actually extend the hall. It was just a matter of growing that envelope on the existing footprint of the hall. Now the construction people told us, the contractors, that that was possible but it would cost something extra. We said, "Well, you are running \$100,000 under budget, put the \$100,000 and make it a bigger hall." They said, "We can't do that unless we get the okay from the department" and they did not have that okay.

CHAIR: Did they say how much it would cost to enclose that COLA and make it part of the hall? It is under the same roofline, is it not?

Mr RORRIS: Exactly, we pointed that out.

CHAIR: Did they say how much that would cost?

Mr RORRIS: They refused to give us a costing, saying they could not give that to us unless the Government or the department, to be clear, allowed them to do that and they did not have the permission or the instruction from the department to even provide a costing for how much that would be. The department was adamant that the hall was not going to get any bigger.

Mrs KIRK-DOWNEY: We also found out at the meeting in April inadvertently that we may have had the option of losing our canteen, the extra canteen because we already had a canteen but we were getting another one, as you do! So we found out a little late in the process. One of my biggest bugbears as the president of the parents and citizens is that the consultation process with the parents regarding this project has been appalling. We put a wish list together and somebody in an office somewhere makes a decision about what our school gets and we get told what we get. We do not then get to negotiate on the 15 things on our list about which was a larger priority because the canteen was about number 12 on our list. We had other things of priority above that but someone deemed that that would be a given priority number one, along with the hall.

That meeting was quite shocking to us that this far down the track that we could have maybe negotiated the loss of that canteen, but when you look at the design of the hall, it is a bit like at Marksman home, when you start mucking around with the layout, things do not work very well. We were a bit hamstrung about the effectiveness of the hall and its durability around multiple uses once we removed that canteen. I wanted to add that the consultation has been appalling and how schools got given projects on their wish list was disgraceful.

The Hon. GREG PEARCE: What else would you have asked for? Had you got to the stage when you knew what your priorities were?

Mrs KIRK-DOWNEY: Our number one priority was the administration area of our school as it is almost unworkable. The administration staff and the principal are in an appallingly small space, I think it is almost illegal under occupational health and safety in the circulation space they actually work in. That has been on the top of our priority list for the past five years that I have been at the school. Under departmental funding we will not ever get that up on the list so we felt this was a great opportunity to get a hall and work on upgrading. It would not have meant a new building, we were just looking at refurbishment. We have got some space at the back, removal of walls, getting some extra circulation space so it was not a massive project but it was certainly way up there as number one: the school hall and the administration block upgrade were definitely up there.

CHAIR: Did you think with \$2.5 million you could get a hall and the administration block refurbishment?

Mrs KIRK-DOWNEY: Yes, we were beside ourselves.

CHAIR: And more?

Mrs KIRK-DOWNEY: We thought on top of that we could get the guttering replaced as well because they are pretty shabby.

CHAIR: And a hall that would fit in all the students of the school?

Mrs KIRK-DOWNEY: Yes, because under the previous Federal Government we had a \$100,000 grant to build a massive COLA so we have got COLAs all over our school: we did not actually need another one, we have got plenty of those. We have been sitting outside in the weather for school assemblies for 57 years at our school. We thought with \$2.5 million we might get a guernsey inside for a change.

Dr JOHN KAYE: So, you do not believe it will now be possible to hold a school assembly with all the teachers and students inside the core 14 hall you are getting?

Mrs KIRK-DOWNEY: They can, but the students will be on their bottoms. Currently when we have our assemblies under the COLA outside the parents are in very close proximity to the children for photos and listening to choir performances. They sit along the side and at the back. We set up chairs and our students currently sit on chairs for every assembly we have, so we are decreasing the comforts and the access to the children that families currently have. Our parents will now be sitting outside in a COLA, through a roller door, quite some distance from the stage, and our children will now be on their bottoms. People say that lots of children sit on their bottoms in schools and people look at me as though I am weird because I want our children on seats, but at our school that is the only situation we have ever known. We were not aware that other children sat on their bottoms at assembly. We had an expectation when we were told we were getting a hall that the current situation would not be downgraded.

Dr JOHN KAYE: The only thing you knew was that children sat on seats.

Mrs KIRK-DOWNEY: Yes.

Dr JOHN KAYE: The children currently sit on seats in the COLA and now they are going to have to sit on the ground.

Mrs KIRK-DOWNEY: Yes, and their parents will not be anywhere near them.

Dr JOHN KAYE: How does this work? If you have 300-plus students, as you have currently, my calculation is that 145 square metres gives about 0.48 square metres per student. If the school grew to 500 students that figure would fall to about 0.29 square metres per student. Is that within the standard?

Mrs KIRK-DOWNEY: It is within the departmental standard. They informed us at the meeting in April that they build these halls knowing that if our school was to increase to capacity of 500 we could never have a whole-school assembly.

Dr JOHN KAYE: So, even sitting on the ground you cannot—

Mrs KIRK-DOWNEY: No, they told us that at the meeting. They build those halls knowing that if your numbers are at capacity you cannot fit the whole school on their bottoms in the hall. The principal of Helensburgh Public School was in that meeting with us and told us he is at capacity at 500 and cannot hold a whole-school assembly in his hall.

Dr JOHN KAYE: Which is about 145 square metres?

Mrs KIRK-DOWNEY: His is bigger than ours. He has a 21-core hall.

Dr JOHN KAYE: So even with a 21-core hall he cannot fit his whole school in?

Mrs KIRK-DOWNEY: No.

Dr JOHN KAYE: So what you are telling us is that under the Building the Education Revolution program, the once in a lifetime opportunity as was said before, we are building halls that will not be able to gather the entire school together?

Mrs KIRK-DOWNEY: Knowingly building halls.

Dr JOHN KAYE: Holy Spirit fits 1,000 students on seats. One of the arguments that the Director General, Mr Coutts-Trotter, put up was that the design standards in public education are higher than they are elsewhere. He specifically talked about sprung wooden floors, the need for drainage channels under those floors, and the need to encase all sharp objects within rounded objects, so a square pillar will be encased within a round pillar, and he talked about the quality of hardwood used on the floor. To your knowledge, was Holy Spirit's hall a shoddy job?

Mrs KIRK-DOWNEY: I am sure Holy Spirit would be shocked and offended to think that they had constructed a shoddy hall to house their students. I am sure they had to build to certain standards and that they met all council and regulatory standards to build that hall because they would not get a certificate of occupancy if they had not. I would be shocked if they had not built a hall that was up to standard and I strongly suggest that they have built a hall that is up to standard.

Dr JOHN KAYE: Up to the standards you would expect from an educational institution, not just the standards you would expect in a home—the higher standards and greater durability standards?

Mrs KIRK-DOWNEY: It does not have all the bells and whistles but construction-wise it is sound. I also work in local government and we build long day care centres and I know how much it costs to build a building to a very high quality local government standard, because we have to do things a lot better than everyone else, like the department. We have extra standards. We can build a 52-place childcare centre, fully fitted out with commercial kitchen, cot rooms, nurseries, nappy change areas, and plumbing from top to bottom, for \$1.2 million, to the highest standard. That also alerted us to the fact that we were having a bit of a problem with \$2.5 million for a hall.

Dr JOHN KAYE: Those childcare centres would not be on a slab, they would be on wooden floors. Is that correct?

Mrs KIRK-DOWNEY: No, they are on a slab but there are huge amounts of plumbing.

Dr JOHN KAYE: Coming back to the question of 145 square metres versus 190 square metres, can either of you take the Committee through the time line on when you discovered that was a stage that effectively alienated 45 square metres of the supposed 190 square metres you were getting?

Mr RORRIS: All of the discovery process, if you like, occurred after we were committed to this particular project. The first indication was when we were told we were initially getting a seven-core hall. That was around April-May, and then we were told it was good news, we were going to get the large hall, which is a 14-core hall. We were not given square metres at that time that I can recall.

Mrs KIRK-DOWNEY: No, we had had a lot of trouble getting any plans.

Mr RORRIS: Anything. We did not get a plan. We were just told we were going to get a large hall, that essentially everyone was getting it and the department had a model of what you were going to get. At that stage we trusted that we were going to get something pretty big for that kind of money and have some money left over. We started to get concerned after we had some queries about how big the hall was going to be and they said, "It's going to accommodate all your kids. You're going to be able to seat all your kids."

Dr JOHN KAYE: At what stage in the "consultation" process did you begin to feel concerned that you might not be able to get all the kids in the hall?

Mrs KIRK-DOWNEY: About August 2009.

Mr RORRIS: August was the big shock. Prior to that they wanted to put the hall in the middle of the playground and we told them that was not a good idea. We thought that was the hard bit, because we were not picturing a fairly massive building. The time line was that in June 2009 the announcement was made officially. Richard Crookes sent a pro forma to the principal shortly after.

Dr JOHN KAYE: Is Richard Crookes the construction company?

Mr RORRIS: The primary contractor. In October 2009 was the first meeting we had at which the parent body saw anything about the plans or the building we were going to get. Prior to that meeting a pro forma was filled out by the principal, in which she indicated we had not seen the plans and they had not been finalised and, secondly, she also indicated that the location was an issue. By the time we got our first meeting in October we were starting to get restless about how big this hall was going to be even though we had been given a commitment at that point that it would seat all the children. The way in which the department was presenting the issues just did not seem right to us.

The minutes of that first meeting clearly show that we did not think the hall they had given some details of would be big enough for all the children. It was clear there was a definitional issue. When we were talking about seating kids we meant "seating" kids, not planting them on the ground, and there was no way that hall was anything like the expectation and indication given to parents. That is clearly stated in the October minutes. Despite the fact there was no sign-off from the parents everything proceeded as if there was. That is when we started writing formally to the department and the Minister saying there was an issue. As I said, that is in writing in October; the minutes clearly indicate that.

The first response we got was the following year, in February, in a letter. That was after the footings had been put in and we were told it was too late to change. With regard to the 145 square metres, we were given plans that showed a space much bigger than 190 square metres. We could not work out where the 190 square metres came from. It was on the website. When we looked at it we thought maybe they were talking about the space on the sides of the stage. We got a letter back from the Minister's office stating that it was 190 square metres effective floor space. The only way you could read that in relation to the dispute about seating kids was where you could seat the kids. We said, "Okay, the worst that we will get is 190 square metres." Then we got the bad news that that included the stage area.

Dr JOHN KAYE: In April 2010 you got the bad news that that included the stage area?

Mr RORRIS: Formally we did not get that news until last night.

Mrs KIRK-DOWNEY: We only got that news last night.

Dr JOHN KAYE: As you know, bad news travels slowly. You saw the plans in April 2010 and at that point you became aware of it. Despite the fact that you received a letter from the then Parliamentary Secretary on the Minister's letterhead in February 2010 effectively stating that you had 190-square metres, in the context of a letter you wrote to them about the seating of students on chairs, effectively you were told that you had 190-square metres?

Mr RORRIS: That is correct.

Dr JOHN KAYE: You then saw the plans. Am I correct in stating that in that letter of February 2010 the then Parliamentary Secretary said to you, "In any event it is all too late; we cannot change because they have commenced construction"?

Mrs KIRK-DOWNEY: We were given an option at the April meeting, and again at a site meeting at another school, to have the stage removed.

Mr RORRIS: That defeats the purpose of the hall.

Mrs KIRK-DOWNEY: We had the stage and it was not an option for us.

Mr RORRIS: If we had the stage removed we would get the 190 square metres. But we pointed out that the whole point of the hall was to have a stage, otherwise you would have just a big classroom.

Mrs KIRK-DOWNEY: It would be a shed.

Mr RORRIS: It would be a shed.

Mrs KIRK-DOWNEY: We have the letter from Verity Firth that we received last night.

Mr RORRIS: And that clarifies that the stage is in fact counted in the 190 square metres. The departmental representative told us that we could always fit a class on the stage.

CHAIR: Are you tabling the letter to which you referred earlier?

Mr RORRIS: It has been tabled.

Mrs KIRK-DOWNEY: We have an updated letter.

CHAIR: Is it in the bundle of letters that was tabled?

Mr RORRIS: Late yesterday we were given a letter. Effectively, we have just gone through that letter together. Apart from thanking the parents and citizens association for its work it corroborates that that amount of money includes the stage.

CHAIR: Would you like also to table that letter?

Dr JOHN KAYE: It is in the bundle that has been tabled.

Mrs KIRK-DOWNEY: No, it is an extra one. It is our latest one.

Document tabled.

Mr RORRIS: We apologise, as we do not have any copies; we only just received it.

CHAIR: We will get copies if you are happy with that.

The Hon. CHRISTINE ROBERTSON: You referred earlier to the Holy Spirit College hall. There has been a statement to the effect that the specifications for the two halls are not comparable. Have you seen the specifications for the two halls?

Mr RORRIS: No.

The Hon. CHRISTINE ROBERTSON: Have you seen the specifications for things such as floor construction?

Mrs KIRK-DOWNEY: No.

The Hon. CHRISTINE ROBERTSON: You do not know what costs were included in the hall for the Holy Spirit College?

Mrs KIRK-DOWNEY: The design and project management were included in that.

The Hon. CHRISTINE ROBERTSON: But not actual costs for things such as disabled access to the stage?

Mrs KIRK-DOWNEY: No.

Mr RORRIS: We understand that it included the sound system and regular hall inclusions, but we are unsure about other aspects.

The Hon. CHRISTINE ROBERTSON: The specifications to which Dr John Kaye referred earlier?

Mr RORRIS: That is right.

The Hon. CHRISTINE ROBERTSON: I understand that your hall is an anti-allergen hall.

Mrs KIRK-DOWNEY: Is it? How exciting for us. Once you are outside that roller door the anti-allergens are a mute point.

The Hon. CHRISTINE ROBERTSON: The schools have already had to remove trees with allergens in their gardens.

Ms KIRK-DOWNEY: Yes, we have.

The Hon. CHRISTINE ROBERTSON: Do you know whether any apprentices were employed on the job?

Mrs KIRK-DOWNEY: No.

Mr RORRIS: No. In fact we do not know a lot about the contractors. We know that a lot of contractors were out in the area working on our job, but we want to make it clear that we support the jobs that were created by this project.

The Hon. CHRISTINE ROBERTSON: I think I am getting the gist of the problem. The hall is too small for your needs; that is what you are worried about.

Mr RORRIS: That is the gist.

The Hon. CHRISTINE ROBERTSON: I want to ask about the canteen. A number of canteens have been replaced through this project. Do you know whether there is some sort of edict about what has to be provided in canteens these days from a public health perspective?

Mrs KIRK-DOWNEY: Every time you turn on the television you hear things to the effect that, if you are getting a hall, you are not too bad. If you are getting a library or a canteen you are in deep trouble with the Building the Education Revolution project. We started talking to the project manager about inclusions. We already have a canteen so we do not get any whitegoods. For \$2.5 million no whitegoods come with that. We have to use our old fridge and freezer. We wanted to find out whether our current whitegoods would fit into the canteen. They are not allowed to wire in our equipment. There is some departmental rule that they cannot put in the fridge and they cannot wire in the stove. Hypothetically, they can put in the wiring in for us if we can pick out a hypothetical spot for it, but that is as far as we get. I think we will just get a shell with a sink.

The Hon. CHRISTINE ROBERTSON: I think I understand the concept.

Mrs KIRK-DOWNEY: I do not understand why we are getting a canteen.

The Hon. CHRISTINE ROBERTSON: I wondered whether you might know.

Mr RORRIS: We are not up to that stage.

The Hon. CHRISTINE ROBERTSON: The replacement of these canteens sounds more like a public health action.

Mrs KIRK-DOWNEY: Our canteen is not pretty but it functions quite well. It has all the things that we require.

The Hon. CHRISTINE ROBERTSON: The guidelines relating to kitchens have changed drastically.

Mrs KIRK-DOWNEY: They have.

The Hon. CHRISTINE ROBERTSON: I will ask others this question later.

Mrs KIRK-DOWNEY: Building inspectors from local councils have been doing the rounds. Our school had one such visit. The things that we need to fix are minor so we asked permission not to fix them in lieu of waiting to see what was happening with our money.

The Hon. CHRISTINE ROBERTSON: I understand that.

Dr JOHN KAYE: Did you say that the things that needed to be fixed were minor?

Mrs KIRK-DOWNEY: They are relatively minor—things such as plugging holes and putting in towel rails.

Mr RORRIS: If we were given an option earlier of doing away with the canteen we would have had more space and we could have rolled out the hall.

The Hon. CHRISTINE ROBERTSON: That came later.

Mrs KIRK-DOWNEY: Too late.

Mr RORRIS: That came too late.

Mrs KIRK-DOWNEY: Referring to the administrative upgrade, you should see the facilities in our staff room. Possum poo is running down the walls in our staff room.

The Hon. CHRISTINE ROBERTSON: A bit like the house in which I stayed in Sydney.

Mrs KIRK-DOWNEY: It is disgusting. We wanted to do something for our staff members who work very hard at our school to give our children a quality education.

The Hon. GREG PEARCE: I note that the letter you tabled is dated 9 June. You said that you received that letter only last night.

Mrs KIRK-DOWNEY: It came to my machine via email on Monday.

Mr RORRIS: I did not get it.

Mrs KIRK-DOWNEY: It has been sitting in the parents and citizens association box, and our secretariat clears that box every two or three days.

The Hon. GREG PEARCE: I just wanted to ensure that it was the right one.

Dr JOHN KAYE: You said earlier that your hall was no longer a hall but that it was a learning space?

Mrs KIRK-DOWNEY: Apparently it is a multipurpose learning area.

Dr JOHN KAYE: What are the implications of that?

Mrs KIRK-DOWNEY: It means that we do not have to have a stage and we do not need to comply with the seating arrangement—the placing of seats.

The Hon. CHRISTINE ROBERTSON: But you are getting a stage?

The Hon. GREG PEARCE: You are getting the stage?

Mrs KIRK-DOWNEY: We are getting a stage but we can remove that if we want.

Dr JOHN KAYE: The stage now becomes your fault?

Mrs KIRK-DOWNEY: It is our now fault because we want to keep the stage.

The Hon. GREG PEARCE: Will you remove the stage?

Mrs KIRK-DOWNEY: No, we cannot remove it because that is the whole purpose of a hall, otherwise it then becomes a shed.

CHAIR: It is not a temporary structure anyway?

Mrs KIRK-DOWNEY: No, it is a permanent structure. We have a small stage out the back. We have an open-air stage, but this would be a great place to have an inside one.

Mr RORRIS: Unfortunately from the very start whoever is responsible in the Department of Education and Training did not think about how this would roll out. Once mistakes had been made, rather than addressing them there and then, which would have saved a lot of heartache and problems all the way through, for whatever reason they embarked on a ridiculous process of a definitional gain. Parents are not stupid; they understand this. We know what seating means, we know what a hall is, we know what our schools need and we know what \$2.5 million really can buy.

We were happy to go along with a premium of some description, but when you get to this level, it was just far beyond. As I said, I have to say that the Minister's office actually was quite helpful, particularly when I tried to raise it initially. It became clear to us that this program was locked into a trajectory and you could not shake because if you changed it for one school, you had to change it for a thousand. I think that is the problem here, frankly. But from our perspective, and I might finish on that from our point of view, what really saddens us here is that it appears that the outcomes of the BER program seem to be dependent on whether you go to a public or private school. That is a terrible thing because in our view our kids deserve a lot better out of the taxes that go into the \$2.5 million hall that we are going to get or this particular grant. The reason we are here is that we do not want to see a repeat of this. We do not want to see another situation where our kids do not get what they should be getting in those facilities, and our school community is the same.

Mrs KIRK-DOWNEY: It is not just Holy Spirit. We have The Illawarra Grammar School behind us, which is getting a massive injection of facilities into its school for not much more money than we have spent. It is not just Holy Spirit. They did not use BER money. TIGS is using BER money, St Pius Catholic School is using BER. The list is endless of the Catholic schools in our area using BER money and getting far greater value for their dollar than we are.

CHAIR: Is it about how it is managed?

Mrs KIRK-DOWNEY: Yes. It is not just Holy Spirit. They did not use any of that money. It was an example that was given on how you could get value for money.

CHAIR: It is about management?

The Hon. GREG PEARCE: You think the rollout should stop until the problems are fixed?

Mrs KIRK-DOWNEY: Absolutely.

Mr RORRIS: Well, let us just clarify that. We have a situation here where we have a construction program in process, we have half-finished halls in schools. What needs to happen first up is that the consultation process needs to start up again with those communities to see what can be salvaged. I know that there are costs in all of that, but I think it would be much better at this stage, if you are going to be spending that amount, to at least get buildings that can accommodate school populations. As I said, we want to reiterate though that we actually support it. It is not the figure; 2½ million dollars is not too much to spend.

CHAIR: We are over time. Thank you for coming today and giving us the benefit of your experiences. I hope it was not too scary for you.

Mrs KIRK-DOWNEY: Thank you for your time.

(The witnesses withdrew)

BRIAN ADAMTHWAITE, Principal, Black Hill Public School, and

BRADLEY JOHN URE, President, School Council, Black Hill Public School, sworn and examined:

CHAIR: We have before the Committee representatives from Black Hill Public School, who have not provided a submission. We have requested they attend as they are one of three New South Wales schools that self-managed their Building the Education Revolution funding projects. Would either of you like to make a brief opening statement before we proceed to questions?

Mr ADAMTHWAITE: Okay. First, I would like to table a document I have brought today. Basically, it outlines the situation of our school. Black Hill Public School is a small school—3 teachers, 60 students—on the edge of Newcastle at the end of the F3 freeway. As such we are very interested in making sure we receive value for money and quality for all the things we do. That has really prompted us in taking on self-management as a way of using the BER project to advance the educational quality of the school. As well, I have included a time line of circumstances from the initial BER contact to the completion of our project, which was only a few weeks ago. We now actually have occupied the rooms. Basically, short of some deliveries of furniture and some landscaping, the project has come to completion. I attach also some photographs of the building from its greenfield site to its completion. Hopefully that helps to inform the members of the Committee a little about the background of our situation and the project we have done. Other than that, we are happy to answer any questions.

Document tabled

CHAIR: From my understanding, you received \$850,000 for your BER projects, is that correct?

Mr ADAMTHWAITE: Yes, that is correct.

CHAIR: You took an option to self-manage. What was the reason you decided to self-manage? Did you think you would get better value out of that project or you thought you had expertise?

Mr ADAMTHWAITE: A bit of both actually. In the notes you will note that we have actually operated a school council at our school for the past 19 years. There is a lot of involvement in decision-making at the school level. That has allowed us to accumulate a capacity of expertise. On our school council we have people involved in business building finance. So that has made the possibility easier for us. But also you will notice in the notes that I have included the first BER offer to the school, which offered us a two-module home-base CDR.

CHAIR: What is "CDR"?

Mr ADAMTHWAITE: A CDR is a permanent brick building. Within a couple of days we were advised by the management of BER, the IPO and the principal liaison officers that the school would not be able to get that particular building because of the costs that were involved now. We were offered instead an MDR, which is a modular demountable building. Given that the school has been there for 129 years and so far there has not been a permanent classroom space built in the school in that time, the school council and, of course, myself as principal decided that we would look at other avenues to be able to finally achieve a permanent classroom on site.

CHAIR: You were offered a demountable; we are told they are not demountables?

Mr ADAMTHWAITE: Modular building.

Dr JOHN KAYE: It is a modular-designed building?

Mr ADAMTHWAITE: Yes.

CHAIR: You were offered one classroom or a double classroom?

Mr ADAMTHWAITE: A double classroom as well.

CHAIR: For \$850,000 it was going to be a double classroom?

Mr ADAMTHWAITE: Yes.

CHAIR: For your \$850,000 self-managed project you got a double classroom, a single classroom, a concrete basketball court with lights, solar cells and a rainwater tank, is that correct?

Mr ADAMTHWAITE: Yes, that is correct.

CHAIR: That is quite a big difference in the sorts of projects. Did you go through a process of deciding your priorities?

Mr ADAMTHWAITE: Yes. Again, the school having the school council and having a strategic plan now for 15 years, we had always intended that the development of the school would have a building in a particular place and it should be of a particular sort. When the opportunity came along, it was not a case of scrambling with ideas of what could be built, or should be built; it was a case of fitting into the strategic plan that already existed.

CHAIR: Was there any discussion to try to discourage you from self-managing? We have had evidence that suggests a number of schools were discouraged from self-managing. There was some pressure, some witnesses have said, in relation to issues about legal protection. Was that the case with you?

Mr ADAMTHWAITE: I think in terms of those familiar with the *Yes Minister* series, it was suggested as a courageous decision. There were a number of suggestions that it would be extremely difficult and that, as a principal particularly, I would be responsible for a number of things. If things did not go particularly well, the ramifications could involve losing houses and things like that.

CHAIR: Who said that to you?

Mr ADAMTHWAITE: It was said in discussions with the principal liaison officers. To some extent I think they were simply trying to inform me of the possible problems that could occur with occupational health and safety issues, and those sorts of things. You could interpret it as being a sort of threat, but you could also interpret it as making sure you are well informed before you make a courageous decision.

CHAIR: Some people have thought that this is part of the *Monty Python* or other TV programs, not just *Yes Minister*. Would you say that other schools, or other colleagues from other schools, with the benefit of hindsight wish that they had self-managed? Have you had that sort of conversation with anyone?

Mr ADAMTHWAITE: I have had that conversation with a number of local schools. Again, looking at our situation, we are very pleased with the outcome at our school, but we did also have a lot of advantages in being able to self-manage a project.

CHAIR: Did you use local contractors?

Mr ADAMTHWAITE: We did, yes. It was very gratifying that we were able to. We were provided with a list of six companies to tender by the Integrated Program Office. We were permitted to add a local company of our own to that list, so seven companies were invited to tender. Out of those seven who were provided with the documents, we received only two tenders to assess. They were both local companies. The company that we employed, due to the tender process, was a local company. On one particular occasion during the Christmas holidays while I was there, it was really good to see that there were three parents of children from the school who were involved in subcontracting work. So it really was a local project. That made us feel really good.

CHAIR: And that was a big part of the objective of it.

Mr ADAMTHWAITE: Very much so. I think in stimulating the local economy, that was certainly far preferable than the modular option.

The Hon. GREG PEARCE: Thank you for coming along today. Have you previously self-managed any projects at the school?

Mr ADAMTHWAITE: We have, under a previous Federal Government program, built a COLA and turned it into a multipurpose building. The amount of funds there were much less, but we have been involved in managing things in the past.

The Hon. GREG PEARCE: When you did that project, were you given the same sort of advice—that you might lose your house?

Mr ADAMTHWAITE: No.

The Hon. GREG PEARCE: As you said, it might be interpreted as threat or it might be interpreted as being well informed before you undertook that project.

Mr ADAMTHWAITE: No. Generally speaking, there was no agency in that previous project to communicate with. It was all a paperwork issue.

The Hon. GREG PEARCE: Was it indicated that you might have to provide a deposit in relation to the project?

Mr ADAMTHWAITE: We were initially, and that did cause us some concern, but we do tend to have a plan B in place from time to time at Black Hill. That deposit situation was removed early in the process, which made things so much easier.

The Hon. GREG PEARCE: After you objected to it?

Mr ADAMTHWAITE: We did not actually object to the process, but we were very pleased when it was removed.

The Hon. GREG PEARCE: Can you tell us a little about the audit process? I notice you had the first audit in December 2009.

Mr ADAMTHWAITE: Yes, that is right. We have been audited twice.

The Hon. GREG PEARCE: Could you take us through what the process was?

Mr ADAMTHWAITE: It was a joint audit. It was an audit for the National Pride program, which we also self-managed, and the audit of the BER program. It was basically the usual audit. Paperwork was presented. The financial reports were presented. A couple of suggestions were made, particularly in terms of some of the documentation that we needed for the occupational health and safety aspect. It was a very worthwhile process we went through.

The Hon. GREG PEARCE: As a result of that, the project was hunky-dory, on target?

Mr ADAMTHWAITE: Yes. Everything was fine with the audit.

The Hon. GREG PEARCE: Just going through your chronology here, you had a visit from Angus Dawson on 4 December. What was the purpose of that?

Mr ADAMTHWAITE: Because we were one of the few schools that were self-managing and because we are smaller as well, we were far further along the process than the other schools. Angus came for a visit to have a look at what was happening. We were able to have a really useful discussion because we found that we had additional funds to the initial planning and Angus was very helpful in being able to suggest ways in which that could fit into the program and maximise the advantages to us. He was very helpful.

The Hon. GREG PEARCE: You had the sign-off from the audit, you had the Integrated Program Office representative and Angus Dawson who all were happy that you were proceeding along appropriately. Then you were advised, according to your notes, on 18 December that it would take only 24 hours for final approval. Who gave that advice?

Mr ADAMTHWAITE: The Integrated Program Office advised us that that was all that was required from the paperwork that was presented. I realised that that brought us into the Christmas period as well. However, it was an extremely frustrating process. I suppose it is the same as building a house. Everything seems much better when it is over, but when you are in the middle of it, it is really quite difficult. It was very frustrating that we were unable to lead to the contracts in time to get something started earlier.

Being a school, we try to do as much work at the weekend and during the holidays to minimise the effect on students. We were very fortunate that the project was supported by the entire community. The neighbour next door in a rural property was able to give us access so that the site was a clearly defined external site to the school, which again made occupational health and safety easier, but it would have been nice to get things moving a little bit faster so that we could have got even more done during the Christmas holidays.

The Hon. GREG PEARCE: You have given us an appendix in which you talk about value for money. Could you just quickly tell us the highlights of what you are trying to show there?

Mr ADAMTHWAITE: Just so that in our own mind we could work out the costing process, now that the process is over, I have listed there the cost for the initial planned two-classroom home base building, how much the tender price was and how much per square meter that building would have cost. Below that is listed the cost of the project that we actually built. To use the funding effectively, we increased the project so it includes there the amount of cost and divided up at the tender price to get the cost per metre. We had a hard surface play area as well, so I subtracted that from the total funding.

The final costing on the bottom is basically the entire grant divided by the square metreage of the classroom space and showing how much per square meter it cost. That includes all the costing that has been involved in the planning process. Even though it was a standard department building, we still had to employ our own planners to design the data, the electricity and the fittings and those sorts of things. That includes the entire grant per square metreage of the classroom space only, and that gives us the cost.

CHAIR: For the sake of *Hansard*, could you say how much that cost per metre was?

Mr ADAMTHWAITE: Certainly. This is the basic ballpark figure for the entire amount. The cost of the project, excluding the hard surface play area, was \$2,154.66¢ per metre.

Dr JOHN KAYE: Mr Adamthwaite, while we are talking about that, did you build to the Department of Education and Training's specifications?

Mr ADAMTHWAITE: Yes, we did. Initially when we started the project, or started the investigation into self-managing, we had our own plans designed. As we got further down the track, we were informed that that was not an option and that we had to build to the department's design.

Dr JOHN KAYE: You were informed that that was not an option—by whom?

Mr ADAMTHWAITE: By the Integrated Program Office. Understandably, they would like to have all schools conforming to a particular design for long-term maintenance and fitting out of equipment. It makes it easier.

Dr JOHN KAYE: Could we be absolutely clear here. We are not talking about the design standards. But we are talking about the design they insisted on.

Mr ADAMTHWAITE: Yes. We started off with a building, the classrooms were slightly larger. We had verandas going all the way round, and we felt that it fitted our needs particularly. We then had to change over to the department's standard design, with some modifications for doorways and things like that, that actually fits our needs very well.

Dr JOHN KAYE: So you do not regret that you had to change? Would you have preferred to have the original design?

Mr ADAMTHWAITE: It is always very difficult with hindsight because we are very happy with what we have got. I suppose again in designing a house, which is the best analogy I can come up with, you would

always prefer to have your own particular stamp on it but I can certainly understand that in a system it is much better to have a standardised shape and size.

Dr JOHN KAYE: So you delivered a building that completely conformed to the Department of Education and Training's exceptionally high standards for buildings for \$2,154.66 per square metre?

Mr ADAMTHWAITE: Yes, that is correct. Mr Ure has been sitting here for a while without much to say, but he might be able to fill in some more details on anything you wanted to know.

Dr JOHN KAYE: Mr Ure, I would appreciate it if you would fill in some more details.

Mr URE: What exact details are you seeking?

Dr JOHN KAYE: I would like to know how it is that you were able to deliver a project at \$2,154.66 per square metre whereas we have heard this morning costs of around \$6,000 per square metre. You were using a Department of Education and Training design, built to Department of Education and Training specifications, so there is not an issue here; this was a cheap building or it was a building that did not conform. Why were you able to get that price down and those which were managed by the department and a program office were not?

Mr URE: I think the reason why we were able to is because we self-managed.

Dr JOHN KAYE: When you visited the site over the summer period—I will come back to the issue of construction over the summer period in a minute—did you see any apprentices on site?

Mr URE: I am probably better qualified to answer that. Yes, there were a number of apprentices on site in terms of the bricklayers, and they had apprentices cutting bricks. The electricians had I believe two apprentices on site.

Dr JOHN KAYE: Do you have complete details of the number of apprentices? I am not asking you to give it to us now but could you have access to the number of apprentices on site?

Mr URE: I believe the builder would make those available.

Dr JOHN KAYE: Would you be prepared to provide the Committee, on notice, with the number of apprentices and the number of people who worked on site?

Mr URE: Yes, if that is your request.

The Hon. CHRISTINE ROBERTSON: Could we ask for apprentice hours? Is that too hard?

Dr JOHN KAYE: I think it is a good question. Could you include the number of apprentices and the number of apprentice hours, if that is available from the builder?

Mr URE: I think it is going to be easier, with all due respect, just to give you the number of apprentices. I think hours, that is something—I do not even think the builders would keep those sorts of records.

Dr JOHN KAYE: You will provide the Committee with the information that is readily available?

Mr URE: Yes, as best we can. We will source that back through the builders as to the number of apprentices and each of the trades.

Dr JOHN KAYE: Could you also ask whether any of the apprentices or any of the construction workers were of Aboriginal descent?

Mr ADAMTHWAITE: The details for that are in the BER reports. I am sure you would be able to access that through the department in that during the course of the process we had to provide monthly a list of the people on site, their child protection numbers, Aboriginal workers and the like, similar to the National Pride Program. I do know that we had some Aboriginal workers who were on site in that, as I have mentioned, some of the parents of the children were working as subcontractors. So those details are available in the general monthly BER reporting.

Dr JOHN KAYE: I think the Committee will ask for those reports. Just while we are talking about those monthly reports, can you describe to the Committee the workload that self-management imposed on you as a professional educator? Are you a teaching principal?

Mr ADAMTHWAITE: I am, yes.

Dr JOHN KAYE: So you have classroom teaching on top of which, I think you and I have discussed this in other contexts, on top of the huge administrative load, quite apart from the Building the Education Revolution, and then you took on the Building the Education Revolution as well. Was that an unmanageably difficult workload for you?

Mr ADAMTHWAITE: I suppose I would have to say, first of all, it was not unmanageable because we managed to do it, but in terms of extra work it was extra work, but you take on extra work to achieve extra things. It did involve not having days off school since the Easter before last, but it was worthwhile. The process of reporting originally was quite difficult for us, but once we got into the groove of filling out the forms and the process was in place it became a less and less onerous task. Again, with hindsight, yes, it was tough but it was worth doing, and if something is worth doing you put extra work in.

Dr JOHN KAYE: And the IPO gave you good support. Would you say they supported your decision-making? Did they assist you in making good decisions?

Mr ADAMTHWAITE: The IPO was much more hands off, I think, given the fact that we are a self-managing school. So with the exception of the visits I have noted in the chronology, we had a representative of the IPO in the tender assessment process, but generally speaking during the course of the process the IPO from time to time appeared to be slowing down the speed that we would like to take, but then again you could also say that they were also putting a bit of a bridle on our enthusiasm. So again it is very difficult to say that it is a black or a white situation in that where in the case we just want to build this building, we want to get into it, and we want to get things going, and it can be frustrating from time to time to have to wait for an answer.

Dr JOHN KAYE: So you would have completed the project more expeditiously if the IPO had not been part of the deal?

Mr ADAMTHWAITE: I think probably that would have been the case but in terms of the project itself, as we got towards the end of it, everyone is building a BER project so everyone wants the same materials from the same providers. So what in fact caused our project to overrun by four days from our projected completion date was being able to get some of the materials. We did in the process upsize things, so instead of a standard gyprock walling we used a carpet covered notice board surface for the entire room, and that took some weeks to be able to source. So it was probably more a case of being able to get materials than anything else. But from time to time there was a bit of frustration in the process but you get frustrated when you do anything.

Dr JOHN KAYE: Let us just talk about the timing of the project. Most of the construction occurred during the 2009-10 summer vacation.

Mr ADAMTHWAITE: No, not really. The way we staged the project, we needed to make sure that anything that was outside the enclosure, which was the BER project area, was done during the holidays. So all of the ground works, all of the trenches, connection of all the services, were completed during that time so that when the students were on site there was no need for workers to leave that particular site, which was externally accessed by them. That was really an important part of making me feel more at ease with the process of occupational health and safety and also making sure that the students knew their area and the workers knew their area. The process started on 7 January; by the time school got back all of the externals to the site works were completed and then over the course of the next months the builders were working away whilst we were at school.

Dr JOHN KAYE: Did that cause a lot of disruption to the education process?

Mr ADAMTHWAITE: No, not at all. The builders were extremely helpful in anything that we needed along the way. I could not speak too highly of the contractors.

Dr JOHN KAYE: So you had a positive and constructive relationship with the builders—

Mr ADAMTHWAITE: Absolutely. We would meet every morning and discuss things.

Dr JOHN KAYE: —which enabled you to make—you have already mentioned one modification you made. After everything had been agreed to, you were able to negotiate changes as you saw the building unfold?

Mr ADAMTHWAITE: We did, yes. The variations that we negotiated and some of the additionals were very easily worked out, and having the builder and the site manager on site each day, me on site each day, we would generally have a bit of a chat at 7.30 in the morning, and if anything else came up during the day we would catch up in the afternoons.

Dr JOHN KAYE: So you were able to monitor it very closely because you were on site and you understood what the school's needs were and you were able to, through that process, get a much better product, much better value for money and a product that worked better for the school than if it had been managed centrally?

Mr ADAMTHWAITE: It is probably hard to make that as a blanket judgment in that it involves a lot of different personalities. I tend to be a person who likes to micromanage a lot of things. I knew when there were paint spots on the wall and those sorts of things that most people probably would not concern themselves with but certainly we were able to have, from our point of view, an extremely satisfactory outcome.

The Hon. SHAOQUETT MOSELMANE: Would it be fair to say that some schools did not have strategic plans and as a result had difficulties obtaining what they wanted?

Mr ADAMTHWAITE: I really could not speak for most schools. I would expect that the majority of schools would have strategic plans. I think that one of the assets to our system is that we do have consistency within the school by having a school council that operates brilliantly, and an old principal who has been around for a while in the same place also is actually an asset in that you create community capital and you also do understand the long-term strategic process.

The Hon. SHAOQUETT MOSELMANE: You said you were very pleased with the outcome. Would you describe to the committee the resources and reasons for your success in delivering what the school wanted?

Mr ADAMTHWAITE: Certainly the resource in terms of the builder that we have used has worked out very well. The resources in terms of community support that has been able to be used in this project so that a lot of people have actually put in voluntary time to be able to make sure that the project comes on budget, on time and to our expectations. But also we were quite well aware of the fact that we needed to buy the right expertise along the way so we expended funds on employing someone who was going to manage the occupational health and safety process for us so that I was not leaving classrooms and things. There was someone who regularly monitored, investigated, checked up, and provided me with reports on that sort of thing and various other aspects of it. We employed people who could do the jobs that we knew that we could not do ourselves. I suppose one of the advantages in terms of resources was actually being aware of our own limitations.

The Hon. SHAOQUETT MOSELMANE: You mentioned earlier that you had a good relationship with the builder and you were able to identify issues and address them. Was that sense of flexibility also evident in your dealings with the department and the BER?

Mr ADAMTHWAITE: I think that it would be expected that something that is locally managed in terms of the relationship between the builder and myself was a very different relationship than a system and a very small part of that system. The relationship was a far easier working relationship when I can meet 7.30 in the morning with someone than having to operate through phone calls or emails over the course of days because people go on leave and may not be there on Friday, which happens to be the day that I have my relief from class work and do most of my paperwork. There were system things obviously that was going to make that relationship far more difficult than the relationship with the builder.

The Hon. SHAOQUETT MOSELMANE: Is it fair to say that most school principals do not have the skill-set or time to be professional project managers for significant capital projects such as these ones?

Mr ADAMTHWAITE: I would find it very difficult to answer that one.

Dr JOHN KAYE: Point of order: The Hon. Shaoquett Moselmane is actually asking a professional educator to pass judgement on other educators. I ask that the question be withdrawn because the Hon. Shaoquett Moselmane is putting the witness in a really tricky situation.

The Hon. SHAOQUETT MOSELMANE: No, I have not. The witness is about to answer the question. I asked whether other school principals would have a similar knowledge to be able to undertake such projects.

CHAIR: On that point of order, Mr Adamthwaite can only answer that question in terms of his knowledge. He may not have that knowledge and I will allow him to answer whether he has that knowledge of his colleagues.

Mr ADAMTHWAITE: My answer regardless would have been the same; I certainly could not make any judgement on anyone else. I believe that the group of principals in schools in New South Wales is of the highest order. Each individual would have a lot of different fields of expertise that they are involved in. I do not see that I am in any way extraordinary or have any particular expertise over anyone else but within the situation in which I work I am able to accumulate the support of other people to meet the areas that I have deficiencies in so that is the best I can answer I am afraid.

CHAIR: That is a very good answer.

Mr URE: Can I comment on that, Madam Chair?

The Hon. CHRISTINE ROBERTSON: It is actually your question.

Mr URE: I can only support Brian. We have a school council that has a number of different expertise on it that support the school and in that manner it enabled us to undertake the project.

The Hon. GREG PEARCE: Much like the private sector schools.

CHAIR: It is only a small school though.

The Hon. TONY CATANZARITI: Mr Adamthwaite, if you were to charge for those professional services that you have provided and invested in the BER project, do you have any idea what that would be worth on the retail market? It is not meant to be a trick question.

Dr JOHN KAYE: You can ask the hours, not the money.

CHAIR: Perhaps Mr Ure might know what management costs might be in a commercial sense?

The Hon. TONY CATANZARITI: Mr Ure, this is not a trick question. I want to get an idea of the amount of work that you have actually done.

Mr URE: I think the issue is that the time that was put in my school council was not overly burdensome. It really is a matter of each of the parties that undertook to do certain things. It really was phone calls and organisation. In terms of organising the occupational health and safety person that was a phone call to a number of people, a meeting at school, and then someone appointed and that was the process all the way through. I do not think the amount of time that was put in by any one individual could be totalled up to some extraordinary amount because really it was a combined effort of a lot of people to get a result for the school.

The Hon. TONY CATANZARITI: I was trying to illustrate that you have spent a lot of time and commitment to get this project going. I was going to congratulate you on your achievement.

Mr URE: I think the same thing stands with sitting on the parents and citizens or any other voluntary work that you undertake, if you want to put a monetary value on it then really why are you doing it in the first place?

The Hon. CHRISTINE ROBERTSON: The question was not having a go at you or bagging you because you have obviously done an excellent job. The question was that not every school council has an

amalgam of highly skilled humans as you are lucky enough to have. We are trying to get an idea of how that equates into the general school community. All these questions are not to compare you but are about your good fortune to have a motivated principal and a school council with a skill base that could deliver on project management. That is what these questions are about. They are not aggressive. We recognise also the value of the costs and the imposts of project management especially when a statewide project is being done. These questions most definitely are not having a go at you. They are somewhat of a compliment because we recognise the huge benefit that your school community has had from your school council and your principal. I am sorry if the wrong end of the stick came from the interjection problems. How many school councils across New South Wales would be able to deliver on that? All of us in this place are volunteers in one way or another and have spent our lives on parents and citizens associations and school councils.

Mr ADAMTHWAITE: I do not know how many schools operate school councils. There was a process in the 1990s in which schools developed school councils but over time a lot of schools have decided that it does not meet their needs. I do not know of too many schools around us that still operate a school council. As a person who has been in the same position for a while, I have found the school council an invaluable part of the school organisation educationally, professionally and developmentally during the course of those 19 years. We regularly as a school council look at the way in which we can strategically develop and manage educational needs, staffing needs and properties needs. We look at those three things on a regular basis.

The Hon. CHRISTINE ROBERTSON: Have you separated the functions of your P and C and the council in that way?

Mr ADAMTHWAITE: Yes. The school council is involved in the management of the school and the P and C is involved in the friend and fundraising process of the school.

The Hon. CHRISTINE ROBERTSON: And the canteen.

Mr ADAMTHWAITE: We do not have a canteen, we are a bit too small for that, but certainly if we were big enough that would be a role for them. There are very distinct roles for the school council and the P and C.

The Hon. CHRISTINE ROBERTSON: I gather the subbies carried the insurance issues, or was it the builder himself?

Mr URE: We appointed a head contractor and they carried all insurance. We also appointed an occupational health and safety person as an intermediary that managed the site for the build and for Brian so that there were no issues.

The Hon. CHRISTINE ROBERTSON: So that you complied with all the regulations?

Mr URE: Correct.

CHAIR: By way of clarification, you would be familiar with an article in the paper that compared your project with that at a similar school in the same region. Your school with 60 students got a double classroom, a single classroom, basketball court, lights, solar cells and a rainwater tank, and the other school with 84 students and the same amount of money—\$850,000—got only a double classroom. You were talking about the design specifications. Was that double classroom the same design as your double classroom?

Mr ADAMTHWAITE: The design would be the same regardless of whether it was MDR, which is the modular, or CDR, which is the bricks and mortar.

CHAIR: That is extraordinary. We are looking at recommendations that we need to make. Do you think one of our recommendations ought to be in regard to future projects? You were able to get these projects off the ground very quickly and fit the purpose of stimulating the economy and employing people. Do you think that self-managing meant you could get that moving much quicker than if you had gone through the process of having a department-controlled project?

Mr ADAMTHWAITE: Every school is different and not only is every student different but the schools are different in terms of their location, demographic, available staff, and the expertise they can bring in. You could not really extrapolate that across the system. We were fortunate that we had a plan, we had people

and we were able to action it straightaway. I do not know that you could say that about everywhere. Whether you could say 10 per cent or 50 per cent of the State was in the same position as us I do not know, but at Black Hill Public School we were in a position to be able to do it.

The Hon. GREG PEARCE: We have had a lot of evidence from schools that claimed they would have liked to make your courageous decision to self-manage and they were put off by a number of things. You mentioned that the head contractor carried out all your insurance requirements, so there was no problem there, and you brought in an expert to cover occupational health and safety, so there was no problem there. How did you find the monthly reporting guidelines?

Mr ADAMTHWAITE: That was done in the school. The contractor provided us with the paperwork in terms of the staff and the hours and that was put into the system and sent straight off. We also employed a quantity surveyor so that we had a check and balance on the bill and the payment process, so there was a third person in that process. We tried to establish a system of checks and balances along the way so that everyone was looking after their job properly and someone was looking after everyone else to make sure they were doing it properly as well.

The Hon. GREG PEARCE: So it was not overly complex or difficult.

Mr ADAMTHWAITE: No. As I said, once we had done the first couple it was much easier to follow the format.

The Hon. GREG PEARCE: The final matter raised with us was the department refusing to say that they would provide legal assistance if you got into any trouble when you self-managed. How did you handle that aspect?

Mr ADAMTHWAITE: It was more a discussion with principal liaison officers early on and it could easily be informing people of the ramifications of their decision, which is not a bad thing to do, and people can interpret it as a threat or whatever. Those sorts of things inform me about my decision but my decisions relate more to what I can do and what I can achieve.

Dr JOHN KAYE: Can you provide on notice to the Committee a description of the site on which you built? Was it sloping, was it sand, were there any complexities? You have a very low per metre construction cost and I just want to know whether there was anything about your site that made it easier to do that.

Mr URE: No, there was nothing about the site that made it inherently easier. It was an embankment that had been forged out some years earlier, so it was probably on an E-class clay, which we then had to pier down on the fill side.

Dr JOHN KAYE: So there were site issues, which pushed your construction costs up. You had to put piers in to support one side of the building.

Mr URE: Correct, but I do not see they are any different to any other school in terms of overly unmanageable site conditions and site access issues. They were a manageable task at the end of the day.

CHAIR: Thank you so much for coming here today. From your commitment in being at school at 7.30 in the morning to manage the project is it obvious you are a dedicated professional. Thank you for your expertise, which has been very informative.

(The witnesses withdrew)

HELENA BARK, President, Cattai Public School Parents and Citizens Association, sworn and examined:

CHAIR: Thank you for coming in at such short notice. Would you like to make a brief statement about your experiences with the Building the Education Revolution program?

Ms BARK: I would like to make a quick statement about the weather this morning, which is relevant. In my front yard this morning, which is 1.2 kilometres away from the front door of the school, it was minus four degrees and counting.

The Hon. SHAOQUETT MOSELMANE: That is cold.

Ms BARK: Yes, it was cold. This week we received the keys to our library, which has no air-conditioner because the Department of Education and Training deems it as being "not within the range of temperature for an air-conditioner", which I thought was probably an interesting note on which to start. The school has received the keys and it has taken the children through the library. From a child's perspective, the children think it is a wonderful room but we cannot use it at the moment. The children were shivering and they all said, "Can we go now because it is so cold?" The committee of the parents and citizens association will now be looking at ways of raising money for an air-conditioning unit for a building that cost \$920,000. It is disheartening and it is upsetting to know that the school was originally allocated \$870,000 in funding.

We were in fact asked whether we wanted a library or a hall. We chose a hall because that was what we needed. Currently, we use a hall about 10 kilometres down the road—South Maroota Hall—and that requires travelling down a fairly winding road before you gain access to the hall. The dimensions of the hall are so small that we cannot fit our school community into that hall. Our school community has 35 families so we are talking about 57 students. It is a very small hall. It came out to about eight by 10 metres.

CHAIR: Earlier we heard some technical terms about core values.

Ms BARK: We were never given the core value of the hall. I know the core value of the library that we were given. I have the original plan here if that is of any consequence.

The Hon. GREG PEARCE: Of the hall?

Ms BARK: Of the hall.

The Hon. GREG PEARCE: Perhaps you could table that document.

CHAIR: It would be great if you could table that document.

Ms BARK: Just as a note of reference, I have to backtrack a little. Last year when this started I was not the president of the parents and citizens association. Towards the end of the year I was called in to attend a meeting with Multiplex because the then president of the parents and citizens association was not able to be there. There were a lot of things in the preliminary meetings to which I was not privy; I just gained the information along the way. My understanding is that, in the beginning, we were offered a hall if that was what we wanted. We were given two weeks to decide, first, whether we would project manage the project ourselves or, second, whether we would have it managed, in this case, by Multiplex.

For one reason or another, our principal, Mr Miladinovic, is the teacher for composite classrooms four, five and six. He is also the principal. It was decided all round that he did not have the time to project manage the project, so we offered it out. Hindsight is a wonderful thing. You will see on the plan that I will pass around that the dimensions of the hall are not listed on that plan. It was a case of the teachers getting a little scale ruler to work out that it was approximately 8 by 10. They declined the offer of a hall. The next offer was then a library, which is in fact a seven-core library. In that preliminary meeting Multiplex came out with a team of perhaps 15 people who all had notebooks, measuring tapes and so on. They said to us that the seven-core library would be what we could have with our size constraints. Given the fact that we wanted a hall—we built a library only 18 months ago—

Dr JOHN KAYE: You had already built a library?

Ms BARK: We built a library 18 months ago, yes, under one of the earlier National Pride projects. When I say we built a library it was prefabricated, came in three parts and was put back together. It consists of the front offices, the principal's office, a staff room and a library and it has three air-conditioners in it. Fully fitted out that came to approximately \$350,000 and it is ready to go. I asked the good folk at Multiplex whether we could modify the design of the library to suit our particular needs. I said, "We have a library but we really need a hall. Can you deliver us an empty library? If we have to have a library could it be empty? Do we have to have everything in it?" I was told, "No, it cannot be changed. Nothing can be changed." I said, "Okay, if it is going to be a 14 by 10, could we have one 16 by 8?" so that we could get it long enough and maybe we could work on something like that. I was told no.

None of the suggestions that were put forward were appropriate or could be acted upon. It was a fixed design that was set by Multiplex and that came, basically, from a recipe book of plans. That was what we were going to have. That was to cost \$675,000. In addition, we were to receive a \$202,444 covered outdoor learning area, or COLA, which we were given very little information about. It is my opinion only, but it is my opinion, that there was no intention to deliver that COLA to us at all. There was much discussion about where we could put it, and this and that, and it was suggested that it would go over our sandpit and it would be approximately 10 by 8. On a personal note, a reputable company just built a 10 by 8 shed at my home and we paid \$10,000 for it. With previous money that has been allocated to the school we built a 10 by COLA that cost us \$32,000.

CHAIR: And that was to departmental specifications?

Ms BARK: Yes, it was.

CHAIR: How long ago was that?

Ms BARK: That was about 1½ years ago. At that same meeting I asked Multiplex whether we could use local contractors and it said that that was all preset and predetermined by its offices, so basically there was no give. At the time I asked whether it could explain to me why, in the Cattai district, I could buy five acres with a four-bedroom house, a swimming pool and outbuildings for approximately \$850,000. I asked Multiplex to justify the dimensions of this building to me. Multiplex said that it was for the extra safety benefits. My opinion of the meeting that day was that there was no give. It was a case of, "This is what you are being offered. Take it or leave it." We said, "We will have the library and we will have the COLA, thank you very much."

Within two months we had received notice that we were no longer to have the COLA because the budget of the library had been exceeded—it had gone over budget. So the \$202,000 COLA was now non-existent. The water tanks, the connected classroom and the solar cells that were supposed to be attached to the library were also no longer going to be delivered. That is when I started getting upset. I wrote a letter to Verity Firth, MP, and I sent a carbon copy to two local members and to the radio station. Interestingly, everybody replied to me other than Verity Firth. I got confirmation that my letter had been received but, to this day, I have received no other word. It goes on from there.

We received a few of the added extras after my letters, my complaining, my jumping up and down, and the media attention. We have now received the water tanks and the connected classroom, but the room is still not air-conditioned and it still does not have the solar panels. Frankly, the \$202,000 COLA has disappeared into the ether never to be seen again and no explanation has been given as to where that money went. There are also charges in here on our project brief of events that did not happen but for which we were charged quite significant amounts.

CHAIR: For what sorts of things?

Ms BARK: We were charged a \$50,000 substation allowance, which we did not need. The money has gone. At the end of the day, a project that should have cost \$675,000, which even at that price was expensive for what was being delivered, blew out to \$920,000 for things that we never received.

CHAIR: In your submission you say that there was also an allocation of \$23,044 for landscaping?

Ms BARK: Yes.

CHAIR: You say that was for four square metres of turf and 17 pot plants?

Ms BARK: Yes.

CHAIR: Is that all?

Ms BARK: Pretty much. There has been a little bit of gravel added since then. There is now a promise, because, of course, that was broadcasted quite widely in the media—I do not know if that did have any effect—of some further trees that will be delivered, but I have not seen them as yet. Also, there were in fact four fully grown 5 metre, 6 metre, 10 metre trees that were pulled down to place that library in there. At the time I did ask, "Are you going to replace these?" They said, "Yes, we will." I said, "But we don't want them replaced with seedlings. These are mature trees. We want something larger than that." To date that has not happened.

CHAIR: You say also that it is not on the BER website.

Ms BARK: It is now. I checked this morning.

CHAIR: It has been put on there?

Ms BARK: It has been put on there as of today, yes.

CHAIR: You had Brad Orgill visit your school?

Ms BARK: We did.

CHAIR: What was the outcome of that?

Ms BARK: To be honest, I would like to know. Again, I am quite disappointed. There has been no feedback to date from Brad Orgill.

CHAIR: When did he visit?

Ms BARK: That was at the end of May. We are now at the end of June. It has been a good four weeks. He came with his offsider—I am sorry, I do not recall his name. Our principal was there and the principal of Pitt Town primary school just as another set of ears, and Ray Hadley was at that interview as well. We walked through the library. We had to put on hard hats, which I thought was quite unusual.

Dr JOHN KAYE: It's better for the cameras.

Ms BARK: Sorry?

Dr JOHN KAYE: It is better for the cameras.

Ms BARK: There were no cameras there on the day, but I did think it was interesting that we had paid so much for extra safety features that we still had to put hard hats on to walk into it. He said very little on the day. He did suggest what the party line would be, which was that the Government's intention was to get a lot of money out into the economy very quickly. I said to him, "Well, even then, it failed" because the money did not leave the top tier. It did not make it down into the system. I have not heard back from him since. I would have thought I would have had some feedback from him by now.

CHAIR: You say that the final costing is almost \$51,000 over the original estimate, is that correct?

Ms BARK: It is \$50,000 over the total budget allocation to the school. It is \$300,000 over the initial estimate for the library itself.

CHAIR: You said that there was no air conditioning. Were you going to be getting unflued gas heaters? Are you caught up in that debacle?

Ms BARK: No, we are not. The P and C recently purchased an air conditioner for one of our other classrooms. As I say, the library that we have put in came with air conditioners and the other classrooms already had them. I do not know who paid for those. No, luckily we are not caught up in that.

CHAIR: But you have not got any heating?

Ms BARK: No, there is no heating. There are ceiling fans in there, but that will not do us much good this week.

The Hon. GREG PEARCE: I take you back to the library that you have. Let us start with what you did have.

Ms BARK: Yes.

The Hon. GREG PEARCE: You said it cost about \$300,000 and it was under the National School Pride program?

Ms BARK: Yes. It was a refurbished demountable building.

The Hon. GREG PEARCE: The school self-managed that construction, is that correct?

Ms BARK: Yes it did.

The Hon. GREG PEARCE: You did not have any problems with that one—

Ms BARK: No, none whatsoever.

The Hon. GREG PEARCE: —with occupational health and safety?

Ms BARK: None whatsoever. No.

The Hon. GREG PEARCE: Insurance?

Ms BARK: No.

The Hon. GREG PEARCE: Management?

Ms BARK: Everything was fine.

The Hon. GREG PEARCE: Is the library you have ended up with a brick and tile solid structure?

Ms BARK: No, it is one of the MDRs. It is on brick piers and then the rest of it is of the MDR construction, which I have to tell you I am not familiar with.

The Hon. GREG PEARCE: It also is demountable?

Ms BARK: There is a blurred—

The Hon. GREG PEARCE: It is modular?

Ms BARK: Yes, it is modular. In essence I think "demountable" means you can pick it up and take it away again. I am sure it would be hard to pick this one up and take it away.

The Hon. GREG PEARCE: It is in three sections?

Ms BARK: That is right.

The Hon. GREG PEARCE: It could still be unbolted and you could pick it up and take it away?

Ms BARK: Yes you could.

The Hon. GREG PEARCE: Returning to the plan of what you were originally offered, which you have tabled today, there were 35 seats in one section and 56 seats in the other?

Ms BARK: Yes.

The Hon. GREG PEARCE: That seems to be a lot of seats if it was a small hall?

Ms BARK: Well, maybe they squashed them in. I have to be honest, as I say, that happened before I took over as president. But with the overall dimensions, I think you will find that the principal and our other teacher were concerned that it was going to be physically too small.

The Hon. GREG PEARCE: Of course, the seats were not included, were they?

Ms BARK: Probably not, no.

The Hon. GREG PEARCE: Did the principal indicate any concerns with the way the department was talking to him about self-managing the project?

Ms BARK: He was concerned about self-managing the project, yes. He felt he did not have the time constraints. I believe there also was an issue that there was a question of responsibility. He did say that at the meeting that we had with Brad Orgill that principals who did take it on were then liable for the job's progress.

The Hon. GREG PEARCE: But he did not have that concern when you did the earlier project?

Ms BARK: He was not there either. That was previous to him as well.

The Hon. GREG PEARCE: What are you going to do with this library that you have that does not have any heating?

Ms BARK: At the moment it is sitting there empty. If I were to be asked what I would like to do with it, I personally am calling for the remaining \$202,000 that has gone out into the ether. Then perhaps we can use that to modify the library and use it then as a hall, turn it into a hall. That has been suggested that that might be a possibility, but we would need that significant amount of money to do that.

The Hon. GREG PEARCE: The school is still using the old library as the library?

Ms BARK: Yes, the school still uses the old library. Yes.

The Hon. GREG PEARCE: On the budget position, the final costing is now \$51,000 more than the—

Ms BARK: Than the original.

The Hon. GREG PEARCE: Than the inflated costing?

Ms BARK: Yes.

The Hon. GREG PEARCE: Where is that money coming from?

Ms BARK: My understanding is that there is a blanket pool of money. Any school that comes under budget, their remaining money goes back into a pool, which is then redistributed to projects that have gone over budget and then at the end of the day if there is any money left over, that would be distributed to the schools. But given that nobody has come in under budget yet, I do not know where that pool of money will go to.

The Hon. GREG PEARCE: From that, it sounds like there really is no incentive or penalty for coming in over budget?

Ms BARK: Absolutely none.

The Hon. GREG PEARCE: For the builders?

Ms BARK: No.

The Hon. GREG PEARCE: Did other people in the school believe that the COLA would be provided; that it was a genuine offer?

Ms BARK: On the day, absolutely. Yes, on the day, when it was said we would be receiving a COLA. It was just that it disappeared off the estimate, off the project brief before there were ever any firm plans or any solid directions to it. It was there in a dollar value and then it was gone. I cannot tell you exactly how big it was going to be. I cannot tell you exactly where it was going to be. But I do have it in writing that we were to get it and the dollar value of it and I know that it is not there anymore.

The Hon. GREG PEARCE: When you say that you have in writing that you were going to get it, is that a document?

Ms BARK: The preliminary school group, which was given down by the Department of Education and Training, stated that we would receive a 7-core library with a budget of \$678,187, and a 3-core COLA to the value of \$202,444.

CHAIR: The COLA is on this plan as well, is it not?

Ms BARK: No, that is the original hall.

Dr JOHN KAYE: It does say "COLA" on the plan.

The Hon. CHRISTINE ROBERTSON: No, on the original plan they wanted the COLA as well as the hall.

The Hon. GREG PEARCE: Would you table that letter?

Ms BARK: Yes, certainly.

The Hon. GREG PEARCE: We will take a copy of it and give the original back to you.

Letter tabled.

The Hon. GREG PEARCE: What is your overall conclusion about how this process has gone? No-one is against the idea of money being invested in schools?

Ms BARK: No, not at all. I think it had the potential to be absolutely brilliant for the nation. The potential was huge. What a fantastic injection of money into the community. Had it been used under the principle it was supposed to have been used under, it would have injected an enormous amount of money into the community—our school, in particular—if we had been able to choose what we could have used it for. We are celebrating our 125th anniversary next year. We will now have to hire a hall to go and have it in. We have a heritage-listed building that has termite damage. We will have to raise the money to fix that. We will have to raise the money to buy an air-conditioner for a new library. I think the money stayed at the top tier. Why it did not come down through the channels beggars belief. I do not know why. I would think it is very sad in this day and age that money can so blatantly be taken away from schools and used in the top tier big development industries, and get swallowed up in people's stock.

Dr JOHN KAYE: Ms Bark, thank you for attending and giving such clear evidence. I will take you to the existing library, the one that has heating in it.

Ms BARK: Yes.

Dr JOHN KAYE: Roughly speaking, do you have the dimensions of that library?

Ms BARK: It is about 20 x 8.

Dr JOHN KAYE: The existing library is substantially bigger than the new library?

Ms BARK: It is divided into three sections.

Dr JOHN KAYE: The whole building is 20 x 8.

Ms BARK: Yes, the whole building is 20 x 8.

Dr JOHN KAYE: Do you know what is dedicated to the library?

Ms BARK: Five or six, maybe.

Dr JOHN KAYE: Would it be 5 x 8?

Ms BARK: Yes, five or six metres by eight metres.

Dr JOHN KAYE: So about 40 square metres of library.

Ms BARK: Yes, about a third of the overall size.

Dr JOHN KAYE: You are about to get a 140-square-metre library.

Ms BARK: Yes.

Dr JOHN KAYE: From your perspective, as a parent and as a parents and citizens association leader, is the existing library in its dimensions adequate for the purposes of a 57-student school?

Ms BARK: I believe so, yes.

Dr JOHN KAYE: There are not moments in a day or in the teaching week when the use of that library is constrained and when you simply cannot get all the kids in there that you would want to?

Ms BARK: Generally speaking, we would not put the entire school into the building at the same time. For the purposes of our school assemblies, the years kindergarten 1 and 4, 5, 6 , it is probably a room like this, which has a bi-fold in the middle so we would open that out, if we need a larger space. But for the purpose of our daily library needs, we find it adequate.

Dr JOHN KAYE: Has neither the teaching principal nor the other two teachers ever expressed to you or to the parents and citizens association concerns about the adequacy of the library?

Ms BARK: No. The existing library?

Dr JOHN KAYE: The existing library, not the demountable library.

Ms BARK: Yes.

Dr JOHN KAYE: If eventually you can raise the temperature in the new library to the point at which it will be adequate to the kids to go in there, what will be the future of the space that is currently occupied by the library? Will that be taken away, or will there still be a demountable on that site?

Ms BARK: Well, I hope that it will not be taken away. We would find a use for it, I am sure.

Dr JOHN KAYE: The construction of the new library will not remove a demountable from the Cattai Public School.

Ms BARK: Not that I am aware of.

Dr JOHN KAYE: There will still be a demountable there for the foreseeable future.

Ms BARK: Yes.

Dr JOHN KAYE: I think you told us that that houses—

Ms BARK: Yes, the staff room and the offices.

Dr JOHN KAYE: —the staff room and the administrative offices. In the process of moving from a school hall, I take it there was complete consensus across the school: the parents and citizens association, the teachers, and the community were all committed to the idea that what you needed was a school hall?

Ms BARK: Absolutely.

Dr JOHN KAYE: At the point at which the school hall was taken away and replaced by a library, did the parents and citizens association protest?

Ms BARK: No. Again, that process happened before I took over as president this year. However, the brief for the library was such that it came with the water tanks, with solar cells, and with the connected classroom, so it was the best option that they felt would be taken. It was take that or have nothing, so we took that.

Dr JOHN KAYE: It was take that, or have nothing?

Ms BARK: Yes, or take the library that was not going to be appropriate for us.

Dr JOHN KAYE: So there was no hall that was offered?

Ms BARK: As you know, the halls come in modules.

Dr JOHN KAYE: Yes.

Ms BARK: The next size up module for the hall did not fit our school. It is on the website.

Dr JOHN KAYE: It is 7, 14, 21.

Ms BARK: Yes. It is rated zero to 55 students gets the smaller hall. If you have 70 students to 120 students or something, you go up to the next size hall. So we did not qualify for the next size hall.

Dr JOHN KAYE: And the size that was being offered just was not appropriate.

Ms BARK: It was not. It was too small.

Dr JOHN KAYE: It was better to have a library that was too big than a hall that was too small.

Ms BARK: It was decided that it was better to have a library, which came with the connected classrooms and other pieces of modern technology that would be useful for the school's development, than a hall that we would not fit into and that would have nothing in it.

Dr JOHN KAYE: Obviously, you were forced to embark on a career of political agitation to obtain a portion of that which was promised to you in the first place.

Ms BARK: Yes.

Dr JOHN KAYE: What impact did that have on the need to do that? I am not in any way critical of the need to do that, but what impact did that have on the school community?

Ms BARK: I have kept it quite separate from the school community as a whole. I have informed, in the form of our P and C newsletter, and I have given the information out to the teachers. I have been in consultation with the principal on a regular basis. If the question is in terms of media coming onto the school grounds—is that it?

Dr JOHN KAYE: Yes.

Ms BARK: Media are not allowed within the school grounds. Politicians are not allowed within the school gate.

Dr JOHN KAYE: We are aware of that.

CHAIR: Unless you get permission.

Ms BARK: Unless they have permission. Out of the three occasions that I was photographed at the school, at no point were there any children visible. On one of those occasions, it was actually the school holidays so nobody was there. I had the principal's permission. On the second or the next two occasions, the principal said, "Oh, have you already been?" I was very careful to keep it away from the front gate, from sight of the children, so it did not impact on the children at all in a negative sense.

Dr JOHN KAYE: The school made an offer to the Integrated Program Office of changing the 14 x 10 metre library to a 16 x 8 metre library. In doing so, you went from 140 square metres to 128 square metres. In doing that, you reduced the amount of construction material involved. The department rejected it. For what reason?

Ms BARK: I am sorry?

Dr JOHN KAYE: Am I correct in saying that you made an offer to the Integrated Program Office that you did not want the 14 x 10 metre library but you preferred a 16 x 8 metre library.

Ms BARK: I am sorry; I may have misunderstood you. When we said, "Okay, we will take the library", I was trying to negotiate to have the sizing of the library to suit our needs.

Dr JOHN KAYE: Absolutely.

Ms BARK: Yes.

Dr JOHN KAYE: And you suggested it should be 16 x 8 rather than 14 x 10.

Ms BARK: Yes.

Dr JOHN KAYE: In fact, you were reducing the floor space of the library.

Ms BARK: Yes.

Dr JOHN KAYE: You took it down from 140 square metres to 128 square metres, if my arithmetic is correct.

Ms BARK: Okay.

Dr JOHN KAYE: What reason did they give you for not allowing you to do that?

Ms BARK: Because they are prefabricated.

Dr JOHN KAYE: Because it is made up of modular design components, you are not able to change it. Effectively, the department was telling you, "We have a pattern of design."

Ms BARK: That is right.

Dr JOHN KAYE: "And if you don't fit that, you can't have it."

Ms BARK: "You can't have anything."

Dr JOHN KAYE: They were saying that, regardless of the fact that this is not the space that works for you. You had to fit within those costs.

Ms BARK: Regardless.

Dr JOHN KAYE: Nonetheless, you lost 22 per cent of the originally promised project value. It disappeared, even though they could not reshape the product. They still took away 22 per cent. That 22 per cent disappeared through the process.

Ms BARK: That has been my biggest argument, my biggest question, my biggest concern. There is a building that cannot be moved, changed, reshaped, resized—there can be no changes to it at all except the price, and the price can change at will without any explanation. But it seems to be the only element of the entire project that can change. The rest was fixed in stone.

Dr JOHN KAYE: If you had not made a fuss, as it were, you would have lost the connected classroom?

Ms BARK: Absolutely.

Dr JOHN KAYE: And you would have lost the water tank.

Ms BARK: We had lost them.

Dr JOHN KAYE: They were gone.

Ms BARK: They were gone. They had already been taken out of the brief. They were taken out with the COLA. They said, "Sorry, you can't have the COLA. You can't have the connected classroom, these solar panels or the water tank. You just can have the library. And by the way the library has gone up." So they took away and raised the price. And I did make a fuss.

Dr JOHN KAYE: And there was never an explanation given to you as to what the price rise was?

Ms BARK: No.

Dr JOHN KAYE: Even though this is modular design and there is nothing special, they did not discover anything archaeological or something, there was nothing about the site?

Ms BARK: Nothing.

Dr JOHN KAYE: The site is a flat site?

Ms BARK: A flat site.

Dr JOHN KAYE: And I would imagine it is on shale, is that correct?

Ms BARK: With sandstone.

Dr JOHN KAYE: So very easy to build on.

Ms BARK: Very easy to build on.

Dr JOHN KAYE: So the piers do not go down very deeply?

Ms BARK: No, the piers are up.

Dr JOHN KAYE: But I mean go into the soil. They just sit on the sandstone. And nothing unexpected happened—

Ms BARK: Absolutely nothing.

Dr JOHN KAYE: —yet the price went up by 22 per cent—

Ms BARK: That is right.

Dr JOHN KAYE: —which cost you all these other things, which you then got back—

Ms BARK: Some of which we got back.

Dr JOHN KAYE: —by recruiting a number of people on your side and making a fuss out of the issue.

Ms BARK: Yes.

Dr JOHN KAYE: The issue of the COLA, you actually did not want a COLA.

Ms BARK: Did not want a COLA.

Dr JOHN KAYE: Because you already have a COLA..

Ms BARK: We have a COLA.

Dr JOHN KAYE: Why was there a COLA on the BER—

Ms BARK: Because that was what was in the brief. That is what they said, "You can have a COLA".

Dr JOHN KAYE: Did the parents and citizens or the school ever tell the integrated program office, "We actually don't want this COLA"?

Ms BARK: Not to my knowledge, no.

The Hon. TONY CATANZARITI: You mentioned very early in your presentation to us that Mr Brad Orgill had not responded to you.

Ms BARK: No, he has not.

The Hon. TONY CATANZARITI: And it has been about four weeks at least.

Ms BARK: Yes, it has.

The Hon. TONY CATANZARITI: Did you try at all to contact him or get in touch with him?

Ms BARK: No, I have not. I still intend to get in touch again with Verity Firth and Brad Orgill. He did say on the day we were the sixth visit of 100 visits, so I was giving him the grace of time to get through the visits, and I thought he has got four weeks but I was formulating a letter in my head as we speak.

The Hon. CHRISTINE ROBERTSON: I would like a bit more description on what your project is. It is a modular building?

Ms BARK: Yes.

The Hon. CHRISTINE ROBERTSON: So it is a library—

Ms BARK: Yes.

The Hon. CHRISTINE ROBERTSON: —with attached classrooms, is it?

Ms BARK: Are you talking about the new library?

The Hon. CHRISTINE ROBERTSON: Yes, what is there, what has happened.

Ms BARK: No, it is just a library. It is a 7 core library.

The Hon. CHRISTINE ROBERTSON: You mentioned attached classrooms a couple of times.

The Hon. GREG PEARCE: It is linked to the classrooms.

The Hon. CHRISTINE ROBERTSON: Yes. I just want a descriptor.

Ms BARK: No, it sits on its own. It is not connected. Our current library—

The Hon. CHRISTINE ROBERTSON: Your current library within the demountable.

Ms BARK: Yes—

The Hon. CHRISTINE ROBERTSON: So in the demountable you have a classroom, a few administration blocks and a library.

Ms BARK: Yes. No, sorry, a staff room, administrative offices and the library are contained within a 20x8 demountable.

The Hon. CHRISTINE ROBERTSON: In the demountable?

Ms BARK: Yes.

The Hon. CHRISTINE ROBERTSON: So the connected classrooms. Where is this word coming from?

Ms BARK: A connected classroom is a software—it is an interactive—

The Hon. CHRISTINE ROBERTSON: You mean an IT connected classroom.

Ms BARK: My apologies. It is a form—

The Hon. CHRISTINE ROBERTSON: I do understand, thank you.

Ms BARK: It is a computer where you can communicate with other schools.

The Hon. CHRISTINE ROBERTSON: You talk about the electricity upgrade and the substation, which you did not need.

Ms BARK: Yes.

The Hon. CHRISTINE ROBERTSON: Why did you not need it?

Ms BARK: There is a substation allowance there of \$50,000, which has not been required.

The Hon. CHRISTINE ROBERTSON: That would be your component of the substation.

Ms BARK: Yes.

The Hon. GREG PEARCE: So they have not provided it.

Ms BARK: No.

Dr JOHN KAYE: There has been no substation upgrade in your area.

Ms BARK: No.

The Hon. CHRISTINE ROBERTSON: Are you absolutely positive about that?

Ms BARK: To the best of my knowledge, yes.

The Hon. CHRISTINE ROBERTSON: I think that is a better way to put it. So that was the school's cut of an electricity upgrade.

Ms BARK: Yes. Sorry, has this been tabled? Does everybody have this one?

The Hon. GREG PEARCE: Yes, we do. It is in your submission.

Ms BARK: It is in my submission, on the second page.

The Hon. CHRISTINE ROBERTSON: Schools across the State are having to have their electricity upgraded because of the classroom connects.

Ms BARK: Okay. To the best of my knowledge, we have not received that substation.

Dr JOHN KAYE: They do not have laptops. This is a primary school. So it is not the same problem we were having in high schools.

The Hon. CHRISTINE ROBERTSON: I recognise it is a much more extraordinary in high schools but in some areas of the State they have had to do electricity upgrades for primary schools.

CHAIR: Just to clarify that, you have not been given any indication of what that is to be used for, is that right?

Ms BARK: The substation allowance?

CHAIR: Yes.

Ms BARK: No, that has gone. That is part and parcel of the \$920,000.

The Hon. CHRISTINE ROBERTSON: It is their cut of the substation upgrade for the area, as far as I can gather.

Ms BARK: It has been taken out—in the estimate project expenditure it is part of that \$920,000.

The Hon. CHRISTINE ROBERTSON: That is right. I read that. I just wondered why you perceived that it was not a necessary thing. We need to investigate about the electricity in your region.

Ms BARK: Okay.

The Hon. CHRISTINE ROBERTSON: The issue with the demountable being used as a permanent structure, which is what has happened to you for a long time; I think in country New South Wales we are used to demountables going up and down all over the place. I think there was a policy to remove the demountables throughout this system and replace them with permanent structures.

Dr JOHN KAYE: That would be news to the 60,000 teachers around New South Wales.

The Hon. CHRISTINE ROBERTSON: I have been to the schools, too.

The Hon. GREG PEARCE: You do not expect your demountable to go.

Ms BARK: I do not expect my demountable to go. And if have just said anything that is going to cause that to happen—

Dr JOHN KAYE: No, you have not. Let me make it clear you have not.

Ms BARK: Thank you.

The Hon. SHAOQUETT MOSELMANE: In terms of this document, it says, "demountables scheduled for removal are to be decommissioned and transported".

Ms BARK: There was a smaller building there but that had been removed long before they started. My children are in year 2. I have been with the school, this is my third year so I am quite new to a lot of the things that have happened. When I came to the school when my children were in kindergarten we had another little library, which was on the site where this library now is. That library was taken away two years ago and replaced

with the demountable that I have been talking about at the front of the school. By the time this process happened it was a level site. They did not have to remove anything. So I do not know whether that is a generic brief that if there is something there it has to be removed, but in our particular case it was a flat, empty site bar the four mature trees that had to come down.

The Hon. SHAOQUETT MOSELMANE: Under the different program, I think the demountables or—

Ms BARK: The National School Pride Program?

The Hon. SHAOQUETT MOSELMANE: Yes. What did the school build?

Ms BARK: The National School Pride Program was part of the—that is where the COLA came from and the—

Dr JOHN KAYE: You are talking about the existing COLA?

Ms BARK: Yes, the existing COLA that we paid \$32,000 for.

The Hon. SHAOQUETT MOSELMANE: Do you know the time frame that it took to build from the word go?

Ms BARK: No, I am afraid that is out of—I was not part of the parents and citizens association at that time but, I mean, I was a parent. It did not take long. It was less than two months.

The Hon. SHAOQUETT MOSELMANE: To build but the time frame in terms of getting the money, getting the plans in and the whole process.

Ms BARK: I was not privy to any of that. As I say, I was not part of the association at that time.

The Hon. TONY CATANZARITI: Is the new building now finished?

Ms BARK: We were given the keys this week.

The Hon. TONY CATANZARITI: And it is not a prefab building, is it?

Dr JOHN KAYE: Yes, it is MDR.

Ms BARK: Yes, they are prefabs. They came in sections.

The Hon. CHRISTINE ROBERTSON: I guess the issue is that you are not happy with what you have got from the project because you perceive that too much money went in conditions and management fees. Is that what you are saying?

Ms BARK: My main issue is that the school was allocated a certain amount of funds which in retrospect if we had project managed that ourselves we could have used local tradesmen. I would like to say at this point that within our school community of parents we have every trade necessary to build what we have just had built for us, and I am talking from Optus through to electricians. We have plumbers. We have civil engineers. We have the whole scope of people. Had we been able to do it ourselves we would have got a much better result. We are still having bake sales, selling raffle tickets and having meetings to raise money that has been swallowed up by big corporations and not come through the channels to make effective use for the school.

The Hon. CHRISTINE ROBERTSON: Does the school community have a handle on the facility standards that schools have to be built by?

Ms BARK: I am sorry?

The Hon. CHRISTINE ROBERTSON: The core facility standards, there is a list of essential components that have to go into a school building that is well outside that of domestic buildings?

Ms BARK: Are you saying had we done the project ourselves?

The Hon. CHRISTINE ROBERTSON: Yes. Were you aware these standards existed?

Dr JOHN KAYE: Are you talking about the facility design standards?

The Hon. CHRISTINE ROBERTSON: I am talking about school facility standards that specify what kind of floor has to be provided so the bones of the kids do not get hurt, what kind of walls are required, sound-proofing and those types of things?

Ms BARK: If you ask me today sitting here, no I do not know what they are. Had I taken on a project of such nature I would have made sure I knew what they were or I would have employed somebody at a lot lesser cost than these good people have taken from us, and I would have found out.

The Hon. CHRISTINE ROBERTSON: The conditions put up the prices of the actual building let alone the risk management process?

Ms BARK: Sure.

The Hon. CHRISTINE ROBERTSON: I wanted to know if you knew about that.

Ms BARK: No, not much.

CHAIR: Thank you for your appearance today and for your advocacy on behalf of your school. I am not sure you realised what you took on when you became president but they are very lucky to have you.

(The witness withdrew)

JUNE COLEMAN, President, Parents and Citizens Association, Nashdale Public School, Orange, and

JOANNA ELLIS-PECK, BER committee member, Nashdale Public School, Orange, affirmed and examined:

CHAIR: Do you want to make a brief opening statement?

Ms COLEMAN: Yes I would. Thank you for granting us the opportunity to address this committee this afternoon. We are addressing the inquiry to highlight the terrible mismanagement of public funds during the Federal Government's Building the Education Revolution [BER]. While the infrastructure in public schools is always welcome the discrepancy between what has been obtained by the public schools and independent schools and our schools that were obligated to use the managing contractors versus those schools that were able to self-manage is unforgivable. We at the public schools obtained approximately 20¢ in the dollar value for money while the private system obtained approximately 99¢ in the dollar value for money. Our school has ended up with a tin and plywood shed that is not consistent with our heritage school buildings and whilst we, as parents, are very welcoming of such an expenditure into our schools, we are fighting every government department associated with the BER to be heard while trying to get something that is consistent with the value for money that we have been led to believe we are entitled to.

We as parents should not have to do this. We have not been heard and the requirements of our school have not been taken into consideration. We are in 2010. We should not have to go to the extraordinary lengths to ensure that our children and our school receive what they are entitled to. It is highly unlikely that the level of infrastructural spending within the education system will be seen in our lifetime again. With no amendment or adjustment to the current policies and procedures of our school the only legacy of the BER for our school will be the biggest waste of money this country has ever seen. When we made our submission a few events have taken place since. Do you want me to update you?

CHAIR: Yes.

Ms COLEMAN: Prior to making the submission, I think it is part of the submission, Orange Anglican Grammar School appeared in our local paper. They reported their satisfaction with the BER. They had received \$923,000. For that money they obtained a new library, a hall, toilets, kitchen, a new car park which was bitumen, landscaping and footpaths—all done by a local builder. Our parents and citizens were outraged because this is what we wanted but we were denied. So on the basis of that we sent an email to Ray Hadley explaining our frustration. The email was read out on his program and within two hours of the email being read out our school received calls from both the State education department and the Federal BER task force to notify us that audits were now taking place under our BER project.

Both of those audits have now taken place. We have also had a meeting with Beth Clements from the Resolution Unit attached to Angus Dawson's office. Within 24 hours of the meeting with Ms Clements and all of the audits and visits to our school, Stuart McCreery who is the regional director of the BER of the Western and Riverina area notified Nashdale Public School that the Department of Education and Training and the BER office, on review of our audits and discussions that had taken place, were now very concerned that Nashdale was not getting value for money. They explained that the tender received to complete our project would now bring our BER cost up to \$1.04 million. We were now over budget again. How could this be when all the costs to date associated with the BER we have been told were "estimated" costs?

We invited Mr McCreery to visit our community and explain the costs blow-outs when there was no actual fixed costs. After all of his deliberations Mr McCreery addressed our parents and citizens on Thursday 24 June 2010. As a result of this meeting we are now aware that the DET can only give Nashdale Public School a fixed cost of \$344,000 to \$349,000 for the supply of the MDR building to our school. Every other cost that was queried was explained as an estimate and not an actual cost, so therefore we could not be told we were over budget. We were also informed that Laing O'Rourke was receiving 18 per cent for managing the contract on top of the contract percentages that are in our fixed price. This is in direct conflict with the fees that are on the website.

We were also advised that due to the re-tendering process our completion date would move from 23 July to possibly another four to five months away. This happened on a Thursday night. The next day, Friday, we got a phone call from Angus Dawson informing us that the tender process for the remaining works to be carried out had been put on hold and that Mr Dawson was reviewing the whole process of the tender. We have been

advised that the DET have now gone back to the original builder who quoted on our school and are requesting him to submit a price for the completion of our MDR. We have also received an invitation to meet with Mr Dawson at the completion of this meeting.

CHAIR: Part of the BER was to rapidly inject funds into the economy and get people working or keep them in work and schools would be the beneficiary. Do you have a building or not?

Ms COLEMAN: We received an MDR, which is a double classroom, on 30 March. It was located into the school on 1 April and we were over budget on 6 May and nothing had taken place in our MDR.

CHAIR: Is that \$900,000?

Ms COLEMAN: Initially we were given \$850,000 and then that was increased to \$907,000. In the initial process we were also promised a basic design room [BDR] because we have a demountable building.

CHAIR: Is that a single classroom?

Ms COLEMAN: Yes.

Dr JOHN KAYE: Which is still modular?

Ms COLEMAN: Yes.

CHAIR: I gather the demountable would be taken away.

Ms COLEMAN: Yes.

CHAIR: What is the extra \$300,000 for that you are talking about, after the audit?

Ms COLEMAN: We do not know.

CHAIR: Is it your view that because you have complained and you have had an audit process you are getting something extra?

Ms COLEMAN: No, our view is that when this initially started and the BER was announced our principal very quickly formed a committee of the school members to ensure that we got the best value for money for the school. We met with the department's asset management unit in Bathurst and plans were discussed. We found out how much money we were getting and we went to a local builder who had recently tendered on a school in Orange. He submitted three sets of quotes to us: one was to replace brick and tile for the MDR building that we were getting, which was \$360,000. The quote was to the specifications on the DET website. It was brick and tile and fully fitted out with heating, cooling, and floor covering. The only thing it did not include was tables and chairs, which we already had because we would be moving from another room. We also received from him another quote to replace three classrooms and a full administration block. To totally revamp our school in brick and tile to specifications on the DET website was \$740,000, including GST.

CHAIR: Using the same specifications?

Ms COLEMAN: Yes.

CHAIR: Did the other school use a local builder and self-manage it?

Ms COLEMAN: They used a local builder and self-managed.

CHAIR: Was that the difference?

Ms COLEMAN: Yes.

CHAIR: Are the delays because Angus Dawson and his department have gone back to the drawing board?

Ms COLEMAN: No. We requested from the DET to self-manage this project. We knew what we wanted.

The Hon. CHRISTINE ROBERTSON: As a P and C?

Ms COLEMAN: As a school community because our school is extremely lucky that we have some very qualified people in the community. We knew what we were taking on and we were prepared to take on the management of the funds. We went to the DET and submitted the plans. Prior to this the builder from whom we got the prices had met with the managing contractors, Laing O'Rourke, and discussed in detail with them their participation in the BER program going forward. We submitted the plans and the tenders to the DET and they were passed to Laing O'Rourke and that was it. We never heard diddly-squat about it. We were then given an option. We were told we could not self-manage and we needed to have 10 per cent of the allocated funds in our school.

CHAIR: That was the deposit you had to have.

Ms COLEMAN: That was the deposit. We have it in black and white. That has been denied but up until two weeks ago that was still on the website.

CHAIR: Would we be able to get a copy of that information?

Ms COLEMAN: Yes. We were not allowed to self-manage so we had no choice. We had to go down that path. We were given a 24-hour turn-around period to choose from a drop-down list what the school wanted going forward.

Ms ELLIS-PECK: When we were not able to self-manage we were advised that these were the drop-down options that we needed to choose from. The committee then decided that in order to get the best value for Nashdale we would select in order of what we considered to be priority the projects that we would like to see get up. We worked from the top down, hence the COLAs and all that sort of stuff were in there. That was how we selected the MDR and those sorts of things.

Ms COLEMAN: We were told we would get a BDR and an MDR. While we were not excessively happy with it, it was what we were given so we had to go with it. We were also told that one of the rooms would be refurbished and one of the stipulations to Laing O'Rourke was that we were to have 30 data cables in each room of the new MDR building. It was critical because that was what we had in the existing classrooms because all our children have laptops. We were promised rainwater tanks, solar systems, heating and cooling and we were promised the BDR in principle. In November it was announced the BDR would arrive at Nashdale school in the week commencing 14 December.

On 3 December our principal got a phone call to say the BDR was not coming to the school. This was after Laing O'Rourke had been out to survey the site and see how they were going to remove the demountable and get the cranes in and what we were going to do with the children while the BDR was being located—where we were going to put them; we are a small community but we had a hall across the road where we could put them— and how long was it going to take. Plans were really advanced for the arrival of the BDR. Gardens had been moved, kids had moved classrooms and everything was done. We got a phone call at the beginning of December from Stuart McCreery to say that we were not getting it. We were not given an explanation and we still have not been given one. We were left with a very deflated community.

CHAIR: Not a very good Christmas present.

Ms COLEMAN: The bubble had burst and somebody had dropped the Christmas presents! We went into summer hibernation then. After Christmas, once the school community got back on deck, we reassessed the whole thing. We were then told that the MDR would be arriving mid February to late February. It arrived in March. The MDR came, but there was no heating, the windows were not double-glazed and the floor is plywood—I have photographs—and sits on piers. It will be covered, but it has not been covered yet. I stood underneath it so it is probably about five foot seven or five foot eight off the ground. There is plywood then air to the ground, which is dirt. They have now told us that it will cost an excessive amount of money to finish off that building. We do not know what, how much, or where the money is. They have given us a budget, an estimated cost summary, but nobody can tell us anything.

The Hon. GREG PEARCE: Back in March the MDR was delivered and it has been sitting there and has not been completed?

Ms COLEMAN: No.

The Hon. GREG PEARCE: Because you raised concerns the department has now gone out to some alternative tender just to finish off the work.

Ms COLEMAN: We are not sure. We are not really sure where the department is sitting. The building arrived. When the building arrived the media campaign was going on about it and the local paper contacted us to do a story on it. That then led to different things.

The Hon. GREG PEARCE: But work stopped on it back in May?

Ms COLEMAN: It never started.

The Hon. GREG PEARCE: It never started?

Ms COLEMAN: No. It started in March and then that was it.

Ms ELLIS-PECK: Our understanding is that the tender that was accepted, or that originally came in, was one tender.

The Hon. CHRISTINE ROBERTSON: Only one person tendered?

Ms ELLIS-PECK: Yes, that is our understanding. Our understanding is that the department and Laing O'Rourke have had information about that tender all though the duration—from delivery until now. It is only in the last fortnight that the department has said, "That is not value for money. We now need to go back to the market" hence the stop in the works. Up until that time our understanding was that the delivery of the finishing part of it was to go ahead. It is only in the last 10 days or so that that has changed.

The Hon. GREG PEARCE: You said that they had given you a budget document?

Ms COLEMAN: Yes.

The Hon. GREG PEARCE: Would you mind tabling that for us so that we can have a look at it?

Ms COLEMAN: Yes.

The Hon. GREG PEARCE: When did you receive that document?

Ms COLEMAN: This was in 2010, but we have had it since day dot—since the very beginning.

The Hon. GREG PEARCE: That is the original budget?

Ms COLEMAN: Yes.

The Hon. GREG PEARCE: That was for \$920,000?

Ms COLEMAN: That was for \$907,000.

The Hon. GREG PEARCE: Did you get a preliminary school brief that outlined what the projects would be?

Ms COLEMAN: Yes, we did. The school received that.

The Hon. GREG PEARCE: Would you also let us have a copy of that?

Ms COLEMAN: Yes.

The Hon. GREG PEARCE: When you last heard about the price now being \$1.04 million, how did that happen? Is there a piece of paper with that figure on it?

Ms COLEMAN: No. We got a phone call. Let me go through the chain of events. On 18 June Rhys Williams from Verity Firth's office came to us and did an audit.

The Hon. GREG PEARCE: Two weeks ago?

Ms COLEMAN: Two weeks ago. This was the audit that on numerous occasions we had requested Verity Firth to do. He then did it. He came out, did the audit, went away and on Monday 21 June we received a phone call from Stuart McCreery who said that the costs would go to \$1.04 million if they used the tender that was currently sitting on the desk. Stuart was then invited down to the school because we did not know where the money had gone. We have a fixed cost of \$344,000 but there is \$600,000 or so that we cannot allocate. We do not know where it is and nobody can tell us where it is.

Ms ELLIS-PECK: For Nashdale Public School, throughout this process the parents and citizens association has been asking for the costings, a running sheet, where the money is being spent and how can it be that this building, which is worth \$907,000, is only tin and plywood. All the way along we have not been able to get any figures. No-one will give us any answers. Consequently, we have had this pressure. How did we get to the point where they are now saying that this is not value for the money? We have been saying that all the way along, even from the beginning.

The Hon. GREG PEARCE: Would you now table the documents to which we referred earlier—the budget and the preliminary brief?

Ms COLEMAN: Yes.

Documents tabled.

Dr JOHN KAYE: Let us be absolutely clear: the agreement between the integrated program office—the Department of Education and Training—and Nashdale Public School was to deliver an MDR, a BDR and some cabling?

Ms COLEMAN: Yes.

Dr JOHN KAYE: For your existing classrooms or for those two new rooms?

Ms COLEMAN: No, for the two new rooms. We had to move two classrooms into these rooms. We had to facilitate the children in the new classrooms. We also had to remove the SMART boards and replace the SMART boards at our own cost because it is not covered under the budget.

Dr JOHN KAYE: That was for a total of \$907,000, which is what you were to receive?

Ms COLEMAN: Excluding GST.

Dr JOHN KAYE: As of today what you now have is an MDR only and no BDR?

Ms COLEMAN: Yes.

Dr JOHN KAYE: The BDR has disappeared entirely?

Ms COLEMAN: Yes.

Dr JOHN KAYE: You have an MDR but it has no locks on the windows?

Ms COLEMAN: No. It is not insulated.

Dr JOHN KAYE: It is not insulated?

Ms COLEMAN: No.

Dr JOHN KAYE: It is not heated or cooled and it cannot be occupied because the space from the floor to the ground has not been completed?

Ms COLEMAN: The ramps are not finished and no electricity has been done. It has been sitting there since 30 March.

Dr JOHN KAYE: It has sat there since 30 March?

Ms COLEMAN: It has been fixed up. When it was delivered there were cracks in the walls and the roofing had come off. So it was fixed and worked on. They patched it up and fixed all the cracks.

Dr JOHN KAYE: They patched it to a point where it was just before lock-up stage. You cannot lock it but it has been completed to the lock-up stage?

Ms COLEMAN: No, we cannot lock it.

Dr JOHN KAYE: What needs to be done now? Does it have to be filled in from the floor to the ground?

Ms COLEMAN: Yes, from the floor to the ground. This is bare plywood to the ground or to the soil. There is nothing between the plywood. I have photographs that I could table.

Dr JOHN KAYE: I am somewhat confused. You said that there is a plywood floor.

Ms COLEMAN: That sits on pillars.

Dr JOHN KAYE: If I looked at it what would I see? Mr Pearce has kindly shown me a photograph of the project.

Ms COLEMAN: I have some up-to-date photographs of it.

CHAIR: That would be great.

Dr JOHN KAYE: Would you table those photographs?

Ms COLEMAN: Yes.

Documents tabled.

Dr JOHN KAYE: I should declare a conflict of interest. I know Mr McCreery because I was involved in a situation similar to the one in which you have been involved. Mr McCreery is now telling you, "That is it folks. The money has run out on the meter."

Ms COLEMAN: No.

Dr JOHN KAYE: He is not saying that?

Ms COLEMAN: No, he is not saying that. He is saying that of the \$907,000 that has been budgeted to finish off the work, it would bring the budget up to \$1.04 million. So they have re-tendered. They are putting it out to tender to complete the works. The electricity, the footpaths and the plumbing are yet to be done and curtains or window coverings and things like that have to be done.

Dr JOHN KAYE: And that will not be at your expense?

Ms COLEMAN: That is all included in the budget. If they were to do it with the tender they have now on the table, which is only one tender, that is what it will blow out to. However, we do not know what are the associated costs because nobody has told us. Nobody can give us the prices.

Ms ELLIS-PECK: The fixed costs that have been allocated to date are the \$343,000 for the delivery of the MDR building on site. The remainder—from \$344,000 to \$1.04 million is what we have been advised it would take to complete our building and to enable us to move in. So that would be \$600,000 or so.

Dr JOHN KAYE: But that is not your problem?

Ms ELLIS-PECK: No, it is not our problem. But in relation to value for money we are saying that that is an obscene amount of money for the things that need to be done to that building. That is still all that we are getting.

Dr JOHN KAYE: What you had delivered in the first place was a prefabricated cheapie?

Ms COLEMAN: We have had that for years. I have been there for seven years. Some people will tell you that the prefabricated building has been there for 20 years.

Dr JOHN KAYE: I am talking about the MDR.

Ms COLEMAN: The MDR, yes.

Dr JOHN KAYE: You have been told that the BDR has disappeared entirely?

Ms COLEMAN: Yes.

Dr JOHN KAYE: You have not been given a completion date for your MDR?

Ms COLEMAN: No.

Dr JOHN KAYE: Could you describe your state of mind towards the Department of Education and Training at this point in time?

Ms COLEMAN: As a school community, we went and sought local quotes from local builders because the whole thing behind the BDR was to make sure that we got value for money for the money that was being spent. We can get basically a whole new school: three new classrooms, a complete administration block with a staffroom and indoor toilets. We do not have an indoor toilet, we do not have an under cover walk area between any of the classrooms for our children, we do not have a sick bay. Our sick bay consists of two chairs in the main foyer of the office.

Dr JOHN KAYE: You would get all of that for \$740,000?

Ms COLEMAN: We would have got a new library. We would have got indoor toilets on top of all of that for \$740,000.

Dr JOHN KAYE: They were brick and tile constructions?

Ms COLEMAN: It was brick and tile construction.

Dr JOHN KAYE: Not modular with a tin roof?

Ms COLEMAN: It was not modular. It was to the education department specifications.

Dr JOHN KAYE: For \$740,000?

Ms COLEMAN: Including GST. To replace the MDR building that we have was \$360,000, again to building specifications on the DET website.

Dr JOHN KAYE: When the local builder made the quote of \$740,000 he or she was aware of the design standards to which the Department of Education and Training operated?

Ms COLEMAN: Absolutely.

Dr JOHN KAYE: They were not giving you something less than the specific design standards?

Ms COLEMAN: No.

Dr JOHN KAYE: This builder was aware of the specific design standards?

Ms COLEMAN: He is an industrial commercial builder who has done infrastructure within the community. However, local builders were not considered to be, I suppose, acceptable because as one DET staff member said, they were only used to building cottages.

Dr JOHN KAYE: At what point in this process did you receive the \$740,000 quote?

Ms COLEMAN: At the very beginning, before we made the decision.

Dr JOHN KAYE: Did you give that quote to Mr McCreery?

Ms COLEMAN: That quote, yes. Mr McCreery actually got copies of the plans and the quotes emailed down to him—a second copy. He looked at the copies of the plans. I think Alistair Hunter, Stuart McCreery and the regional director, Mrs Ryan, had a look at the plans at Nashdale school. They were laid out on the staffroom table. Copies with the quotes were then emailed down to Mr McCreery the second time.

Dr JOHN KAYE: Did they ever give you any response?

Ms COLEMAN: No.

Dr JOHN KAYE: They just ignored the fact that you had a cheaper quote?

Ms COLEMAN: Yes, to build a whole new school.

Dr JOHN KAYE: Much more than just an MDR and a BDR?

Ms COLEMAN: To build a whole new school.

Dr JOHN KAYE: Out of brick and tile?

Ms COLEMAN: Yes, exactly, concrete.

Dr JOHN KAYE: With indoor toilets?

Ms COLEMAN: Concrete.

Ms ELLIS-PECK: To the best of our knowledge we were just simply told because of the 10 per cent that Nashdale did not have because we are a small school, therefore we could not self-manage. So it became null and void that you had these plans because if you cannot self-manage you have to use the dropdown. So, it became null and void.

Ms COLEMAN: Can I say also that the builder we had got the quote off had registered with Laing O'Rourke as a builder. He had filled in the forms. He had met them on several occasions at the request of Laing O'Rourke. When the first round came out he got a list of the schools and then he never heard anything else back from Laing O'Rourke again. He was aware that he had submitted the tender to us.

Dr JOHN KAYE: Are you aware if that builder employs apprentices?

Ms COLEMAN: Yes.

Dr JOHN KAYE: He does employ apprentices?

Ms COLEMAN: Yes.

Dr JOHN KAYE: Are you aware if he employs any people of Aboriginal extraction?

Ms COLEMAN: I am not sure, but that was also thrown at us: any builder that wanted to build would have to have 12 per cent Aboriginals and 20 per cent apprentices.

Dr JOHN KAYE: Was he aware of that?

Ms COLEMAN: Yes.

Dr JOHN KAYE: When he provided you with his quote he was aware of those conditions?

Ms COLEMAN: Yes.

Dr JOHN KAYE: He would have delivered all of the conditions under the Building the Education Revolution for \$740,000?

Ms COLEMAN: Yes.

Dr JOHN KAYE: Would it be fair to say that there is nothing exceptional about the site on which this is built? There are no fault lines running through it?

Ms COLEMAN: No.

Dr JOHN KAYE: No sites of archaeological importance?

Ms COLEMAN: No.

Dr JOHN KAYE: It is just a standard site?

Ms COLEMAN: It was elevated. As you can see from the side photographs, it would be elevated. It sits on the side of the road.

Dr JOHN KAYE: But the elevation would be a maximum of a metre and a half?

Ms COLEMAN: Yes.

Dr JOHN KAYE: From one side of the site to the other?

Ms COLEMAN: Yes. You can see the plywood. Because we were zoned in the white area, we were not entitled to heating in that. It was minus six in Orange this morning.

Dr JOHN KAYE: Were you promised originally that there would be some form of heating in this room?

Ms COLEMAN: Yes, a split system.

Dr JOHN KAYE: That is a dual-cycle air conditioning split system?

Ms COLEMAN: There was also going to be solar panels and rainwater tanks. We were de-scoped. Everybody was de-scoped with them when the costings came in. We were advised when the costings came in that nobody got them.

Dr JOHN KAYE: Does the completion include heating in this building?

Ms COLEMAN: Mr McCreery has personally promised that he will deliver the heating and cooling.

Dr JOHN KAYE: What about the solar panels?

Ms COLEMAN: No.

Dr JOHN KAYE: Are they gone?

Ms COLEMAN: We do not have town water. We rely on the rainwater tanks.

Dr JOHN KAYE: I was not aware of that. Nashdale Public School does not have access to town water?

Ms COLEMAN: No.

Dr JOHN KAYE: It relies on rainwater tanks?

Ms COLEMAN: Yes.

Dr JOHN KAYE: What has happened to your rainwater tank?

Ms COLEMAN: We have been de-scoped.

Dr JOHN KAYE: There will be no rainwater tank?

Ms COLEMAN: Not for that building, no.

The Hon. CHRISTINE ROBERTSON: Can you tell me how many students are in your school?

Ms COLEMAN: Fifty-seven to 59.

The Hon. CHRISTINE ROBERTSON: That means there about two or three teachers?

Ms COLEMAN: Three teachers.

Dr JOHN KAYE: That is a teaching principal and two other teachers?

Ms COLEMAN: Yes.

The Hon. CHRISTINE ROBERTSON: Were you able to supply your builder with all of the conditions of the school facilities program?

Ms COLEMAN: He had met with—

The Hon. CHRISTINE ROBERTSON: I know we have had a chat with them.

Ms COLEMAN: Yes, he had everything. He had absolutely everything that he needed.

The Hon. CHRISTINE ROBERTSON: That included all the walling?

Ms COLEMAN: Yes.

The Hon. CHRISTINE ROBERTSON: All of the conditions that have to be approved?

Ms COLEMAN: Yes, which were brick and tile compared to tin and plywood.

The Hon. CHRISTINE ROBERTSON: I realise that you are saying tin and plywood, but I can see from your photos that they are awaiting insulation and the covering on the indoor—

Ms COLEMAN: No, that is it. No, we have been told by—

The Hon. CHRISTINE ROBERTSON: That may well be, but it would not be to facility standards, which is why you have a new person to finish your contract, I imagine?

Ms COLEMAN: No. That actually complies with the Department of Education and Training 2009 requirements.

The Hon. CHRISTINE ROBERTSON: I will not argue with you. However, we will check that information.

Ms COLEMAN: Please do.

The Hon. CHRISTINE ROBERTSON: It looks like a half-finished building.

Ms COLEMAN: It is a half-finished building.

The Hon. CHRISTINE ROBERTSON: Are you part of the western school projects for which the department is reviewing the builders? I do not have the press release with me, but a review is being conducted.

Ms COLEMAN: We have not been advised of that.

The Hon. CHRISTINE ROBERTSON: Is that what is happening to you?

Ms COLEMAN: No. We have been advised that our tender and the contractor, not the managing contractor—

The Hon. CHRISTINE ROBERTSON: No, the actual contractor who is doing the building?

Ms COLEMAN: No. Laing O'Rourke are still our managers. The tender that was submitted to them for the completion of the building is being reviewed.

The Hon. CHRISTINE ROBERTSON: Can you tell me about your BER committee and how effective it has been?

Ms COLEMAN: Extremely effective, I think.

The Hon. CHRISTINE ROBERTSON: I just want you to tell me how the process operates?

Ms ELLIS-PECK: The BER committee was established immediately upon, I guess, being notified that we were going to receive that large sum of money. Once we knew our allocation, the committee was established with the principal and two participating members of the P and C. Basically, the committee then met with the principal and all other associated professionals through the process. When Laing O'Rourke came with their multitude of people on the day, with the geologists, architects and all of those things, we met with them.

The Hon. CHRISTINE ROBERTSON: The first-time checkers?

Ms ELLIS-PECK: Yes. We explained what we needed to do for our heating and cooling, our data cabling because in some respects that is unique to Nashdale—60 kids have laptops in primary school. We have met with all of those stakeholders all the way through the process, asked the questions and gathered extra information if that is what is required. It has been effective in allowing us to support the principal—obviously, as a teaching principal, he is a busy man. It has meant that we can then go back to the school community and explain what is happening: that is complicated as well. It has been useful in allowing us to do this in terms of saying, "Hey, that is a lot of money. Our school wants to get good value for money, and we don't think we are getting there." It has allowed us to do that as well, which we could not have done if we had not had the committee that had been integral to the whole process and helped to identify what our needs were.

The Hon. CHRISTINE ROBERTSON: I will follow up on some questions asked by Dr John Kaye earlier in relation to the criteria for Aboriginal employment and apprenticeships and the percentages that had to exist on each of the sites. You make a comment in a submission in relation to that which cut back the tenders as they came forward.

Ms COLEMAN: Yes.

The Hon. CHRISTINE ROBERTSON: That has been an issue across the State—both that criterion and the really quite fierce criterion in the school facilities standards process, which has frightened quite a few people away from tendering in the process.

Ms COLEMAN: But our builder was prepared to tender and our builder went to tender. To me, he met all the requirements. He was not frightened.

The Hon. CHRISTINE ROBERTSON: He tendered with Laing O'Rourke.

Ms COLEMAN: Yes. So he was not afraid.

The Hon. CHRISTINE ROBERTSON: He did tender.

Ms COLEMAN: It was not that he did not win the tender. He was not given an opportunity to proceed with anything. The quote was submitted to Laing O'Rourke, and that was it. Nobody heard anything ever again from Laing O'Rourke.

The Hon. CHRISTINE ROBERTSON: He did not put in an official tender?

Ms COLEMAN: Yes, he did.

Dr JOHN KAYE: To Laing O'Rourke.

Ms COLEMAN: To Laing O'Rourke.

The Hon. CHRISTINE ROBERTSON: That is what I am talking about.

Ms COLEMAN: Yes, but he never heard anything back.

The Hon. CHRISTINE ROBERTSON: He was never told, "You have been unsuccessful in this tender."

Ms COLEMAN: No.

The Hon. CHRISTINE ROBERTSON: Or why.

Ms COLEMAN: No—to the best of our knowledge—and he has now been re-approached to finish off the remaining part of the business.

The Hon. CHRISTINE ROBERTSON: Okay, to re-tender for the rest.

Ms COLEMAN: Yes, for the six, he has been asked to re-tender. But we do not know how much the re-tendering process is because nobody can tell us. We are only estimating that it is somewhere around half a million dollars, but we do not know because nobody can give us any fixed costs.

The Hon. CHRISTINE ROBERTSON: It is very good that you have a local builder who actually understands how important apprentices are in country New South Wales and for local builders.

Ms ELLIS-PECK: Those figures were figures that we were given by the Department of Commerce and the Department of Education and Training. They are not figures that we articulated ourselves.

The Hon. CHRISTINE ROBERTSON: No, but your builder, if he was compliant with those figures—

Ms ELLIS-PECK: Oh, I see what you are saying.

The Hon. CHRISTINE ROBERTSON: Yes.

Ms COLEMAN: There are two new schools going up there.

The Hon. CHRISTINE ROBERTSON: It is so political, it has been very difficult.

Ms COLEMAN: There are two new schools that have gone up in Orange in the last six or probably 12 months, so they are pretty compliant with what is required.

The Hon. CHRISTINE ROBERTSON: Yes, okay. That is about all I wanted to hear. Thank you very much indeed.

The Hon. GREG PEARCE: We have just spent a lot of time on the quotes that might change. I want to have you reiterate for us that the Orange Anglican Grammar School got delivered virtually a new school for \$925,000.

Ms COLEMAN: They got the library, the hall, the media room, the toilets, the kitchen—with two microwaves the principal told me—a bitumenised car park, landscaping and footpaths for \$923,000. They were managed by a local builder. They came in bang-on on budget. They came in within the expected time, and they were absolutely ecstatic with what they got.

CHAIR: Water tanks and so forth?

Ms COLEMAN: Absolutely everything, including two microwaves in the kitchen. They had money left over.

The Hon. GREG PEARCE: Yes, you have the quotes, but we also had an example of delivery as well.

Ms COLEMAN: That was probably the catalyst.

The Hon. GREG PEARCE: To clarify the self-management issue, we heard that you could not do it because of the 10 per cent deposit.

Ms COLEMAN: Yes.

The Hon. GREG PEARCE: Did your committee consider the other issues that would have been required for self-management, such as occupational health and safety, and insurance, and that sort of stuff?

Ms COLEMAN: Yes.

The Hon. GREG PEARCE: You were confident that you would be able to handle all of those issues?

Ms COLEMAN: Absolutely.

The Hon. GREG PEARCE: But the 10 per cent deposit was what killed it.

Ms COLEMAN: That is what killed it, and our principal told us that "principals are principals, builders are builders, and leave it to the experts".

Ms ELLIS-PECK: As was mentioned previously by the other parents and citizens association, there were also the issues around litigation, liability and that the principal would then be liable for up to a certain dollar value. Again, it really knocked us out of it, but we could not do that. Our school was not big enough in terms of that amount of money. Because that was the criterion you had to meet, we could not do that in terms of the dollars, let alone anything else.

Ms COLEMAN: And we felt that with \$970,000, you would employ somebody to be able to oversee it. They would come in and then tick the boxes. We would meet once a week, for whatever had to be done, the boxes would be ticked, and the requirements would be met. We were promised or we were guaranteed that if we went down the path of the local builder, we would have been in for the first week of term this year. We are 17 months down the path, and we have got a tin shed.

CHAIR: Half a tin shed.

Ms COLEMAN: Half a tin shed. It is plywood as well.

Dr JOHN KAYE: Did Mr McCreery say to you, in response to a question from the parents and citizens association about why there was such a rush to get the projects completed, "Julia Gillard said the money had to get out to the economy"?

Ms COLEMAN: That was why it had to be done, yes.

Dr JOHN KAYE: When was the Orange Anglican Grammar School completed?

Ms COLEMAN: That would have been a week before the submission. The submission went in on 7 June, so it would have been 5 June.

Ms ELLIS-PECK: Or thereabouts.

Dr JOHN KAYE: They had finished all the expenditure and moved in on 5 June.

Ms COLEMAN: Yes, approximately.

Dr JOHN KAYE: When do you think you are likely to move into the MDR?

Ms COLEMAN: It will not be for another four or five months. We have been advised, as of last Thursday, it would have been four or five months. Now that the whole tender process is actually stuffed and the whole process and the whole budget and everything is being reviewed by Mr Dawson, we have no idea when it will be finished.

Dr JOHN KAYE: Mr McCreery's sense of rush means that, in effect, you were six months behind the delivery of Orange Anglican Grammar School.

Ms COLEMAN: Yes, with vastly inadequate progress.

Dr JOHN KAYE: If indeed you make it in the six months.

Ms COLEMAN: Yes.

Dr JOHN KAYE: Thank you very much. I appreciate your clear answers to questions.

CHAIR: Thank you very much for travelling such a distance and for giving us the benefit of your experiences. I am sorry it has not been a good experience. Hopefully the outcome in the end will be sorted for you.

Ms COLEMAN: We can hope.

CHAIR: We appreciate the evidence you have given us and information you have provided.

Dr JOHN KAYE: Absolutely.

Ms COLEMAN: Thank you.

Ms ELLIS-PECK: Thank you.

(The witnesses withdrew)

(Luncheon adjournment)

ROBERT BURGESS LEECE, Infrastructure Coordinator General, Department of Premier and Cabinet,
, , , , sworn and examined:

CHAIR: Welcome to the afternoon session of today's hearing on the Inquiry into the Building the Education Revolution Program. I welcome Mr Bob Leece, Infrastructure Coordinator General. Mr Leece, in what capacity are you appearing before the Committee?

Mr LEECE: I am here as Infrastructure Coordinator General and Chair of the New South Wales Nation Building and Jobs Plan Task Force.

CHAIR: You have the opportunity to make an opening statement, if you like.

Mr LEECE: Thank you, Chair, I would like to make a few comments. I appreciate the opportunity of being able to talk to you today. Whilst I understand this is specifically about the Building the Education Revolution and the Primary Schools for the 21st Century [P21] program, I believe it is important to understand the entire context and success of this whole program. From a big picture point of view, we entered into this economic recovery process in the midst of the world's financial circumstances and the worst circumstances since the Depression. The Federal Government announced a \$42 billion nation building program, of which there was \$20 billion to spend on nation building projects. New South Wales was to receive one-third of that, that is \$7 billion, to be spent in New South Wales in just two years. It came with the proviso that if we did not spend it within two years, the New South Wales Government was liable for any commitments that were made prior to that time.

The overwhelming priority was to stimulate the economy and to generate jobs. Without any question, we in New South Wales have delivered on this priority. All the economic and industry data that have been presented over the last few months confirm the success of the stimulus rollout in New South Wales. We have supported over 23,000 full-time jobs and created opportunities for 10 per cent of that workforce for apprentices and trainees. New South Wales now has had five quarters of economic growth. The stimulus program will add 2 per cent to our GDP for the fiscal year 2010-11.

Let us put the scope and the scale of the program in perspective. This has been a massive undertaking. It is like the Olympics, similar terms of expenditure of money and a similar type of construction activity. But it has been done in one-third of the time on thousands of projects across every corner of the State, not just a few lumpy projects scattered around Sydney. Another way of thinking about this program is to compare it with an average family home extension. From the time the family conceives that they want to do an extension to the house to the time they go through their planning process, their design process, their tendering process and the actual construction program, from start to finish, on average it is 2 to 2½ years. Let us compare that to the things we have had to do and the scale we have had to do them in.

We had to go from a standing start on a blank piece of paper and no organisations in place. We had to deliver in that same time frame that somebody does an ordinary extension to a house over 6,000 houses, over 4,700 projects in schools, including around 1,800 of school P21 projects, in just two years. By any measure, this is an enormous undertaking. Whilst this program may not have architectural or engineering grandeur, there have been few capital works programs in the history of this State, including the Olympics, which reaches the magnitude of what has been achieved by the construction industry here in New South Wales under this program. We have used all types of procurement methods.

I would now like to turn to the P21 program. The two issues I see that have been in public discussion have been the managing contractor model and the value-for-money exercise. The managing contractor model offers to the New South Wales government the least risk, the fastest job creation, the highest certainty of outcomes, warranty of performance for safety, including children's safety, time, cost and quality. It also provided to us a much better risk transfer than the project management model that is used in other jurisdictions. The key characteristics that led to the selection of that model are: the number of projects to be undertaken concurrently; the geographic dispersal of the projects; most importantly at the time we started this program, the unknown scope; and the number of stakeholders and the interrelationships between those stakeholders that had to be involved in the preparation, planning, definition of scope and undertaking of the works.

On the value-for-money exercise, most people see that value is about costs. It is not just about costs. It is also about the design, the function and the many other benefits that have been derived from this program, such as the economic activities and the training and the upskilling not only of individuals but of organisations to enable them to perform in undertaking government work in the future. Many people confuse the high enduring design and building standards as representing poor value for money. I would like to give you a car analogy. In buying a car you have a choice of a well-designed, more expensive car or a lesser designed cheaper one. Both have the same function on day one, but for how long? So it is with schools and school facility standards. Yet those people who choose the lower cost outcomes in our schools do not necessarily have the responsibility and the ownership of the whole-of-life costs of those projects that they choose.

So the school facility standards have evolved and been developed to provide the lowest whole-of-life or through-life costs for 50 and 60-plus years. Those facility standards have been developed by a range of people with expertise not only in asset management, but also school principals, school users and many other professionals. In this program all works have been tendered. So, we are paying market rates. I have visited and been around and crisscrossed the State and spoken to many of the stakeholders—parents, school principals, site managers, apprentices, builders and subcontractors—and without doubt I have seen the undeniable success of this program with my own eyes. I have seen no evidence of rotting, and it is mischievous to say that there is rotting, particularly when the reviews and audits that have been undertaken in this program are more than double what a capital and investment infrastructure program would normally require.

I have also been to a number of schools, and very small in number, where I have seen real issues with value for money issues, management of the project that has been not up to scratch or satisfactory or to my satisfaction. I have also been to schools where things could have been done better. In most cases these things are being fixed or are fixable. In conclusion, I think it is important to understand in the public debate that we need to sort out the facts from the opinions, the real information from misinformation and the whole story from the partial story. The true measure of the stimulus program should be focused on the jobs recovery, the asset base we have delivered for future generations and the over 95 per cent of schools that have, without doubt, been successful. From my perspective as the State's Infrastructure Coordinator General of the whole \$7 billion rollout stimulus in New South Wales across housing and education, we have made history.

Look at the current statistics. We are only 15 months into the program, yet in the housing area alone more than 1,000 dwellings have been handed over and only 150 of the 6,300 dwellings are yet to start. In the education program we are the only State to have completed the national schools program on time. We are the only State to have delivered on time the science and language learning centres that have to be completed by today. In fact, we have completed 114 of our 118 schools with occupational certificates, and the last four are in the final process of receiving them today or tomorrow.

In the P21 program, the one before us today, more than 2,370 projects are under construction and over 550 projects have been handed over and are in use in our schools. To put that in perspective: that is greater than the entire Catholic schools program. In all of this, all these works—the 6,300 houses, the 4,700 projects in all our schools—are to be completed within two years. That is in less time than it takes to do an average house extension. So, in New South Wales we have well and truly headed off a potentially disastrous economic situation with the prospect of thousands of job losses. I remember February 18 months ago when people were losing their jobs right, left and centre.

It is very vivid in my industry that this was going on. But, finally, as we focus today on costs, it is really so easy to forget about the kids, the legacies that we leave at our schools, that would not have had anything spent on them in 30 or 50 years. It is about the generation of kids getting good educational facilities. I have been around the schools; I have seen the excitement and the inspiration in their faces. This entire program has contributed to our economic recovery. It has been and is inspirational. It is an extraordinary achievement for this industry that has never been done before in New South Wales. It is something of which I believe we should all be immensely proud. I am happy to take your questions.

CHAIR: I am quite stunned by some of your comments. You compare building a house with some of these projects. Surely when you build a house you get something that fits the whole family. You have been out seeing some of these school halls, for example. We have heard that none of them fit the school community in them. When you have gone to visit those halls does the school community fit in them? Do children sit on chairs in the school hall or are half of them outside, out through a garage door?

Mr LEECE: Chair, that is not an appropriate way to describe the design of the school halls. There are various sizes of school halls. The school halls are designed to match the size of the school community. In many cases, if you take core 14 or core 17, it does not matter which size hall you take, the hall sizes are designed for children to sit on the floors. They do have an overflow space, to which you have rightly referred; they have foldaway doors that open out into a COLA area, and many of those COLA areas have canteens built in and attached to them. But the concept of the school design is for the children to be on the floor.

CHAIR: Do all of the children fit in the hall?

Mr LEECE: I am not speaking for every individual school, but I have been to schools where, first of all, the school principal decides whether they want the stage and the size of a stage and the area of a hall that is needed for the children to sit on. The school principal can decide to have the complete stage or a partial stage, but in most instances they take the stage. I know the circumstances that I have seen them myself—

CHAIR: That makes it a hall as opposed to a barn or a—

Mr LEECE: I would not call a very sophisticated, very strong building that has been designed to last 60-plus years, and perhaps 100 years in some cases, because some of our school facilities that I have been to— and we all know of schools that have lasted for more than 100 years—the Department of Education has a responsibility to take over the design and management of the whole-of-life costs of the school and sets the standards. I do not set the standards but I am required and I was required to build to those standards, and the scale and size of those buildings are a matter for the Department of Education. I can assure you I have been to many schools, and there is only one school where the principal was concerned about the size and whether his kids could fit into the school.

CHAIR: We have had far more evidence than that, so perhaps that is not the case. We have heard evidence as well that the only suggestion of getting rid of the stage was after the school community complained about the fact that the school hall was the gym.

Mr LEECE: That is not the case.

CHAIR: Was it an option all along not to have an order to fit the children and not have a stage?

Mr LEECE: The principal of the school has the option and flexibility to choose from a standard shopping list of items within their school budgets. They could choose a hall, but they had various other options and flexibility within those halls.

CHAIR: In respect of the design, we heard today of a school that self-managed. It used the Department of Education and Training specifications. For \$850,000 it got a double classroom, a single classroom, a concrete basketball court with lights, solar cells and a rainwater tank. A comparable school with a similar number of students using your management contractor model got a double classroom for the same amount. How can you say one is a lesser design than the other? Surely this is about value for money—

Mr LEECE: I think—

CHAIR: —and not about—

The Hon. CHRISTINE ROBERTSON: You are not badgering the witness, are you Madam Chair?

Mr LEECE: Your value for money seems to be only about cost. I say value for money is about a host of things: design, function, economic value and social—

CHAIR: The self-managed school did the work according to your design specification.

Mr LEECE: You cannot compare like with like until you look at the two individual schools. All school sites are unique. First, I do not know whether either of those schools required substantial electrical upgrades or other activities. It is like comparing two cars. They might look the same, but they might have a different engine. That could be the same with the schools to which you referred. I cannot compare specifically on a generalisation when you are saying that they are different.

In respect of the schools that have given evidence today and earlier in this process, I can assure you that they represent a small percentage. I heard the Teachers Federation tell the Senate inquiry that it had received complaints from only 27 schools. I monitor my records and the Department of Education and Training's records on a daily basis. Between 30 to 50 schools have been before us. I know them fairly well. As I said earlier, most of the issues in those schools are being fixed or are fixable. I do not believe your numbers are correct.

CHAIR: You are saying that 95 per cent of the school projects have been successful.

Mr LEECE: The figure is greater than that.

CHAIR: I think 98 per cent was suggested today. One of our witnesses said that we should not confuse gratitude with satisfaction. Is it possible that there is a difference between schools that are grateful to have the incredible opportunity in terms of investment as opposed to those that are satisfied with the way the funds are spent?

Mr LEECE: That is a fair statement. Many schools I have been to say that they do not have the expertise to understand the value for money and they question whether they are getting it. They do not have the expertise to make the judgement. Nevertheless, they are very satisfied with what they got and they are very grateful. There is no doubt from my experience and from moving around the State under this program that hundreds and hundreds of schools are getting facilities that would never be funded under any State Government program.

CHAIR: Why was it not possible to have a conversation with schools about what they wanted as opposed to what they were offered? Many school communities have said that there were limited options. They might have wanted a hall but they got a library and they might have wanted a library but they got a hall. Why was that not possible when it was possible with the Catholic Education Commission rollout?

Mr LEECE: First, the Department of Education and Training had the responsibility. Both the department and indirectly my taskforce were the middlemen in the negotiations between the school principals and the Federal Government. The Federal Government put out a shopping list of items that schools could have on the basis that they had two projects per school. Through the Department of Education and Training the principals had to negotiate that scope of works within the framework of that shopping list and within the budget allowed based on their student numbers. Many people had wish lists. When people go shopping for a car they have an accessory wish list that they cannot afford. That was as true of this program as it is of any program. Nevertheless, there were negotiations around the scope of works that would be provided to those schools.

CHAIR: We have had evidence that a number of schools were pressured not to self-manage because of the ramification that principals would be taking on legal responsibility and liability and as a result they opted out. Did you provide advice to that effect? Why was that different from when they have managed other projects?

Mr LEECE: It is extremely different. The scale of this and the amount of works that had to be done concurrently and controlled was huge. It also had to be done in a very short period. This was not a time for people to learn on the job how to project manage complex exercises. The risk of failure was very high. Failure to achieve the scope of works in the timeline meant that the New South Wales Government had to pay for the incomplete commitments. I provided the opportunity to all the schools to undertake and self-manage their works. Under the Occupational Health and Safety Act, the principal contractor undertaking all works across this State is the person liable. Therefore, a school principal who performed as the principal contractor was responsible.

The Hon. GREG PEARCE: Surely it is still the Department of Education and Training.

Mr LEECE: It is not the Department of Education and Training; it is the person who enters into the contractual arrangements.

The Hon. GREG PEARCE: So the Department of Education and Training was not going to enter into those contracts.

Mr LEECE: The schools were going to enter into those contractual arrangements. All the schools were given the opportunity. I have not denied any school that option. Of the schools that came forward, eight said they would like to do this. I sent a very experienced construction project manager out to each of those

schools to explain to them the responsibilities they were undertaking. Of those, four decided to proceed. One withdrew after a very short period and three have continued. One has been successful and the other two need assistance. At this point they both run the risk of running extremely late. Therefore, the State will have to pick up the liability.

Dr JOHN KAYE: I refer to your statements in respect of New South Wales being the only State that delivered National School Pride and the Science Laboratories Program on time.

Mr LEECE: That is today.

Dr JOHN KAYE: Of course, you did not tell us that with National School Pride about half the schools were self-managed. It was not really a tribute to New South Wales but to the school principals, who are used to living to a timetable. Leaving that aside, does that not send you a message? I accept that there is a trade-off between delivering economic stimulus and building things which last, which are fit for their purpose and which will serve the school community for the next 100 years. Does that not tell you that perhaps we have made the compromise too much towards getting things in rapidly?

Mr LEECE: No. I did not set the timeline at two years. That was a requirement of the Federal Government to help stimulate the economy. This program is about creating jobs and stimulating the economy. The beneficiaries happen to be social housing and school programs. On the National School Pride, the nature of the work on National School Pride the school principals are well experienced in undertaking are repairs and maintenance to the building, including painting, plumbing and services, and all those sorts of things, for which the school communities are fairly well equipped to be able to do, and the nature of that type of activity does not really distract the school principals to the same degree as being project manager on a very complex program to go through the timelines needed to get the programs underway.

Dr JOHN KAYE: With due respect, that was not my question. My question was have we not rolled over too quickly to the Federal Government's timelines, given that we had evidence when we first met that the Catholic education block grant authority went back to the Commonwealth and re-negotiated—it was not so much a renegotiation, they told the then education Minister, Julia Gillard, we do not want to do it according to pattern design and she gave in. Given that every other State has said we cannot make this timeline, does that not say to you that perhaps we have rolled over too easily to the then education Minister and perhaps we should have gone back and negotiated a timeline that worked better so we could have had better consultation with communities and got better products that suited our school communities better?

Mr LEECE: First of all, I repeat that over 95 per cent of the school program has been successful, and I would even suggest it is a higher number. In the economic climate we were faced with at that time it was all about creating jobs. We all knew, those of us in the industry knew, that something drastic had to be done and done quickly. Sure, if the program time is extended you may have got marginally better outcomes but it is only at the margin. It is not for me to say whether the State Government should have taken on the Federal Government to ask for any extra time. I recall, from my observations of the public debate at that time, we needed to get things happening and moving quickly. In this program I was appointed on a Friday. We had let our first contract by the following Tuesday. We had been through tender periods on the weekend and we had been through starting and creating jobs on the Monday. So, in less than 24 working hours we had been through properly constructed tender processes and we commenced work and created jobs. Part of the structure of this whole program was the National School Pride and the benefit of that was it enabled us to start jobs quickly while the main P21 program was being prepared.

Dr JOHN KAYE: Nobody is questioning the urgency.

The Hon. SHAOQUETT MOSELMANE: Let him finish. I would like to hear his response.

Dr JOHN KAYE: You can ask any questions you like later.

The Hon. SHAOQUETT MOSELMANE: I just want to hear the responses. I am not asking questions.

Dr JOHN KAYE: You can ask questions later. Mr Leece, nobody is questioning the urgency, which you seem to be supporting. What I was questioning was the issue of whether we could not have renegotiated a timetable that avoided some of the really unpleasant outcomes and low value for money outcomes that this

Committee has already heard about. You might not have heard about them, but we certainly have heard a mountain of evidence of people who are grateful for the money but dissatisfied with the outcome.

Mr LEECE: I take umbrage at your suggestion that the less than 1 per cent of schools that you have heard of here, and the Teachers Federation has also said there is only 27 schools—

Dr JOHN KAYE: That is not correct. The Teachers Federation said it only had reports from 27 schools, it did not say there were only 27 schools. It clarified that in the evidence it gave us.

Mr LEECE: I am only talking of the evidence I saw before the upper House inquiry in Canberra, the Senate inquiry. Nevertheless, it said it had canvassed all its schools to try to get their complaints. So, I do not think it is fair to say that program has been unsuccessful because of the handful of schools that have been before this inquiry.

Dr JOHN KAYE: Let me take you to the issue of school halls. Let us look as an example, at a 14-core school. Let us say it has 499 students, which is the upper limit of a 14-core school and let us suppose that that school, because of its community, decided it needed a full stage. From the evidence that has been presented to us, it would have got 145 square metres of indoor space for its students. If you have 499 students and you have 145 square metres, does that not mean you have four kids per square metre?

Mr LEECE: I am sure your mathematics is correct but in practice it translates into about 40 per cent of hall is taken up by the stage and 60 per cent is taken up by the space for the children to sit on. Nevertheless, that is a choice for that school and it is by the people who established the standards for that size school, that students should all be able to sit on the floor in front of that stage.

Dr JOHN KAYE: Four students per square metre? You are happy to see—

Mr LEECE: I do not set the standards. I am not prepared to comment on whether that is satisfactory or not. It is not my position to comment on that. That is a matter for the Department of Education and Training.

Dr JOHN KAYE: So, you are quite comfortable with being the Coordinator General and allowing the stimulus money to be spent on schools where we are condemning kids to be sat down in assembly at four per square metre?

Mr LEECE: I am satisfied to be the Infrastructure Coordinator General responsible for the coordination of the overall program to see the school standards are met.

Dr JOHN KAYE: Can we talk a bit about your background and your qualifications for the job? What is your experience? Where have you worked previously to this job? Just a handful of places you have worked prior to this job?

Mr LEECE: I am a civil engineer by training with various other degrees. I have worked throughout industry as a director of many public companies. I have worked for the largest construction companies in New South Wales and was a key initiator of most of the public private partnership programs that were undertaken in the 1980s and 1990s. I have been involved with well over \$40 billion infrastructure development around the country, and I was also 2IC of the Sydney Olympics and responsible for the entire capital program for the Olympics.

Dr JOHN KAYE: That is very good. Did two of those companies you have worked for include Abigroup and Transfield?

Mr LEECE: Yes, they do.

Dr JOHN KAYE: Is Abigroup one of the lead contractors?

Mr LEECE: Yes, it is.

Dr JOHN KAYE: Is Transfield one of the major construction companies?

Mr LEECE: No, it is not involved in the P21. One of the Transfield companies has had some involvement in the maintenance of the housing program to a very small degree.

Dr JOHN KAYE: It was not involved in Alford's Point Public School?

Mr LEECE: I do not know. Not to my knowledge.

Dr JOHN KAYE: It was not involved in Clovelly Public School, Como Public School—

The Hon. SHAOQUETT MOSELMANE: Point of order: What is the relevance of this question?

CHAIR: Just get to the question.

Dr JOHN KAYE: You were involved in negotiations with companies like Abigroup?

Mr LEECE: No. I was not involved in negotiations. They have been selected on a competitive tender basis and I was not involved.

Dr JOHN KAYE: You had nothing to do with Abigroup?

The Hon. SHAOQUETT MOSELMANE: I ask once again what is the relevance of these questions?

Dr JOHN KAYE: One of the key components of being a parliamentarian is freedom of speech and I am exercising that right.

The Hon. SHAOQUETT MOSELMANE: I am asking what is the relevance of these questions.

Dr JOHN KAYE: You can ask whatever you like as long as it is your question time.

CHAIR: It is about tendering for construction works, and Mr Leece is explaining his role and he has been asked what his role was. I think that is quite legitimate.

The Hon. SHAOQUETT MOSELMANE: No, he is asking about his qualifications.

Mr LEECE: Because of the way the question is going, my role in Transfield finished in December 1995 or January 1996 when I went to the Olympics. I ceased being a director of Abigroup, I think it was, around March 1988. I have had no other involvement with either of those entities since. Therefore I see it has no relevance to any of the current activities I undertake.

Dr JOHN KAYE: And Transfield?

Mr LEECE: Yes, I said either December 1995 or January 1996 I ceased being an employee of Transfield.

The Hon. TONY CATANZARITI: I know you touched on this but I would like to ask you for clarification. You said in your submission you visited many parts of the State to see the rollouts of the stimulus package. Can you tell the Committee what you have seen?

Mr LEECE: I have crisscrossed the State and covered most areas of the State. The only areas I have not been are the far western part of New South Wales, down in Mildura, Broken Hill and those areas. What has been overwhelming to me was the impact that these school facilities are having on the school communities. The facilities are being provided that would never have been provided. I have seen the enthusiasm of the school communities and a great satisfaction by most school communities, by the principals, their parents and citizens and parents. I have certainly seen the contribution it is making to the kids themselves. It is so stimulating to see the excitement, not only of watching the construction activity but when you actually hand over the keys to a completed hall or building and for the kids to get the right to use these buildings, and the technology and the facilities we are putting as a system, we should be very proud of the technology and competency we are putting into these new buildings. It is extraordinary. Never before in New South Wales have we done anything like this and we should be praising the contributions that everybody is making to an outstanding success.

The Hon. TONY CATANZARITI: I agree, thank you.

The Hon. SHAOQUETT MOSELMANE: I am satisfied with the program. There are certainly some issues but can you give the Committee your views on the impact of the program in terms of job creation?

Mr LEECE: There are 23,000 full-time equivalent jobs each year in the program. On any one day—it varies in the school program itself—there are about 15,000 to 16,000 workers in the school program. There are about 4,000 to 5,000 in the housing program. The statistics speak for themselves; the economic data speaks for itself for the last five quarters of economic growth in New South Wales. I know—and my judgement in this industry at least, which has a multiplier effect of nine times—that we would be a basket case if this program was not being undertaken in New South Wales.

The Hon. SHAOQUETT MOSELMANE: We have heard a fair few comments about the longevity of the projects, whether they will serve for the next 20 years, 30 years or 50 years. What is your view on that?

Mr LEECE: As I said earlier, the designs are very robust and they are designed for people to have responsibilities for long life. There are great outcomes but there are some schools where people clearly question those design standards, but for those people who are questioning them, you have to trade off the capital cost with the whole-of-life cost; the initial capital cost, and the communities are certainly getting longevity in their projects.

The Hon. SHAOQUETT MOSELMANE: So you would say that the overwhelming section of the community is receiving value for money?

Mr LEECE: My judgement of value for money is design, function and economic outcomes, the longevity outcomes and the benefits that the school kids are going to get that they would never have got otherwise, so I think it is an extraordinary value for money exercise.

The Hon. CHRISTINE ROBERTSON: We heard earlier from Nashdale Public School that its request for self-management was actually rejected. Can you explain that?

Mr LEECE: I am not sure if Nashdale was one of the eight that actually formally requested self-management. There were only eight that formally requested it. They may have been. I do not recall the names of all the schools. I do recall the four that did actually agree to proceed, but they may have been. I do not know.

The Hon. CHRISTINE ROBERTSON: Was there such a thing in the process as "reject"?

Mr LEECE: No. There was a process for those who put their hand up—and I am not sure that they did put their hand up, but if they did put their hand up, I had a process where I sent somebody out to speak to the schools to ascertain, because it was my sole responsibility to accept a school for self-management. One of the objectives was to try to make sure we did get the end outcome and that the schools had the competency to undertake that. After this person rang up, four schools decided they did not want to proceed further and four did, as I said before.

The Hon. CHRISTINE ROBERTSON: Another perception has come forward throughout the inquiry that with specific projects money has run out, people say—those are the words—so parts of the project have been removed. Can you explain where that perception is coming from?

Mr LEECE: I think there may be confusion.

The Hon. CHRISTINE ROBERTSON: One school was discussed?

Mr LEECE: I do not know the individual school but we are managing the program; we structured the program so that we put in baskets, as you do in a normal program of this nature. You price and put in risks in the various elements of the program. As you work through the program, particularly one that is as advanced as this is, you can progressively, as those risks are passed or resolved, then release contingencies. We have been doing that actually since the end of March. We have been releasing contingencies and we are now adding back scope to schools that had previously had scope reduced.

So there are people working around the State progressively now talking to individual schools and there is the opportunity for any school at the moment—and they all know this—that they can be sitting down with their regional program director and negotiating about the adding back of the scope as the contingency is being released. Each month now it will be progressively rolled out and more money will become available so there will be further announcements in respect of this.

The Hon. CHRISTINE ROBERTSON: We have heard another thing, which would not be at the level you would have heard about, but some of the tenderers for the actual building contracts are having their tenders ignored?

Mr LEECE: No. Are you talking about local builders?

The Hon. CHRISTINE ROBERTSON: Yes?

Mr LEECE: First of all, we have certainly been out in the media and certainly through the entire program and right from the appointment of the managing contractors, the managing contractors have the first responsibility to give work to builders in the local areas and they had to involve the builders in the local areas. It was mandated. It was not an option, it was mandated. So all local builders had been given the opportunity to tender. Those that have not been accepted would be not accepted for a host of reasons. One, they would not be able to meet the contractual conditions; one they would not be able to probably meet the safety and occupational health and safety requirements, which are very strict and understandably very high. There are many reasons why they would not have been accepted. It is not just on price; it is on a whole lot of other factors.

Dr JOHN KAYE: Would they normally be told why they were not accepted?

Mr LEECE: I would expect that would be done in a normal process, absolutely. I would expect the managing contractor would advise people. If they asked why they were not accepted, they should be advised of that. That is the normal process, yes.

The Hon. CHRISTINE ROBERTSON: Did you actually expect such a blatant political campaign when you took on this amazing job?

CHAIR: What is the nature of that question?

Mr LEECE: It never crossed my mind. I am proud to have taken on the job. I think there are a lot of people who have put a lot of hard work and effort into trying to achieve an outcome. I think that anything that has achieved the outcomes that we see in front of us today, which is better than 95 per cent of satisfaction of the schools, in a program of this vastness and of this complexity across housing and education—as I said, the industry, it is a great industry, never before has been asked and done so well in this country. In my view, it has been better and more complex than the Olympics to roll out and administer and it has achieved an outstanding result. It may not have, as I said earlier, the architectural or engineering grandeur of projects but that does not remove the complexities that have had to be undertaken.

The Hon. GREG PEARCE: Looking at the BER website under the description of "Managing contract and model" it says, "Taskforce Chairman and Infrastructure Coordinator General Bob Leece was the architect of the managing contractor delivery approach". It goes on to say, "The managing contractor model is the only way to get the outcomes". Having regard to that, which is a key fundamental issue, and the fact that something like 1,400 national school pride and over 1,000 P21 projects were delivered by the Catholic and independent systems without that model and other State systems did not use that model, and where we have had self-managed schools they have been able to do it with a different model, in many cases at half the price, are we really to believe that you are the best impartial witness on this issue?

Mr LEECE: First of all, let the facts speak for themselves. When you say "half the price", there has been no evidence presented to me by either the independents, the Catholics or through the State system any comparisons that anything shows a marked difference in price. As you are well aware, before this inquiry, at the last hearing of this inquiry you heard from the Catholics, and the Catholics in their biggest diocese of Sydney, they accepted the managing contractor model. They accepted the managing contractor without negotiation, they said, and they accepted the managing contractor that we had.

The Hon. GREG PEARCE: But they got a very different cost outcome.

Mr LEECE: No, they have not. I will come back to that. I want to come back to that.

The Hon. GREG PEARCE: Perhaps you could submit the numbers to us that show that they were different.

Mr LEECE: I will come back to that. They accepted the managing contractor model. They accepted the same managing contractor that we have in one of our areas. That managing contractor is using the same contractors and the same tradesmen who are using similar rates that we are using. So it is the same. There has been no comparison ever put in front of me about the costings. On the costing side, you have to compare the scope on each site and the circumstances of each site on a case-by-case basis. Each site is unique. And the other thing the Catholics said—

The Hon. GREG PEARCE: If you can show us those numbers that establish what you are suggesting, we would love to see them.

Mr LEECE: Okay. Well then, if I may, I have two more points to add. First of all, the Catholics said they are only using average costings in their program and comparing with normal business activities is what they said. Anything to compare—

The Hon. GREG PEARCE: And they are achieving those.

Mr LEECE: No, they are not.

The Hon. GREG PEARCE: They said they were.

Mr LEECE: First of all, we have delivered more programs, more schools in use than the entire Catholic system to date, so our program is much, much bigger. On the costing thing, the only way we can measure true cost, you will only know true cost when a program is complete, where an individual school is complete. At the moment it is far too premature. On our website we are still putting up estimates. We still have contingencies in those estimates. We are releasing those contingencies and we do not have the final costs, nor do the Catholics. So any comparison that anybody gives you at this point in time, in any of the reviews and any audits, is far premature to have a realistic and genuine assessment.

(The witness withdrew)

BRIAN ELLIS BAKER, Deputy Director General, New South Wales Department of Services, Technology and Administration, , , , sworn and examined:

CHAIR: In what capacity are you appearing before the Committee today?

Mr B. BAKER: I am representing the Department of Services, Technology and Administration.

CHAIR: There is an opportunity for some opening remarks if you would like.

Mr B. BAKER: I note that the department has made a submission to the inquiry and I rest on that submission.

CHAIR: Given your website talks about a standard, we are trying to get our heads around different sites. We understand that sites are different, but there is a standard design for a covered outdoor learning area [COLA] that includes draft architects plans, et cetera. What I do not understand is why each school has been charged something in the order of \$70,000 to pay for design documentation when that is a standard.

Mr B. BAKER: That is a question that probably relates more to the integrated program office. As the Department of Services, Technology and Administration we are providing resources into that office and supporting that office but the arrangements by which they are managing that contract is determined by the office itself.

CHAIR: At the beginning I would like you to tell me whether you think value for money has been delivered under this program. Do you think schools have got what they wanted, although they were grateful for the building works that are being done? Do you think, with the benefit of hindsight, that this could have been done differently? If so, how? If not, why?

Mr B. BAKER: Obviously that is quite a complex question and the reason we are having this inquiry at the moment, I think. In terms of value for money, it depends on how you take into account the economic stimulus that we are receiving out of that value as well. The value for money also could be in the perspective of the school or it could be from the department of education's perspective, and I guess the context there is that the assets are ultimately owned by the Department of Education and Training and they have a responsibility to manage those assets over the whole of life in terms of maintenance to the assets, cleaning the assets and also fitness of purpose of those assets to suit their educational outcomes. It is not unusual for there to be a potential conflict between the view of a local school community in terms of immediate needs and that of the education department, with its longer-term view around what is the most appropriate asset in that regard.

The school facility standards are an attempt at bridging between those different perspectives, and those standards have been developed over a very long period of time. They have been developed on the basis of experience. Some of those experiences are failures of some assets, such as COLAs which have collapsed under various loading, et cetera. They are based upon experiences with educational outcomes but they are also developed in consultation between the school communities, representatives of educationalists as well as the department in terms of its whole of life cost. So the standards themselves as a design do represent value for money in terms of their appropriateness for the purpose. The issue then becomes: What do you pay in delivering that particular asset to those standards on a school site?

I have not done any analysis in terms of the detail of the cost that has been achieved under the BER compared to business as usual, but I see that if you are going to move ahead very quickly you may be paying a premium in relation to achieving best price in the marketplace. Also in a marketplace which could be moving very quickly, a very increased demand in the marketplace normally would push up prices as well. So expectation would be that with a very large program you will see prices increase, but in terms of value for money when you are bringing in the economic stimulus as well I think you start to see some balance there. But I must qualify my statement by saying I have not done a detailed analysis between the two.

The Hon. GREG PEARCE: You referred to the department's submission in which the director general mentioned or suggested that the department has a limited role in relation to these projects.

Mr B. BAKER: Yes.

The Hon. GREG PEARCE: But he goes on to say that you are the person who would be able to assist the Committee the best.

Mr B. BAKER: Within the department I would be the person who has been closest to our involvement with the BER throughout.

The Hon. GREG PEARCE: So when the Chair asked you a question a moment ago about certain aspects of these contracts you suggested that it was the integrated program office that could respond to that.

Mr B. BAKER: The integrated program office is a division within the Department of Education and Training. It is not part of the Department of Services, Technology and Administration.

The Hon. GREG PEARCE: Then why have you been sent along to answer these questions?

Mr B. BAKER: I was invited along to represent the Department of Services, Technology and Administration at the request of the Committee.

The Hon. GREG PEARCE: And is the IPO not provided by your department?

Mr B. BAKER: No, that is within the Department of Education and Training. I think you had Angus Dawson representing the IPO before the Committee.

The Hon. GREG PEARCE: So is the staffing of the IPO not provided by staff from your department?

Mr B. BAKER: No. We have approximately five or six staff working within the IPO. We have a memorandum of understanding between ourselves and the education department. They come under the daily direction and control of the IPO within the Department of Education and Training.

The Hon. GREG PEARCE: And that is the memorandum of understanding which, at the time of the submission, was not signed or executed?

Mr B. BAKER: That is now signed.

The Hon. GREG PEARCE: I notice just in looking at that memorandum, of which your department is a party, under the part which talks about the intention of the parties there is no reference to achieving value for money.

Mr B. BAKER: No, there is not in that. The MOU is in relation to the services we were providing into the IPO.

The Hon. GREG PEARCE: Where is the reference to value for money?

Mr B. BAKER: Where is the reference to value for money?

The Hon. GREG PEARCE: Where is the instruction to achieve value for money in the State Government's delivery of these projects?

Mr B. BAKER: The foundation principle of the State's procurement policy is value for money. It is clearly stated in the introduction to the policy.

The Hon. GREG PEARCE: Is the IPO bound by that policy?

Mr B. BAKER: To my understanding, it certainly is.

The Hon. GREG PEARCE: What things would you expect them to do to ensure value for money?

Mr B. BAKER: In terms of the BER, to obtain best value within the marketplace, given the constraints of the program.

The Hon. GREG PEARCE: How would they do that?

Mr B. BAKER: The stimulus is to stimulate the private sector, to engage with the private sector, to understand as best you can where pricing might be within the market at that time, to assess prices being received against that market, and to determine whether or not that is value for money.

The Hon. GREG PEARCE: I guess we are having a bit of trouble understanding how this pricing process works. A lot of confusion has been caused by the estimates for prices being placed on the website, and the concept of having to get an average price later on, and adjustments on it. Can you explain simply to us how that pricing process works?

Mr B. BAKER: I will certainly attempt to. For a start, the information that is on the website generally is a budget. So it is not the price of the work; it is just an arrangement, so they can manage the overall program. In terms of obtaining prices from the managing contractor, it is quite an unusual arrangement that you go into a contract without actually knowing the scope of the work—which is the case in relation to the BER, in that the scope of the work for each school site was not determined. The approach was to engage with contractors, firstly to assess whether or not they had the capability of providing a value for money price in the market place. That was done in the early stages of the contract. There were a number of—

The Hon. GREG PEARCE: What was the measure for a value for money price?

Mr B. BAKER: It was a comparison against preceding prices in the marketplace.

The Hon. GREG PEARCE: So the original estimates should have been based on a comparison of the current prices at that point in time—historical prices?

Mr B. BAKER: In terms of that early-stage comparison, before the contractors commenced doing work, it was looking at similar generic projects in the marketplace and the prices received for those types of projects, and then looking at what the managing contractor put forward as their price for delivering such projects. That was first of all to examine whether the managing contractors were deemed to have the ability to drive those prices in the marketplace. That was in the generic sense; that was before there was scope for individual school sites. Once the scope of the school site was determined, the contractor was asked to come forward with an estimate for carrying out the work at that school site, and that was then compared against the budget that had been provided for that school site—again to make sure that the managing contractor had within his sights the ability to deliver that work within the funding.

At the end of the day, what the contractor is paid is the actual cost of doing the work, which is then measured against a benchmark value [BMV], which looks at prices across the marketplace. If the managing contractor comes in 5 per cent above that BMV, that is an additional cost borne by the contractor. If the contractor comes in at below that 5 per cent threshold above the BMV, they are paid the actual cost. That is the way in which value for money has been assessed in the marketplace.

The Hon. GREG PEARCE: What I am struggling with—and I think a lot of people are struggling with—is that there seems to be a step between where the managing contractors were selected and where they put a budget against the projects. What was the step in that process that made sure that those budgets were consistent with those historical prices you talked about before? That is where there seems to have been a huge leap in cost, and then after that we go to actual price. So, again, there is no control. They do not even keep them to the budget. You have the parameters of 105 per cent of the budget, but the actual costs can blow out, and so can scope.

Mr B. BAKER: The actual scope of a school site may not have been determined until well into the contract. So there is no actual budget for that school site until the scope is determined.

The Hon. GREG PEARCE: But at that point in time, the sole contractor decides the figure?

Mr B. BAKER: No. The budget is set by the IPO. They have a team of quantity surveyors who understand what is happening in the market at that time, and they put together a budget for that particular school site, against the scope of work. The contractor then comes up with their estimate for cost against that, and it is the comparison between the two that determines whether there is a gap between what the contract is targeting and what the IPO sees as being an appropriate cost in the marketplace at that time. If there is a gap between the two, there is then an opportunity to re-scope or revisit that pricing.

Dr JOHN KAYE: Your organisation, the DSTA, was responsible for the procurement of the modular design range of buildings?

Mr B. BAKER: Most of those, yes.

Dr JOHN KAYE: Most of those, or all of those?

Mr B. BAKER: Most of those.

Dr JOHN KAYE: Can you describe what your organisation's responsibility was? Did you select the providers of the MDR?

Mr B. BAKER: The ones that we were involved with were procured through existing contracts. Those contracts existed before the BER.

Dr JOHN KAYE: These were existing contracts to provide a modular design range of buildings?

Mr B. BAKER: Yes.

Dr JOHN KAYE: And you simply upscaled those contracts, as it were?

Mr B. BAKER: Yes. The MDR buildings had been used for some time by the Department of Education and Training across the State.

Dr JOHN KAYE: Can you give us a dollar estimate of how much BER business went through your MDR contracts?

Mr B. BAKER: I cannot tell you the current total number of MDRs, but approximately 141 would have gone through our contracts.

Dr JOHN KAYE: And each of those, on average, would be roughly how much, in dollar value?

Mr B. BAKER: Very roughly, \$350,000, as an average. But I have not done that calculation.

Dr JOHN KAYE: So hundreds of millions of dollars went through your MDR contract?

Mr B. BAKER: Yes.

Dr JOHN KAYE: Yet, your organisation has made no attempt to renegotiate those contracts, to say, "We are about to go on the market for the biggest single series of purchases of MDRs in the history of the use of MDR in New South Wales"? You just used the existing contracts?

Mr B. BAKER: Consideration was given to that very point. That is fundamental to what we normally do. The context here was time, in terms of moving. The—

Dr JOHN KAYE: You traded off value for time?

Mr B. BAKER: No. The way in which we assessed value was this. Those contracts had only recently been awarded. There was a competitive process in the marketplace to determine the rates in those contracts—

Dr JOHN KAYE: But they were contracts with an anticipation of the usual rate at which you purchased MDR components. You increased it to several hundreds of millions of dollars, on the same contract price that was written for tens of millions of dollars?

Mr B. BAKER: I think you are referring to whether there was any efficiency in the scale of work that was being carried out.

Dr JOHN KAYE: No. I am talking about buying power: the more you buy, the more power you have in the marketplace. You did not exercise that buying power?

Mr B. BAKER: You might argue that. Our view would be that we had an understanding of what the prices were in the marketplace at that time, and that those contracts we had in place were constituting good value for money at that time. In terms of the capacity of industry to produce more units, it fitted within the capacity of those organisations, so there was not a cost penalty associated with procuring through that model.

Dr JOHN KAYE: How did you test that you had good value? How do you go about saying you will spend \$300 million on MDR? What is a good contract price for that? If you did not put it out to the marketplace, how did you test that?

Mr B. BAKER: It had initially been to the marketplace.

Dr JOHN KAYE: But not the \$300 million—or however many hundreds of millions of dollars it was. When you put it to the marketplace for tens of millions of dollars you got a contract which might well have been a very good contract. But when you put that contract out there, neither you nor your suppliers, or the range of suppliers, were anticipating the size of the contract that it would blow out to?

Mr B. BAKER: Your question is around value for money, and we are also talking about price. Initially that value for money, as I said before, was the understanding about having the money out there stimulating the economy and reducing lead times. That was a factor taken into account in terms of that assessment of value for money.

Dr JOHN KAYE: To boil that down, you decided to go with the contracts you had because it would have taken longer to go out and test the marketplace by putting out a new contract?

Mr B. BAKER: It would have taken longer and it was assessed that there was going to be no material improvement in relation to price and therefore potentially a lesser value for money when you took out the component of economic stimulus.

Dr JOHN KAYE: Am I correct in saying that the IPO from the Department of Education of Training [DET] sought a number of variations to those contracts for the supply of MDR?

Mr B. BAKER: Subsequent to that point the IPO also went to the marketplace themselves.

Dr JOHN KAYE: With respect to the contracts you managed what were the variations they sought?

Mr B. BAKER: Variations primarily in relation to installed SMART boards.

Dr JOHN KAYE: I am confused. I thought the MDR was just the components, the Meccano set that you put together?

Mr B. BAKER: MDR has various types depending on what it is going in as, an administration unit, or a classroom, or a hall.

Dr JOHN KAYE: Is the SMART Board added in later from another contract?

Mr B. BAKER: But you need to have a structure to support the SMART Board from. It was not incorporated in the design.

Dr JOHN KAYE: If I just buy a basic MDR, a modular designed room or a set of modular designed rooms, I cannot put in a SMART Board in a standard version?

Mr B. BAKER: You could but you may have a frame that is external to the clad wall. What was deemed to be a more appropriate solution was to actually change the structure of that wall to provide the frame within the wall.

Dr JOHN KAYE: At what point was that change negotiated?

Mr B. BAKER: Very early during the procurement.

Dr JOHN KAYE: Presumably there was an increase in cost for the change?

Mr B. BAKER: Yes, there was.

Dr JOHN KAYE: How was that cost negotiated given that you were not re-writing contracts?

Mr B. BAKER: By a detailed assessment of the work, materials and the rates applied to that in a normal variation sense. So we had Qs assist us in terms of the pricing for materials and labour and that was then negotiated with the contractors in the normal procurement arrangement.

Dr JOHN KAYE: We were told by Cattai Public School that in fact they did not want a room. They were given a modular designed room or building and they did not want that particular shape. They actually wanted a longer and skinnier shape. They were given a 14 metres by 10 metres building and they wanted a 16 metres by 8 metres building to suit their needs. Was there any consideration given to varying the contract with respect to the shape or providing opportunities for different shapes of MDRs or was it just going to be public education was to get one-size-fits-all?

Mr B. BAKER: No, the design is an Education design. We were not a participant in that discussion between the school and the IPO. We were asked to procure additional units against existing designs.

Dr JOHN KAYE: Will you provide the committee on notice with the exact dollar amounts and quantities that went through the contracts that you managed with respect to MDRs?

Mr B. BAKER: In terms of the total cost?

Dr JOHN KAYE: Total cost for each contract.

Mr B. BAKER: We can do that, yes.

Dr JOHN KAYE: Were the MDRs installed in New South Wales constructed in New South Wales?

Mr B. BAKER: No.

Dr JOHN KAYE: They were constructed in Victoria?

Mr B. BAKER: And Queensland.

Dr JOHN KAYE: But not New South Wales?

Mr B. BAKER: To my knowledge the bulk would have been constructed in Victoria and Queensland. Some of those companies actually have operations across Australia. I personally do not have knowledge of where they were all constructed.

Dr JOHN KAYE: Was any effort made to secure the benefit of what was, roughly speaking 10 per cent of the total BER funding for New South Wales? We were happy to see it go north and south of the borders?

Mr B. BAKER: I think the view would have been that the Federal Government was looking to stimulate the economy. The Federal Government probably was not prescribing those dollars to New South Wales.

Dr JOHN KAYE: Are you saying the Federal Government did not give that money to New South Wales?

Mr B. BAKER: No, the Federal Government did not give the money to New South Wales with a caveat that is for stimulating the economy of New South Wales.

Dr JOHN KAYE: No doubt it did not but the money was in New South Wales Government hands and yet at least 10 per cent of it, probably a lot more, went to other States? Your organisation gave no consideration to trying to find contractors who would keep more of that money in New South Wales?

Mr B. BAKER: The State Government was very diligent in terms of maximising work in New South Wales but it was more to do with the construction trades rather than the supply of materials or pre-manufactured units.

Dr JOHN KAYE: I ask again for a "yes" or "no" answer. With respect to the MDR you did not attempt to maximise the component, or the value of the MDR contract that was manufactured in New South Wales?

Mr B. BAKER: I suggest it would have been inconsistent with State Government procurement policy.

Dr JOHN KAYE: In Mr Duncan's submission to the inquiry he states:

Under the BER the MOU provides that DSTA [your organisation] will refund the Department of Education and Training estimated management fees received by the State Contracts Control Board in accordance with clause 3.4 of the MOU.

Mr B. BAKER: Yes.

Dr JOHN KAYE: Do the management fees include the cost of operation or does that refer to the mark-up fee on top of your basic costs?

Mr B. BAKER: This is to do with State Government goods and services contracts. It is not in relation to other services such as project management. So it might be carpet supply, for example. The way in which those contracts operate is that the carpet supplier pays to the State Government a percentage on top of that supply. What has been agreed in relation to the BER is that that will be calculated and returned to the program.

Dr JOHN KAYE: Mr Baker, you said the carpet supplier pays to the Government on top of what? I am confused. I thought you paid the carpet supplier to provide the carpet.

Mr B. BAKER: No, the State Contracts Control Board puts in place contracts for goods and services. Agencies can procure against those contracts. The State Contracts Control Board, in terms of its costs to put those contracts in place and to administer and manage those contracts, does not charge the agencies. So that the funding model is that the supplier will pay a percentage of their supply back to the State Contracts Control Board which then funds the board in its operation, and what has been agreed in relation to the BER is that that percentage that is paid back to the board will go back into the program.

The Hon. GREG PEARCE: Is that the 2½ per cent fee?

Mr B. BAKER: It has been referenced at 2½ per cent but it is variable, depending on the contracts. It is around that percentage.

Dr JOHN KAYE: That money goes back to the IPO?

Mr B. BAKER: Yes, in the MOU it states that there will be a calculation of that amount.

The Hon. CHRISTINE ROBERTSON: I refer to the process for your department working in the regional areas, for example, in relation to the BER project. I come from Health so I understand that you people have a lot to do when we are doing Health installations. Because the BER has set up this other structure inside the DET does that mean that you are excluded or, for example, at the regional level you still participate?

Mr B. BAKER: There has been a very heavy participation in the regional locations, primarily in relation to the National School Pride Program. I think that our staff across the State delivered something like 35,000 different jobs, about \$140 million worth of work around the State, that involved multiple contracts but also using what is referred to as the asset maintenance contractor who does work generally for the Education department. We have had probably in excess of 100 staff around the State very actively involved in the National School Pride. We are delivering approximately 55 science laboratories under existing arrangements, multiple substation power upgrades and some other elements which escape me for the moment.

The Hon. CHRISTINE ROBERTSON: Do you know much about substation upgrades that were raised earlier today? Will you take on notice and supply us with information about it?

Mr B. BAKER: What particular information?

The Hon. CHRISTINE ROBERTSON: I know that the substation upgrades have been required by schools progressively across the State as they have increased their information and technology. Despite what we heard earlier, quite a few primary schools are actually looking at giving all of their year 5-6 students at least full-time computers. I do know there is a heavy demand.

The Hon. CHRISTINE ROBERTSON: We heard evidence earlier from a person from one of the schools who was concerned that money had been taken from their budget for a substation upgrade?

Mr B. BAKER: Right.

The Hon. CHRISTINE ROBERTSON: Will you take it on notice to provide to the Committee an overview of the situation with substation upgrades across the school sector, if you have been involved in that?

Mr B. BAKER: I can mention very briefly that our role has been primarily a technical role in assessing whether an upgrade is required and, if it is, actually procuring that upgrade. We can take that on notice.

The Hon. CHRISTINE ROBERTSON: I understand as well that sometimes that procurement has involved hitting the local community or local government to subsidise the substation costs for the benefit of the rest of the community. Have you had anything to do with that?

Mr B. BAKER: My understanding is that it has been consistent with the way in which the power supply authority locally normally upgrades power supplies in those local areas.

The Hon. CHRISTINE ROBERTSON: I do not how close you are to the projects but early today we were given some photographs that are now public so I can share them with you for my question.

CHAIR: They have not been published.

The Hon. CHRISTINE ROBERTSON: I thought we moved to publish them?

Dr JOHN KAYE: No, we have not as yet, unfortunately.

The Hon. CHRISTINE ROBERTSON: How come?

Dr JOHN KAYE: We tabled them but did not publish them. It was my fault, sorry.

The Hon. CHRISTINE ROBERTSON: Greg Pearce moved to publish them.

Dr JOHN KAYE: I move that those photographs be published?

The Hon. CHRISTINE ROBERTSON: Thank you so much, Dr Kaye.

CHAIR: Very well.

The Hon. CHRISTINE ROBERTSON: The Committee was shown some photographs of Nashdale Public School and several descriptors were given of that modular unit. Do you have enough information as you flick through those photographs to comment on how much more work would have to be done to that unit before it would be considered finished? We have had descriptors such as plywood and tin.

Mr B. BAKER: This is in terms of the actual construction itself? I cannot give you a great deal of comment. The building structure as it sits above the foundation appears to be standard in terms of its quality of manufacture. More often when we see the MDRs on a site they actually have a bricked-in plinth around the base of the MDR. I must admit though that I am not personally aware of all the MDRs across the State, but most times we would see that with a bricked-in structure around the base of it. Other than that the superstructure appears to be, from these photographs, the standard MDR construction. I think it is more highlighting the foundation and support for the structure.

The Hon. CHRISTINE ROBERTSON: The walls? Can you imagine what would be happening to the walls at a later date?

Mr B. BAKER: One photograph here I am assuming is looking at the floor from underneath?

Dr JOHN KAYE: That is correct.

Mr B. BAKER: That would not be unusual. It depends on what is actually going to come into contact with that floor, whether it is going to get wet or how it might weather.

Dr JOHN KAYE: Floors in public education get wet, Mr Baker, guaranteed.

Mr B. BAKER: No, I mean external.

The Hon. CHRISTINE ROBERTSON: He means from underneath—rising damp.

Mr B. BAKER: That to me is consistent with that type of structure, and depending on the actual material. It appears to be a ply wood material. There is a great range in plywood in terms of the glues that are used and the durability of plywood as well. It may well be quite adequate for that purpose.

The Hon. GREG PEARCE: Just picking up on the electrical substations. I think you said that you assess whether there is one required and then you procure the upgrade.

Mr B. BAKER: We have electrical engineers who regularly work with the Education department looking at loads on the site and looking at what might be happening in the local area with the supply authority, and then determining the upgrade that is required. Normally with the Education department we would procure the supply upgrade, so dealing with the supply authority.

The Hon. GREG PEARCE: Have you done that in relation to these BER projects?

Mr B. BAKER: A number of them we have—I think approximately 24.

The Hon. GREG PEARCE: So you would be able to give us a list of those and the cost of procurement of those?

Mr B. BAKER: For the 24 I am aware of, we could give you the details of the location and the cost.

The Hon. GREG PEARCE: And you could check if there are any others that you are not aware of—

Mr B. BAKER: I could check for ones we might be involved in, most certainly.

The Hon. GREG PEARCE: When the schools get an estimated projected expenditure, which includes network substation allowance, is that a figure that would have come from you? Where does that figure come from?

Mr B. BAKER: You might know more than I do about whether that allowance has been included in every site. Early on I think the intention was to compile the budget, before there was actually knowledge of the site, to put a provision in there in case it was required, to make sure there was adequate funds in the site—

The Hon. CHRISTINE ROBERTSON: That is where the readjustments are coming from?

Mr B. BAKER: That is right. It is just a provision. It is most likely that we would have given some information about what might be some experiences around the cost and therefore an average may have been derived from the figures that we provided.

The Hon. GREG PEARCE: So the project management costs and various other items that are percentages would have been based on the inclusion of that figure as well in calculations?

Mr B. BAKER: If it was a calculated percentage most likely, yes.

The Hon. GREG PEARCE: Returning to the question by Dr John Kaye about procurement arrangements and the fees. As I understand it under state contracts there is, say, a 2.5 per cent fee?

Mr B. BAKER: Yes.

The Hon. GREG PEARCE: What happens is if the Department of Education and Training wants to buy through one of those State contracts, it procures through one of the approved suppliers and they pay that supplier \$100?

Mr B. BAKER: Yes.

The Hon. GREG PEARCE: On top of that they pay \$2.50 to the department?

Mr B. BAKER: No, they pay \$100 and \$2.50 will be paid by the supplier back to the department. The Education department just see the one cost, which is inclusive of the cost of administration of that contract if you like. It is the funding model for that recovery of costs.

The Hon. GREG PEARCE: It is a bit of an odd model. Why would you get it from the supplier? Surely the agency should be paying?

Mr B. BAKER: It is just a model. You could do it that way as well, but over time that has been deemed to be a more efficient model. It does not require DET to make two payments—they are not paying the supplier and then paying another payment into the State Contracts Control Board.

The Hon. GREG PEARCE: We heard a lot of evidence from schools that they were dissuaded from self-managing because of occupational health and safety and other sorts of issues. Will you comment on that? Will you also explain how schools enter contracts for self-managed procurement under the various schemes—for instance, the Investing in Our Schools Program? I would have thought schools did not have a legal entity and they would have been contracting through the department or through another agency?

Mr B. BAKER: To address the occupational health and safety element to start with. The school principals I understand are deemed as being a controller of the premises under the Industrial Relations Act, and they have that responsibility in terms of the daily operation of that site. If there is an incident on the site there is a responsibility of the controller of the premises as well as the principal contractor on that site. It may well be that the principal would have a liability as the controller of the premises if the—

The Hon. GREG PEARCE: How would that change if it were a managed contract?

Mr B. BAKER: It depends on who then is the principal contractor on the site. It could be that having a competent principal contractor on the site mitigates the liability of the controller of the premises. So if the school principal is managing that arrangement himself or herself, it depends on what arrangements they put in place to ensure that there is a competent principal contractor on the site. If they did have a competent principal contractor that could well mitigate their liability as controller of the premises. It would not eliminate that liability but could certainly mitigate that liability and I guess, given my background being involved in construction, understanding the particular risks around construction no doubt are quite different to the risk associated with managing a school site when there is no construction taking place, there is potential there that school principals are being put to a higher level of risk or potential liability depending on what arrangements they have in place for managing.

The Hon. GREG PEARCE: But they are potentially liable even if their school is using the managed contract approach.

Mr B. BAKER: I think a few lawyers might argue that point, but it is well mitigated in that regard.

The Hon. GREG PEARCE: But they are still potentially liable.

Mr B. BAKER: I am not a lawyer but under law it could be that they still are sitting there as a controller of the premises. A prosecutor might say that you had the opportunity to do something and did not do it and therefore you have a liability. I think it is well mitigated, though.

Dr JOHN KAYE: The Department of Services, Technology and Administration will only charge for services on a cost recovery basis.

Mr B. BAKER: Yes.

Dr JOHN KAYE: Is that just the wages component?

Mr B. BAKER: No.

Dr JOHN KAYE: It is not only the wages component?

Mr B. BAKER: Wages are a component of cost.

Dr JOHN KAYE: So it is wages and on-costs; what else do you charge? When you talk about cost recovery basis—I am talking about the memorandum of understanding— what is involved in what the DSTA charges?

Mr B. BAKER: By way of background, New South Wales Public Works, which is the entity for providing those services generally, is non-budget funded, so we operate as a commercial operation. It is the costs of our wages, the statutory on-costs associated with employment of staff, accommodation, computers, and those typical support costs required to run the business. It is not anything beyond that in terms of an equivalence of a profit or a margin.

Dr JOHN KAYE: Normally there is a margin but the MOU waives that margin?

Mr B. BAKER: Basically, yes, so it is cost other than margin primarily.

CHAIR: There may be some questions on notice coming to you, in which case there is a 21-day turn-around for those. You have also taken some question on notice and we would like the answers within that time frame. Would a Committee member like to move that the documents that have been tabled be published?

The Hon. CHRISTINE ROBERTSON: Yes.

CHAIR: Thank you.

(The witness withdrew)

(Short adjournment)

RICHARD WILLIAM BENNETT, President, Tottenham Central School Parents and Citizens Association, sworn and examined:

ROGER STANLEY BAKER, Treasurer, Tottenham Central School Parents and Citizens Association, affirmed and examined:

CHAIR: Thank you for your attendance at this late hour. We appreciate the distance you have travelled to be here today to present your evidence. In what capacity are you appearing before the Committee today?

Mr BENNETT: I am President of the Tottenham Central School Parents and Citizens Association.

Mr R. BAKER: I am Treasurer of the Tottenham Central School Parents and Citizens Association.

CHAIR: You have an opportunity to make an opening statement. I am aware that there may have been changes in your situation since your submission.

Mr BENNETT: In regards to our canteen, I will let you know exactly what happened. We had two relieving principals in the time that our canteen started. The original principal was Brendan Maher when the canteen was signed off. Brendan came to a Parents and Citizens [P and C] meeting on 19 May and said, "You guys are getting a new canteen, \$600,000, and also \$250,000 worth of classroom refurbishments." We thought at the time "You beauty". But unbeknownst to us, Brendan sent an email on 20 May 2009, which I would like to read now.

Mr R. BAKER: Do you want to show the plan?

Mr BENNETT: Yes, I will table everything that was in Brendan's folder at the time. I would also like to say that that is a core-14 canteen and we got a core-7 canteen.

CHAIR: Is a core-7 bigger than a core-14?

Mr BENNETT: Half the size. It actually says on that "14 linear canteen", not 14-core canteen. That is a site map of Tottenham Central School. If you measure the measurements, that canteen measures six metres by eight metres, which is the same size as the core-14 canteen. That is what he had in his folder. I will table that and it can be copied. This is the email that Brendan sent the day after a P and C meeting after telling us that we were getting a new canteen. The subject is "BER nomination variation" and it was sent to Anne Sheldrick, who was the principal's liaison officer for the BER program. It says:

Anne, I have just had a visit from Richard Weblin and Peter from Commerce regarding our site. In our discussion I have realised that the canteen being provided by the BER is considerably smaller in size and does not have the COLA capacity that our canteen has. Our canteen structure is a demountable and covered area providing a cool area for primary students in summer when it exceeds 45 degrees and in winter a dry warm area for lunch. If the new canteen does not meet this use, then I would think that we would be better off with our current canteen and look at areas in our school that could better benefit from the BER. Please feel free to call me at any time to discuss.

Cheers
Brendan Maher, Relieving Principal, Tottenham Central School

Brendan sent that email and left the school on 12 June. Trevor Hodges, another relieving principal, then took over on 16 June. Trevor came to a P and C meeting and said to us—this was obviously in between months—"Parents and citizens meeting, 16 June, canteen to be started in July school holidays", which was pretty much straightaway. The next P and C meeting, 15 September, "No BER movement at all". Eventually when the handover was on 10/3/2010 we still never had a plan for a core-7 canteen on the school grounds. There was never, ever a 7-core canteen plan.

When I first saw the building going up I went and saw the principal and said, "I believe they are building the wrong canteen at our school, Steve. Where's the plan?" He said, "We haven't got a plan." I said, "You have got to have plan. Where was your consultation period? You have got to have a plan." He said, "No, there is not a plan. I have looked through Brendan's stuff, I have looked through Trevor's stuff and there is no plan." I said, "I believe they are building the wrong canteen. It is miles too small." He has gone to Angus

Dawson. Angus has sent out Stuart McCreery and Jim Smith from the Department of Commerce. On 27 April they came out and gave us a plan. That was the first time a plan was given to us. We had no consultation at all. I had spoken to the principals and they had very little consultation as well. I still cannot work out why Brendan's email was never acted on and the canteen went ahead. We have now got a structure in our school that is miles too small, no bench space whatsoever. I had another visit from Angus Dawson the day before the task force came, which was 8 June. Angus came out with Stuart McCreery.

Mr R. BAKER: I just add that you requested information from Angus before that visit.

Mr BENNETT: Before the BER task force came out I spoke to Angus to bring out costings, all invoices from subcontractors, work site diaries, Working with Children register detailing compliance for everyone that worked on the project, full costings for canteen and full costings for refurbishment of classrooms independent of each other. With that, they have brought this out to us and handed that to us the day before the BER task force turned up.

CHAIR: Would you describe that for Hansard? It is a folder?

Mr BENNETT: It is a folder with a bit of stuff about Tottenham Central School. Most of the stuff is estimated costs.

Mr R. BAKER: Diagrams.

Mr BENNETT: A lot of diagrams and stuff like that. In that folder there is one sheet of costings. It says "Paid". We believe at this stage they have actually paid \$834,139.53 and the balance owing is \$120,389.20. Our budget is \$850,000. The total comes up to \$954,528.73. We still have not got a canteen that is useable by us.

The Hon. GREG PEARCE: Would you table that?

Mr BENNETT: Definitely. That is the actual design for the 7-core canteen. If you go to the second page it gives the dimensions of the canteen. If you look at the dimensions, for one side of the canteen it says it is 7,925. That is not even the dimension of the canteen. The actual full dimension of that side of the canteen is 8,530. If you look at it, they have not gone to the edge of the building. If you take these and add these together, that is the full dimension of the canteen, yet they have given 7,925. Who drew that up? You pay big money for designs. That does not even add up.

CHAIR: Is that not a template design, which is what the designs for a number of the buildings have been? Have they just used a template off the website or is that a one-off?

Mr BENNETT: No.

Mr R. BAKER: That is not on the website.

Mr BENNETT: At no stage was there a core-7 canteen on the website. That was one of the first places that I went to in order to find the design for our canteen. At no stage was there a core-7 canteen on the website.

CHAIR: Did you get a special?

Mr BENNETT: Yes. Apparently we got the smaller canteen. We were in the room earlier when one of the witnesses said that this was the same as building houses everywhere. We have had \$950,000 spent on Tottenham and I do not believe we even have a kitchen let alone a house. He was talking about taking the value of cars and he was comparing it with cars. We have a scooter; there is no way that we got a car. We are now stuck in a position where we have a canteen that is not usable.

The other day Angus Dawson came out and he looked at the canteen. I said, "Angus, where do we go to from here? This canteen is not big enough." He said, "It has to be. It has to work." He said, "My partner is a chef. She can dish up a meal in a small kitchen or a big kitchen." I said, "Angus, when you walk into a kitchen all your appliances already have a place and you have bench space. By the time you put the appliances in our canteen we have no bench space." I will also table a picture of the inside of our canteen where we have marked

out with white tape where the appliances will go. We are left with a serving area that is no more than a metre by a metre. I would be lying to you if I said that it was any bigger.

CHAIR: That is the total bench space?

Mr BENNETT: The actual bench space is 500. I would have thought that this area probably would have been 800 by 500.

Dr JOHN KAYE: When you say appliances are you referring specifically to whitegoods?

Mr BENNETT: No. I am talking about pie warmers, a microwave, a sandwich press and hotplates to warm gravy and to boil eggs. I am also talking about a meat slicer.

Dr JOHN KAYE: What about your refrigerator and your freezers?

Mr R. BAKER: That is another matter.

Mr BENNETT: At the moment we have one drinks refrigerator, a freezer and another refrigerator and freezer. They will not even fit in the canteen. The canteen is 5.29 square metres by 2.59 square metres and it has a storeroom at one end. If we put in one drinks refrigerator and one freezer—you will see this on the bottom of the diagram—only one drinks refrigerator and one freezer will fit in there at the moment. However, it leaves a space of about 500 to get into the sink at the end. We have been trying to work through this. We took it to parents and citizens association meeting and said to the people, "What do you think?" They said, "We definitely cannot move into that canteen in its current state, as is not usable." We cannot ask people to go in there and to prepare food when there is no room for them to prepare food.

CHAIR: I am trying to ascertain the state of play at the moment. Angus Dawson told you that it has to work, as per his last visit. Is there any recourse, or can you suggest that it be put on hold?

Mr R. BAKER: What is his proposal for tomorrow?

Mr BENNETT: His proposal for tomorrow is to send out a woman from Orange TAFE and another lady from the Department of Planning to come and speak to our canteen staff and to explain to them how they can make these sorts of things in a smaller area. I do not think there is enough room in there. They have to prepare the meals and they send the kids lunches in milk crates back to the classrooms. The kids' lunch orders come in for pies, salad sandwiches, salad boxes and things like that and they then send them back to the classrooms. There are seven of those crates and they measure about 300 by 300. They take up a fair bit of space in themselves.

CHAIR: Has your old canteen been taken away? Was that a demountable?

Mr BENNETT: It was proposed that that would leave the school. It was going to leave the school until we kicked up a big stink. They then said that it would remain at Tottenham forever, but the proposal was to take it away.

CHAIR: For what purpose could it be used? Could it still be used as a canteen or could you convert it into something else?

Mr R. BAKER: Yes, it could be converted into a video conferencing room.

Mr BENNETT: It could definitely be used for a video conferencing room. We have a lot of video conferencing in the school.

CHAIR: Because you are an isolated school.

Mr BENNETT: Yes. We are in the Western Access Program.

CHAIR: Mr Leece, who gave evidence earlier today, said that 95 per cent or 98 per cent of schools were happy with what they had. Would you agree that you received value for money?

Mr BENNETT: I definitely would not.

Mr R. BAKER: There is no way that we got anything like value for money in our building. I do not agree with that figure of 95 per cent, or higher, to which he referred. I am sure that a lot of schools out there are happy to have received projects, but they are not happy with the value for money. A lot of them are not prepared to stand up and to talk about it. Some principals are in a situation where they are in a small school in a country area where they do not want to spend the rest of their lives: they have plans to move on. They do not want to be troublemakers in this area. I can understand them not wanting to jump up and down.

CHAIR: If you were given another opportunity would that have been the canteen that you would have wanted?

Mr BENNETT: We definitely would not have built a canteen. Last week a health inspector went through our canteen and there was no problem at all with our health standards.

CHAIR: If you had been asked what would you have wanted instead?

Mr BENNETT: The principal who is there now has talked about maybe a music room, another video conferencing room, or something like that. There definitely would have been better way of spending the money.

The Hon. GREG PEARCE: Do you know whether any local builders were engaged in the project?

Mr BENNETT: They definitely were not. The builders are coming from 160 kilometres away when there are builders and plumbers in our area. They were never given an opportunity.

The Hon. GREG PEARCE: So it did not achieve that objective?

Mr BENNETT: No.

The Hon. GREG PEARCE: At the time did your principal have an opportunity—and I know that there have been changeovers—to self-manage or to talk to you about self-managing the project?

Mr BENNETT: I do not think that a guy in a relieving capacity would even have thought about that. We were in the middle of selecting a new principal, which took some time. I was on the selection panel and it took some time to find a principal. In the first round not a lot of people put in for the job, so we readvertised the position, which took some time. Anyone in a relieving situation would never take on anything like that. If, for instance, you had to leave two or three weeks later, you would leave someone with a pretty big problem.

The Hon. GREG PEARCE: As a school council you did not get an opportunity to self-manage?

Mr BENNETT: No, we were not told about it.

Mr R. BAKER: We were not told much about it at all.

Mr BENNETT: I wish to refer to another issue—the size of that building. That building is 26.69 metres. Because it is made of double brick the entire dimension is reduced to 20.69 metres. You lose six square metres because the building is built with double brick. That six square metres would have been our preparation area. Six square metres is a lot of room.

The Hon. GREG PEARCE: It sounds like the specifications are out of touch with reality?

Mr BENNETT: Exactly.

Mr R. BAKER: When you talking about buildings that are to last for 60 years do you not think you would build something into which a school can grow? It will be there forever, and it is inadequate now.

Mr BENNETT: When Angus Dawson came and visited us he made a reference to Mendooran Central School and said that it had a canteen that was the same size as ours. I was led to believe that it was a seven-core canteen, but it might have been the same size. I rang Mendooran Central School to see how it got on, to see what sort of menu it ran, and to see whether it was possible. I said to the principal, "I believe you have a canteen of a

similar size to ours." He sent me its dimensions. I said, "We are struggling with minimum bench space." He said, "We have an island bench in the centre of our canteen and a bench that runs right the way across the back wall." I said, "We do not have an island bench. We have a bench that runs across the front with our servery over the top." He said, "You really cannot compare them if that is the case." He said, "We have a separate area. All our preparation areas are away from where we serve the kids." This is a diagram of the canteen at Mendooran Central School as opposed to the diagram of our canteen. They are similar in metres. I think ours is about three metres smaller but, as I said, the canteen at Mendooran Central School has more bench space than we have. It has more interior space.

The Hon. GREG PEARCE: What is your understanding of this amount in the costings of \$23,300 for demolition?

Mr BENNETT: It never happened. That is not the original site for the canteen. It was not built there. The canteen was moved when the last principal came into the school. He said, "Why are we building that canteen in the middle of the playground? Why do we not move it back out into the vacant area at the back and leave that infrastructure there for the kids to play on with the shade over the top?" For a start, the shade cloth would have been demolished and the concrete would have been ripped up. I think there was an adjustment in there for \$6,000—something like that. But the demolition did not happen.

The Hon. GREG PEARCE: The amount for upgrade electrical and data supply of \$85,000-plus?

Mr BENNETT: That actually did happen. I received an email just lately from Angus and over and above that there was a power upgrade outside the school as well, which is a transformer outside the school, which they spoke about being something like \$50,000. That is over the top of this budget as well. Out of that they have turned around and worked out that—I do not know how they have worked this out, but the actual school's portion of that is meant to be \$5,000 and they are trying to write-off the other \$29,000 to the trade training centre that is not going ahead. We have got confirmation that it is not going ahead. I do not know how you put \$29,000 debt to that if it is not even going ahead. I honestly believe a lot of times we have been dealing with Angus the figures have just been moving around the whole time.

Mr R. BAKER: Every time we get a bit of press coverage they seem to send out another batch of figures that alters the balance of it all. It does not make sense.

Dr JOHN KAYE: Why on earth have you got a double-brick canteen?

Mr BENNETT: That is the plan. The plan is a double-brick canteen.

Dr JOHN KAYE: We have seen really inappropriate use of MDR and the flimsier less permanent, less heat resistant material for classrooms, and then for a classroom you get double brick.

Mr BENNETT: You tell us!

Dr JOHN KAYE: That is the most extraordinary thing to do. I doubt whether the most exclusive of private schools would build a canteen out of double brick. You obviously did not ask for it—you never asked for a canteen in the first place?

Mr BENNETT: No.

Dr JOHN KAYE: You were never given the option of taking money from there. Part of your P21 money, as I understand it, went to refurbishing a number of classrooms?

Mr BENNETT: That is correct, yes.

Dr JOHN KAYE: Were you happy with the way that happened?

Mr BENNETT: I honestly believe they are still way overcosting. They are just miles too dear for what you actually receive. We have been receiving carpet on the floor, blinds, a bit of a wet area with a few cupboards and stuff like that and you are talking \$250,000 for four classrooms. I do not see the value in that.

Dr JOHN KAYE: You got data cabling as well.

Mr BENNETT: The data cabling went into the canteen.

Dr JOHN KAYE: I am sorry, I thought I heard you say that you now have data cabling into the canteen.

Mr R. BAKER: That is right.

Dr JOHN KAYE: So you have smart pies?

Mr BENNETT: We have got optic fibre all the way through the whole school. The optic fibre was down to where the library is and it was not far around and the principal said at the time if they ever want an internet connection there where they can order the stuff out of the canteen—because there is no phone in the canteen—if they want to order online for the canteen with the canteen manager in there that there would be the option to run the cable there. I think he was under the impression it would not have cost \$10,000 to run the cable.

Dr JOHN KAYE: \$10,000 to run a cable—

Mr BENNETT: From the library back around to where the canteen is.

Dr JOHN KAYE: —when you probably could have done it by WiFi for \$50?

Mr BENNETT: Yes, I would have thought so.

Dr JOHN KAYE: That was given to you by the BER as the option for taking the—

Mr BENNETT: I would have thought so, yes.

CHAIR: They might not have WiFi there.

Dr JOHN KAYE: But you can put WiFi in.

CHAIR: A lot of us in the country do not have WiFi.

Dr JOHN KAYE: I am not saying wireless internet, I am saying a local transmitter and receiver across those distances would have been far cheaper.

Mr BENNETT: Can I also table a design of a building that is going up in Tottenham at the moment at our local sports oval?

CHAIR: Does that have a canteen as well?

Mr BENNETT: It has got a canteen at one end of it but it has got a meeting room in the centre, it has got change rooms. We showed this to Stuart McCreery and I tried to get Angus to have a look at it as well but he said he drove past; he would not walk down and have a look at it with me. It is 1,125 square metres and I think the total costing at the end of that—because he asked us about managing costs as well, which Stuart would not believe—was about \$450,000, and it is 1,125 square metres in double brick. It is 500 metres from the canteen and the people in our community can see this and physically compare it to what has happened in the school. In red I have drawn the school canteen on it to interpose the rest of the building.

CHAIR: Was that built by local contractors?

Mr BENNETT: It was. It went through a tender process through the local shire as well. It is a good comparison. I will leave a copy of that there as well.

Dr JOHN KAYE: You have estimated your cost per square metre to be \$24,700 per square metre?

Mr BENNETT: I think by the sound of it Angus has tried to change that by an adjustment of some figures which they have moved around. I think it is on the back page of that where they have brought it back

down to \$272,000—something like that. With the actual demolition work, if you take that I think we get to about \$11,000 a square metre, which is still grossly overpriced in anyone's mind.

The Hon. GREG PEARCE: Is he saying there that the cost is reduced by \$270 or that the total cost is \$270?

Mr BENNETT: No, he is saying it is reduced by that.

Dr JOHN KAYE: So from \$611,000—

The Hon. GREG PEARCE: No, from \$954,000.

Mr R. BAKER: That includes the classroom—

Dr JOHN KAYE: He is saying the cost has come down from \$611,000 to, roughly speaking, \$320,000?

Mr BENNETT: Yes. I still cannot believe how they can take the demolition work off it if it did not happen. It is a cost incurred, but how can you take it off if it did not happen?

Dr JOHN KAYE: So, there was no demolition at all?

Mr BENNETT: No.

Dr JOHN KAYE: But this is implying that somebody has paid the—

Mr BENNETT: I think that is why Verity Firth stopped the payments, because of that.

The Hon. CHRISTINE ROBERTSON: The questions.

Mr BENNETT: Yes, the questions. Exactly.

Dr JOHN KAYE: If we accept the \$272,000 reduction, that brings us down to about \$14,000 per square metre?

Mr BENNETT: Yes.

Dr JOHN KAYE: Even if you take the \$23,000 off you would still be above \$10,000 per square metre?

Mr BENNETT: Exactly.

Mr R. BAKER: If you round it back to \$10,000 a square metre it is quite substantial. I would say it is not value for money.

Dr JOHN KAYE: I think you would be right, given that most of the projects—and bearing in mind these were not canteens—in the private sector evidence we got, was of the order of \$2,000 per square metre.

Mr BENNETT: Exactly.

Dr JOHN KAYE: And there is nothing special here? There was no site works preparation—

Mr BENNETT: In our canteen there is nothing in there to cook with. There is nothing in there except for stainless steel shelves, a Zippy hot water system and a couple of heaters.

Mr R. BAKER: And it is built on a relatively level site. It is not on the site of one of these skyscrapers that you see.

Mr BENNETT: No strange site.

Dr JOHN KAYE: Relatively level, clay soil?

Mr R. BAKER: It is a gravelly soil; there is minimal movement in the soil. There are no real geotechnical problems; it is not a bushfire-prone or flood-prone area.

Dr JOHN KAYE: Do you feel you have a case to go back to the State Government and say, "More or less we got ripped off by about \$150,000 here".

Mr BENNETT: I believe it could even be more.

Dr JOHN KAYE: "We want \$200,000 worth of construction of something we do want"?

Mr BENNETT: We have asked for the building to be extended so that we can use it for its intended purpose. At the moment we have got something that we cannot use for its intended purpose.

Dr JOHN KAYE: But they could turn around and say you have got a perfectly good canteen.

Mr R. BAKER: Which they did want to remove, admittedly.

Dr JOHN KAYE: But you are going to keep that building?

Mr R. BAKER: Yes.

Dr JOHN KAYE: If this canteen were fixed, if somehow or other magically you were able to extend the canteen and make it usable, could you use the space inside where the canteen currently is for another function?

Mr BENNETT: Definitely.

Dr JOHN KAYE: What would you use it for?

Mr BENNETT: Definitely a VC room. The principal said to us he would use it for a VC room tomorrow if he could. He said he would love to have it as a VC room.

Dr JOHN KAYE: That is for remote delivery. You have got about 100 students?

Mr BENNETT: One hundred and seven. We go from K to 12 on one site.

Dr JOHN KAYE: So you have a number of year 12 students who are in very small classes or who want to take a subject that is not offered. You want to have a high-tech room where they can have remote delivery of those, which is an entirely reasonable thing.

CHAIR: It has got data cabling.

Dr JOHN KAYE: It has got very good data cabling. Do you already have a video conferencing room?

Mr BENNETT: We do. We need a third VC room. We really would like to have a third VC room. We have got two but we would love to have a third one. It is in the secondary part of the school obviously, but we could still use that in the primary part of the school if we had that option.

Dr JOHN KAYE: Do you do videoconferencing?

Mr R. BAKER: Yes, we are part of the Western Access Program.

Dr JOHN KAYE: And the Western Access Program goes to primary students as well as secondary students?

Mr BENNETT: No. Mainly in the secondary part of the school, except for connected classrooms and stuff like that where they can actually do virtual tours or virtual excursions.

Dr JOHN KAYE: Have you had a meeting with anyone from the Minister's office or has anybody from the Minister's office contacted you?

Mr BENNETT: I have had a phone call from Julia Gillard.

Dr JOHN KAYE: Have you?

Mr BENNETT: Yes. Is that good?

Dr JOHN KAYE: It is better than me. Have you sought a meeting with the Minister's office because it appears to me that this needs to be resolved?

Mr BENNETT: Definitely.

Dr JOHN KAYE: It is beyond Angus Dawson's remit to resolve this.

Mr BENNETT: Can I just say one more thing? I have actually chosen the public system for my children. I have two children who actually are in the secondary school at Tottenham: one in year 9 and one in year 7. I actually was a very, very strong advocate of the public system. I would try to talk people in my area to actually send their kids to the public school there. As I said, this is my tenth year as P and C president there and I am very, very strong about public education, but I really believe that in the public system at the moment we have been treated like second-grade citizens with this BER project. I truly believe we have been treated like second-grade citizens.

Mr R. BAKER: Not just ours.

Mr BENNETT: No, across the board. It makes me very envious when I hear Catholic schools and private schools talk of what they have done with this money. Not last year but the year before we had our centenary. This is probably the biggest thing to happen in the history of Tottenham Central School and it is probably the biggest stuff-up in Tottenham Central School. It actually really rips at my guts.

Dr JOHN KAYE: I am with you on that. Have you an estimate of how much it would cost to make these things right?

Mr BENNETT: I do not believe it is a lot of money. All the infrastructure is on the front wall. There is nothing on the back wall. The sink is on a side wall. All the stainless steel benches are on the front wall. There is no infrastructure on the back wall to take it out.

Dr JOHN KAYE: Take the back wall out, extend the two side walls?

Mr BENNETT: Yes.

Dr JOHN KAYE: And the roof?

Mr BENNETT: Yes.

Dr JOHN KAYE: Or even put in a skillion roof as it is a pitched roof?

Mr BENNETT: Yes.

Dr JOHN KAYE: You could put a skillion roof over the extension?

Mr BENNETT: Exactly, yes.

Dr JOHN KAYE: With nice guttering at the end of it and then extend it out the back?

Mr BENNETT: Yes.

Dr JOHN KAYE: Do you have an estimate of what that would cost?

Mr BENNETT: No. We sort of have not looked down that avenue because why start looking at something when you cannot get any kind of confirmation of what is going to happen.

Dr JOHN KAYE: I cannot speak for the Committee, but I am interested in solving this particular problem. You have a constructive way forward.

Mr BENNETT: Yes.

Dr JOHN KAYE: You are not here just for a whinge?

Mr BENNETT: No.

Dr JOHN KAYE: You are here with a constructive way forward?

Mr BENNETT: Exactly, yes.

Dr JOHN KAYE: The Government owes Tottenham Central School a substantial amount after having put you guys through the wringer and having given you guys a substandard facility that simply does not work. I am amazed that the Building Code of Australia allowed it to be built. Certainly it is something we should explore further.

Mr R. BAKER: It worries me that they have plans to build other core-7 canteens. I do not see how that size building can work in any environment, unless they have pre-packaged delivered food.

Mr BENNETT: Yes. There is no preparation area whatsoever. Even when I said to Angus, "We're 160 kilometres away from our nearest big centre." Any of our deliveries probably come once a week to once every two weeks. If you had the same canteen probably in an area where you get deliveries once a day, maybe. But I still would not be game to say that you would have preparation space.

CHAIR: If you could, you would say stop any plans to do one of these canteens?

Mr BENNETT: Definitely. I definitely would be doing some sort of alteration to the plan.

The Hon. CHRISTINE ROBERTSON: Where was this plan from?

Mr BENNETT: That plan is from Tottenham.

Mr R. BAKER: Lachlan Shire Council.

Mr BENNETT: Lachlan Shire Council

The Hon. CHRISTINE ROBERTSON: That is your sportsground.

Mr R. BAKER: Yes.

Mr BENNETT: I actually sent a copy of that away to Angus Dawson as well, and Stuart McCreery, because they just could not believe that we were getting something like that built in the actual town.

The Hon. CHRISTINE ROBERTSON: I am sure you would know about this. I do not get to announce things for Tottenham very often. It just received a \$37,768 grant for the bowling club for efficiency upgrades for water and power.

CHAIR: What is the relevance of that to this inquiry?

The Hon. CHRISTINE ROBERTSON: These people are from Tottenham, for which I work.

CHAIR: That has nothing to do with this inquiry.

The Hon. CHRISTINE ROBERTSON: No, it has not.

The Hon. SHAOQUETT MOSELMANE: But it is just like the other questions that have been asked.

The Hon. CHRISTINE ROBERTSON: There have been several questions that were well and truly outside the inquiry. Have you viewed the public school fees listed on the school's BER web page?

Mr BENNETT: Yes, but they are only estimations.

The Hon. CHRISTINE ROBERTSON: The fees?

Mr BENNETT: Yes.

The Hon. CHRISTINE ROBERTSON: You claim that the cost of the construction of your canteen will be \$611,776?

Mr BENNETT: We cannot really claim anything because at the end of the day we have been handed a sheet early in the piece when they first come out to the actual school. They actually presented us with this, Stuart McCreery and Jim Smith.

The Hon. CHRISTINE ROBERTSON: That is like the one you put in the submission?

Mr BENNETT: Yes. They actually presented that to me. I started asking some questions about it and they started saying, "Oh, it's these figures down the bottom here." Then the next time Angus and Stuart turned up at home, I just turned around and said to these guys, "This?" They said, "Oh, no, they're only estimated costs." And I am saying, "Well, the canteen is completed. What are you giving me estimated costs for? Give me some relevant stuff."

The Hon. CHRISTINE ROBERTSON: Now you have been given the cost of \$275,656?

Mr BENNETT: Yes.

Mr R. BAKER: We have been given so many different figures, we do not know which one is the correct figure.

The Hon. CHRISTINE ROBERTSON: Is this the one you received just this month?

Mr BENNETT: I actually said—

The Hon. CHRISTINE ROBERTSON: The \$275,656 is the one you received just this month?

Mr BENNETT: That was handed to us on the way to a rally in Canberra when we were worried about the size of the canteen and what we actually received and could not use it. That was sort of shot through to us the night we were heading to Canberra.

The Hon. CHRISTINE ROBERTSON: You say you just received that information?

Mr BENNETT: Yes.

The Hon. CHRISTINE ROBERTSON: Someone has been in earlier today explaining the process of the original estimates and going back. Then some persons have had, for example, things removed from their program because their estimated costs were too high, but there has been money left over and now they are being renegotiated?

Mr BENNETT: Yes. I think the big thing about it is I actually sent an email to Angus and asked him for costings and stuff like that. He actually said to me that the BER task force asked for the same things. I then decided to ring the BER task force, Brad Orgill and that. I had three phone numbers. One of them was meant to be for Brad Orgill, the other one was meant to be for his secretary and there was another one. I could not get anyone. I rang three numbers and could not get anyone.

The Hon. CHRISTINE ROBERTSON: That is the Federal group?

Mr R. BAKER: Yes.

Mr BENNETT: It just seems funny. I wanted to ask them if they got something different to what we got. Maybe they got relevant figures and we did not. I just thought maybe they had something they could pass on to us to give us a better idea of what it actually cost.

The Hon. CHRISTINE ROBERTSON: You did get this document from the department, Dawson or whomever?

Mr R. BAKER: Yes. Dawson promised to make those documents available to us and before the task force came—

Mr BENNETT: The day before.

Mr R. BAKER: Also to them, but we have not seen any. They have a book that has a lot of estimates and a lot of planning documents, but none of those work diary figures or actual receipts so we can see for ourselves that the money has gone here, here and here.

The Hon. CHRISTINE ROBERTSON: There has been a type of communication breakdown?

Mr BENNETT: Yes. I do not think that is a bad question to ask. I do not think that is being nosy. I think you want to be informed and know what is going on, but when you cannot actually get anything given to you—

The Hon. CHRISTINE ROBERTSON: Do you want the contractor's report?

Mr BENNETT: Yes, exactly. I do not think that is a bad thing to ask for.

The Hon. CHRISTINE ROBERTSON: I am not having a go at you.

Mr R. BAKER: No.

The Hon. CHRISTINE ROBERTSON: Now you are working out the square metre rates on the \$275,656?

Mr BENNETT: That is something we can really go on. That is what they have told us.

The Hon. CHRISTINE ROBERTSON: In your submission there are many references to Rawlinson's Construction Cost Guide—

Mr BENNETT: Yes. That is the only thing we have.

The Hon. CHRISTINE ROBERTSON: —which is set up for Sydney and not necessarily using the department's incredible guidelines?

Mr R. BAKER: The Catholic school could compare to Rawlinson's.

The Hon. CHRISTINE ROBERTSON: The New South Wales system has all those incredibly fierce building guidelines.

Mr R. BAKER: But don't the other schools have those guidelines?

The Hon. CHRISTINE ROBERTSON: No. We asked that question when they were here.

Mr R. BAKER: I am sure they are planning to keep their buildings for a similar length of time.

CHAIR: What about the shire council?

The Hon. CHRISTINE ROBERTSON: We asked the question when they were here. Different conditions apply.

Mr R. BAKER: I cannot understand that they would be so different.

The Hon. GREG PEARCE: For a canteen.

The Hon. CHRISTINE ROBERTSON: It is difficult to compare with Rawlinson's.

Mr BENNETT: Yes.

Mr R. BAKER: I do not know the exact details, but there was a canteen built by a Catholic school in Wagga that is 10 times the size of ours with toilets and a coolroom included.

Mr BENNETT: They have cooking facilities and everything inside it. We look at that and we are envious. We probably did not need something that big, but half as big as what they got was 10 times bigger than ours and would have been great.

Mr R. BAKER: We would rather have a building that would fall down in 50 years if we got that size and scope. To be honest, you talk about comparing apples and apples; this is like apples and pineapples. We are not happy.

CHAIR: He was not even responded to? Is that the case?

Mr BENNETT: No.

Mr R. BAKER: No, none at all—no response.

Mr BENNETT: No response.

The Hon. CHRISTINE ROBERTSON: Can I just ask how many students are enrolled in the school?

Mr BENNETT: There are 107.

Mr R. BAKER: The same as before.

CHAIR: Thank you very much. I know you have been up very early this morning and you will not get back until very late tonight. We hope that there will be a resolution of your problems.

Mr BENNETT: We really hope so too. Thank you very much.

CHAIR: It is just a series of disasters.

Mr BENNETT: Yes.

CHAIR: We will do what we can.

Mr R. BAKER: Good.

CHAIR: Certainly by your attendance today, you have assisted us greatly in our deliberations, so all the very best. Thank you very much for attending.

Mr BENNETT: Thank you very much.

Mr R. BAKER: Thank you.

(The witnesses withdrew)

The Committee proceeded to deliberate.
