

GENERAL PURPOSE STANDING COMMITTEE No. 1

Friday 22 June 2001

Examination of proposed expenditure for the portfolio area

EDUCATION AND TRAINING

The Committee met at 9.30 a.m.

MEMBERS

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

The Hon. Jan Burnswoods
The Hon. Patricia Forsythe
The Hon. D. F. Moppett
The Hon. P. T. Primrose

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

PRESENT

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

Department of Education and Training

Mr K. Boston, *Director General and Managing Director, TAFE New South Wales*

Mr K. Dixon, *General Manager, Finance*

Ms J. McClelland, *Deputy Director General (Corporate Services)*

Mr J. Burkhardt, *General Manager of Properties*

Mr C. Taggart, *Director of Corporate and Management Accounting*

Office of the Board of Studies

Mr J. Ward, *General Manager*

Mr D. Murphy, *Director, Finance and Administration*

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

There is no provision for members to refer directly to their own staff while at the table. Witnesses, members and their staff are advised that any messages should be delivered through the attendant on duty or the Committee clerks. For the benefit of members and Hansard, I ask that departmental officers identify themselves by name, position and department or agency before answering any question referred to them. When a member of the Committee is seeking information in relation to a particular aspect of a program or subprogram it would be helpful if the program or subprogram were identified. The Committee has agreed to allocate time for this hearing as follows: 20 minutes for the Opposition, 20 minutes for the Government, 10 minutes for Dr Wong, and 10 minutes for the Chairman. If no questions are asked in those segments we will continue to rotate around the Committee members. Do you have any problem with that, Minister?

Mr AQUILINA: No, Mr Chairman, that is fine.

CHAIR: Is the lower House sitting?

Mr AQUILINA: It will sit at 10 o'clock, yes.

CHAIR: Do you need to attend divisions?

Mr AQUILINA: No, under the suspension of standing orders that was carried yesterday, there will not be any divisions this morning.

CHAIR: To ensure that an accurate record is made of the proceedings today, I ask witnesses to provide Hansard with copies of any notes or other written material that they refer to when answering questions. I declare open the examination of the proposed expenditure. We will commence with Opposition questions.

The Hon. PATRICIA FORSYTHE: Minister, when was the "Building the Future" brochure sent to the printers?

Mr AQUILINA: As far as I am aware, the "Building the Future" brochure was sent to the printers in time for the release of the plan on 21 March.

The Hon. PATRICIA FORSYTHE: I asked about the plan, not the proposal. When were the details of that brochure sent to the printers?

Mr AQUILINA: Do you mean the consultation report?

The Hon. PATRICIA FORSYTHE: Yes, the report.

Mr AQUILINA: As far as I am aware it would have been sent to the printers a couple of days prior to its actual release.

The Hon. PATRICIA FORSYTHE: Is it possible to get an exact date from departmental officers?

Mr AQUILINA: The coloured brochures that were released on that day were not, as I am aware, the printed brochures but coloured photocopies that were prepared the night before. The actual "Building the Future" document which was released was printed either on the Tuesday or the Wednesday night. I released it on the Thursday morning.

The Hon. PATRICIA FORSYTHE: Were they printed in-house?

Mr AQUILINA: No, they were printed by overnight printers. I understand that some documentation was still being presented for printing at around 2.00 a.m.

The Hon. PATRICIA FORSYTHE: Does the department employ qualified demographers?

Mr AQUILINA: Yes, the department employs qualified demographers. I could refer that question to the director general. He would be able to provide the Committee with more specific detail on demographers.

Dr BOSTON: The answer is yes, Mr Chairman. I do not have the details of the names and qualifications of those people, but that could be obtained.

The Hon. PATRICIA FORSYTHE: In 1997 your then Director of Properties, David Roland, told the Standing Committee on Public Works that the department did not have good empirical data on which to base planning decisions. What has changed in the department since then?

Mr AQUILINA: I could give some specific details in relation to that matter. The advice I have been provided with by the department is that enrolments in government secondary co-educational high schools across the inner city have dropped by 40 per cent since 1984—that is the information that the department has obtained. Currently the demographers in the department say that the Government is now maintaining the equivalent of five empty high schools across inner Sydney. The birth rate for the inner city is among the lowest in New South Wales and there are no indications that enrolments in government schools will rise beyond the additional 36 per cent capacity built into the Building the Future plan.

We have taken into account an increase in capacity of enrolments in public education. Urban consolidation is having little impact on our government school enrolments. For example, on the Balmain peninsula 1,600 dwellings have been developed over the past five years but the net increase in government school enrolments has been 21 students. On the Ultimo peninsula the increase in government schools enrolments has been 94 students from more than 3,250 residential units. In Randwick between 1996 and 2000 the number of residential dwellings increased by 6 per cent and the number of students in government secondary schools dropped by 450. We do have demographers in the department and we have good empirical data of the enrolment figures kept in schools and also from the Australian Bureau of Statistics and other sources. We have the same quality of data as any public sector agency. I trust that answers the question.

The Hon. PATRICIA FORSYTHE: Do you have similar figures for enrolment changes in non-government schools in those same areas in the same period of time?

Mr AQUILINA: No, I would not have those figures. However, in relation to non-government schools, I am aware of the fact that a number of non-government agencies have actually closed down non-government schools in the inner-city area. That would also indicate that they are experiencing similar trends in terms of their enrolments to what the government schools are experiencing.

The Hon. PATRICIA FORSYTHE: Were local councils asked to supply data about dwelling approvals in the last five years?

Mr AQUILINA: As I have indicated already, we have detailed data on the number of dwelling approvals. I have already cited that there have been 1,600 additional dwellings on the Balmain peninsula in the past five years. In Randwick between 1996 and 2000 the number of residential dwellings increased by 6 per cent. Also, on the Ultimo peninsula there were 3,250 additional residential dwellings during this period. Dwelling approvals figures are taken from the Australian Bureau of Statistics.

The Hon. PATRICIA FORSYTHE: Can you explain why the enrolment figures for Ultimo Public School have changed so dramatically in the last 10 years?

Mr AQUILINA: Primarily, I think, because there have been a number of enrolments at Ultimo from outside of area. I do not have the specific details about Ultimo's enrolments with me but I would be happy to provide those to the honourable member.

The Hon. PATRICIA FORSYTHE: I would appreciate it if that could be taken on notice.

CHAIR: Minister, would you take that question on notice?

Mr AQUILINA: Yes.

The Hon. PATRICIA FORSYTHE: So are you suggesting that the enrolment change is in no way the result of the change in the characteristic of Ultimo and surrounding suburbs?

Mr AQUILINA: As I have indicated previously, in the plans we have provided for Building the Future we have actually allowed for a 36 per cent increase in enrolments over and above the enrolments we have now. The real issue is that we have, by far, a large number of empty spaces in our existing schools, as I have indicated previously, the equivalent of five high schools. With the Building the Future plan—and I refer the plan to the honourable member—we have made provision for substantial increases in enrolments. It may be remembered, just from looking at new selective places plus additional senior places and opportunity classes alone, we have 720 additional selective places being provided.

An additional 700 senior places and an additional 240 opportunity classes are being provided within the plan. We are also catering for substantially increased enrolments at a number of schools, including Matraville High School, an increase in enrolments at Randwick Boys High School and Randwick Girls High School, an increase in enrolments at the combined Vacluse-Dover Heights High School, and substantially increased enrolments at Balmain. Leichhardt and Glebe will be joined together to form the Sydney Secondary College. At Glebe currently we have just over 200 students. We anticipate having a minimum of 800 and up to 1,000 students at the senior college alone. We have taken into account predictions of substantial increases in enrolments and made sure the places we provide will enable that enrolment increase to take place.

The Hon. PATRICIA FORSYTHE: On what schools were land valuations sought prior to the release of the Building the Future proposal?

Mr AQUILINA: As I understand it, the land valuations would have been sought on those schools in the area that would have been deemed to be struggling in terms of the educational opportunities they were providing. The valuations, of course, would have been sought from the Valuer-General.

The Hon. PATRICIA FORSYTHE: Can you supply a list of the schools, please?

Mr AQUILINA: We will take that on notice. A list of the schools will be supplied.

The Hon. PATRICIA FORSYTHE: When did work on the Building the Future proposal commence?

Mr AQUILINA: There has been considerable discussion about the fall in enrolments in government schools in the inner-city area now for quite some time. For the information of the member, perhaps I could table the consultation report on Building the Future, which will show graphs indicating the very significant declines in enrolments dating back more than a decade, in many cases.

The Hon. PATRICIA FORSYTHE: That is not an answer to the question.

Mr AQUILINA: Initially, it commenced up to two years ago. However, detailed planning, which I released on 21 March, started in earnest in about the middle of last year.

CHAIR: Do you have that document?

Mr AQUILINA: "Building the Future"? I will be happy to make that document available for tabling before the end of this meeting.

The Hon. PATRICIA FORSYTHE: Will the list of schools on which a valuation was sought be available before the end of the Committee? The departmental officials must know.

Mr AQUILINA: Yes.

The Hon. PATRICIA FORSYTHE: Why was Erskinvile Public School told at the beginning of the year that it was not under review when, in fact, it was included in the proposal in March?

Mr AQUILINA: I have answered that in another place, but in relation to Erskinvile I think there was some confusion about precisely what was being asked for in terms of that review. As I understand, a letter was forwarded by a departmental officer in response to some correspondence that had been provided to me. Erskinvile was told that its enrolments would be examined from the new school term starting this year. Again, we will get a copy of that letter. It was forwarded from the district superintendent to Erskinvile Public School, signed by him.

The Hon. PATRICIA FORSYTHE: In the past 12 months what other schools in this State have been subject to a review of their valuation?

Mr AQUILINA: Valuation?

The Hon. PATRICIA FORSYTHE: Have you sought advice from the Valuer-General about the value of other school sites in New South Wales?

Mr AQUILINA: That is a difficult question to answer, because there are always issues related to schools' surplus land. A number of schools on a number of occasions request the department to undertake valuations of various parts of their property. In many cases schools are keen to dispose of surplus land because of the cost of maintenance and because they would like the opportunity to realise some funds in order to improve various facilities at those schools. It is an ongoing process. It happens all the time.

The Hon. PATRICIA FORSYTHE: Apart from those schools that have sought valuation, how many schools have you or your department sought valuation on?

Mr AQUILINA: I am not aware that there would be many, if any.

The Hon. PATRICIA FORSYTHE: That is not very precise.

Mr AQUILINA: The department has an obligation to review its assets on a rotating basis. Every five years we must draw up new valuations in relation to the department's assets. The last complete valuation of the department's assets totalled in excess of \$18 billion. This is included in the annual report of the department and as part of its balance sheet. If the honourable member is asking on what schools we are specifically seeking valuations with a view to closing them—that is, schools outside the inner-city area—I am not aware of any.

The Hon. PATRICIA FORSYTHE: So you have no other schools on your hit list at the moment?

Mr AQUILINA: The honourable member has raised the issue of a hit list. I know of no such list. No such list has ever existed, and no such list exists to my knowledge.

The Hon. PATRICIA FORSYTHE: On a completely different issue, Minister, you announced at the weekend 11 new facilities costing \$46 million over four years, with some money to be allocated this year for students with particular needs. Naremburn is one school on the list. It is an existing facility. As I understand it, it is not stand-alone but is attached to another high school. How many places presently exist at that school and how many will be created?

Mr AQUILINA: These matters are being investigated at the current time. In the budget we released information about how many new schools would be established and how many new units would be established in addition to existing structures—of which Naremburn is one. The numbers vary from school to school. I have indicated in a number of press statements in recent days that the stand-alone units will have roughly 30 to 40 students—some will have a few more and some a few less. In the units attached to existing schools the numbers will be substantially smaller.

The Hon. PATRICIA FORSYTHE: Is it proposed to change Naremburn's existing structure in any way?

Mr AQUILINA: No, not that I am aware of.

The Hon. PATRICIA FORSYTHE: Why did you announce it as a new initiative at the weekend?

Mr AQUILINA: Naremburn is being promoted as a unit for behaviourally disturbed students.

The Hon. PATRICIA FORSYTHE: But it is an existing unit. You announced at the weekend 11 new facilities.

Mr AQUILINA: It is a new facility in the context of units for behaviourally disturbed students.

The Hon. PATRICIA FORSYTHE: Who currently attends the Naremburn unit?

Mr AQUILINA: Other information I have is that the Naremburn unit is a new initiative with new money and new staff.

The Hon. PATRICIA FORSYTHE: How? It exists. Do you agree that it exists?

Mr AQUILINA: We will improve it substantially. I am not aware of how many staff or students the unit has at the moment. However, it is listed as being a new unit in the advice that I received from the department because it will play a substantially increased role, with more students, additional money and new staff.

The Hon. PATRICIA FORSYTHE: Will it have a principal rather than a head teacher? It is not the only facility that already exists. You are very vague about the details.

Mr AQUILINA: To what other facilities is the honourable member referring?

The Hon. PATRICIA FORSYTHE: I am using Naremburn as an example.

Mr AQUILINA: The honourable member said that it is not the only facility that already exists. I am not aware of others that exist.

The Hon. PATRICIA FORSYTHE: There is already a facility at Allambie Heights, or it may be bringing together some other work from the Northern Beaches. I am using Naremburn as an example because it exists and you said that there were 11 new facilities. I am trying to understand what we will get that is different from that which already exists.

Mr AQUILINA: The new schools for students with severe behavioural difficulties—we stress that these are schools for such students—will be at Dubbo, Mittagong, Toronto, Allambie Heights, Riverstone, Regents Park, Naremburn, Tamworth, Tweed Heads, Canley Vale and Cronulla. The department has indicated to me that they will be new facilities. The honourable member has raised the issue of Naremburn and Allambie Heights. There may well be some existing facilities there but those facilities will be substantially increased with additional staff. It may be that the nature of those existing facilities will be changed as well.

The Hon. PATRICIA FORSYTHE: Could one of the departmental officials provide some precise details about this matter?

Mr AQUILINA: I can provide that information before the end of the hearing. The honourable member seems to be making an issue of whether these are new facilities or simply a relisting of existing facilities. The undertaking that I have given—which I can guarantee—is that we are providing new opportunities at these new facilities. A new facility in my electorate of Riverstone is listed. I state categorically to the honourable member that no facility currently exists at Riverstone and we will establish the new facility to provide new opportunities. I stress that the Government has made a commitment of \$46.2 million. In case the honourable member—

The Hon. PATRICIA FORSYTHE: I acknowledged that at the outset.

Mr AQUILINA: In case the honourable member is not aware of this and would like me to spell it out, this is new money; it is not a rebadging of old money. About \$11 million of that money will be spent this year providing training and establishing these units alone. In addition, about \$5 million will be spent on capital works in this year alone. So \$11 million will be spent in the first year, plus \$5 million for capital works. The Government is making a total commitment of new money—I stress again that it is new money—totalling \$46.2 million.

The Hon. JAN BURNSWOODS: Opposition members asked several questions about the Building the Future plan. I would like to focus on the people who really matter: the students. Could you provide some information about what the Building the Future plan will deliver to the students affected by that proposal?

Mr AQUILINA: As I said earlier, Building the Future is about providing facilities and new opportunities for students in the inner city. It involves a multimillion-dollar strategy to deliver unrivalled educational facilities to public schools in the heart of Sydney. Some 22 schools will be upgraded to the tune of \$100 million. This represents the biggest injection of funding into inner-city public education in the State's history. The capital improvements under the Government's plan include a radio broadcast studio and film studio at Dover Heights High School, in addition to general improvements to classrooms and a new gymnasium; athletic training and fitness facilities, a human movement laboratory and synthetic field surfaces at Matraville High School; information and communication technology facilities, a senior study learning centre, performing arts spaces and a multimedia laboratory at Randwick boys and girls schools.

The capital improvements also include drama and music learning centres, information technology [IT] facilities, visual arts and photographic laboratories at Balmain High School; a new oval, fitness spaces and multimedia facilities at Leichhardt High School; performing and creative arts facilities, a cafeteria, video workshop and an enhanced library at Glebe High School; and extensive information and communications technology infrastructure, multimedia laboratories, fitness facilities and IT laboratories at Malvina High School, which of course will be renamed Ryde Secondary College and will also be partly selective. The precise nature of the capital works program for particular schools will be determined in consultation with the individual school communities. Each program will take into account the needs of all students, their location and the nature of the works to be carried out.

Few schools, public or private, will be able to match the resources that will be available as the result of these substantial upgrades. The Government believes that all students in government schools in inner Sydney should have access to a high quality education. Building the Future is about injecting \$100 million back into public education and revitalising public education in inner Sydney. It is about students being able to choose from a broader range of subjects, including university and vocational courses, and expanded high school certificate options. It is also about providing cutting edge educational facilities for families in inner Sydney. There are many, many endorsements, which I will not labour the Committee with. People are only now starting to realise the tremendous advantage of the facilities that are going to be provided for inner Sydney, as they go through the detail of what will be provided at each individual school.

The Hon. PETER PRIMROSE: Would you give us some information about improvements to Internet access, particularly in country schools?

Mr AQUILINA: I thank the Hon. Peter Primrose for his question. I note that he has a deep interest and commitment to education in rural New South Wales. I congratulate him on the interest that he shows. Every New South Wales government school has been connected to the Internet since 1996. Over the past years the Government has been committed to improving schools access to the Internet. Most schools in New South Wales now have a fast, reliable and permanent ISDN connection to the Department of Education and Training network. For a few schools, Telstra's inability to connect high-speed lines has meant having to continue using a dial-up connection. This applies not only to some schools in remote locations but also some schools in difficult-to-reach locations, particularly on the mid North Coast.

The government recognises that a dial-up service is no longer adequate for today's educational needs. Late last year the Premier announced that those schools—as I said, mainly in rural parts of New South Wales and some remote locations—will be given satellite Internet connections. Today I am pleased to announce that 171 schools, involving more than 7,200 students across New South Wales, will benefit from this new high-speed satellite service. That includes schools such as Bullimbal Public School with six students, Bilambil Public School with 336 students, Walbundrie Public School with 31 students, and Wilsons Creek Public School with 94 students. I have approved the Cable and Wireless Optus tender for a four megabyte satellite service, allowing schools fast, permanent and networked access across the World Wide Web and education intranet.

The Government will spend \$ 4,468 million on providing the service over the next two years. Because these country schools already have Optus digital television satellite dishes, the new service can be installed very quickly. I envisage that satellite Internet access will be up and running by the end of term three 2001. By the end of this year, every school from Bronte to Broken Hill, from Moama to Moree, will have a permanent connection to the Department of Education and Training network.

CHAIR: As you know, the Christian Democratic Party is concerned about the moral safeguard of children. Has it been possible to put adequate controls over that Internet service to prevent access to pornographic material and so on?

Mr AQUILINA: Yes, that is the case. A filter applies to all of our Internet connections right across the State. The fact that the service is being provided by satellite will not in any way overcome the filter process which we have through the Internet. That will still apply to these services as well.

The Hon. HENRY TSANG: Minister, what is the latest information on the impact of the Federal Government's goods and services tax on the Department of Education and Training?

Mr AQUILINA: Last financial year the Department of Education and Training lost \$16.28 million from its budget due to the goods and services tax. By the end of this financial year the figure will have risen to a massive \$26.8 million. By 2003-04 it will be around \$40 million. That is \$40 million the department will have to pay in goods and services tax, despite the claims by the Commonwealth Government that education will be GST-free. But it does

not end there. A further \$11.85 million has had to be spent to ensure the smooth and successful implementation of the GST across the public education and training system. In 2000 more than \$4 million was provided directly to schools to support the administrative changes associated with GST implementation. Another \$4 million will have to be provided in 2001. All up, this is \$50 million over five years because of the implementation of the GST.

It is simply wrong and untrue for the Federal Government to continue the claim, as the Prime Minister does repeatedly, that education is GST-free. Students, teachers and parents in government and non-government schools are hit every day in every way by the GST. With these figures, we now know that the GST is, in fact, a tax on learning. It is a tax on literacy, on knowledge, on information, and on our future. I leave it up to honourable members to conjecture what we could do with \$50 million in terms of providing additional computer technology, additional literacy programs and additional capital works within our schools. It is a great impost upon a department of our size. It is also an impost that diverts a lot of time and attention away from core functions providing education because of the incredible amount of bookkeeping that is required by the Federal Government for the GST.

CHAIR: Are there any other questions from Government members?

The Hon. JAN BURNSWOODS: Not at this stage.

CHAIR: We will move on to questions from the Hon. Dr Peter Wong.

The Hon. Dr PETER WONG: Minister, why at a time when non-government schools are under review has there been a 4 per cent increase in direct funding to non-government schools and, at the same time, only a 2.8 per cent increase in direct funding to public schools?

Mr AQUILINA: The formula under which the funding is provided to the non-government school sector is determined by the Education Act 1990. It is a strict formula which provides per capita grants on a basis of 25 per cent of the cost of educating a student in a government school and also includes additional components, such as the superannuation guarantee levy and arrears of maintenance expenditure. The escalation in the per capita grants for the non-government school sector from 2000-01 to 2001-02 is in response to increases in students enrolments, increases in the cost of educating a student in the government school sector, particularly as a result of teachers salary award provisions and of the government initiatives, the continued inclusion of the Government's Computers and Technology in Schools strategy, and the inclusion of technology initiatives in response to the non-government school sector agreement. The Government's commitment to provide computers in non-government schools was best met through incorporating the cost of providing computers in government schools in the per capita regimen.

The Hon. Dr PETER WONG: Last year when I asked the Minister whether enrolments in public schools were falling he denied it. Will he now confirm that enrolments in public schools are falling?

Mr AQUILINA: New South Wales government schools continue to be the predominant choice, as one would expect, for parents of school-age children. Around 70 per cent of full-time students are educated in government schools. In New South Wales, part-time year 12 student numbers totalled 2,251 during 2000, down by 2 per cent from 1999. The vast majority of these students are enrolled in public education. TAFE New South Wales enrolled 10,440 more young people in the 15 to 19 years age group in 2000 than was the case in 1999. No-one takes into account, when considering these figures, the fact that, unlike other States, we have a High School Certificate that students can undertake at TAFE colleges.

The students enrolled in TAFE who are of school age are not included in the official statistics for those enrolled in public education. Quite frankly, that is an error. They should be taken into account. Public school enrolments of students with special needs are being maintained. Enrolments of students from non-English-speaking backgrounds increased by 6,422 to 182,884 in the year 2000. Although the public school sector continues to provide for all students, it is also bearing an increasing equity cost in comparison with the non-government school sector. In answer to the honourable member, the figures in relation to the enrolment in government schools are available in our annual reports and also in the annual statistics, which are published by the department.

In recent times there has been a drop, particularly in the secondary school area, but I am equally confident that, with some of the strategies that are being adopted, particularly in the inner-city district, as well as the campaign that is being conducted, we will see not so much an increase in enrolments but we will certainly be able to stop the decline to the degree that it has been in recent times. I might point out that this is not unique to New South Wales. In the year 2000 the government school sector share in New South Wales was 69.4 per cent, as I indicated earlier to the honourable member, just below 70 per cent. That represents a drop of 0.6 percentage points. The national decline, Australiawide, was 0.5 percentage points. In actual fact, the percentage of students attending government schools in New South Wales is much higher than it is in other States, for example Victoria.

The Hon. Dr PETER WONG: The number of students assisted by the English as a second language [ESL] program has been targeted to fall from 22,488 in 2001-02 to 21,882 this year, while the number of students of non-English-speaking background enrolled in government schools is projected to increase, as the Minister mentioned earlier, from 77,249 to 78,000 in the same period. What is the rationale for reducing the number of places for students in ESL programs, when it is clear that ESL student numbers will increase? What is the budget expenditure on ESL programs in 2001-02? What was the budget expenditure for the program in 2000-01?

Mr AQUILINA: Changes to the Commonwealth migration program have resulted in an ever-decreasing number of permanent resident students enrolling in New South Wales government schools, and an increasing number of temporary residents. Commonwealth funding for the ESL new arrivals program in New South Wales is not adequate to meet the needs of these students, as the Commonwealth fails to recognise its obligation to provide for the on-arrival and post-intensive English language and literacy needs of non-English-speaking students.

The Hon. Dr PETER WONG: When will the Minister put his multicultural education strategy policy into practice?

Mr AQUILINA: The multicultural strategy is in practice. We are very proud of the multicultural strategy that we have in our schools. I could give some details to the honourable member, if he would like.

CHAIR: Would you table the document?

Mr AQUILINA: I could table the document, if he wishes.

Document tabled.

The Hon. Dr PETER WONG: How many children were expelled or suspended from public schools in the last financial year? How many children were expelled or suspended from non-government schools in the same period? How many of those expelled or suspended were wards of the State or in substitute care?

Mr AQUILINA: I do not have the figures, of course, of the numbers of students who are expelled or suspended from non-government schools because schools are not required to provide those details to me as Minister for Education and Training. They are, of course, a matter for the internal systems. But in relation to full expulsions from the public school system, there have been none. Only the Minister can formally expel a student of compulsory school age, and I am not aware of any cases having been referred to me to authorise an expulsion. In relation to the total number of suspensions for the year 2000, this is public knowledge and is provided in the annual report of the department. The total number of shorter suspensions was 35,503 and the total number of long suspensions was 5,765. The daily rate of long suspension was 29.4, and the daily rate of short suspension was 181.1. Given that we have a very large system, it can be seen by those figures that the overall suspension rate is remarkably small in this State.

In fact, the daily rate of expulsions from a particular school is about 1.7. Given the fact that government schools have an obligation to provide education for all students, and that many of these students are troubled students who, in many cases, have been expelled or discouraged from attending a non-government school, the public school sector does a remarkably good job in providing very good care for students, in making sure that suspensions are provided only when absolutely necessary. But the other interesting and positive aspect is that more than 75 per cent of all students who are suspended never reoffend. That would indicate to me that, in many cases, suspensions are a positive way of dealing with some severe behavioural problem or issue of particular students.

CHAIR: In order to clarify an issue that has been raised about the closure, or planned closure, of certain schools, would you confirm the names of those schools that are listed for closure? I would then like to ask you about the consultation process.

Mr AQUILINA: The primary schools that are proposed for closure are Erskineville, Waterloo, Redfern and Alexandria. However, those four primary schools will be combined into one school, which will be known as Alexandria Park. That will have a total enrolment of 270 students from those four schools. There will also be the amalgamation of Vaucluse and Dover Heights. Initially, students from Dover Heights—most of them, in any case—will be moved to Vaucluse to enable us to undertake substantial upgrading of facilities at Dover Heights school. When they have been completed, we will then relocate the students into the Dover Heights site and the Vaucluse site will be closed down and sold. There is the closure of Hunters Hill High School and also the closure of Maroubra High School. That is basically it.

CHAIR: I would like to clarify one other point in regard to the closure of schools. You initially have to make the decision. You are then required by law to conduct an 18-month period of consultation. Are you following that procedure?

Mr AQUILINA: Yes, we are. In fact, all the proposals have been carried out in accordance with the Act. The requirements are that formal notification be provided—and that was provided by way of newspaper advertisement last Friday, 15 June, in accordance with the Act. Following that there is a 21-day period during which school communities can nominate whether or not they require that a review be undertaken. If the majority of parents of children attending a school proposed for closure nominate to have an inquiry undertaken, an independent committee of review is established. The committee of review will undertake an inquiry and then make a recommendation to me as Minister.

The inquiry does not take 18 months. The Act provides that, if a school is proposed for closure, notification must be given by 15 June, but the closure does not come into effect until the end of the school year in the following year. In other words, in respect of the schools proposed for closure this year, notification was given on 15 June. If there is objection by the parents an inquiry is undertaken by the committee of review. Although the committee of review will complete its inquiry before the end of this year, if those closures are to go ahead they will not come into effect until the end of next year.

CHAIR: Because you are obliged to go through that process, people were left with the impression that those decisions were final. Is it possible that after the committee of review has undertaken its inquiry there may be some modifications—that a school may not be closed or a delay may occur, or some other change? Is that a possibility?

Mr AQUILINA: It could well be the case. I do not have a crystal ball in relation to such matters. What have been put forward so far are proposals and that is in accordance with the Act. I propose schools for closure. It may well be that that might change, but I cannot make any predictions in that regard.

CHAIR: Media reports that gave the impression that these decisions were final—that the schools were going to close virtually next week—were misleading. Is that correct?

Mr AQUILINA: They are not final decisions—they are proposals.

The Hon. JAN BURNSWOODS: Mr Chair, might I just clarify something? Before the Minister arrived this morning we set some times for questions, I believe at the Opposition's request. I think it was something like 20 minutes for the Opposition, 20 minutes for the Government, 10 minutes for Dr Wong and 10 minutes for you. Now that you have added Ms Rhiannon, I am trying to work out how that time will be allocated. Whose time will it come out of?

CHAIR: It is difficult because members of the upper House have the right to ask questions. At this stage the honourable member will use some of my time.

The Hon. JAN BURNSWOODS: In other words, when your 10 minutes has elapsed we will move on to questions from the Opposition?

The Hon. PATRICIA FORSYTHE: I will allow Ms Rhiannon a few minutes of our time as well.

CHAIR: At this stage she is using some of my time.

Ms LEE RHIANNON: Perhaps the Government will share in the spirit of co-operation?

The Hon. JAN BURNSWOODS: I would point out that there was no particular reason for Ms Rhiannon to be rude or obnoxious. The Government did not use the time allocated to it so, in fact, she is already the beneficiary of the time that we did not use.

Ms LEE RHIANNON: Thank you very much. Minister, can you explain how the State's interest subsidies to private schools are allocated? In particular, will you explain how Moriah College received \$1,142,265 and Trinity received \$456,807 in interest subsidies in 1998-99 and 1999-2000?

Mr AQUILINA: Under the Government's interest subsidies scheme, non-government schools receive a subsidy to a maximum of 10.5 per cent on interest paid on loans taken out to assist the funding of approved capital works for increased student places. The subsidy applies only to buildings and facilities that are comparable to those

provided in Government schools under the State Government's school building code. As part of the 1998-99 State budget, the Government introduced refinements to the scheme to bring it into line with current market trends.

Given the Government's concessions to modify these refinements, the 1998-99 State budget included provisions to meet the cost of concessions which were as follows: the deferment of the introduction of the reduction in the maximum subsidised loan term from 20 years to 15 years—the maximum subsidised loan remains at 20 years; and the allowance of all approved fixed interest loans operating prior to July 1997 continuing to attract a subsidy to a maximum of 12.5 per cent—that was the current operating rate prior to 1 July 1997—for the current term of their fixed interest arrangement.

At the expiration of the fixed interest period, the maximum interest subsidy rate will revert to the current limit of 10.5 per cent. These concessions have been implemented to ensure that the parents of children attending non-government schools do not have to increase their building fund levies, and that no government school with approved loans at fixed interest rates will be disadvantaged. Specifically in answer to the honourable member, the reason why the particular schools she mentioned will receive the interest subsidies over a 20-year period is that they comply with the regulations laid down for the awarding of interest subsidies, in the same way as other non-government schools.

Ms LEE RHIANNON: Does the allocation formula take into account the impact on government schools in the area?

Mr AQUILINA: No, the allocation of funding for interest subsidies relates totally to whether or not those schools, under the provisions of the awarding of interest subsidies, are eligible to receive those funds.

Ms LEE RHIANNON: Given that, for the first time, average student to teacher ratios are higher in private schools than they are in the public school system, what actions will the Government take to ensure that public schools regain their favourable position?

Mr AQUILINA: The Government is always reviewing the State budget and, in actual fact, this year brought down a record State budget, which has seen the highest per capita expenditure on both secondary and primary school students in government schools in the history of this State. There has been a substantial increase in per capita expenditure in government schools since we came to Government in 1995. The details were spelt out in the budget documents which were very widely circulated at the time.

In answer to a previous question from the Opposition about Allambie Heights and Naremburn, I can now say that the Beach Centre is being incorporated into a new special school in a different location on the site of the former Manly-Warringah SSP. It will be a school and it will have a principal. The information I have is that it is strongly supported by the community. In relation to Naremburn, this is an upgrade of the North Harbour unit to a special school. It will also have its own principal. So again I make the point for the honourable member that these are new facilities. They are not just the rebadging of something that is already there, which may have been implied in the comments of the honourable member previously.

The Hon. PATRICIA FORSYTHE: Minister, did Patrick Low get a termination payment or a redundancy payment on his departure?

Mr AQUILINA: Patrick Low submitted a resignation of his own volition and as far as I am aware, being a temporary employee, the remuneration he received on his resignation would have been in accordance with the provisions of all temporary employees who are members of ministerial staff.

The Hon. DOUG MOPPETT: Minister, in response to a question opposite you made remarks about fulfilling your obligations to the Commonwealth Government under the new taxing provisions. Could you indicate the amount of Commonwealth funds, however, that you derive for school funding in New South Wales?

Mr AQUILINA: Yes, I would be very happy to provide that information to indicate just how little it in fact is. The total amount of Commonwealth expenditure as a proportion of total expenses for school-related activities in recurrent for the year 2000-01 is 9.6 per cent. In relation to capital for 2000-01 it is 35.1 per cent. In relation to 2001-02, however, the percentage of total expenses for recurrent is 9.4 per cent—a drop of 0.2. For capital in 2001-02 it is 27.6 per cent, a substantial drop of in the vicinity of 7.5 per cent.

CHAIR: To clarify that for the Committee's benefit, could you translate that into dollar terms?

Mr AQUILINA: In dollars, in 2000-01 Commonwealth funding was \$600.9 million but in 2001-02 it is \$606.5 million. So although there is a slight increase in the overall amount it is a drop in percentage because of the increased allocation by the State Government for the funding of public education.

The Hon. PATRICIA FORSYTHE: In relation to school security, I am interested to know whether performance indicators are kept on the system for the centre for the back-to-base monitoring of school alarms.

Mr AQUILINA: The short answer is yes, but I would be happy to give quite a full answer to the honourable member because I think it is important that the honourable member is aware of precisely how much this Government is committing to school security. Since 1995-96 and including—

The Hon. PATRICIA FORSYTHE: That is actually not the question I asked. I am asking whether the system is monitored for key performance indicators.

Mr AQUILINA: The answer was yes. I provided that answer.

The Hon. PATRICIA FORSYTHE: I am now interested in exploring that. I have not asked yet about the actual allocations.

The Hon. JAN BURNSWOODS: The Minister can answer your question. He does not have to wait—

The Hon. PATRICIA FORSYTHE: We can come back another day and I can ask all the other questions. I am trying to find out whether it is possible to indicate how many false alarms are received in the system on an average daily basis.

Mr AQUILINA: The answer would be yes. The alarms are monitored and it would be known which ones are true and which ones are false.

The Hon. PATRICIA FORSYTHE: I am asking how many on a daily basis would be false alarms.

Mr AQUILINA: I will take that on notice.

The Hon. PATRICIA FORSYTHE: Many of these questions may end up being taken on notice. You have said that they can tell which are false alarms and which are not false alarms. How do they do that?

Mr AQUILINA: In most cases they would physically go out to see.

The Hon. PATRICIA FORSYTHE: What is the average response time by security guards contracted to follow up on the alarm activations?

Mr AQUILINA: I can give a general answer but I will take the question on notice to give a specific response. Whilst I can say generally within 30 minutes, I am sure the honourable member would want me to be a bit more precise in the detail.

The Hon. PATRICIA FORSYTHE: Is there any disincentive in the system to encourage schools or TAFE colleges to find a mechanism to avoid frequent false alarms?

Mr AQUILINA: The honourable member is making a presumption that false alarms are frequent. I am not sure that is the case.

The Hon. PATRICIA FORSYTHE: Therefore you will need to supply me with a list of the number of activations on an average daily basis and the number of those that turn out to be false alarms.

Mr AQUILINA: We can provide that information.

The Hon. PATRICIA FORSYTHE: Even if it occurs infrequently, is there any incentive or disincentive by way of a penalty for schools or TAFE colleges where there is frequent false activation of the alarm system?

Mr AQUILINA: In relation to security matters there is the departmental school security manual for staff and staff are also trained in school security. But again the honourable member is making a number of presumptions which I would hazard to say are not correct. If there is a particular situation at a location when there are frequent

false alarms I would expect that, with the due responsibility by the principals and staff at the location, they would undertake measures to report the frequent false alarms and to do something positive about eradicating them.

The Hon. PATRICIA FORSYTHE: Where a school principal wishes to add fixed security measures, such as security doors or bars to windows in the buildings, what is the process for obtaining that work? Do principals seek a tender process for the work or is it done centrally?

Mr AQUILINA: In response to requests by principals the department is undertaking security audits at various schools all the time. Once those security audits are undertaken, if it is seen that there is a need to upgrade the security of the schools in response, the security is upgraded. There is, of course, a standard provision for a number of security measures. If principals want to go beyond the standard an opportunity is provided. But it may well be that the costing for that may come from other sources.

Over the past six years we have provided \$46.43 million in security upgrading for our schools. Quite frankly, it has got to the stage where we have to be very careful about how much more money we continue to provide for upgrading, because at the end of the day it may well be the case that the amount of money we are spending on security is counter-effective. This financial year alone we have allocated \$8.088 million as capital injection funding for the addition of physical security improvements. With \$8 million I can build 1½ schools!

The Hon. PATRICIA FORSYTHE: Obviously you want to ensure that the security measures you put in are adequate for the task. My question is: If school principals wish to provide additional security measures—such as grilles, bars on windows or doors—I presume they have to go through a tender process and submit the three lowest tenders. Is that the way it is done? I am not asking about the money; I am asking about the process.

Mr AQUILINA: It will depend on the cost of the item. If it is a small cost item such as upgrading the door, I would anticipate that the principal would be able to do that from the school's resources. However, if it is a major overhaul of the security on a school and they intend to put bars on a large number of windows and the cost runs to tens of thousands of dollars, it becomes a different process.

The Hon. PATRICIA FORSYTHE: What guarantees are there that the department accepts the tender from a firm that is licensed to perform the task?

Mr AQUILINA: I do not go into details in relation to tenders; it is not appropriate for a Minister to become involved in individual tenders or proposals. Clearly, there are articulated guidelines which are made available to principals. Principals would be expected to seek upgrading of their facilities, including security, in accordance with the manuals. That is a proper process and I do not know what kind of a fishing expedition the honourable member is embarking on at this stage. If she would be more specific I may be able to give a specific answer.

The Hon. PATRICIA FORSYTHE: What guarantees are there that work involving fixed security measures, bars, doors or gates conform with the Security Industry Act? In other words, what guarantees are there that the work is performed by qualified people under the Act? Is there anything in the documentation that guarantees that schools are required to employ or contract with someone who is registered under the Security Industry Act?

Mr AQUILINA: The honourable member may know that the Department of Public Works and Services is the agent acting on behalf of the Government in relation to such matters. That department oversees the tender process for all works approved by the Department of Education and Training, including security works.

The Hon. PATRICIA FORSYTHE: Is the obligation on principals? Do principals look for the lowest tender rather than the tender that necessarily conforms to all the requirements under the Security Industry Act?

Mr AQUILINA: It probably relates to the scale of the task. If the work is undertaken under the maintenance budget within the global budget of the school because it is a relatively small item, I assume it would be up to the principal to make that decision. However, if it is a relatively major cost item, because it involves a substantial amount of work being undertaken, and is to be implemented following a security audit and having been granted approval by the Government, it is part of the statewide security budget. Of course, that work would go to tender and be oversights by the Department of Public Works and Services.

The Hon. PATRICIA FORSYTHE: How do schools know that they are getting the best deal—in other words, that the grilles, gates or doors will protect their schools? What safeguard does the system have?

Mr AQUILINA: Again, principals are encouraged to utilise the services of the Properties Directorate. The Properties Directorate undertakes the work on a statewide basis. The Department of Public Works and Services has the responsibility of overseeing the work.

The Hon. PATRICIA FORSYTHE: When were principals last informed about the requirements of employing only people who are licensed under the Security Industry Licensing Act to undertake such work?

Mr AQUILINA: I am advised that the manual outlining those specific details was issued to principals in June last year.

CHAIR: Would it help the honourable member if the manual were tabled?

The Hon. PATRICIA FORSYTHE: I have some understanding of the manual, but that will not necessarily provide me with the answer to my question. Basically, principals seek the lowest cost tenders rather than checking whether people are licensed under the Act.

Mr AQUILINA: That would not be in accordance with the advice in the manual. I cannot provide an answer to that vague hypothetical situation.

The Hon. PATRICIA FORSYTHE: Minister, would you be prepared to carry out an audit of schools that have undertaken their own work and spent money out of their own budget?

Mr AQUILINA: The honourable member seems to be obsessed with audits. She has an audit response for everything. We have risk audits, and audits for this and that. As I indicated previously, we are constantly undertaking security audits around the State in areas that require it. If principals request an audit, because they have been the target of vandalism or theft, a security audit is undertaken. Recommendations are made and we upgrade the security of schools in accordance with the recommendations following the audits. If, however, a principal has undertaken some work of his own volition in a particular school without notifying the department, I do not know how the department could be held responsible. The guidelines are clear and laid out in the manual, and I would presume that principals would act in accordance with the guidelines.

The Hon. PATRICIA FORSYTHE: How does the per student allocation for schools under the global budget for this year compare with last year's allocation?

Mr AQUILINA: That was specifically spelt out in the budget documents that were provided. The documentation provided a detailed comparison of this year with last year. The average recurrent funding per public school student allocation for 2000-2001 is \$6,914.

The Hon. PATRICIA FORSYTHE: The global budget figure, the figure that goes to schools?

Mr AQUILINA: In relation to the global budget's, in 2001-02, \$244.8 million, an increase of \$5 million on last year's budget, is being provided to schools as their global budget. That compares with \$244.062 million last year.

CHAIR: We will now move on to Government members.

The Hon. JAN BURNSWOODS: I note that the Opposition asked about the bricks and mortar, if you like, of the proposals for the new special schools. Can you tell us the aims and purposes of the new special schools and the tutorial centres for students with disruptive behaviour?

Mr AQUILINA: I would be happy to provide an answer to the honourable member in that regard. The provision of the special schools has come about as a result of some very close co-operation between the New South Wales Teachers Federation and the Department of Education and Training over a substantial period of time. It relates to the fact that teachers are concerned about the fact that students who have severe behavioural disorders are not able to receive the specific attention they require within a normal classroom context within a normal school. Not only that, the students actually disturb the learning and teaching of others and it becomes very difficult, then, for schoolteachers to be able to give them the specific attention that they need.

It is also recognised that these students do require some very specific attention and that special training is required in order to assist them. Through the establishment of these special schools we are able to achieve a number of objectives. The students are removed from the normal mainstream classes for a period of time, thereby enabling other students to get on with the processes of learning and teachers to get on with the processes of teaching. However, while they are in these special schools we are also able to devote special attention to them. They will be in

small classes of a minimum of five to six students. They will be given a modified curriculum, which will insist very heavily upon literacy and numeracy, given that a number of the students quite often are really struggling with the basics in mainstream classroom settings. They will also be able to look at modifying their behavioural needs by teachers who have been specifically trained for this process.

The teachers will be volunteers and will usually be people who actually like working with students who are behaviourally challenging in terms of their activities. Traditionally, these would have been students who, in the past, would have been chronic truanters or, as we call them now in the department, school refusers. Many of them would have been the subject of suspensions of a repeated nature and many of them, though not the types of students who would draw the attention of the police or who would undertake criminal activities, would be, nonetheless, students who would severely misbehave within a classroom.

The aim is not to keep them at the special schools for long periods of time. Many public comments have been made by various uninformed or ill-informed people in relation to comparing these special schools and suggesting they are the reform schools of the past. There are no locks and keys here. These are not residential establishments. Kids are not being physically dragged into them. The students make it to these schools of their own volition, of their own accord. In some cases the stay at one of these schools may be as brief as a term, say 10 or 11 weeks. In some cases it may be half a year and in other cases possibly for 12 months. The aim is to get them into the schools to give them the special attention they require and then to get them back into mainstream schooling as soon as possible or, failing that, to get them into some formal training where we will be able to put them into a specific TAFE course and give them the skills they require to link them into a job.

CHAIR: Just to clarify that, all the teachers in that special program would be volunteers?

Mr AQUILINA: Teachers who actually want to go and undertake the training and teach in that program will be in that program.

The Hon. HENRY TSANG: I refer to your announcement that consultation is being considered in relation to closures of some of the inner-city schools. I went to Vacluse Boys High School, which is likely to be closed. There are many historical items, such as the school bell, honour boards, photographs and other heritage items. If the school closes, what will happen to those heritage items? What is the policy? Are they sold off?

Mr AQUILINA: The Department of Education and Training is very proud of its history. It has very proud traditions of public education dating back more than 150 years. We do all we can to preserve the essential elements of that history, given the fact that education is a dynamic area of activity where change is constant. It may surprise the honourable member to learn that in the history of public education in New South Wales we had over 7,000 schools and we now have 2,225. Obviously, whenever a decision is made to close a school for various reasons, or to amalgamate it, we do what we can to remove and preserve the essential elements of the history of that school. The honourable member is querying things like honour boards, and it may well be the case that his name is on the honour board.

The Hon. HENRY TSANG: Exactly!

Mr AQUILINA: I will have much pleasure in personally guaranteeing that the honour board at that particular school will be preserved as part of the prestigious history of public education in this State.

The Hon. PETER PRIMROSE: Following on from that tough question—and members of the Opposition have not been prepared to ask these tough questions, so I have one—can you tell us what is the increase in capital works funding in this year's budget?

The Hon. PATRICIA FORSYTHE: I read it in the budget papers.

The Hon. PETER PRIMROSE: I have read most of the things there, but what I want the Minister to outline is the actual increase and to comment on it.

Mr AQUILINA: I am pleased to comment on the increase in the capital works budget this year because I know various comments have been made by a number of honourable members, particularly those from the Opposition, trying to make out that somehow or other there is a drop of real funding in capital expenditure. In the 2001-02 State budget the Treasurer announced the first instalment of the Government's school improvement package, with a record capital works funding of \$257.6 million for New South Wales public schools. The capital works allocation underpins an education budget committed to building up, grading and maintaining schools and represents an \$80.4 million increase on last year—that is, 45 per cent on the previous year's capital budget.

The Hon. DOUG MOPPETT: How much for the bush?

Mr AQUILINA: I can tell the honourable member this: The population percentage residing in the bush is roughly 31 per cent of the total population in New South Wales. Our capital works allocation for the bush is around 34 per cent, so it far exceeds the per capita allocation. Of course, in our interpretation of "the bush", we are not including Newcastle and Wollongong, just in case that little furphy may be thrown in as well.

The Hon. JAN BURNSWOODS: I, too, have been perusing the *Hunter Valley News* and I noticed that George Souris, the Leader of the National Party, congratulated you on the \$3 million upgrade of Muswellbrook South School and the final \$1.96 million allocation from the total \$2.8 million upgrade of Cudgegong school at Mudgee. I guess I was pleased to see a member of the National Party congratulating the Government on capital works funding for education.

The Hon. DOUG MOPPETT: What are the new projects?

Mr AQUILINA: The Leader of the National Party expressed his thanks to me personally when I visited his electorate to attend the official opening of extensions to Scone Public School. I announced on that occasion additional funding for the upgrade of Muswellbrook South Public School. In fact, the Leader of the National Party was so overwhelmed that he said he felt like offering me membership of the National Party on the spot! However, I advised him that I felt more secure where I was.

The Hon. Dr PETER WONG: What is the total budgeted expenditure for 2001-02 for programs in the Education and Training portfolio that provide access and equity for ethnic communities? What access and equity programs are included in that total budget amount? What is the budget expenditure for 2001-02 for those programs and what is the budget 2000-01 expenditure comparison for each of those access and equity programs?

Mr AQUILINA: That is a detailed question. The department's school-related activities expenditure on major equity programs was \$706,166,000 in 2000-01. This year it is \$725,492,000. The percentage change in estimated expenditure from last year to this year is an increase of 2.7 per cent. The percentage change in expenditure in equity programs over five years from 1997-98 to 2001-02 is 18 per cent. I advise the honourable member that this year's funds of \$725.5 million include \$477.7 million for special education—the largest per capita allocation for special education in the history of the State—and \$56.5 million for socioeconomically disadvantaged students. The Hon. Doug Moppett will be pleased to hear that it also includes \$69.2 million for rural education; \$32.6 million for Aboriginal education program services—which is also a record amount—\$84.7 million for services to students from non-English-speaking backgrounds, which I am sure the Hon. Dr Peter Wong is pleased about; and \$4.8 million for other equity programs.

The Hon. Dr PETER WONG: I think the Minister has answered most of my questions. However, I have a few minor queries. I refer the Minister to the \$46.2 million allocated for a wide range of placements and support options for students with disruptive behaviour. How is a student with disruptive behaviour determined? Are State wards and children in substitute care provided for in this category? Can the Minister table evidence about the rationale in support of this approach?

Mr AQUILINA: The honourable member asked first how children with disruptive behaviour are assessed. Typically, these children would draw constant attention to themselves in school through their behaviour. In many cases, they would be subject to constant attention from school counsellors and also the subject of constant reports from home-school liaison officers because of chronic truanting. They would obviously always be brought to the attention of different members of the school executive, whether faculty head teachers, deputy principals or principals. These children simply do not fit in to the school environment because of their chronic misbehaviour, and would be referred to special schools on the recommendation of some, if not all, of those persons.

I stress that that is not punishment. These schools have not been devised in the same way as the old reform schools—despite the somewhat misplaced "reform" title—as providing punishment. These children are not placed under lock and key. They attend special schools with the co-operation of their parents so that they may receive special assistance. As I explained to the Hon. Jan Burnswoods earlier, the aim is to provide these children with modified basic education in terms of literacy and numeracy, and to help them learn some basic living skills—especially given the fact that a substantial number of them come from dysfunctional families and lack living skills. Once they have benefited from the special attention afforded by small class sizes and a modified curriculum, we can try to get these children back into mainstream schooling.

Another point is that each student who attends a new behavioural school will have his or her own individual case plan, which will continue once that student returns to a mainstream school. We are not just lumping children together in special schools; each one has his or her own case plan that is monitored by school counsellors and by specially trained teachers at the schools. The honourable member also asked about State wards. It may be that a number of State wards would benefit from attending these schools. However, some State wards may not need to attend them because they are coping quite well in the mainstream State school system.

The Hon. Dr PETER WONG: Does the money allocated provide for special programs, such as wilderness courses?

Mr AQUILINA: We have tried that approach in the past, but it has not always worked. In my days as Minister for Youth and Community Services I recall trying various wilderness programs and so forth. All of those things have their place in the short term, but we want an education system that will provide some degree of security and opportunity for these young people in the long term. We must first give them some basic education and then link them to a secure future through employment. As I said earlier, perhaps we could link some students from special schools with some kind of wilderness program. However, we do not view that as an alternative: it is an opportunity to enhance the education provided to these students.

CHAIR: Under the heading "Office of the Board of Studies" on page 6.10 of Budget Paper No. 3 there is reference to the kindergarten to year 10 curriculum framework. In recent weeks there have been several reports about boys falling behind girls in literacy standards in particular. What action is the Department of Education and Training taking to address that problem? How are resources being directed and what specific programs have been proposed for boys' education?

Mr AQUILINA: Mr Chairman, many schools are developing excellent programs to address the needs of boys. I could give you the names of some of these schools: Mudgee High School and Clemton Park Public School. National literacy benchmark figures show that New South Wales, in fact, has the lowest literacy gap between boys and girls of any State in the country. That is something of which we are proud. When one reads media reports, one may well get a different picture. This is an issue that is not peculiar to New South Wales or, indeed, to Australia. It is found in most western cultures and most western democracies. We are pleased to say that in New South Wales, as evidenced by the national literacy benchmarks for years 3 and 5, the literacy gap between boys and girls is the lowest in the country.

A number of resources have been developed for schools. These include: Gender Equity at Work in Secondary Schools, a program that has been introduced this year; and Gender Equity: Effective Practice in Primary Schools, a program that was introduced in 1999. I highlight these programs as two of a number of programs specifically developed to meet the needs of boys. In addition, teachers from across New South Wales have the opportunity to be involved in training through District Agenda Equity Network meetings. Resources used for this training include "Just Kidding", "Sex-based Harassment at School" and "Exploring Gender in Community Schools". The Machismo program, which has been developed to support boys by breaking down stereotypical barriers and attitudes and opening up new career paths, also continues to operate in three city and two country schools.

CHAIR: Apparently there is a disproportionate number of female teachers in the schools system. Are there any special programs to encourage male teachers into the system, in particular, to provide role models to boys?

Mr AQUILINA: This is a matter which concerns me. I am trying to address this matter at the moment by commissioning an inquiry into the lower number of male teachers in our schools, particularly in our primary school system. I have been on public record as saying that many thousands of children go through their entire infants and primary years without the opportunity of a male role model either at home or at school. I do not believe that is a healthy environment for either boys or girls. We are trying to address that issue. I announced that inquiry some time ago. I have requested the Parliamentary Secretary for Education, Tony Stewart, to head that inquiry. The inquiry is currently proceeding and, I believe, will move to the public submission stage very soon. I anticipate having a report from Mr Stewart later in the year. I look forward to some firm recommendations from that report which will enable me to undertake specific action to, first, continue to highlight the need to attract male teachers into our schools and, second, to take specific action to achieve that objective.

CHAIR: My next question relates to the Conservatorium of Music. At Budget Paper No. 3, Volume 1, page 6-6, the department refers to an unexpected additional expenditure of \$44.7 million because of the discovery of archaeological remains on the site and costs of conservation, restoration and exhibition. What will now be the total cost of the redevelopment of the Sydney Conservatorium of Music?

Mr AQUILINA: The total cost of the redevelopment of the project, including the funding for all the archaeological sites that were found at that location, is \$144.61 million, although the cost of the conservatorium itself is just under \$100 million. A great deal has been said about the conservatorium. For example, the Opposition has attempted to say from time to time that \$100 million is a big expenditure on a school for roughly 160 students. That totally misrepresents precisely what the conservatorium is about. The Conservatorium of Music will house, of course, the conservatorium high school, but it will also house the campus of the University of Sydney music department. In all it will cater for some 750 students from the university on top of the 160 students, probably a bit more, from the school.

The Hon. PATRICIA FORSYTHE: Being paid for out of the schools budget.

Mr AQUILINA: One wants to ensure the cultural climate in this State and provide opportunities to students at a centre of music excellence. That is what the conservatorium will provide. On top of that, it will be a very important cultural precinct for Sydney, probably our most important cultural precinct next to the Opera House. Public concerts will be held there on a regular basis. Up to 2,000 students per year will have the opportunity to attend the conservatorium from time to time for various short-term activities. It will provide a substantial boost to the educational opportunities of many of our young people in this State, a lot of them from public education.

CHAIR: The redevelopment is almost complete. When do you anticipate the Conservatorium of Music will be operating and the students returning to the site?

Mr AQUILINA: As far as I am aware, the students will move into the conservatorium on 4 July. I believe the official opening will be on 26 August.

CHAIR: I refer to Budget Paper No. 3, Volume 1, page 6-24, program 41.3 Non-Government Schools Assistance, line item "Recurrent grants to non-profit organisations". Who are the principal recipients of those grants and how much were those grants in 2000-01?

Mr AQUILINA: These are various grants in aid, which the department has traditionally made allocations for because of their related educational activities. For example, grants were made to organisations such as: the Australian Council for Educational Research, which received an allocation in this year's budget of \$350,020; the Specific Learning Difficulties Association of New South Wales, received a grant of \$27,610; the Association for Children with Learning Disabilities was granted \$16,500; the Gould League of New South Wales, which has been a beneficiary for several decades, received \$10,021; the Australian Children's Television Foundation, which develops a number of programs for the use of children, particularly in the infants and primary school stages, received \$156,200; the Federation of School Community Organisations received \$49,530; the Federation of Parents and Citizens Association was granted \$187,484; the New South Wales Parents Council received \$41,107; and the Council of Catholic School Parents received \$41,107.

A number of other associations have received grants. The Isolated Children Parents Association received \$38,000; the Sports Council Australia, \$86,000; the Volunteer Centre, \$22,000; the Talent Development Project for recognising and developing outstanding entertainment ability in young people, \$121,000; the Institute for Family Advocacy and Leadership Development, \$26,400; the Royal Blind Society, \$3,300; the Spastic Centre of New South Wales, \$2,860; the Early Intervention Association, \$7,700; the Science Foundation for Physics, \$90,288; and the Learning Difficulties Coalition, \$33,000. That is a total of \$1,310,906.

CHAIR: Obviously, those grants cover a wide range of organisations and benefit students in both government and non-government schools. From the budget point of view, is there any reason why it is listed as non-government schools assistance in the budget papers?

Mr AQUILINA: In a sense those items are relatively minor. They come to just over \$1.3 million. The really big item under the grants, non-government organisation, refers to the supervisor subsidies to non-government schools, and that is why it is listed in that category. But I take the point that they are to the benefit of both government and non-government schools. In a sense, though, they are non-government organisations, and that is why they are listed in that category. They are not organisations of the Government, as such. I take your point that they provide assistance to both government and non-government students, but they are not government organisations, and that is why they are listed in that category.

CHAIR: That may be something you look at for future budgets, for clarification purposes.

Ms LEE RHIANNON: Does the Minister accept that there is a State shortage of teachers and, in particular, a shortage of casual teachers? If he accepts that there is a shortage, what action will he take to address the looming crisis?

Mr AQUILINA: In relation to the first part of the question, we do not have a shortage of teachers as such at the moment. In fact, there are some teacher categories where there are substantial waiting lists of people wanting to obtain full-time employment. We do have, however, shortage of some categories of teachers in some locations, particularly so far as science, maths and some of the technology areas are concerned. It is true that we are having some difficulties finding teachers for permanent allocation in some parts of the State. We are succeeding in finding those teachers, but it is with difficulty. I have attempted to introduce a number of schemes to address that shortage. The honourable member may be aware that earlier this year I announced a scholarship scheme whereby we would pay the higher education contributory scheme of students in their last year of teacher training this year in either an undergraduate or postgraduate degree specialising in maths, science or a technology area, plus an additional \$1,000 and guarantee them a job on the basis that they agree to go to a school of our nomination and serve at that school for a minimum of three years.

In addition to that, we have undertaken a number of special programs. It may be recalled, for example, that in conjunction with the University of Newcastle we devised special programs to provide a form of teacher training for 30 former employees of BHP Newcastle. Those teachers graduated, after an 18-month period, at the end of last year. My recollection is that 28 out of 30 obtained either high distinctions or distinctions. They are now very happily teaching technology, maths and science subjects in our schools. As a result of the success of that program, earlier this year I announced that we would look at widening the program. At the University of Wollongong, but again under the auspices of the University of Newcastle, we have some additional 170 people retraining from trades and other occupations to become teachers. I also indicated that I would be willing to widen the program even further, and asked people to register with the department an interest in becoming teachers.

We were overwhelmed. In excess of 5,000 people registered an interest. We followed up on all of those people. A number of them would not be suitable to become teachers, but many are. We are keen to take them on, if that is the case. I would like to take this opportunity to point out that we have had a surge of very talented young people graduating from our schools wanting to become teachers. In the past two years our teacher training institutions in this State have been able to accommodate only one-third of the HSC graduates who put teaching as their number one choice. The University Admission Index cut-off point has increased dramatically because of the number of young people who want to become teachers. That represents a very healthy trend, particularly coming from the very low point that emerged back in about 1993-94.

Ms LEE RHIANNON: How do you plan to pay for the 3 per cent pay rise for TAFE teachers and related staff that is due in July, considering that only a 2.4 per cent increase has been allocated in the budget for employee costs? You have a 0.6 per cent discrepancy. Is that downsizing or casualisation?

Mr AQUILINA: No. It may be remembered that TAFE undertook a two-year business plan two years ago in relation to productivity offsets. In actual fact we have proceeded successfully along that path. The honourable member would be aware of the fact that there were a number of redundancies from the TAFE Commission, and that provided increased funding. Yes, the other 0.6 per cent is being funded from the productivity offsets that we were able to obtain and they were written into the budget. We have an increase of 2.4 per cent and productivity offsets increase of 0.6 per cent to account for the 3 per cent.

The Hon. DOUG MOPPETT: People concerned with the operation of the School of the Air were expecting an allocation in the budget following the evaluation of new technology. They expected that that would be implemented this year. It is always impossible to find an item like that in the budget, but I understand that no allocation was made. Could the Minister explain why, and whether there is a possibility that it could be still undertaken in the current financial year?

Mr AQUILINA: I do not have many specific details about this matter, but I will provide to the honourable member the information that has been given to me. Last year, Broken Hill School of the Air took part in the trial of a satellite-based replacement for its ageing radio facilities. The maintenance costs are horrendous, with towers being blown over all the time and needing to be repaired. The trial of this innovative technology, which connects students to the School of the Air by computer, was a success. We are committed to replacing the radio infrastructure with a satellite-based system as soon as possible. We are reviewing the costs of that technology for this year, and we will be identifying a source of funding for the replacement in the near future. I assure the honourable member that we are committed to the upgrading of that technology and the replacement of the radio infrastructure with a satellite-based system.

The Hon. DOUG MOPPETT: I understand that that evaluation was completed. Do you think that that is going to be possible during this coming financial year? In other words, will it be ready and in operation for the beginning of the school term next year?

Mr AQUILINA: I cannot guarantee that. We did seek an additional \$1.8 million from Treasury, which we would require on an annual basis in order to do this. That was not provided for this year. However, given the significance of this item to rural areas, we are continuing to pursue this matter with Treasury, and are very keen to identify a funding source to enable us to implement it.

The Hon. DOUG MOPPETT: Given the vagueness of your answer, could you take that question on notice and supply me with a detailed response?

Mr AQUILINA: I thought I was quite precise. The annual cost of implementing this is \$1.8 million. The funds were not allocated this year in order to enable us to undertake that replacement—given the fact that it is a \$1.8 million recurrent expenditure. We are still reviewing the costs of the technology. I have undertaken to the honourable member to identify a source of funding for the replacement of the radio infrastructure in the very near future.

The Hon. DOUG MOPPETT: What plans do you have in mind for the old Dubbo high school site? Has a decision been made about its future?

Mr AQUILINA: No decision has been made about that at the moment. A number of issues are being canvassed.

The Hon. DOUG MOPPETT: Were you approached by a non-government school organisation with an offer to take over the site on a lease basis, perhaps?

Mr AQUILINA: I have heard rumours to that effect. I certainly have not been approached, but I do not know whether the department has been formally approached at this stage.

The Hon. DOUG MOPPETT: Returning to the School of the Air, you will no doubt be aware that some 30 years ago a trial was undertaken of pre-school facilities via radio. Thirty years ago! I believe it is still referred to as a trial. Given your interest in early intervention into learning difficulties, when will this be confirmed? When will it be expanded to cope with the number of children who attempt to enrol and are refused because the facilities are not available?

Mr AQUILINA: I was not the Minister 30 years ago. I will take that question on notice. Earlier the Hon. Patricia Forsythe asked me a question in relation to Erskineville Public School. She asked how long ago a review of that school had been undertaken and whether or not some guarantees had been given by the department at one time that in fact no such review was under way. I believe the honourable member was referring to a letter forwarded to the school council by District Superintendent Jack Baseley on 18 January 2001. I will quote the relevant sentences:

On October 5, 2000 I attended the Erskineville Public School Council meeting to provide advice on local enrolment trends, to discuss the implications of continued enrolment decline and to seek advice from the school community on future schooling arrangements for their children.

The meeting was advised that enrolments at Erskineville Public School had declined, from 480 students in 1977 to 42 students in 2000, with the school organised into classes each spanning a wide range of age and student need. Parents were asked to consider if their children's needs could be better met in another setting.

It was also pointed out that the two neighbouring public schools, Newtown and Alexandria, each have the capacity to accommodate all of the students at present attending Erskineville Public School.

While currently no school review is being undertaken at the school, the Minister has asked me to monitor the school's enrolment and advise him of the trend in early 2001.

I think it would be fair to say that the advice contained in the letter is totally consistent with the circumstances as they exist.

CHAIR: You indicated earlier that you intended to table two documents at the conclusion of this meeting. From my recollection one related to the Building the Future report and the other to the valuation of school assets. Are you able to table those documents now?

Mr AQUILINA: In relation to school valuations in the inner city—again in response to an earlier question from the Hon. Patricia Forsythe—valuations were carried out on Maroubra High School, Maroubra Junction infants, Erskineville Public School, Waterloo Public School, Marrickville High School, Redfern Public School, Chatswood High School, Vacluse High School, Alexandria Public School, St Peters Public School, Malvina High School, Hunters Hill High School and Dover Heights High School.

In response to an earlier question from the Hon. Patricia Forsythe in relation to demographers being employed by the department, I would point out for the benefit of the honourable member, and other members of this Committee, that the General Manager, Properties, has a Master of Town Planning degree. His thesis covered school demography and urban development, specifically the relationships between housing type and student numbers. So far as having demographic expertise within the department is concerned, he is eminently qualified in that regard.

CHAIR: Do you have available the document dealing with the Building the Future report? If that document is not available, will you forward a copy of it to the Committee?

Mr AQUILINA: Yes. I will make the consultation report available. I have been advised that there is a copy upstairs. I know where it is, but apparently no-one else does. I would point out, however, that the Building the Future consultation report can be viewed on the web site, together with the graphs and other information.

CHAIR: Thank you. You also indicated that you would take a number of questions on notice. Are you able to give an indication of approximately when you will respond to those questions.

Mr AQUILINA: That would depend on the number of questions.

CHAIR: There is not a great number. Would three weeks be adequate?

Mr AQUILINA: I believe three weeks would be adequate.

CHAIR: Questions that Committee members have not had an opportunity to ask should be placed on the Legislative Council notice paper for administrative efficiency.

The Committee proceeded to deliberate.