

Division 24: Education Services, \$461 827 000 —

Mr I.M. Britza, Chairman.

Mr J.H.D. Day, Minister for Planning representing the Minister for Education.

Mr R. Strickland, Director General.

Mr R. Miles, Director, Teacher Registration.

Dr P. Wood, Acting Director, Education Regulation.

Mr J. Jurkowski, Chief Finance Officer.

Mr D. Lloyd, Executive Director, Corporate Governance and Non-Government School Funding.

Mr T. Werner, Director, Higher Education and Legislative Review.

Ms S. Trestrail, Acting Director, Training Regulation.

The CHAIRMAN: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available the following day.

It is the intention of the Chair to ensure that as many questions as possible are asked and answered and that both questions and answers are short and to the point. The estimates committee's consideration of the estimates will be restricted to discussion of those items for which a vote of money is proposed in the consolidated account. Questions must be clearly related to a page number, item program or amount in the current division. It will greatly assist Hansard if members can give these details in preface to their question.

The minister may agree to provide supplementary information to the committee, rather than asking that the question be put on notice for the next sitting week. I ask the minister to clearly indicate what supplementary information he agrees to provide and I will then allocate a reference number. If supplementary information is to be provided, I seek the minister's cooperation in ensuring that it is delivered to the principal clerk by Friday, 19 June 2015. I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice with the Clerk's office.

[Witnesses introduced.]

The CHAIRMAN: Member for Albany.

Mr P.B. WATSON: I refer to the line item "Teacher Training for Vocational Education and Training in Non-Government Schools" on page 280 of the *Budget Statements*. It is the only way I could get in an issue I have in high schools in my electorate at the moment—vocational education and training in schools for 2016. Apparently, all the schools are trying to organise things for next year. I have a letter here that was sent to Great Southern Grammar stating that it is still being worked on. We know it is unable to provide schools with any planning assistance. The clarity extends to fee-for-service delivery in vocational programs. Can the minister explain why this is taking so long to do? Schools obviously have to plan for the future and this is a real concern for high schools in my electorate.

Mr J.H.D. DAY: This is not an issue that I have any detailed knowledge of.

Mr P.B. WATSON: I can take it on notice.

Mr J.H.D. DAY: I can see it there on page 280, but I will ask Mr Strickland to provide some information.

Mr R. Strickland: The line item the member is pointing to is funding to support professional development in —

Mr P.B. WATSON: I know that, but I want to know what is happening. I am using that line item because there is nowhere else in the budget papers that I could get this question up. It is no good teaching people a program if schools cannot find out what is happening in the next 12 months. I am wondering why it is taking so long to organise the program. It is no good having money there to teach people the program if the program is not up and running. I want to know why it is taking so long.

Mr R. Strickland: Is the member referring to non-government schools?

Mr P.B. WATSON: Yes.

Mr J.H.D. DAY: Can the member clarify what he means by the "program"?

Mr P.B. WATSON: Vocational education and training in non-government schools—VETiS.

Mr R. Strickland: Regarding arrangements with non-government schools, basically the Catholic education system is the responsible body for developing the programs and rolling them out in the Catholic education system.

Mr P.B. WATSON: This is not Catholic education.

Mr R. Strickland: The independent schools actually develop the programs themselves. They are supported by commonwealth and state funding and the fees they get from parents. They have also had additional funding in terms of professional development. In terms of responding to the new Western Australian Certificate of Education, the schools do that. The Department of Education Services is more responsible for regulation and compliance and ensuring that the schools are actually meeting the standards—not in actually telling them what to do, but going out and measuring whether they are meeting those standards. We also provide the funding, per capita grants, and additional funding such as professional development funding.

Mr P.B. WATSON: I understand. It was the only way I could get the question in. This letter states, “Contact the Department of Education.” The only line item anywhere in the budget was this one here. I wonder if the minister could follow up what is happening with this program. Why is it taking so long to develop for next year? I think it is a yearly thing. It has been going for a while.

Mr R. Strickland: Vocational education and training in schools has been going for some time. It is in non-government and government schools. In fact, 50 per cent of kids across the board would probably be getting VET in schools training now in years 11 and 12, but with the new WACE initiative, students will end up with either an Australian tertiary admission rank or certificate II. That is increasing; something like 75 per cent of kids will have some contact with VET in schools.

Mr P.B. WATSON: This is something that has been going on for quite a while.

Mr R. Strickland: VET in schools has, yes.

Mr J.H.D. DAY: It has been going for years and years.

Mr P.B. WATSON: The issue I have with the minister is why it has taken so long. We are now in June, and all the schools that have come to me say, “We want to get this done for next year. We want to know what the fees are because we have to get our budget going.” I think it went to the director of TAFE in Albany and they said, “Get on to the education department.” That is why I brought it to budget estimates. I wonder whether the minister could look up or let us know the problems facing it and why it is taking so long, by way of supplementary or whatever he thinks is best.

Mr J.H.D. DAY: The member has raised the issue here. The minister’s office is hearing what is being said and will look at *Hansard* and try to get to the bottom of the issue that the member has raised. It will communicate with the member. If the member does not hear anything, he can certainly follow it up either with me or with the Minister for Education’s office.

The CHAIRMAN: Will the minister confirm that he will follow that up?

Mr J.H.D. DAY: Yes. I am looking at the relevant advisers and they are nodding. It will be in *Hansard*. We will seek to find out what we can.

Dr A.D. BUTI: I refer to the first dot point under “Significant Issues Impacting the Agency” on page 272. This refers to the review of non-government schools funding. Has a model for funding year 7 in non-government schools been agreed with the non-government sector and what are the outstanding issues to be resolved?

Mr J.H.D. DAY: I am advised that a review is underway, which will report sometime this month. It is being conducted by a working party consisting of representatives from the Department of Education Services, the Department of Education and Treasury. In April, consultations occurred with Catholic Education Western Australia, the Association of Independent Schools of Western Australia and the Parents and Friends Federation of Western Australia. The key issues raised were the funding of year 7s in secondary education, location and timeliness of information on funding rates for the next school year, which the member just asked about. It is expected that new arrangements arising from the review will be implemented for the 2016 school year. It is important to remember that WA provides the highest level of financial support for non-government schools of any state in Australia, and the state will continue to meet its commitment to provide recurrent funding to non-government schools at a level equivalent to 25 per cent of the recurrent costs incurred by government schools. In fact, for this calendar year, the level of funding to the non-government school sector is 26 per cent. In short, that issue is still under review. It has not been finalised, but it is expected there will be an outcome next year.

[12.30 pm]

Dr A.D. BUTI: My follow-up question relates to a promise the government made to the non-government sector that once year 7s had been moved into the government secondary school sector—the non-government sector had already moved year 7s to their secondary schools before the government sector—they would be paid at the higher secondary rate. The minister has said that a review is being conducted, but there was a government promise to non-government schools that year 7s would be paid at the higher secondary rate. Is the minister able to confirm that the government will keep its promise?

Mr J.H.D. DAY: I just said, based on the information I have, that the level of 25 per cent of the cost of government school education will continue to be maintained in relation to the support provided for non-government schools. In this year it is 26 per cent. That is the information I have. How that is split up across the various year levels is currently under discussion. I will ask Mr Strickland to add more.

Mr R. Strickland: We are well advanced in doing this review. The terms of reference will look at the student-centred funding model being rolled out in the public education system, what the commonwealth does in terms of funding—they picked up a version of the Gonski model—our own model and the key imperative of looking at year 7 funding being picked up as funding in a secondary school. All the options that have been examined have had that as a key part of what is proposed. We are still in the process of finalising the analysis and we will put that up through the minister to cabinet.

Dr A.D. BUTI: Is the minister saying that he is not able to confirm that the government will keep its promise that year 7s in non-government schools will be funded at the higher secondary rate? Is the minister not able to confirm that the government will keep that promise?

Mr J.H.D. DAY: I have not been given any concrete information to indicate that will not be the outcome, but it is what is under review at the moment.

Dr A.D. BUTI: If the government makes a commitment that non-government schools are going to be funded at a rate of X, why is a review being conducted? Does it mean that the minister is not able to guarantee a commitment that the government has made?

Mr J.H.D. DAY: That really is an issue for the Minister for Education to comment on directly. I am going on all the information I have here.

Mr C.D. HATTON: I refer to the second dot point on page 272, under the heading “Significant Issues Impacting the Agency”, and to the financial support for curriculum and re-engagement in education, commonly known as CARE schools, for students with social, emotional and behavioural difficulties. Can the minister expand or elaborate on the important role of CARE schools and how they play out in WA? How will the continued provision of funding help to re-engage students?

Mr J.H.D. DAY: About \$1 million for the next two years is being provided to support those schools in the non-government sector. They play an important role and deal with students who have difficult issues or backgrounds, particularly behavioural and mental health problems, including drug and alcohol abuse and who, in some cases, are homeless, come from dysfunctional family situations, are in care or are dealing with unplanned parenthood, or for a range of reasons have difficulty attending school consistently. Quite a number of them have been either suspended or expelled from typical schools. The lack of engagement with and involvement in regular schools over time has a negative impact on their development and their ability to participate in mainstream society, so CARE schools play an important role to ensure that they are assisted and directed to engage and participate meaningfully in society. I will ask Mr Strickland to add more about the benefits of those schools.

Mr R. Strickland: There are about 12 CARE schools. They are typically not very large and have about 100 students. A fair amount of time is focussed on re-engagement and on making links with registered training organisations or other organisations in the community. A fair amount of welfare and youth work is done at those schools, so they often have social workers attached to them to support their work to engage the kids and get them involved in basic literacy and numeracy, and to prepare them to do other things.

Mr C.D. HATTON: How long have CARE schools been operating?

Mr R. Strickland: They have been going for a substantial period of time. They have been around for the 10 years that I have been involved in this area. One of the first CARE schools to open was the Port School—the member might have heard about that—in Fremantle, but they are consistently evolving. The Catholic Education Office is involved in this space and there are several Catholic CARE schools, including Clontarf Aboriginal College. Another school known as Alta-1 has five or six campuses; it is quite big and has 289 kids enrolled in its schools.

Dr A.D. BUTI: I refer again to page 272 and the review of non-government school funding. The minister has said that a review is well underway and decisions will be made soon and that the review will be completed. Does that mean that any changes to funding will be in the *Government Mid-year Financial Projections Statement*? If not, when will the sector be informed of these changes, because they are facing a very uncertain situation at the moment?

Mr R. Strickland: That is a key issue. The Association of Independent Schools of Western Australia and the Catholic Education Office have fed back their concerns. A couple of people from Treasury have been on our

working party and they agree with those concerns, so what is being looked at is how we can get information out to the schools a lot earlier so that we do not have to wait for a midyear review, which happens in December. In terms of the recommendations, that is a proposal for the government to consider. If that is taken on board, the aim would be to let the schools know what funding will be available next year before the midyear review this year. That will be a government consideration.

[12.40 pm]

Mr J.H.D. DAY: To add to what I said earlier about how Western Australia provides more funding for student support than is the case in any other state, the figures from the Productivity Commission—they are a bit out of date—show that in 2012–13, WA provided \$228 per student in non-government schools. That is \$827 more per student than the next highest state, being Queensland, \$934 more than the average for the other states, and \$1 473 more than the lowest state, being South Australia.

Dr A.D. BUTI: I did not ask that question, but anyway.

Mr J.H.D. DAY: It is useful information.

Dr A.D. BUTI: Indeed! I refer to page 272. The third dot point under the heading “Significant Issues Impacting the Agency” states that the department will continue to review independent public schools during 2015-16, and that the number of reviews is anticipated to rise by 57 per cent. How many actual schools is that?

Mr J.H.D. DAY: This is a role of the Department of Education Services. There are currently 441 independent public schools, and 118 reviews are planned for 2015, and another 323 reviews are planned for the calendar years 2016 and 2017—that is, 72 in 2016, and 251 in 2017. As a result of the streamlined budget process, an additional \$426 000 will be available for this activity.

Dr A.D. BUTI: I refer to page 271. Under the heading “Spending Changes”, there is a line item for the workforce renewal policy. How will the workforce renewal targets be met? Will it include cutting staff, reducing the number of inspections, or reducing the reviews of non-government schools?

Mr J.H.D. DAY: I am advised that the savings will be achieved by harvesting a proportion of salary and on-costs when an employee permanently ceases employment through resignation or retirement, permanent transfer, or appointment to a position at another public sector body—I guess the member knows that. With regard to how it is expected to be dealt with specifically in this department —

Dr A.D. BUTI: What was that last sentence? I could not hear it.

Mr J.H.D. DAY: It was how it is expected to be dealt with specifically in this department. I will ask Mr Strickland to give the member a meaningful answer.

Mr R. Strickland: The intent of the policy is that whenever we are about to make an appointment for a person who has separated, we look at whether we need that position, and whether we need that position to be at the level that it is, and that indeed is what we are doing. The impost on us is not as great as it is for many other agencies, because we are not a big agency. We have about 99 FTEs, and a fair proportion of our FTEs—about one-third, or 34 FTEs—are associated with supporting the Teacher Registration Board, and they are excluded from this because they are funded out of teachers’ fees, so we are really talking about an agency with just over 60 FTEs. The impost on the agency in this next round is about \$40 000. We have already been able to look hard at that, because an older person left, and make some decisions.

Dr A.D. BUTI: So basically at this stage the way the agency is reaching its target is by not replacing staff who leave?

Mr R. Strickland: That is basically the intent at this stage. We look hard, every time there is a separation, at whether we will recruit another person to the position at that level, or whether we will recruit another person at a different level. That might mean restructuring, or whatever. That is how we have certainly focused on it this year.

Dr A.D. BUTI: Mr Strickland said that this is a small agency. Therefore, in some respects any reduction in staff could be quite significant. Does that mean that there will be a reduction in the inspection and review of schools in the non-government sector?

Mr R. Strickland: No. The particular position that we focused on was a legal officer.

Dr A.D. BUTI: You’re not going to get rid of a lawyer, are you? Surely not!

Mr R. Strickland: We decided that we could more efficiently access legal advice from the State Solicitor’s Office and that therefore we would not need to replace that position. So we harvested the 40 per cent that we

needed to meet the requirement, and we have been able to put the remainder of the salary savings into more urgent things to support the reviews of providers and the regulation of non-government schools.

Mr P.B. WATSON: I refer to page 280 and the table headed “Details of Administered Transactions”. For the line item “Grants for Students at Risk and Other Programs”, in 2013-14 the allocation was \$349 000, and in 2014-15 it was \$325 000. However, in 2015-16 it goes up to \$520 000, and it then drops to \$325 000 in 2016-17 and for the out years. Why is there a peak in 2015-16?

Mr J.H.D. DAY: I will ask John Jurkowski to answer that.

Mr J. Jurkowski: The member has noticed that it has gone up for 2015-16. As part of the midyear review for 2014-15, we allocated another \$14 million for per capita grants—so an increase.

Mr P.B. WATSON: What was that for? Sorry. I could not hear.

Mr J. Jurkowski: For the forward estimates, effectively the funding has been flat-lined in accordance with 2014-15. That is because we are waiting on the results of the non-government schools funding review and the application of the student-centred funding model. Pending those results, the funds will be increased across the forward estimates.

Mr P.B. WATSON: Does this money go to any particular areas?

Mr J.H.D. DAY: I will ask David Lloyd to answer that.

Mr D. Lloyd: That funding goes to Catholic Education Western Australia and to the Association of Independent Schools. In both cases, it is to support students at risk. They provide additional services to schools. Those services are slightly different between the two organisations, but their intent is similar—they support schools that are dealing with students at risk.

Mr P.B. WATSON: We heard earlier, when we dealt with the Department of Education division, about the new centres for children at risk. Why are the ones in Catholic education separate from the ones that we talked about earlier?

Mr J.H.D. DAY: What we talked about earlier was the government school system.

Mr P.B. WATSON: We talked earlier today about the new behaviour centres in schools, and about how we might get one in Albany—the minister was not quite sure about that, even though the government has put out a press release saying it is going to do that. So I am wondering why this is different and why this money for Catholic education cannot be coupled together with the centres that were mentioned earlier.

[12.50 pm]

Mr J.H.D. DAY: A number of schools are already providing these sorts of services—the CARE schools that I referred to earlier in this section. A number of those CARE schools are operated by the Catholic education system.

Mr P.B. WATSON: I wondered why it is in this part of the budget and there was other money in another part of the budget. I wondered why they were not together. There is probably a logical explanation.

Mr J.H.D. DAY: Because one was in the government school system and the other lot of funding is in the non-government school system.

Mr P.B. WATSON: Did the minister not say that they run some of the ones that are in the public system?

Mr J.H.D. DAY: No, the non-government system operates the CARE schools’ curriculum and re-engagement schools. Really, by definition, they are in the non-government sector. The ones we were talking about earlier in the Department of Education section will be part of the government school system. That does not mean that students might not move from one to the other. Obviously, they may well do just as they do at the moment in mainstream schools.

Mr P.B. WATSON: I lost my train of thought when the minister said that.

Mr J.H.D. DAY: I have given the member such a clear answer.

Mr P.B. WATSON: He probably confused me even more. With this funding going to the Catholic education system, does it not also get funding through the federal government?

Mr J.H.D. DAY: Yes, just as all government schools get funding from both state and federal governments.

The appropriation was recommended.

