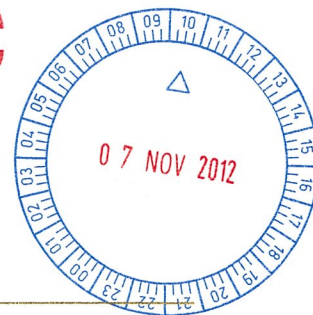




**PUBLIC**

12 / 11 / 12



**Hon Peter Collier MLC**  
**Minister for Education; Energy; Indigenous Affairs**

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34-22240

Hon Giz Watson MLC  
Chair  
Standing Committee on Estimates and Financial Operations  
Parliament House  
PERTH WA 6000

Dear Ms Watson *GW*

Thank you for your letter dated 24 October 2012 in relation to the 2011/12 Annual Report Hearing for the Department of Education.

Please find enclosed responses to requests for supplementary information arising from the recent annual report hearings for the Department of Education.

The responses meet my approval.

Kind regards

Hon Peter Collier MLC  
**MINISTER FOR EDUCATION; ENERGY; INDIGENOUS AFFAIRS**

Att 07 NOV 2012

**ESTIMATES AND FINANCIAL OPERATIONS COMMITTEE**

**QUESTIONS ON NOTICE SUPPLEMENTARY INFORMATION**

**Monday, 22 October 2012**

**Department of Education**

*Question No. B1: Hon Ken Travers asked –*

*The dollar value of leave liability is reported on page 103 of the Annual Report. Please provide the number of days that each type of leave liability has increased since the previous financial year for teachers, public servants, education assistants etc.*

Answer: Leave data (provided for the actuarial review) in days as at 26 May 2011 and 24 May 2012 by leave type and employment type are provided below.

**Long Service Leave (Days including pro-rata leave not yet due)**

	26-May-11	24-May-12	Growth
Teaching	1,042,857	1,074,573	31,716
Education Assistants	212,392	228,445	16,053
School Officers	117,246	122,261	5,015
Public Service	99,895	103,236	3,341
Cleaners & Gardeners	68,612	74,158	5,546
Other	3,529	3,970	441
<b>Total</b>	<b>1,544,531</b>	<b>1,606,643</b>	<b>62,112</b>

**Annual Leave (days including vacation leave)**

	26-May-11	24-May-12	Growth
Teaching	217,532	217,334	(197)
Education Assistants	66,163	69,644	3,480
School Officers	26,201	28,178	1,977
Public Service	42,426	42,278	(149)
Cleaners & Gardeners	34,506	34,772	266
Other	1,049	1,036	(13)
<b>Total</b>	<b>387,877</b>	<b>393,241</b>	<b>5,365</b>

**Remote Teaching Service (Days)**

	26-May-11	24-May-12	Growth
Teaching	12,952	11,903	(1,049)
Public Service	31	31	-
<b>Total</b>	<b>12,982</b>	<b>11,934</b>	<b>(1,049)</b>

Question No. B2: Hon Ken Travers asked –

How many fixed-term contracts does the Department have? The most recent quarterly report will suffice.

Answer: The Department currently has 9 782 fixed-term contracts. Following is a breakdown by Human Resource Management Information System (HRMIS) payroll group descriptions:

Canteen staff	44
Catering and tea attendants	5
Cleaners and caretakers	329
Daily rate employees (e.g. lecturers at Tuart College and North Lake Senior Campus)	34
Gardeners	140
Government officers (Employed under the <i>Government Officers Salaries, Allowances and Conditions Award 1989</i> . Now incorporated in <i>Public Service and Government Officers General Agreement 2011 (School Support Staff)</i> )	29
Ministerial officers (School Support Officers, employed under the <i>Education Department Ministerial Officers Salaries, Allowances and Conditions Award 1983</i> . Now incorporated in <i>School Support Officers (Government) General Agreement 2011 and District Allowance (Government Officers) General Agreement 2010</i> )	808
Public Service employees	492
Residential supervisor staff	13
State research station and agricultural college staff	12
Teacher aides	2 024
Teachers (primary and secondary)	5 852
<b>Total contracts</b>	<b>9 782</b>

Contracts are the number of actual active contracts. They do not represent people or Full-Time Equivalents. One person may have one or more contracts and may be reported in more than one employee grouping.

*Question No. B3: Hon Ken Travers asked –*

*Please provide a list of the schools for which Expert Review Groups will be deferred for Term 4, 2012.*

Answer: Scheduled Expert Review Group (ERG) follow-up processes have been deferred until Term 1, 2013 at the following schools:

- Meekatharra District High School;
- Yintarri Remote Community School; and
- Wiluna Remote Community School.

In each case, deferment will assist further implementation of the respective plan for improvement.

Question No. B4: Hon Ken Travers asked –

*Has there been any change to the Low Socio-Economic Status Schools National Partnership program and how it is delivered at Mt Magnet District High School? If yes, how has it changed?*

Answer: There has been no change to the Low Socio-Economic Status Schools National Partnership program or how it is delivered at Mount Magnet District High School for 2012. Through this National Partnership, the school is continuing to use funds to explore reforms that aim to improve outcomes for students from disadvantaged backgrounds.

Question No. B5: Hon Ken Travers asked –

*How much is required to save the “global savings”, over and above what is required for the 1.5% procurement saving?*

Answer:	2012-13	\$474 000
	2013-14	\$736 000
	2014-15	\$950 000
	2015-16	\$966 000

Question No. B6: Hon Philip Gardiner asked –

How is the table at the bottom of page 103 (Note 32 to the Financial Statements, footnote (b)) related to the bond rate?

Answer: Due to the materiality of the Department's leave liabilities, and the complexity involved in calculating those leave liabilities, the Department engages an independent actuary to undertake this annual exercise. The actuary's work is then reviewed by the Office of the Auditor General. Note (b) relates to the settlement of leave, and as such, the bond rate is not applicable to this note beyond the fact that the actuary has used this to calculate the value of the liability. Settlement of leave is based on the actuary's calculation of when leave will be settled (taken or paid out).

Extracts from the Actuary's 30 June 2012 report are provided below, detailing:

- how bond rates are applied to leave balances to calculate Note 32 to the Financial Statements; and
- the financial assumptions informing the Discount Rate.

### **Methodology**

The accounting standard requires the present value of accrued long service leave to be determined by:

- a. Calculating the unconditional accrued long service leave and pro-rata long service leave for employees, based on current remuneration rates and taking into account any applicable on-costs
  - i. Unconditional leave refers to the accrued portion of an employee's long service leave entitlement, based on service to date
  - ii. Pro-rata long service leave refers to the accruing portion of an employee's long service leave entitlement, based on service to date, conditional on an employee remaining in service for a specified minimum number of years.
- b. Inflating the liability to take into account projected increases in remuneration rates up to the period in which employees, on average, take their entitlement to determine the absolute cash-outflow expected.
- c. Discounting the inflated liability using the yield on the appropriate government bond to estimate the present value of future cash-outflows.
- d. Taking into account the probability of employees remaining in service until the next service band at which they will become entitled to their pro-rata long service leave.

In accordance with AASB101, Presentation of Financial Statements, and the Department of Treasury and Finance guidelines, we have determined the current liability as the sum of the present value of:

- a. All leave which is unconditional at the reporting date or is expected to become unconditional within the 12 months following the reporting date.
- b. All leave which is "vested" (that is, unconditionally available to the employee upon ceasing employment) at the reporting date or will become vested within 12 months of the reporting date.

### **Financial Assumptions**

The same financial assumptions were used for all leave types and are summarised in the following table:

<b>Discount Rate (pa)</b>	<b>2.4%</b>
Salary Inflation Rate (pa)	3.75%
On-costs (as a percentage of salary):	

Superannuation Cost	9.84%
Workers Compensation	1.60%
Payroll Tax	Not applicable

The discount rate is based on the Commonwealth Government bond rate published by the Reserve Bank of Australia at 26 June 2012. The selected bond has a similar term to the weighted average term of the long term leave liabilities which was equal to 2.8 years. The long term leave liabilities are long service leave, deferred salary scheme leave and remote teaching service leave.



Question No. B7: Hon Ljiljana Ravlich asked –

The following attendance rates for Aboriginal primary and secondary students, and non-Aboriginal primary and secondary students were provided in response to Question Without Notice 821, to Hon Sue Ellery MLC on 18 October 2012.

Aboriginal (primary) – 81.62%

Non-Aboriginal (primary) – 93.69%

Aboriginal (secondary) – 67.14%

Non-Aboriginal (secondary) – 88.97%

Please provide the numbers that the “complement” of these rates represents. That is:

- (a) what numbers of Aboriginal primary students are represented by 18.38% (i.e.  $100 - 81.62$ )?
- (b) what numbers of non-Aboriginal primary students are represented by 6.31%?
- (c) what numbers of Aboriginal secondary students are represented by 32.86%?
- (d) what numbers of non-Aboriginal secondary students are represented by 11.03%?

Answer: The data provide the average number of Aboriginal students not attending on a given day during Semester 1, 2011. It does not indicate actual numbers on any given day. Data are for public schools (Years 1-12) based on Semester 1, 2011.

- (a) 2280 Aboriginal primary students
- (b) 7975 non-Aboriginal primary students
- (c) 1815 Aboriginal secondary students
- (d) 7319 non-Aboriginal secondary students

*Question No. B8: Hon Ljiljana Ravlich asked –*

*Which schools are involved in the pending prosecutions for non-attendance?*

Answer:

Identifying the schools these students are not attending could lead to identification of the students and parents involved. In these circumstances, the Department is not prepared to disclose the names of the schools involved.

One of the prosecutions relates to non-attendance at a primary school in the Southwest education region. The other relates to non-attendance at a primary school in the South Metropolitan region.



*Question No. B9: Hon Ljiljana Ravlich asked –*

*What were the outcomes for each of the 145 child protection cases under Central management in 2011-12?*

Answer: Of the 145 child protection allegations, 99 have been finalised. 64 were sustained and the outcomes are as outlined below. The other 35 allegations were not sustained following investigation by the Department.

Child pornography: 1

Outcome: Negative Notice issued by the Department for Child Protection, employment subsequently terminated.

Inappropriate behaviour: 44

Penalties applied to these 44 matters include:

- reprimand;
- improvement action;
- employment record marked not suitable for re-hire;
- fine; and
- termination of employment.

Physical contact: 16

Penalties applied to these 16 matters include:

- termination of employment;
- fine;
- reprimand;
- improvement action; and
- employment record marked not suitable for re-hire.

Sexual harassment: 1

Outcome: Employee resigned prior to matter being finalised, employment record marked not suitable for rehire.

Inappropriate relationship: 2

Penalties applied to these two matters include:

- reprimand;
- termination of employment; and
- employment record marked not suitable for re-hire.

An employee's record will be marked not suitable for re-hire in instances where he or she is terminated through acts of misconduct or is issued with a Negative or Interim Negative Notice by the Department for Child Protection. This action is also taken in instances where there is reasonable suspicion that misconduct has occurred, but the employee has resigned, retired or reached the end of his or her contract prior to a penalty being imposed.

*Question No. B10: Hon Ljiljana Ravlich asked –*

*Provide the number of complaints received by your agency in 2011-12, in the format in which they are codified by your agency.*

Answer: 117 complaints other than misconduct were received by the Standards and Integrity Directorate in 2011-12. This includes matters involving the Parent Advocacy and Liaison Officer.

The Standards and Integrity Directorate does not specifically codify its complaints other than misconduct. The Directorate receives complaints that each cover a wide range of issues; therefore, it would be extremely difficult to codify each individual matter into generic categories. Complaints have included a range of matters, including:

- students being bullied;
- performance management issues;
- concerns with school programs;
- family disputes;
- dissatisfaction with school services;
- concerns with recruitment processes; and
- students using social media.

Complaints received by schools about school-level issues (for example, which class a child is in) are handled at a school level and are not collected centrally.

Question No. B11: Hon Ken Travers asked –

*Explain the difference in the number of hours of tuition provided through the Aboriginal Tutorial Assistance Scheme (ATAS), which dropped from 82 000 in 2010-11 to 22 950 in 2011-12, and how this is possible given that the funding increased.*

Answer: In 2010, the allocated ATAS tuition hours for senior secondary students was reported in the Department of Education's Annual Report 2010-2011 as 82 000 hours. This was a notional allocation, which was not fully expended by schools. Notional allocation is the allocation based on estimated student numbers at the beginning of the year and based on the assumption that every Aboriginal student will receive tutoring assistance. Numbers may fluctuate due to changes in student enrolments and student uptake of the after-school tuition during the year.

<b>ATAS tuition hours for senior secondary students</b>		
	Notional allocation	Actual
2010	82 000	25 295
2011	62 717	22 950

The funding for senior secondary ATAS has remained relatively constant over the past three years. Funding for the ATAS program has increased from \$8.8 million in 2011 to \$10.6 million in 2012. However, the increase in ATAS funding occurs in the primary ATAS program correlating with increased student numbers in the primary years.

*Question No. B12: Hon Ken Travers asked –*

*Please provide the targets that are included in the performance agreements for the principals employed under the Attracting Outstanding Principals trial.*

Answer: The performance agreements and targets are currently being negotiated with each respective principal. The targets set within their performance agreements are specific to the context of each school and will be aligned to the objectives of the Low Socio-economic Status School Communities National Partnership Agreement, which include:

- improving school accountability;
- building capacity through developing high quality teachers and teaching;
- improved operational arrangements; and
- developing partnerships with the community.

Question No. B13: Hon Ken Travers asked –

- (1) *How much has the Department of Education spent on maintenance at the AIUS building in Joondalup over the last two to three years?*

Answer: The Department of Education owns the AIUS building and leases the facility to the West Coast Institute of Training. In accordance with the Memorandum of Understanding, the Institute is responsible for maintenance activities such as cleaning, gardening and minor maintenance. The Institute bills the Department a “reasonable” proportion of the costs. \$42 738 was paid to the West Coast Institute of Training in 2011-12. The Institute has not requested any payment for 2012-13 to date.

In addition, The Department of Finance – Building Management and Works advises that the Department of Education has been invoiced \$7 100 for faults and routine maintenance since June 2010, and a further \$5 336 through RiskCover for wilful damage, also since June 2010.

- (2) *Is the maintenance program at the AIUS building in Joondalup up to date?*

Answer: All Department of Education building assets are inspected every two to three years. The resulting report lists all identified outstanding maintenance work from high priority through to very low priority. It is not necessary to undertake all of the identified work immediately.

Available funding is directed to the highest priority maintenance across all facilities in the first instance. Consequently, there will always be a certain amount of outstanding maintenance.

The next Building Condition Assessment of all Department building assets will be undertaken in the first half of 2013.