

ESTIMATES COMMITTEE F

REPORT TO THE LEGISLATIVE ASSEMBLY OF QUEENSLAND

20 October 1998

ESTIMATES COMMITTEE F

Chairman:	Mr Neil Roberts MLA, Member for Nudgee
Deputy Chairman:	Mr Robert Quinn MLA, Member for Merrimac
Other Members:	Dr John Kingston MLA, Member for Maryborough
	Mr Santo Santoro MLA, Member for Clayfield
	Ms Karen Struthers MLA, Member for Archerfield
	Mr Geoff Wilson MLA, Member for Ferny Grove
Staff:	Ms Megan Collins, Research Director
	Ms Veronica Rogers, Senior Research Officer
	Ms Mandy Elcome, Executive Assistant



TABLE OF CONTENTS

1. INTRODUCTION	1
2. DEPARTMENT OF EMPLOYMENT, TRAINING AND INDUSTRIAL RELATIONS1	1
2.1. KEY INITIATIVES.....	1
2.2. WORKPLACE HEALTH AND SAFETY ISSUES.....	2
2.3. DELIVERY SUPPORT - TAFE	2
2.4. TAFE COURSE ENROLMENTS	2
2.5. TAFE BUDGET ALLOCATIONS	3
2.6. STAFFING FOR TAFE QUEENSLAND INSTITUTES AND COLLEGES	3
2.7. STAFF FOR ADMINISTRATION AND ANCILLARY SERVICES IN TAFE.....	3
2.8. TAFE CAPITAL WORKS PROGRAM.....	3
2.8.1. <i>Northern Western Downs</i>	3
2.8.2. <i>Salisbury</i>	4
2.8.3. <i>Tewantin and Cooloola</i>	4
2.9. VET FUNDS SUBJECT TO COMPETITION	4
2.10. BLUEPRINT FOR FUTURE TRAINING PROVISION TO RURAL INDUSTRIES.....	4
2.11. WORKFORCE STRATEGIES UNIT.....	5
2.12. JOB PLACEMENTS.....	5
2.13. APPRENTICESHIPS AND TRAINEESHIPS — PRIVATE SECTOR	5
2.14. APPRENTICESHIPS AND TRAINEESHIPS — PUBLIC SECTOR	5
2.15. SHORTAGES OF SKILLED EMPLOYEES	6
2.16. BUILDING PROGRAMS IN THE DEPARTMENT OF HOUSING.....	6
2.17. INDUSTRIAL RELATIONS TASKFORCE	6
2.18. EXECUTIVE SUPPORT UNIT	7
2.19. CORPORATE SERVICES STAFFING AND BUDGET.....	7
3. DEPARTMENT OF EDUCATION.....	8
3.1. KEY INITIATIVES.....	8
3.2. LITERACY AND NUMERACY	9
3.3. BEHAVIOUR MANAGEMENT	9
3.4. EDUCATION FOR ALL	9
3.5. INFORMATION TECHNOLOGY INITIATIVES.....	9
3.5.1. <i>Local Area Networks</i>	9
3.5.2. <i>Schooling 2001</i>	10

3.5.3. <i>Connect-ED</i>	10
3.5.4. <i>Apple Classrooms of Tomorrow</i>	10
3.6. TEACHER NUMBERS.....	10
3.7. COOLER SCHOOLS PROGRAM.....	11
3.8. ABORIGINAL AND TORRES STRAIT ISLANDER BRANCH	12
3.9. LEADING SCHOOLS PROGRAM	12
3.10. BUILDING BETTER SCHOOLS PROGRAM.....	12
3.11. GIFTED AND TALENTED EDUCATION PROGRAM	13
3.12. CENTRE FOR TEACHING EXCELLENCE	13
3.13. COMMUNITY KINDERGARTEN ASSISTANCE SCHEME.....	13
3.14. QUEENSLAND OVERSEAS EDUCATION UNIT	13
3.15. NON-STATE EDUCATION.....	13
4. RECOMMENDATION.....	14
5. ACKNOWLEDGMENTS.....	14
6. ATTACHMENT A — MEETING ATTENDANCE RECORD	15
7. ATTACHMENT B — STATEMENTS OF RESERVATION	16

1. INTRODUCTION

On 15 September 1998, Sessional Orders were adopted by the Legislative Assembly which established seven estimates committees. Each committee was asked to examine and report on particular proposed expenditures stated in the Appropriation Bill 1998. The proposed expenditure of organisational units within the portfolios of the Minister for Employment, Training and Industrial Relations, and the Minister for Education, were allocated to Estimates Committee F.

Mr Neil Roberts MLA was nominated as Chairman by the Leader of Government Business as per the Sessional Orders. The Deputy Chairman, Mr Robert Quinn MLA, was elected by the committee at its first meeting on 17 September 1998.

A public hearing was held by the committee on 7 October 1998 to receive evidence from the Honourable Paul Braddy MLA, Minister for Employment, Training and Industrial Relations, and the Honourable Dean Wells MLA, Minister for Education.

Questions on Notice were submitted to each relevant minister prior to the hearing in accordance with Sessional Order 25 which allows the committee to submit up to 20 Questions on Notice to each minister. Responses to three Questions Taken on Notice at the hearing were forwarded to the committee by 12 October 1998.

The committee will table additional information which has been received during the estimates committee process in an additional volume.

The committee draws the attention of the Legislative Assembly to the following matters which arose during its consideration of the proposed expenditures.

2. DEPARTMENT OF EMPLOYMENT, TRAINING AND INDUSTRIAL RELATIONS

The Appropriation Bill 1998 shows the proposed 1998-99 expenditure of the department is to be \$712,094,000 from the Consolidated Fund. This represents an increase of approximately 18% on the 1997-98 Estimated Budget of \$603,556,000.

2.1. KEY INITIATIVES

The Ministerial Portfolio Statement (MPS) for the Minister for Employment, Training and Industrial Relations identified a range of key initiatives to be implemented from 1998-99. These include:

- initiatives that will contribute significantly to a reduction in Queensland unemployment and position the Queensland workforce for the future;
- a review of the existing industrial relations legislation and development of new legislation, and the provision of promotional, information and advisory services;
- a TAFE review, established to address the government's 'Ten Point Plan for TAFE Queensland' and aimed at improving the operations and management of

resources in TAFE institutes;

- restructuring of TAFE Queensland to enable it to be more competitive in the Vocational Education and Training (VET) delivery market;
- analysis of government policy options in relation to workers' compensation in Queensland; and
- addressing the critical skill shortage in the building and construction industry, by working closely with the industry.

In addition, the department has expressed a commitment to enhancing client service delivery throughout Queensland. A range of strategies, substantially targeted towards services delivery in regional centres, are outlined in the MPS.

2.2. WORKPLACE HEALTH AND SAFETY ISSUES

The minister advised that changes to workplace health and safety will allow the employment of an additional 15 workplace health and safety inspectors, at a cost of \$1M. These inspectors represent an increase of nearly 40% and will address the concern that there is significant non-compliance in the building and construction industry. The minister indicated that it is believed that changes to administration, and specifically the rules in relation to collection, will more than pay for these inspectors.

2.3. DELIVERY SUPPORT - TAFE

The estimated 1998-99 budget for the Delivery Support sub-program within TAFE is \$1M. The reduction from approximately \$10.8M in actual expenditure for the previous year is the result of reallocation of staffing resources from the TAFE Strategic Centre to Institutes and other departmental programs as a result of the restructure. The committee was advised that the reason that \$1M remains in the budget for this subprogram is because of the hangover from TAFE central office staff who are yet to be transferred to institutes as part of the process of disbanding the head office of TAFE. It also includes some rental until they move out.

2.4. TAFE COURSE ENROLMENTS

The committee noted an anticipated decrease of estimated enrolments and student contact hours, and sought comment from the minister. The minister advised that the government is undertaking action to prevent further fall off in enrolment numbers.

The MPS states that to enable TAFE Queensland to become a dynamic and viable public provider of VET, the government will maintain the level of non-User Choice competitive funding at January 1998 levels for a three year period. To support TAFE Queensland's competitiveness in the VET delivery market, an additional \$12M will be provided to improve internal operations and management.

Further, the minister referred to the anticipated report of the Bannikoff team. A

review has been established to assess the current capabilities of TAFE Queensland to meet its immediate challenges. The minister advised that where and how TAFE and private providers will mesh better for the benefit of students and trainees will certainly become clearer when the Bannikoff team report comes in. This report is due by the end of October.

2.5. TAFE BUDGET ALLOCATIONS

The committee sought information relating to the budget allocations to each Institute and TAFE Queensland as a whole for 1998-99. The minister advised that the financial status of TAFE institutes and TAFE Queensland is part of the TAFE review currently underway. The final budget allocations to each TAFE Institute for 1998-99 are subject to the outcomes of the TAFE Review.

2.6. STAFFING FOR TAFE QUEENSLAND INSTITUTES AND COLLEGES

The committee asked for information relating to the number of staff employed at TAFE institutes and TAFE Queensland as a whole. On 12 October 1998 the minister provided the committee with a detailed breakdown of the staffing, as at 1 July 1998. The committee notes that as at 1 July 1998 there were a total of 5,796.73 full-time equivalent employees (FTEs) in the TAFE program.

Members noted that the number of staff employed at any one time varies as each institute director seeks to comply flexibly with the requirements of the resource agreement. There will be negotiations between the department and each institute over a resource agreement.

2.7. STAFF FOR ADMINISTRATION AND ANCILLARY SERVICES IN TAFE

The committee noted that the budget shows that 50% of TAFE staff are allocated to administration and ancillary services. The committee was advised that one of the major issues to be dealt with in the Bannikoff review will be the extent of the administrative overhead or the proportion of the dollar that is being spent on administration as against the teaching effort.

2.8. TAFE CAPITAL WORKS PROGRAM

The budget for the TAFE Capital Works Program in 1998-99 is approximately \$16.275M. This includes new works at Ingham and Chinchilla, major refurbishment at Bracken Ridge and Rockhampton, and planning and design for facilities at Moreton Bayside and Rockhampton.

2.8.1. Northern Western Downs

The minister advised that a total of \$1.385M is to be spent in the Northern and Western Downs regions as a result of this Budget. In the 1998-99 budget, half a million dollars is allocated for the expansion of engineering facilities at the Dalby Agricultural College.

2.8.2. Salisbury

In addition, the minister advised that the \$4M in the Capital Works Program for the construction training centre at Salisbury will be used to complete the road work and administration facilities so that the centre can become fully operational.

2.8.3. Tewantin and Cooloola

The committee sought information about the proposed new TAFE campus at Tewantin. The minister advised that the proposed arts and general purpose facility at Tewantin is not funded under the revised 1998-99 capital works budget, and that the funds which were to be allocated to this have been directed to more urgent priorities.

One such urgent priority is the other campus of the Cooloola Sunshine Institute. The minister advised that the population is growing at a rapid rate with by far the largest growth occurring in the southern part of the catchment area, and accordingly the VET capital works program for the Cooloola Sunshine Institute is to be reviewed. The minister commented that priority in the revised program will be given to investments in training infrastructure that better meet the needs of the population growth and address skill shortages and improve industry competitiveness. The committee notes the minister's advice that the VET capital development plan identified \$12M at the Cooloola Sunshine Institute of TAFE to commence in the year 2000.

2.9. VET FUNDS SUBJECT TO COMPETITION

In relation to the VET funds that are subject to competition, the minister informed the committee that the user choice funds will be \$81.1M, and the competitive funding budget is \$68.8M.

The committee referred to the minister's reduction of \$10M from the available competitive funding and user choice budget, and asked what impact the minister expects this decline to have on employment within the private training market. The minister advised that he does not expect it to have any impact on employment within the private training market.

2.10. BLUEPRINT FOR FUTURE TRAINING PROVISION TO RURAL INDUSTRIES

The committee noted the development of a blueprint for future training provision to rural industries by a rural industry training taskforce, and requested information as to the implementation of that task force.

The minister advised that he will get a copy of the recommendation in due course and discuss it with the appropriate officers of the department. Some initial discussions between the relevant parties have already occurred.

In addition, the minister advised that the capital grant of \$6M to agricultural colleges has been replaced with an approval to draw on loan funds. This will enable greater

flexibility, and allow projects to be completed more quickly than under the previously proposed three-year grant.

2.11. WORKFORCE STRATEGIES UNIT

The minister informed the committee that a Workforce Strategies Unit has been formed to provide labour market research and analysis to inform and support policy direction with specific reference to employment growth, 'whole of government' employment sensitivity, job security and strategies to address unemployment. A major focus is research and analysis on employment and unemployment in regions. This unit will comprise 7 full-time equivalent staff and will have a budget of \$528,000 when fully operational.

2.12. JOB PLACEMENTS

The MPS provides that a number of initiatives have been specifically designed to provide assistance to long term unemployed people and those at risk of experiencing long-term unemployment, through a *Community Jobs Plan*. \$104.1M has been budgeted over a four year period to achieve 9,000 job placements through the Community Jobs Plan and Community Employment Assistance Plan.

The minister estimates that there will be 1,450 placements through the *Community Jobs Plan* in 1998-99, with an estimated expenditure of approximately \$18M in this year. The committee was advised that these are short-run job experience placements from three to six months in labour intensive public works and environmental or community projects. This initiative has been designed as an immediate measure to give long term unemployed people the work experience and skills to gain employment and to ease the social burden of mass unemployment.

The Community Employment Assistance Plan funds community organisations to provide a range of services to unemployed people, which will assist them to gain employment.

2.13. APPRENTICESHIPS AND TRAINEESHIPS — PRIVATE SECTOR

A total of \$5M per annum (\$15M over the life of the program) will be made available to provide a \$2,000 cash bonus incentive to private sector employers or group training schemes. The bonus will be available for each additional apprentice employed in industries suffering skills shortages. It is anticipated that there will be 2,500 job placements through this subsidy in 1998-99, and a total of 7,500 new apprentices and trainees over three years. The target group for this program is unemployed young people.

2.14. APPRENTICESHIPS AND TRAINEESHIPS — PUBLIC SECTOR

In response to a request from the committee for detail of individual employment programs the minister advised that program funding of \$144M (\$48M over a full year) will be provided for public sector apprenticeships and traineeships. This is to

create 6,500 apprentice and trainee opportunities in government departments, local government and statutory authorities, generally split into 6,000 traineeships and 500 apprenticeships. To fill these traineeships all information obtained from applications will be placed in a database that can be accessed by all state government departments when recruiting their trainees. The target group for this program will be unemployed young people.

Guidelines for public sector apprenticeships and traineeships, including agreement as to the funding arrangements, have already been established.

2.15. SHORTAGES OF SKILLED EMPLOYEES

The committee requested the minister to comment on how the government proposes to address skill shortages in Queensland. The minister advised that there is a commitment to address skill shortages. Initiatives include a subsidy program for private enterprise in industries where skills shortages have been identified; public sector traineeships and apprenticeships of 6,500; and strict enforcement of the 10% training rule (a rule requiring government capital works contractors to utilise apprentices and trainees for 10% of all employable hours) on government public works projects to provide 900 additional apprenticeships in the building and construction industry over three years.

The minister advised that the apprenticeship and traineeship initiatives will assist in addressing existing and emerging skills shortages. The government's employment initiatives aim to address these shortages by increasing the employment of apprentices and trainees in those industries that are suffering skill shortages. The industries eligible for subsidies include tourism, building and construction, metals and engineering, automotive, information technology, food processing, forestry, printing, transport, rural, aviation, mining and electrical.

2.16. BUILDING PROGRAMS IN THE DEPARTMENT OF HOUSING

In 1992-93 the Housing Industry Trade Training Program (HITT) was established, and has been administered ever since by the Department of Housing. The government's Jobs Policy Council decided to increase the number of projects available for HITT, to be phased in over a four year period at a cost of \$9M. This is in addition to the current HITT program.

Over this period, it is anticipated that the number of apprentices in training will increase by approximately 600. For the 1998-99 financial year the funding for the program will be \$1M, and it is anticipated that 200 people will be placed. The target group for the program will be unemployed young people. Funding for the additional employment and training component will be drawn from allocations made to the Department of Employment, Training and Industrial Relations.

2.17. INDUSTRIAL RELATIONS TASKFORCE

An Industrial Relations Taskforce will be established to oversee a review of

Queensland's industrial relations laws. The aim is to produce an industrial relations system which benefits the Queensland economy, meets the needs of business and workers and promotes job growth and job security. It is envisaged that a report on the findings will be provided to the minister with a view to circulating a draft Bill for public comment prior to the end of this year.

The total budget forecast for the Industrial Relations Task Force and secretariat is \$622,600. This is broken into salaries and related costs of \$350,600 and administration expenses of \$272,000. The secretariat is made up of nine staff, varying in level from AO2 to SES1. The secretariat is comprised of officers who were already working in the department.

2.18. EXECUTIVE SUPPORT UNIT

The MPS provides that the Estimated Budget for the Ministerial Support Unit for 1998-99 is \$2.712M. In response to inquiries from the committee the minister advised that this budget represents a rearrangement of programs from 1997-98. A number of items have been transferred in, including \$0.66M from other departmental programs. Also included is funding totalling \$1M transferred from the Executive Services Program for ministerial support; the director-general (including a reserve held by the director-general); the deputy director-general; and freedom of information.

2.19. CORPORATE SERVICES STAFFING AND BUDGET

The MPS provides that estimated staffing for Corporate Services for 1998-99 is 466 FTE staff as compared to last year's actual staff of 303. Further, the committee noted the increase of \$20,557,000 in the estimated 1998-99 figures over the actuals for 1997-98.

The minister advised that this is due in part to the transfer of more than \$10M in resources from service delivery programs as part of the restructure to undertake corporate support functions previously undertaken by the programs. A further factor is the increase of over \$9M to undertake corporate projects on behalf of all divisions in the department, including Human Resource Information Systems, year 2000 compliance, SAP R/3 Stage II Implementation, managing for outcomes and various information technology projects.

The minister advised that 45% of the increase in the Corporate Services budget is attributable to corporate projects that will benefit all programs. In future years, the Corporate Services Program costs should decrease in line with expenditure on corporate projects. This decrease will be reflected in the allocation of corporate services to all programs. He advised that the budget reflects a department decision to show all corporate project funding in the Corporate Services Program.

3. DEPARTMENT OF EDUCATION

The Appropriation Bill 1998 shows the proposed 1998-99 expenditure of the department is to be \$3,062,346,000 from the Consolidated Fund and \$398,172,000 from the Trust and Special Funds, for a total of \$3,460,518,000. This represents an increase of approximately 5% on the 1997-98 Estimated Budget of \$3,295,440,000.

3.1. KEY INITIATIVES

23 major initiatives and outcomes are listed in the MPS for the Minister for Education. These relate to the following general areas —

- provision of increased grants to schools;
- literacy and numeracy initiatives, including Reading Recovery;
- information technology developments;
- the Education for All initiative, including improved services and outcomes for students with disabilities and learning difficulties;
- behaviour management initiatives;
- professional development and training;
- new and upgraded school facilities;
- extension of the school air-conditioning zone;
- support for gifted and talented education;
- continuation of the pilot Youth Action program;
- implementation of enterprise bargaining initiatives;
- Bid O'Sullivan scholarships regarding rural and remote teaching;
- continuing assistance to non-state schools; and
- capital works for the tertiary sector.

Discussion on these initiatives and other areas arising during the estimates committee process follows.

3.2. LITERACY AND NUMERACY

The minister advised the committee that more than \$40M will be spent addressing literacy and numeracy problems this year. This includes an additional \$9.8M above last year's budget estimate. An extra \$4.5M will be expended towards addressing priority resourcing needs in primary schools, including Aboriginal and Torres Strait Islander students and students from non-English speaking backgrounds.

As part of literacy and numeracy, the Reading Recovery Program will be increased by \$5.31M to \$14.82M in 1998-99. This program aims to support students identified by the Year 2 Net as having literacy difficulties. An additional 180 part time reading recovery teachers and eight reading recovery tutors will be employed. In the next budget, the department anticipates that it will have a total of 28 tutors and 20 training centres across the state.

3.3. BEHAVIOUR MANAGEMENT

The minister advised that behaviour management was one of the most important concerns of school communities. The committee was told that the government has provided an additional \$2.5M, bringing the allocation to \$16.671M in 1998-99, and \$5M recurrent in each full year thereafter to support behaviour management programs. The minister stated that this initiative will enable schools to undertake improved behaviour management practices.

3.4. EDUCATION FOR ALL

This initiative will integrate with literacy and numeracy and behaviour management enhancements.

The minister stated that, over four years, an additional \$35M will be spent to provide support for students with disabilities and learning difficulties, including \$1M this year for the non-state sector. This financial year an additional \$5M will be allocated to helping students with disabilities. The initiative will create employment for 127 teachers, teacher aides and specialist staff across the state.

3.5. INFORMATION TECHNOLOGY INITIATIVES

3.5.1. Local Area Networks

The committee asked the minister for information regarding the funding allocation for local area networks (LANs) in schools.

The committee was advised that, between May and September this year, revisions on the progress and time taken for the installation of LANs in schools have been made. The department has been able to re-cashflow the initiative for the remaining nine months of the financial year, due to a combination of better knowledge through implementation of the first 112 schools, and hardware and technical support issues. The department has revised May estimates of being able to cover 300 schools with approximately \$20M, to 400 schools with \$13.3M, based on improved information and increased effectiveness through the use of packages.

3.5.2. Schooling 2001

The committee noted that funding for the Schooling 2001 initiative had been reduced by approximately \$700,000, and sought an explanation from the minister.

The minister assured the committee of his commitment to provide the necessary funding to complete the Schooling 2001 initiative — whether this amount is below or above previous estimates. He further advised that the initiative was proceeding according to schedule. A departmental official added that the reduction in question was attributed to the way in which some of the training was delivered. Schools are being asked to make a contribution on a semi-user pays basis towards professional development activities.

3.5.3. Connect-ED

The minister described the Connect-Ed program as being aimed at networking information over the Internet over three years. The committee sought details of how much has been allocated to the initiative and how is it progressing.

A departmental official apprised the committee that the budget for this financial year is \$10.7M — the entire project will be approximately \$53M. The network is being rolled out progressively across the state, and schools will be able to access information on the departmental intranet as well. The department claims to be on schedule with respect to having the connections out to schools by the end of the current calendar year. The initiative will also include matters such as the implementation of a managed internet service, which will filter inappropriate web sites and allow schools to monitor aspects such as e-mail and internet usage.

3.5.4. Apple Classrooms of Tomorrow

The committee asked for details concerning the Apple Classrooms of Tomorrow initiative.

A departmental official briefed the committee on the project, explaining that it investigates the relationship between technology and education. It is conducted in partnership with Apple, however a considerable contribution was made by the department. Three aspects of the project include establishing classrooms where technology is an integral part of the teaching and learning process; delivering 'practicums' for the professional development of teachers from other schools; and conducting research to investigate the impact of technology on student learning outcomes. In the last financial year the process was up and running with the opening of the Springfield State School.

3.6. TEACHER NUMBERS

In a question on notice the minister was asked to provide details concerning the employment of the extra 685 teachers provided for in this budget, by sub-program, education district and school.

The following table was supplied:

	SUB-PROGRAM				
	Preschool	Primary	Special	Secondary	Total
Enrolment Growth		48	16	282	346
New Facilities	4	4		9	17
Supply Teachers	1	11	1	6	19
Reading Recovery		98			98
Languages other than English		25			25
Behaviour Management				117	117
Education for All			44		44
Literacy and Numeracy		19			19
Total	5	205	61	414	685

Detail at district or school level could not be provided because projected school enrolments and distribution of initiative staffing have not been finalised.

3.7. COOLER SCHOOLS PROGRAM

This program incorporates and expands the previous government's Cool Schools program to include schools in the balance of the former Northern and Capricornia regions. The committee was apprised that a total of 513 schools will benefit from air-conditioning. \$48M has been announced under the Cooler Schools initiative — \$42M of which has been approved by the Cabinet Budget Review committee with a further \$6M anticipated to be provided in 2002-03.

The committee noted that where funding is provided on a grant basis with school Parents and Citizens Associations, subsidy levels will be increased from two-for-one, to four-for-one.

There was discussion during the hearing concerning the actual cost of full implementation of air-conditioning across the expanded zone. The minister told the committee that the amount required depended on estimates of the take-up level and costs per implementation per school. A time lag could be expected on take-up, and subsidy funds would be attributed on a priority basis. A departmental official indicated that the program was a rolling one and would be subject to periodic review.

In answers to questions on notice the committee was advised that a schedule for implementation of air-conditioning for state school resource centres and other retrofit provisions will be developed. This will allow for progressive implementation, following an audit of schools, in accordance with the rate of incidence of heat discomfort and availability of funds as listed below:

	1998-99	1999-00	2000-01	2001-02	2002-03	Total
State Schools	5.6 m	11.2 m	11.2 m	11.2 m	5.6 m	44.8 m
Non-state schools	0.4 m	0.8 m	0.8 m	0.8 m	0.4 m	3.2 m
Total	6.0 m	12.0 m	12.0 m	12.0 m	6.0 m	48.0 m

* At present, the split between state and non-state systems is subject to confirmation.

Including the anticipated \$6M in 2002-03, total commitment to the Cooler Schools initiative by the government is \$121M.

3.8. ABORIGINAL AND TORRES STRAIT ISLANDER BRANCH

The committee directed the minister to page 37 of the MPS, specifically in relation to the Aboriginal and Torres Strait Islander Education Branch.

The committee was told that the main priority for this unit is literacy and numeracy — the status of Aboriginal and Torres Strait Island children in this respect is dramatically below the rest of the cohort. The branch aims to improve the access, participation and retention rates of Aboriginal and Torres Strait Island students in Queensland state government schools — currently a 46% retention rate which has increased over the years. Funds are being distributed to remote and rural communities where literacy needs relate to English as a second language. Other areas include cultural understanding and respect in relation to curriculum offerings, and community participation and support.

3.9. LEADING SCHOOLS PROGRAM

The Leading Schools program was undertaken to implement school-based management over three years. In a response to a question on notice the committee was informed that, in 1997-98, the previous government's Leading Schools program had allocated approximately \$8M to some 112 Band 8 to 11 schools above that allocated to other schools.

At the public hearing the minister's attention was drawn to page three of the MPS and he was asked for further information concerning the Leading Schools Program.

The minister advised that he had terminated this program. He stated that upon taking up his ministry, there were 404 phase one and two leading schools designated to receive funding in leading schools grants. This amounted to \$16.1M. Those schools will receive this money, however, total funding will expand to \$24M to allow all schools of equivalent size to be paid the same amount. The minister added that the \$24M in discretionary money to schools will be on-going and will be spread over the whole school community on an equitable basis.

3.10. BUILDING BETTER SCHOOLS PROGRAM

The committee referred the minister to page 31 of the MPS, and asked for details of the Building Better Schools program.

The minister replied that the program constitutes \$265M over five years. It was established in 1995-96 to augment the existing capital works program. A significant amount of money has been devoted towards construction of new schools. \$80M has been used for primary classroom upgrades; about \$10M has been directed towards backlog maintenance; and funding has been provided for upgrading security in schools and to support vocational education.

3.11. GIFTED AND TALENTED EDUCATION PROGRAM

In response to a question concerning the gifted and talented education program, the committee was informed that in 1998-99 a commitment of \$1M will be continued as per last year. A small proportion within that relates to the non-government sector. Three major areas will continue — funds to schools across the 36 districts for small-scale projects in gifted and talented education; the focused school concept; and finally the continuation of raising awareness of gifted and talented education and in particular about sharing good practice across the focused schools to other schools.

3.12. CENTRE FOR TEACHING EXCELLENCE

The committee questioned the minister concerning the Centre for Teaching Excellence.

It was advised that its key functions are to coordinate all teacher professional development with a statewide or strategic focus; to provide information on a range of professional development and training services available and to ensure that information is easily accessible; and to assess and facilitate the quality of professional development services. The 1998-99 budget for the centre is planned to be approximately \$7.7M.

3.13. COMMUNITY KINDERGARTEN ASSISTANCE SCHEME

The committee inquired about this scheme, and was advised that there is \$21M allocated in the 1998-99 budget. The capital grants program will be worth about \$180,000 next year.

3.14. QUEENSLAND OVERSEAS EDUCATION UNIT

When asked by the committee whether the unit was showing a profit, a departmental official advised that last financial year, the unit had a turnover of \$4.29M, expenses of \$3.6M and will return a surplus this year of \$663,995.

3.15. NON-STATE EDUCATION

The committee was informed that there are a number of new initiatives within the non-state schooling sector. This includes an allocation of \$400,000 under the Cooler Schools Program, an extra \$853,000 in recurrent funding as a result of the government's share of the increases in the superannuation guarantee charge from 1 July this year, an extra \$1M for capital works, and other increases flowing through the basket nexus mechanism. Increases in non-state sector funding are reflected on a per student basis at a proportion of 20.2%. The non-state sector benefits from increases in funding for initiatives such as behaviour management and literacy and numeracy.

4. RECOMMENDATION

The committee recommends that the proposed expenditures stated in the Appropriation Bill 1998 of the organisational units within the portfolios referred to Estimates Committee F for examination, be agreed to by the Legislative Assembly without amendment.

5. ACKNOWLEDGMENTS

The committee takes this opportunity to express its appreciation for the level of co-operation given by the various ministers and departmental staff. The committee also wishes to acknowledge the efforts of Hansard and the committee secretariat staff — Ms Megan Collins, Ms Veronica Rogers and Ms Mandy Elcome, for their support and assistance.

Mr Neil Roberts MLA
Chairman

6. ATTACHMENT A — MEETING ATTENDANCE RECORD

Meeting Date	Roberts	Quinn	Kingston	Santoro	Struthers	Wilson
17 Sept. 1998	✓	✓		✓	✓	✓
7 Oct. 1998	✓	✓	✓	✓	✓	✓
16 Oct. 1998	✓	✓	✓	✓	✓	✓

7. ATTACHMENT B — STATEMENTS OF RESERVATION

- Department of Employment, Training and Industrial Relations
- Department of Education

STATEMENT OF RESERVATIONS — ESTIMATES COMMITTEE F

by

SANTO SANTORO MLA

MEMBER FOR CLAYFIELD

*SHADOW MINISTER FOR EMPLOYMENT, TRAINING AND
INDUSTRIAL RELATIONS*

1) INTRODUCTION

This statement of reservations is submitted because of the Minister's inability and/or unwillingness to provide the Committee with information and explanations which adequately explain

- why certain items of expenditure are contained within the Department of Employment, Training and Industrial Relations Budget Estimates,
- how these expenditures are to be undertaken; and
- why other items of expenditure foreshadowed in the Coalition's 1998-99 Budget Estimates are not included, this despite the fact that other related items of expenditure are included.

The statement of reservations is also submitted in view of statements made by the Minister at the hearings and which were not able to be substantiated by the Minister and his advisers.

2) POLITICISATION OF ESTIMATES COMMITTEE PROCESS

The Opposition believes that the Minister politicised the Estimates Committee process by using it to attack the Opposition and the former Government's performance rather than to provide the Committee with factual information relating to the new Government's proposed expenditure.

Even when the Minister used the Committee for political purposes he showed an abysmal lack of knowledge in relation to the policy and expenditure areas that he was using to attack the Opposition's performance when in government.

The politicisation of the Estimates Committee process is a major reason for my decision to submit this statement of reservations.

3) LACK OF KNOWLEDGE BY MINISTER OF EMPLOYMENT CREATION TARGETS

Within the Ministerial Program Statements and verbal submissions to the Committee, the Minister repeatedly states that the initiatives of his Government will contribute significantly to a reduction in Queensland's unemployment rate.

However, when questioned, the Minister was unable to provide without reference to advisers, his Government's employment creation targets.

4) **JOB SECURITY FOR TAFE EMPLOYEES**

The Minister was questioned in relation to his commitment to providing job security for TAFE Queensland staff.

He was asked the following question:

“Prior to the election you assured TAFE Queensland staff that you would protect them from the increasing competition and commercialisation that was occurring within TAFE. Why, then, does your first TAFE budget, as clearly indicated on page 16 of your MPS, indicate that you intend to increase the number of TAFE administration staff engaged in commercial activities from 449 to 733 and the number of TAFE teachers and tutors involved in commercial activity from 487 to 1,083, a massive 222% increase-this when you cynically guaranteed politically-motivated TAFE staff that you would protect them from that?” —

Within his answer the Minister confirmed that the above figures were contained in the budget and that he would not be reversing them.

This is clearly a betrayal of the expectations that he built up within TAFE Queensland staff in relation to the user choice and competitive finding agenda.

5) **REFORM AND RESTRUCTURE OF TAFE**

The Minister has announced another restructure of TAFE.

The allocation of funds to specific aspects of the TAFE program, including the final allocations to institutes are still to be finalised and are subject to the findings of the Bannikoff TAFE Review.

Four months into the financial year this is unsatisfactory.

The committee should be able to reasonably expect the administrative and policy parameters governing the expenditure of TAFE Program Funds to be clear both in the Program Statement and in the Minister’s mind.

This lack of clarity clearly undermines staff morale in TAFE Qld and adds to the sense of uncertainty currently being experienced within the TAFE sector.

6) **TAFE CAPITAL WORKS PROGRAM**

In the Coalition budget for 1998-99 allocation was made for the construction of TAFE campuses in Dalby and in Tewantin.

This budget does not contain provision for the fulfilment of these Coalition-budgeted commitments.

The explanations for these changes to the capital works program lack credibility.

In relation to the Dalby Campus the Minister states that his inability to locate the Long Report contributed to his failure to allocate funding.

The Department's certain possession of this report and knowledge of the contents of the report makes this claim not a credible one.

In relation to the Tewantin TAFE Campus, the Minister's explanation lacks credibility given the high population growth within the Noosa-Tewantin region and the certain necessity for such a facility which was established by an extensive consultation process..

7) INSUFFICIENT DETAIL ON TRAINEE INITIATIVE

The Minister stated that the funding of traineeships by the previous government was a flawed process because considerable amounts of the traineeship funds were directed to existing workers rather than 'new' workers.

Nowhere within the Ministerial Program Statement or in his statements to the committee at the public hearings was the Minister able and or willing to provide the committee with the details of the policy parameters which will overcome the Minister's perceived deficiency of the previous Government's policy.

Also the Minister was unable to provide exact or even estimate figures of the relative break-up of the traineeship funds which under his administration will be directed to 'new workers' as opposed to 'existing workers'.

Four months into his administration of the scheme, the Committee could reasonably expect the Minister to provide the detail of the administrative framework and numerical data applying to his "new workers' trainee initiative.

However, this was not forthcoming.

8) AGRICULTURAL COLLEGES FUNDING

The Minister advised that the capital grant of \$6M to agricultural colleges has been replaced with an approval to draw on loan funds. This will enable greater flexibility, and allow projects to be completed more quickly than under the previously proposed three-year grant.

On the advice of the Agricultural College Boards this withdrawal of the unconditional grants will place financial burden and hardship on the agricultural colleges which will undermine their long-term viability.

Long-term training opportunities for the vital rural and regional economies and industries of Queensland will be reduced.

This shows a lack of commitment by the minority Beattie Labor Government to rural Queensland.

9) THE LONG REPORT INTO THE TRAINING NEEDS OF THE NORTHERN WESTERN DOWNS

The Minister used the Committee to promote his politically professed view that \$30,000 of public monies had been wasted on the Long Report because the report was not made public and that copies of that report (including the computer disk) had been destroyed by the outgoing government.

The Opposition rejects the claim that any documents relating to the report or that copies of the report were destroyed by the outgoing Coalition Government.

Since the Estimates hearings the Minister has been provided with an original copy of the Report.

10) LACK OF COMMITMENT TO TECHNOLOGY

Through questioning by the committee, the Director-General confirmed a reduction of \$1.2 million in the amount of funding available for technology in the TAFE/VET budgets.

This significant reduction, as compared with the \$16 million committed by the former Coalition Government, will have a significant and undesirable impact on the delivery of further and vocational education in this State.

The failure of the Minister to maintain the technology budget **demonstrates** his inability to grasp modern educational requirements and a lack of commitment to the provision of leading edge opportunities for Queensland residents, particularly those in rural and regional areas.

11) INADEQUATE RESPONSE TO QUESTIONS ON NOTICE

Concern is noted with the answers provided by the Minister to a number of Questions on Notice.

For example non government Question on Notice number one asked the following:

“Will the Minister provide the Committee with detailed statistics of the actual (independently, departmentally or by another source) assessed shortages of skilled employees in the skill areas he will address through:

- a. Traineeships; and**
- b. Apprenticeships.**

Will he make available the original source documents upon which his statistics regarding these actual shortages of skilled employers are based (e.g. ABS, Workforce figures, studies by employer and employee associations etc). ”

The Minister responded as follows:

- “ • Attachment 1 provides a list of current skill shortages.
- A list of the entire range of industries eligible for subsidies is located in Attachment 2.
- A comprehensive list of traineeships and apprenticeships corresponding to these skill shortages is at Attachment 3. One feature of the government’s employment initiatives aims to address these shortages by increasing the employment of apprentices and trainees in those industries that are suffering skill shortages.

- *In fact, the Government aims to employ 7,500 apprentices and trainees over three years in those industries that are suffering skill shortages and industries which are deemed as crucial to the continued economic growth of Queensland.*
- *A number of the documents, **from** which the information on skill shortages was received, are publicly available. ”*

Nowhere in the answer did the Minister provide the statistical detail which was requested.

In order to effectively examine budget appropriations, it is important that the Committee is provided with full and correct details for all questions. The aforementioned example suggests that the Minister has been less than helpful in this regard.

This response reflects a serious lack of attention to detail by the Minister and this situation is most regrettable.

12) CONCLUSION

The Minister's unwillingness to assist the Committee with the provision of relevant answers and the detailed information requested, significantly impaired the ability of the Committee to examine fully the budget of the Department of Employment, Training and Industrial Relations, particularly as it related to new government's own initiatives.

This politicisation of the committee process is also regrettable.

The Opposition supports the creation of real long-term sustainable jobs for Queensland.

Unfortunately the Minister and the Government, despite their rhetoric, appear to have no real plan to create the real long-term sustainable jobs.

13) ACKNOWLEDGEMENTS

The Coalition expresses its appreciation for the efforts of departmental staff, Hansard and the Committee secretariat.

[Original Signed]

SANTO SANTORO MLA
Member for Clayfield
*Shadow Minister for Employment,
 Training
 and Industrial Relations*

STATEMENT OF RESERVATIONS TO ESTIMATES COMMITTEE F

DEPARTMENT OF EDUCATION

Introduction

In 1996-97, the former Coalition Government delivered a massive increase of \$266M or 9.3% to the education budget, taking Queensland's spending on our 1300 state schools above the national average for the first time in recorded history. The minister's efforts during the public estimates hearing to claim credit for the Coalition's independently documented achievement in that respect, did him little credit. Even so, this budget is basically sound overall. It is based on the Coalition's budget for 1998-99, tabled in May, and most variations reflect only modest changes of policy emphasis. For example, in the key area of literacy and numeracy, the Coalition's \$40.4M program for 1998-99 is essentially unchanged except for the welcome addition of \$0.5M to further assist indigenous students and students from a non-English speaking background. Consequently, the Coalition supports this budget, with a number of reservations.

Preschool and Primary Education Outlays

In response to a question-on-notice, the government advised that more current demographic projections used in preparing this budget predicted an increase of 2,750 primary school students and a reduction of 1,050 secondary students over the next two years, compared with earlier projections used in preparing the Coalition's budget for 1998-99. Ordinarily in such circumstances, one would reasonably expect more funding and more teachers for primary education, and less funding and fewer teachers for secondary education as a proportion of the total budget. In this case however, the reverse has occurred, as documented in tables 1 and 2. Comparison of the Coalition and Labor MPS for 1998-99 shows a combined reduction of \$37.5M in the sub-program outlays for preschool and primary education since those published in May.

The government's stated reasons for this disturbing variance have been contradictory and less than convincing. The reduction has been variously attributed to demographic factors, inter-departmental transfers, carry-overs, reallocation of school grants, workers' compensation premiums, superannuation on-costs, federal payments and accounting changes. The demographic explanation has already been proven wrong by the government's own advice, noted above. The other reasons do not adequately explain why such factors seem to have impacted more or less exclusively on preschool and primary education, while other sub-programs have received significant funding increases. They probably account for some part of the \$37.5M variance, but certainly not all.

The most likely explanation for the decrease was provided by the minister during the public hearing when he criticised the substantial allocation to primary education contained in the Coalition's May budget. The minister made it very clear that, in his view, the increase was excessive and achieved at the expense of secondary and special education. He also made it very clear that the revised budget was specifically intended to address this perceived bias towards primary education. In my view, that is the real basis for this funding cut to preschool and primary education, when compared with the Coalition's budget for 1998-99.

Local Area Networks (LANs)

In the Coalition's budget for 1998-99, \$19.9M was allocated to provide computer cabling or LANs in about 300 schools at an average cost of \$66,000 each. This budget allocates \$13.3M for 400 schools at an average cost of \$33,000 each, or just half the initial estimate when calculated on the basis of average cost per school. According to the government, this spectacular saving is attributable to "*improved information and increased effectiveness through the use of packages*". That explanation, of itself, lacks credibility. The minister's own media statements allude to an apparent downgrading of project specifications and that would seem a far more probable cause for the sharp reduction in estimated costs. If so, the government has been less than open in declaring its intentions and should immediately provide details of any proposed changes to the original project specifications, including cost comparisons. In the meantime, there is growing disquiet in the education community that technological standards and educational values may have been compromised for the sake of short-term budgetary expediency.

School Air-Conditioning

Under the Coalition's original Cool Schools program, \$73M was allocated over four years to air-condition 283 schools at an average cost of about \$258,000 each. The government's Cooler Schools program commits \$36M for a further 230 schools in the extended zone at an average cost of just \$156,000 each. This glaring discrepancy of more than \$100,000 in average funding per school has still not been explained to the Coalition's satisfaction. The government has also committed an additional \$12M over four years, to double the subsidy ratio for the 513 eligible schools, from 2:1 to 4:1. This too seems inadequate. The department has itself acknowledged that the total program allocation of \$121M is \$79M less than the estimated cost of full take-up which is about \$200M. This suggests that the government is anticipating total take-up of just 60% which seems somewhat pessimistic for such a highly regarded initiative. It also raises the issue of equity for the 40% of students attending eligible schools which will not be air-conditioned during the course of the next four years.

Miscellaneous

The Coalition has reservations about a number of other matters, including reduced funding for the Schooling 2001 project, teacher housing and environmental education centres, when compared with the Coalition's budget for 1998-99. The lack of detail over proposed changes to the distribution methodology for discretionary school grants is also cause for some concern, particularly since education staff are currently being asked to vote away existing funding guarantees contained in the department's enterprise bargaining agreement. Even in a budget as large as education's, \$24M is a significant allocation which should be subject to greater accountability through the estimates process than has been possible on this occasion. It is still not clear when the government intends to finalise its new arrangements and release the details for appropriate public scrutiny. There is also an apparent discrepancy between the government's answers to questions-on-notice and questions-without-notice. In the former, the government stated that "*some former Leading Schools will receive less funding*". In the latter, the minister seemed to suggest that they would not receive less funding. This is an issue of some significance and urgency for the 50,000 education staff who are currently being balloted, but it seems that they will have to cast their votes without the benefit of being properly informed.

Acknowledgment

The Coalition expresses its appreciation for the efforts of departmental staff, Hansard and committee secretariat staff.

[Original Signed]

.....
BOB QUINN MLA
Deputy Chairman, Estimates Committee F
Shadow Minister for Education
Deputy Leader, Liberal Party
Member for Merrimac

16 October 1998

TABLE 1: COMPARISON OF SUB-PROGRAM OUTLAYS FROM COALITION AND LABOR BUDGET PAPERS FOR 1998-99

Education Sub-programs	Total Current Outlays (\$'000)			Total Other Outlays (\$'000)			Total Outlays (\$'000)		
	Coalition	Labor	Change	Coalition	Labor	Change	Coalition	Labor	Change
School Education	80,106	79,312	(794)	7,594	7,698	104	87,700	87,010	(690)
Primary Education	1,242,466	1,195,562	(46,904)	192,937	202,971	10,034	1,435,403	1,398,533	(36,870)
Secondary Education	844,133	862,815	18,682	86,409	94,344	7,935	930,542	957,159	26,617
Tertiary Education	215,033	224,116	9,083	10,134	13,510	3,376	225,167	237,626	12,459
Technical Education	25,766	25,648	(118)	1,632	1,844	212	27,398	27,492	94
Education Services	31,536	49,440	17,904	4,313	4,554	241	35,849	53,994	18,145
Corporate Services	98,006	106,837	8,831	(98,006)	(106,837)	(8,831)	0	0	0
Curriculum & Assessment	19,888	19,579	(309)	0	0	0	19,888	19,579	(309)
State Education	611,716	614,966	3,250	40,623	42,023	1,400	652,339	656,989	4,650
Primary Education	3,419	3,415	(4)	19,081	18,721	(360)	22,500	22,136	(364)
Totals	3,172,069	3,181,690	9,621	264,717	278,828	14,111	3,436,786	3,460,518	23,732

EXHIBIT 2: COMPARISON OF TEACHER NUMBERS FROM COALITION AND LABOR BUDGET PAPERS FOR 1998-99

Education Sub-programs	Full-Time Teachers			Other Teachers			Total Teachers		
	Coalition	Labor	Change	Coalition	Labor	Change	Coalition	Labor	Change
Elementary Education	1,094	989	(105)	18	22	4	1,112	1,011	(101)
Secondary Education	15,289	15,025	(264)	838	1,028	190	16,127	16,053	(74)
Special Education	11,633	11,925	292	130	177	47	11,763	12,102	339
Other Education	2,776	2,760	(16)	23	34	11	2,799	2,794	(5)
Administrative Services	339	339	0	3	3	0	342	342	0
Other Services	71	71	0	37	37	0	108	108	0
Grand Total	31,213	31,120	(93)	1,049	1,301	252	32,262	32,421	159

All teacher numbers are full time equivalents.