

HOUSE OF ASSEMBLY

Thursday 21 June 2001

ESTIMATES COMMITTEE B**Acting Chairman:**

The Hon. G.M. Gunn

Members:

Ms L.R. Breuer
 Mr M.L.J. Hamilton-Smith
 Mrs E.M. Penfold
 Ms J.M. Rankine
 Mr G. Scalzi
 Ms P.L. White

The committee met at 11 a.m.

Department of Education, Training and Employment,
 \$1 445 436 000

Administered Items for the Department of Education,
 Training and Employment, \$386 558 000

Witness:

The Hon. M.R. Buckby, Minister for Education and
 Children's Services.

Departmental Advisers:

Mr G. Spring, Chief Executive Officer, Department of
 Education, Training and Employment.

Mrs H. Kolbe, Deputy Chief Executive.

Mr B. Treloar, Executive Director, Corporate Services.

Mr J. Halsey, Executive Director, Country Schools and
 Children's Services.

Mr D. Travers, Director, Office of Executive Support.

Ms D. Davis, Executive Director, Metropolitan Schools
 and Children's Services.

Mr P. Kilvert, Director, Partnerships 21.

Ms J. Taylor, Executive Director, Employment and Youth.

Mr G. Wood, Executive Director, Vocational Education
 and Training.

Mr G. Dodd, Manager, Ministerial Liaison Unit.

Mr R. Bos, Director, Finance.

The ACTING CHAIRMAN: Welcome to the committee. I hope we have a productive day. I think we are all familiar with the procedures, so I will not go through those. I declare open the proposed payments. I refer members to page 14 of the Estimates Statement and volume 2, part 9 of the Portfolio Statements. I invite the minister to make a brief opening statement.

The Hon. M.R. BUCKBY: The state government of South Australia has maintained its dedication and commitment of resources to education, children's services, training and employment, and youth in the 2001-02 budget. Spending has reached a record \$1.8 billion, representing about one-quarter of the entire state's budget.

There are a number of very important spending initiatives contained in this year's education budget which I would like to take the opportunity to highlight. In particular, I draw

attention to the fact that the majority of South Australian schools and preschools (80 per cent) are now enjoying the benefits of Partnerships 21, including an additional \$30 million that is being poured into schools and preschools. This budget will also see an extra \$40 million spent on teacher wages, and at least an additional \$145 million per annum will be spent on their salaries from the year 2002-03. The state government is committed to the professional development of South Australia's teachers and leaders in public schools, and \$30 million will be spent on professional development this year, including access to the \$12.8 million Education Development Centre at Hindmarsh.

Another key element of this budget is the recognition given to the crucial importance of learning in the early years. More money will be directed into primary schools and they will benefit from \$15.1 million worth of additional staff resources, \$5.6 million over four years for the Early Years Strategy, including Reading Recovery, and \$66.5 million in school investment accounts. Early learning is also supported by an additional \$3.25 million allocated to support implementation of the new birth to year 12 curriculum over the next year. This funding includes \$2.7 million for the professional development of educators and \$500 000 to further develop the curriculum web site with practical teaching materials.

As I mentioned earlier, a highly successful literacy program will be expanded into even more primary schools through an injection of \$5.6 million over four years. The Reading Recovery program will be introduced into a larger number of primary schools as part of a continuation of the Early Years Strategy, which targets children's literacy and numeracy during the primary years. Primary and secondary students alike will benefit from further investment in technology in schools. South Australia already proudly boasts a world-class ratio of better than one computer to every five students thanks to the success of the DECS*tech* initiative. The government will build on the strong foundation of technological infrastructure and knowledge in our schools by committing an additional \$75 million over five years to this key area of education.

One of the next targets is to have all year 10 students achieve internationally recognised and industry accredited computer qualifications. Year 11 students will achieve an advanced qualification. Student learning will not be contained to the front of a computer screen. It is important to note that the government has also committed \$16 million (including \$12.6 million for primary schools) over four years to help make young people's lives more active. Under the Active for Life program, which has a strong emphasis on primary children, schools will receive grants to increase regular physical activity for students.

Two programs helping to educate students about the dangers of drugs have received an additional \$2.14 million and will run for the next four years. In addition, the state government will introduce the Bullying: Out Of Bounds program, which will highlight best practice anti-bullying methods in schools and provide a forum to educate parents about bullying and support the development of a training package for teachers. Preparing young people for work before they leave school remains a major priority for the South Australian government, with \$4.5 million per annum being provided to ensure that nationally accredited vocational education and training continues to reach more secondary students.

I would like to draw attention to the ongoing commitment to Aboriginal students with dedicated funding of

\$43.7 million in 2001-02. The budget also provides a total of about \$500 million for education and employment services in regional South Australia. This includes \$16 million to provide early childhood education through preschools and child-parent, \$250 000 to support youth programs such as Active8 and Youth Week, and \$2.9 million to encourage regional based public sector traineeships. Minister Brindal will expand on those initiatives later today.

A commitment to provide quality learning facilities is also a feature of this budget. The government will provide almost \$100 million towards capital investment projects in pre-schools, schools and TAFE campuses. Schools, preschools and TAFE campuses will share in \$36.56 million in asset funding in 2001-02, an increase from \$34.82 million the previous year. An external repair and paint program has been introduced to provide an additional \$15 million over three years for schools to spend on small-scale improvements to facilities. Clearly, the budget reinforces the South Australian government's commitment to education by:

1. Retaining and supporting a professional work force.
2. Promoting comprehensive learning in literacy and numeracy.
3. Providing cutting edge curriculum development.

We will continue to ensure that our public schools and sites are well maintained, are technologically rich and future oriented, are able to strengthen the partnerships with families and communities, and that they contribute to the development of a sustainable environment and economic future for our state.

It is obvious that the South Australian government, in conjunction with teachers, parents and local communities, has been able to achieve rapid educational improvement through local management by reducing administration costs and redirecting money into schools and preschools. Under Partnerships 21, an extra \$30 million will be redirected to schools in the coming year. Schools are using these extra dollars in many instances to increase the number of teachers and school services officers. A recent snapshot of extra staff numbers shows that schools have employed the full-time equivalent of an additional 83 teachers and an additional 563 SSOs—extra staff they would not have had without the flexibility and funds of Partnerships 21.

This further improves recent Australian Bureau of Statistics data which show that South Australian schools are among the best staffed in the nation. Schools will also share in nearly \$23 million of flexible initiatives funding this year, which they can put towards additional staff. However, P21 is not just about schools having more freedom with their budgets. It is also about giving school communities more say and the ability to make decisions about their local school.

Literacy and numeracy advancement has been made possible by the implementation of the basic skills test. The BST has become a crucial tool in directing extra help towards students who need it most. Students who do not do well in year 3 will have about \$2 million in extra funding targeted towards their individual improvement. It is very heartening to see that year 5 students who sat the BST in 2000 showed dramatic improvement since they were tested in year 3 two years earlier. More than 90 per cent had moved into a higher skills level.

This budget also demonstrates that the South Australian government is sharing responsibility for social issues such as child obesity and growing physical inactivity as well as the painful issue of drug abuse by funding programs that address these issues in schools. Teaching students how to get active

rates alongside the teaching of English, mathematics, science and art in SA schools as one of the eight key learning areas. This budget makes physical education a priority.

Support for vocational education continues. The success and flexibility of these programs have contributed to a very diverse range of study options for senior students and has resulted in about 27 per cent of year 12 students choosing to complete their final year of school part time last year. I am very pleased to see the government's consistent stance that the state's high number of part-time students alters retention rates has now been vindicated by the new Australian Bureau of Statistics information released yesterday. With part-time students now included in calculations, ABS figures show that South Australia has a retention rate of 80.5 per cent, which is well ahead of the national average of 76.3 per cent.

The ABS information also reveals that the incidence of early school leavers in South Australia is relatively low, with almost all (some 94.7 per cent) of South Australian students in year 8 in 1998 continuing to year 10 study last year. The ABS has also made it clear that the retention rate peak in 1992, which the Labor Party consistently touts as one of its major education achievements, is in fact due to issues such as the abolition of the Job Start allowance, tighter eligibility for unemployment benefits and the cessation of year 12 TAFE courses.

In closing, it is obvious that, with the delivery of this year's budget, the state government has handed to South Australians a direction for education that will utilise resources to their fullest benefit, meet individual student learning needs and set the foundation for the delivery of a first-class education for South Australian students in this decade.

Ms WHITE: I will not take the time to make an opening statement this year. I have made some statements in the House and I refer members to those. I will return to the issue of school retention rates a little later in the piece but I point out that the over 5 000 mature age students who are in our public school system are predominantly part-time students and some of them were included in the figures to which the minister referred.

With my first question I want to concentrate on the overall budget for education for this year. If we look at what has happened over recent years to education spending in this state, we see a pretty clear decline. Going back to 1997-98, the budget for that year proposed \$1 909 million, in round figures, out of a total outlay of recurrent spending of \$6 349 million. These figures are taken from the general summary documents that appear in each set of budget papers. In other words, a 30 per cent share of the pie for recurrent expenditure was allocated to education.

In the next year, we saw the implementation of the three-year cuts schedule, which was confirmed by the minister in estimates when I produced the leaked documents that I obtained in 1998. Also, there was a change to accrual accounting and various ways to change the presentation of what was actually in the budget. The estimated result from 1998-99 for education spending was \$1 804 million out of a total of \$6 416.4 million, roughly 28 per cent—less than had been promised, and the cut was coming in. In the following year, 1999-2000, there was a difference from the \$1 831 million out of a total outlay in recurrent expenditure for whole of government of \$6 865 million, 27 per cent or thereabouts—a decrease—and with the three-year budget-cutting strategy between 1998 and 2000, that was not delivered.

The estimated result for 1999-2000 (according to the 2000 budget papers) was \$1 685 million out of a total of \$7 182 million; that is roughly 23 per cent. I bring that up just to paint a picture—that the share of the pie for education spending in this state has been decreasing in recent years. This year in the budget there is an allocation, broadly speaking, of \$1 803 million in recurrent expenditure out of a total of \$7 356 million; that is 23.5 per cent (I refer to page 8 of Budget Paper 1, which lists the expenditure on outputs by portfolio). The minister pointed to the fact that that is roughly a quarter of the available moneys being spent on education.

After all the promises for spending on education after the sale of ETSA and the proceeds that were promised for education, why has the government seen fit to allocate only 24 per cent (or, as the minister wants to say, a quarter) of the available budget to education? Why has education not received more money in this budget than a quarter of the total?

The Hon. M.R. BUCKBY: I find the member for Taylor's comments very interesting, because she is being very selective in the figures that she is using. I have the Treasury figures here and, if one goes back to 1994-95 (which was the first budget of a Liberal government), one sees that the cash basis was at that stage 26.6 per cent. It rose, as the member correctly states, to 30.1 per cent in 1997-98, and for 2001-02 it is 28.5 per cent. So, it is a greater percentage of the state's budget now than was the case in the 1994-95 outlays. The member asked why we were not spending more. I find that quite amusing, because the member clearly forgets that, when this government took over, we inherited a \$300 million recurrent debt.

That is very conveniently overlooked by members of the opposition whenever they talk about spending money. By saying that more should be spent in education, I wonder where, in fact, the member wants the other sectors to be cut. Does she want the waiting lists in hospitals to increase? Does she want us to put less funding into police so that education has more funding? I think it clearly shows that the member has a lack of understanding of the balance of a budget in terms of the pressing needs on a government of the day. One always has to look at a balance in terms of where the community requires spending to occur.

This year, we are spending \$1.8 billion—not a small amount of money, by any stretch of the imagination. Last year, the budgeted amount was some \$1.7 billion. As the Treasurer indicated in his speech to the parliament when delivering the budget, he granted an additional allocation to education over the last 12 months to ensure that we could carry out the programs that we wished to promote. I know that education now, in comparison to 1993, when the Labor government last held office, is in a far better state, with a far better direction than it ever had then. Over the period from 1993-94 to 1999-2000, average expenditure per student in government primary and secondary schools has increased from \$5 461 to \$6 485, which is an increase of 18.75 per cent in nominal terms and 6.93 per cent in real terms.

The member for Taylor shows a very simplistic attitude towards this matter. Often, it is not how much money you spend: it is how you use it. We could throw another \$100 million at education, but it is how that money is used. When I became Minister for Education, I found that there were significant areas where better use of that money could be made—and that is shown in Partnerships 21, where we have an additional \$30 million on school grounds. The fact

is that it is out there and schools are using it, and we have done that by making head office and our system more efficient and by undertaking reviews to ensure that that is maintained. It is very simplistic to come in here and ask, 'Why are you not spending more on education?' I would say that our education system is in a far better state now than it was when the Liberal government took over in 1994.

Ms WHITE: The point is that the minister promised more spending for education and he has not delivered it. According to the Statement of Financial Performance, Budget Paper 5, volume 2, page 9.25, total expenses from ordinary activities, the estimated result for this financial year is expected to be \$1 803 million, in round terms, and \$1 803 million, in round terms, is budgeted for next year. To the people of South Australia, that will not look like an increase, particularly given that it does not allow for inflation. So, a cut in real terms is being predicted.

That same page shows an increased salaries and wages bill of \$28 million, or thereabouts. Salaries and wages are increasing by \$28 million, or thereabouts, and that is based on the predicted number of teachers included in the budget papers for this coming financial year—\$28 million more in salaries and wages, but there is no money to cover that and there is no money to cover inflationary expenses. So, no matter how you paint the picture, there is no more money for education in real terms. In fact, it is a cut from what was spent last year and, in the minister's own words, roughly a quarter of the budget in recent years—it was up around the 30 per cent mark. So, no matter how one looks at it, education has not received more funds this year. It was promised significantly more funds after the sale of ETSA, and that has not been delivered.

I want to concentrate on two variations on that page. The first variation is the \$28 million salary increase—and I will explore that issue later. The second variation is the \$30 million decrease in spending that is being planned with respect to other supplies and services. According to the budget papers, this current financial year (2000-01), an estimated result of \$338.7 million is expected, and \$308.5 million, in round terms, is budgeted for next year. Will the minister go through each of the outputs listed in the budget—and I am particularly interested in budget outputs 1, 2 and 4 (my colleague Stephanie Key will explore those other outputs with Minister Brindal)? Will the minister go through each output—1.1, 1.2, 1.3, and so on?

We have the figures that you budgeted for this coming financial year for each of those outputs. First, can you tell me what the estimated results for the current financial year for each of those is expected to be? You might just highlight in the Statement of Financial Performance that we are talking about where any variations are reflected in that statement.

The Hon. M.R. BUCKBY: Mr Chairman, Mr Bronte Treloar on my left is the head of the financial area of the department and he is very well versed with this area. I will ask him to explain what the member for Taylor is asking.

Mr TRELOAR: Perhaps the first comment should be that, in terms of the anticipated outcome for 2000-01, which is reported to be \$1.802 billion or \$1.803 billion, and with a budget for 2001-02 of \$1.803 billion, I think we need to understand that we are not comparing apples with apples in that comparison. Quite clearly, when we look at some of the expenditure that has occurred in 2000-01, we find that there is a series of issues, for example, one-off payments that have occurred in 2000-01 that are not repeated in 2001-02. If I take, for example, GST implementation and additional

support, \$5 million through the 2000-01 budget is expenditure not repeated and is not needed to be repeated, and has no impact on the real level of service in the 2001-02 budget.

Ms WHITE: Under what item is that reflected?

Mr TRELOAR: It is a fairly complicated set of questions and if I could just follow that through. Really, when you do the analysis, in relation to the situation in 2000-01, and then what you move forward to budget for is a range of other issues. There are always timing differences as at 30 June. The date, 30 June for us is, in one sense, quite an arbitrary time. We run our programs over a school and academic year. Yes, we need to report in financial year terms but we always have a situation with commonwealth funding coming in on calendar year terms. There is always quite a complicated look at what the timing differences are around this arbitrary 30 June.

If I take another example: with the reduction, we are advised in relation to superannuation payments that superannuation payments for 2000-01, following the actuarial calculations, are some \$6.2 million less in terms of requirement. Other policy decisions have been made. Other savings involve, as I said, issues, very simple issues, where minor works having been paid are then recoverable in some instances, or simply relate to, as I said before, timing differences. When we look at the analysis of those numbers, there is over \$33 million in those factors that, in my view, does not make those two items directly comparable. I just simply make the point that it is not apples and apples. Something of the order of over \$33 million would apply to those issues.

In terms of the specifics, I think it was page 9.25—Other Supplies and Services, in relation to which you mentioned the \$338.723 million, down to \$308.501 million in terms of the 2001-02 budget. I need to go back and say that the 2000-01 budget was \$312.7 million, so it increased substantially to \$338 million, back down to, if you like, a more normal level of \$308.5 million.

Factors are present and we need immediately to look at some off-setting views in relation to the grants and subsidies line, which is three or four lines down in the same statement. The shift, where we see 128 up to 145 up to 152, is in the nature of the change of payments as a result of P21. The fact that we pay a lot of the expenditure that we previously incurred by way of grants on a monthly basis through to P21 sites involves a partial off-set in relation to those lines which need to be taken into account when we are having this discussion.

There are other more specific variance explanations. I have a number of those which reflect the comment I have just made: the shift from 'supplies and services' to 'grants'; the one-off payments—certainly in terms of the GST issue I previously raised—is reflected in those lines; minor works timing (and the recoverability of some of that); the GST issue I have raised previously; and user choice issues in relation to changes of policy announced by the government in relation to user choice. A range of those factors explain that particular difference of \$30 million. I am saying that it needs to be off-set by looking at some other lines.

Ms WHITE: You have not told me anything yet. You said that user choice—

The ACTING CHAIRMAN: I do not think that the honourable member needs to make any reflection on the officer.

Ms WHITE: I was not reflecting on the officer: I was just querying the information provided in terms of the figures. I

asked Mr Treloar to detail, in dollar amounts, all the variations that are reflected. Mr Treloar vaguely said that there is some user choice variation; and the notes say that there are utilities variations, and the like. I am asking how much is involved and how they are reflected. I am asking Mr Treloar to breakdown those variations and explain exactly where the money has gone.

Mr TRELOAR: To the best of my ability, I have attempted to provide that information in relation to the shift of some \$30 million—

Ms WHITE: You have not given me any detailed breakdown of those costs.

Mr TRELOAR: In relation to the item that I have described, I can provide detail of the reduction of \$30.7 million in those lines, as follows: shift from 'supply—

Ms WHITE: Are you talking about 'other supplies and services'?

Mr TRELOAR: Yes, I am. Under 'supplies and services, other supplies and services', the reduction shows a shift from 'supplies and services' to 'grants and subsidies', \$3.6 million.

Ms WHITE: What is that for?

Mr TRELOAR: I explained that earlier.

Ms WHITE: No; what specifically is that for? You mentioned a heap of things; what is that \$3.6 million for?

Mr TRELOAR: A shift from 'supplies and services' to 'grants and subsidies'. We are saying that, as a result of P21 sites, in relation to the fact that a range of operational expenditures would have been traditionally paid by the department through a supplies and services area and debited to a supplies and services area, they change their nature in accounting terms as soon as you provide a monthly grant to P21 sites. A global budget is provided on a monthly cash-flow basis. The operating costs, if you like, attributable to the school are paid for from those grants. In accounting terms, it is reflected in this way through the financial statements. Have I explained that to the honourable member's satisfaction?

Ms WHITE: I will return to that and ask more questions about that—

Mr TRELOAR: I am having trouble keeping up with all the questions.

Ms WHITE: —but that is \$3.6 million out of a \$30.7 million variation.

Mr TRELOAR: I will continue. The one-off payments made in 2000-01 continue as follows: additional support for GST implementation, \$5 million, which I have mentioned previously; minor works timing and/or recoverable items, \$12 million (this is within this particular line about which we are talking); GST—

Ms WHITE: I am—

Mr TRELOAR: Could I finish the response, please: GST 'ec and tech' savings, \$3.3 million; and user choice eligibility changes in policy, \$6.8 million—\$30.7 million. I believe that explains, in a detailed manner, what the honourable member has asked.

Ms WHITE: I will come back to each of those figures individually.

The Hon. M.R. BUCKBY: Mr Acting Chairman, is this the honourable member's third question?

The ACTING CHAIRMAN: I was giving the honourable member some degree of flexibility because I thought she must have a line of questions in this area. We have now been here for 40 minutes. I intended to allow—

Ms WHITE: Mr Acting Chairman, 15 minutes of that was taken up with the minister's address.

The ACTING CHAIRMAN: Quite. I thought that I would wait another five minutes and then I intended to call for a question on the other side.

Ms WHITE: So, \$30 million has been taken away from 'other supplies and services'. Can you tell me what you fund with the rest of the money? Is not 'supplies and services' the money to schools, childcare centres and VET? What does 'other supplies and services'—the budget of \$308.5 million—pay for? You have taken away \$30 million in this budget from that area. I am looking to see what will be the consequence of that—what will be cut? Exactly what does 'other supplies and services' pay for?

The Hon. M.R. BUCKBY: I will just correct that statement. We have not taken away \$30 million.

Ms WHITE: You have put it somewhere else.

The Hon. M.R. BUCKBY: That is different to 'taken away'. The honourable member is implying that we have taken away or reduced it by \$30 million. Mr Treloar has explained the one-off nature of some of those costs and where it has occurred in other budget lines. I just want to correct the 'taken away' implication of the comment of the member for Taylor.

Ms WHITE: You have allocated the money elsewhere. What are the implications for services and supplies that are funded under that line? What is normally funded under that line? In other words, this current financial year you spent \$338 million. Next year you are planning to spend \$308.5 million. On what did you spend the \$338 million and on what will you spend the \$308.5 million?

Mr TRELOAR: I can indicate that, essentially, the supplies and services lines reflect the non-salary items of the department. If one looks above—

Ms WHITE: Obviously, but specifically could you break that down?

The Hon. M.R. BUCKBY: That is what he is attempting to do.

Mr TRELOAR: Mr Acting Chairman, I would just like to continue—

The ACTING CHAIRMAN: The Chair will allow you to continue to answer the questions put to you without interruption.

Mr TRELOAR: Thank you, sir. The employment entitlements reflect the salaries component of the budget. The supplies and services are all of the non-salaries areas and they cover a range of lines. I do not have with me, down to the dollar, the sorts of breakdown about which we are talking, but that can certainly be supplied. I certainly do not have with me that level of detail. I have explained the \$30 million difference from one figure as an estimated result in 2000-01 to a 2001-02 budget figure. The point is that the 2000-01 budget was \$312.78 million; so I would argue that, in a budget to budget sense, there has not been a massive change.

Certainly, it increased and came back for the reasons I have talked about, some of which were of a once-off nature. We are, as the minister indicated, dealing within the overall bottom line, so your point is clear in terms of a reallocation, a coding and a change of nature in the expenditure. I mentioned before that expenditure incurred, for example on electricity utilities and so on, when our whole system was non-P21 would have been debited to supplies and services. When we changed the nature of the department into P21 in terms of global budgets, what is shown in the books of the department is in essence the grants to P21. We pay a global budget and classify it as grants to each of the sites. Out of those grants paid on a monthly basis is the expenditure

incurred on behalf of the site that we would normally have coded to input lines of the department. There were no global budgets.

Ms WHITE: Are you or are you not going to spend \$30 million less on supplies and services in the next financial year than you did this financial year?

Mr TRELOAR: I have explained the difference between the two figures.

Ms White interjecting:

The ACTING CHAIRMAN: Order!

Mr TRELOAR: I have also explained the fact that within the \$1 802 905 estimated result for 2000-2001 we are spending \$1.803 285—

Ms White interjecting:

The ACTING CHAIRMAN: Order! I have said clearly that I do not want interruptions. It is one thing to interrupt the minister: it is another thing to interrupt staff. I will not tell people again. We are here to get on with this in a constructive manner. I want to facilitate that: I have tried to be very understanding, but I will use the standing orders severely if I am provoked. Mr Treloar, finish your answer before I call the member for Flinders.

Ms Breuer interjecting:

The ACTING CHAIRMAN: The member for Giles, that side has had a fair crack of the whip.

Mr TRELOAR: We are talking of the 2001-02 budget figure of \$1.803 million.

Ms White interjecting:

The ACTING CHAIRMAN: Order!

Mr TRELOAR: I explained that.

The Hon. M.R. BUCKBY: It is quite clear from the budget papers of the estimates from last year, being \$1.708 million and the budget estimate for this year being \$1.803 million, that the government is estimated to spend \$95 million more this year than it was estimated to spend last year. As the member for Taylor is well aware, the Treasurer in his budget speech to the House made quite clear that additional allocation was given to the department during the year, which built up that figure to \$1.8-odd million. That is being maintained, which means in our budget estimates this year our estimate is \$95 million more than it was last year. Mr Treloar has adequately explained the difference of \$30-odd million. Much of that is one-off expenses in either GST or the Econtech model. In addition, he has explained that because of global budgets there is reallocation from one line to another, purely because of the way accounting formulation treats that matter. It is quite clear that we deal with a budget to budget line and that shows we are spending \$95 million more. I will ask Mr Spring to comment.

Mr SPRING: Schools and preschools will be spending more on supplies and services. If you take out the one-off items, which occur only once as Mr Treloar has explained (clearly the GST does not affect schools and we are not spending that any more), the only real question is the change in the way the money goes to schools or accounts we would have paid for them is shown. There is no reduction in that. However, in the \$95 million the minister just mentioned there is an extra \$30 million for P21 schools, which has started to flow from schools at the start of this year. To get you the detail you want would require us to go out to 1 000 sites because the schools and not the centre have the money now. It would be a substantial burden on schools if you want us to get that information. There is no reduction in the school expenditure.

Ms WHITE: Where is the reduction?

Mr SPRING: We just explained that the GST was one-off and the changes that were announced earlier this year in relation to user choice in the changes of criteria explain the rest of it. It is highly likely, given that there is an extra \$30 million in the system, which flowed through from the start of this calendar year—and schools make those decisions—that we will be spending substantially more. All we are talking about in terms of real rises or falls as far as the budget is concerned is a different accounting treatment. There has been no reduction in money that schools receive—far from it: schools are receiving substantial additional funds.

Mrs PENFOLD: My question relates to output classes 1 and 2. In relation to early years education, given the recent research supporting the importance of learning in the early years, what investment is the government making in this area?

The Hon. M.R. BUCKBY: I know that the member for Flinders has a deep interest in this area. Some \$53.8 million in additional funds has been committed to improving learning outcomes for children in the early years, especially in literacy and numeracy from 1994-95 to 2001-02. This includes \$4.25 million in funding allocations to schools and pre-schools in 2001. An additional \$2.79 million has been allocated over the next four years for a new initiative, the child and family literacy project. This project will provide opportunities for parents to learn more about child development and literacy and numeracy learning. It will also provide ideas about how to best support children's learning, introduce cross generation learning programs and establish parent networks.

The early years strategy has impacted over 170 000 children since 1995 and to date the strategy has delivered early intervention for children who need help through an additional 17 speech pathologists and the introduction of special learning programs. It has produced focused assessment teaching and learning for children through preschool and school entry assessment programs and improved teaching practice through professional development programs, for example, the First Steps program, the Early Literacy and the ESL learner programs, and the Making the Links numeracy program.

A major initiative is the school entry assessment program to be implemented in all schools from this year. Baseline data is to be collected about children's literacy and numeracy skills as they enter their first year of schooling and used to plan effective learning programs. An external evaluation of the strategy was conducted in the year 2000 and the evaluation confirmed a marked impact on the quality of learning experiences for children in early years settings, improved monitoring of children's learning progress and better links between the home and the education settings.

If we look at some of the budget implications for this, we see that for 2001-02 early assistance will receive some \$2.745 million; the reading recovery program, \$744 000; speech pathology, \$1.757 million; psychology services, \$378 000; the First Start program, \$213 000; foundation areas for the new curriculum, \$87 000; the basic skills test years 3 and 5, \$3.35 million; and the child and family literacy project, \$608 000. We are certainly committed to the early years strategy. It is one that was introduced by the previous Minister for Education and Children's Services, the Hon. Rob Lucas, in identifying that end of education where one could have the most impact, and certainly we are having results from that.

If we look at, in addition, the child care situation in the early years' strategy, there are some 231 licensed childcare centres in South Australia, and that comprises 139 community based and 92 private centres. The utilisation rate is interesting. If you look in 1998, it was at 78 per cent. In community based centres it fell in 1999 to 68 per cent, and as at October last year it had risen to 79 per cent. In private centres, the corresponding figures are 68 per cent in 1998, down to 62 per cent in 1999, and back up to 72 per cent in the year 2000, giving us a state average of a 76 per cent utilisation rate.

With the remaining child care places agreed under the commonwealth-state national childcare centres, some 707 places are being utilised in 28 new services, including 16 centre based child care services developed in rural and remote areas, 12 of which operate as rural integrated services; 111 places have been transferred from an innovative rural and remote placed pool; and under this initiative up to 18 additional rural care worker services in remote areas of South Australia will be implemented over the next two years, and in addition to the five rural care worker services which currently operate in Mount Compass, Kimba, Lock, Melrose and Kingston.

Two additional services have been approved for Lucindale and Tumby Bay. Fifty-one centre based places are under development, including the two new rural integrated services, one planned for Two Wells and the other at Oak Valley. It is anticipated that these will be operational by mid to late 2001. The Waikerie Children's Centre became operational in term 2 of this year, I am pleased to say, with 21 places there.

If we look at the average cost of full-time care per child in South Australia, that is now \$175 per week, calculated by the commonwealth department. Recent data suggests that the demand for centre based care, out of school hours care and family day care is increasing, and that is following significant work undertaken by the department, in collaboration with the industry, in promoting services and increasing consumer awareness and confidence in the benefits and use of formal child care.

I remember the private child centre sector launching a program that highlighted the benefits of formal child care, and I think we spent something like \$60 000 on the promotion of that program, and obviously that has been taken up by the community. Projects funded to support child care include the community service television commercial, that I just referred to, a family day care video, and written information and promotional brochures about out of hours school care. So our commitment to the early years certainly cannot be questioned. If I look at preschool demand, some 90 per cent of our students who come into reception have attended preschool. It is an excellent service there that is given by our teachers in that area.

Mrs PENFOLD: My second question relates to the Premier's restructuring grants. Can the minister advise of the success of the Premier's restructuring grants?

The Hon. M.R. BUCKBY: I am very happy to do so, because this has been particularly successful. Members might remember that, when changes occurred to the federal child care allowances, the Premier then instigated a \$1 million grant to help both community based care services and also then extended it to the private services. In June 1998 the Premier announced the allocation of \$1 million for grants to community managed child care services, and in March 1999 the grants were extended to private centres. Some 177 services have received grants. In March 1999 approval was

granted for the extension of restructuring grants to private childcare centres. We provided an additional \$467 194, made by diverting savings from the outside school hours care program, to support that extension. Fifty-five community based childcare centres received \$621 984. Forty-eight private childcare centres received \$321 892. Seventy-four outside school hour care services received \$523 318.

An evaluation of the account into the effectiveness of the grants has been completed. That evaluation found that funding for repairs and maintenance had the greatest positive impact of the survey areas for all types of services. There were some unsuccessful applications under the community based childcare centres. Those were Aldinga, the Anglicare at Prospect, the Fleurieu Occasional Care Centre, Kate Cocks, Kidman Park, Le Fevre, Seaton and QEH Child Care Centre, Reynella and Seaford.

In relation to private childcare centres: Burnside Child Care Centre, the Children's Education Care Centre, the Colonel Light Gardens, Linden Park and Littlehampton childcare centres, Mooringe Child Care Centre and Kindergarten, Pebbles childcare centres at Hope Valley, Semaphore Park and Woodend, the Peppercorn Child Care Centre at Melrose Park, the Salisbury East Child Care Centre, the Unley Mothercraft Child Care Centre, the Valley View CCC, the Victoria Park, Walkerville and Windebanks childcare centres and kindergartens.

The Salisbury East Child Care Centre did close during the assessment process, so that is why funding was not given there and the Valley View Child Care Centre applied for funds to pay off outstanding creditors and extend the premises with an office, but the business was in difficulties prior to the grant applications being made in May 1999 and, unfortunately, the centres were in the hands of the receivers appointed by BankSA. Centre management were the ones who made a decision to close the centres before the grant application was assessed.

In terms of rural child care needs and initiatives, this is one area that I believe is particularly important, because it is often the case where, as you would know from the area that you come from, Mr Acting Chairman, many spouses help their husbands, or vice versa, in the management of a farm and in many cases seek off-farm income to supplement that farm. So the development of appropriate child care for rural families has been a priority for this government for now the length of term it has been there.

We have developed some new approaches in rural communities through an active partnership with the commonwealth government and that consists of joint funding, planning, policy and service development. We have undertaken to accommodate rural communities across the state via rural integrated preschool and childcare centres. That has been done in 13 communities.

This model of care adds between 18 and 30 child care places to existing preschools. In smaller communities with full-time demand for up to seven children, rural care workers can provide that child care from community venues such as preschools. In even smaller communities we have developed mobile child care services, and that can produce a flexible alternative for families who might need care at specific times. An ongoing needs analysis and planning process underpins the expansion of rural child care in South Australia. Communities such as Bute, Kingston and Crystal Brook have been targeted as high needs areas, with more community consultation, needs analysis and financial modelling to be done to

determine the most flexible and viable child care response for families living in these communities.

There is a list here of successful applicants to the Premier's fund. It totals some 74, which I will not read out, but, just to give you an idea of the purpose of funding that these schools have used, I indicate that it has been used for computer training, a kitchen upgrade and whitegoods, staff training, furniture, resources, promotion and transport options, purchase or lease of bus, upgrading a kitchen and bathroom, building alterations and furniture, painting, security doors, carpet and upgrading a shed. So, these centres have made best use of the money that they have been allocated. I can see items such as a rainwater tank and the upgrade of toilets and telephone lines. So, this money has been used extremely well, and I think we have gained excellent value from that \$1.467 million.

Ms WHITE: I asked the minister previously to list each of the output classes and, for each output class, say what expenditure was made in this current financial year and what is the expected result. This year, the minister lists the budget figure for last year and there is the budget figure for the coming financial year, but there is no estimated result against any of those outputs. Will the minister go through each of the outputs and each of the output classes and give me the expected result for the 2000-01 financial year? Only the amounts for next year are in these budget figures. If the minister wants to leave the employment and youth output classes to my colleague, that is fine.

The Hon. M.R. BUCKBY: Mr Treloar will handle that.

Mr TRELOAR: Output class 1, education and training, 1.1—delivery of preschool education: the 2000-01 estimated result is \$90.133 million; and the 2001-02 budget is \$90.965 million. Item 1.2—reception to year 12: 2000-01—

Ms WHITE: As you go along, will you indicate what the variations were because, obviously, if these are the figures that you are giving, there is a change in the scope of those output classes from last year's budget papers. The 2000-01 budget figures that you have given do not line up with the budget figures that we were given in last year's budget papers.

Mr TRELOAR: I do not think that I am able to provide greater detail. These items or amounts are relatively minor in one sense, and I certainly do not believe there is a change of scope. The figures that I am providing are reported in terms of the Treasurer's budget papers, and that is the information I am proposing. For example, reception to year 12, output class 1—

Ms WHITE: To clarify what we are talking about, you just gave a budget figure for the 2000-01 budget for preschools (output 1.1) as \$90.965 million. In Budget Paper 4 from last year's budget papers (2000-01), under the same output class is listed \$71.883 million. I do not understand why those figures are different.

Mr TRELOAR: I may have misunderstood the question. What I was responding to was the estimated result for 2000-01 in relation to each output class and each component of—

Ms WHITE: I think you said 'budget' when you gave me that figure. That is why I was confused.

Mr TRELOAR: There is a bit of confusion. If I could just say what I was attempting to do, and that was to provide you with information in relation to the 2000-01 estimated result for each output class and each component of each output class. So, we started at output class 1, education and training and 1.1—delivery of preschool education. I was then

comparing that with the estimated 2001-02 budget figure for that component of the output class. Item 1.2—reception to year 12: the 2000-01 estimated result is \$1 150 476 (\$1.15 billion) to \$1 149 314.

Ms WHITE: I wanted you to compare the budget figure from 2000-01 with the budget figure for 2001-02 and the estimated result for 2000-01. I think you have some other figure in there. If you do not have last year's figures, I can read those out to you.

Mr TRELOAR: I believe we have. I will have a go at it. Output 1.1—delivery of preschool education: the 2000-01 figure is \$71.833 million. In terms of the original budget estimate for 2001-02, I am not sure of that figure. The increase is attributable to pay increases for preschool teaching staff, the full attribution of costs under output budgeting where costs of payroll, corporate services and district office support are all included in the output estimate.

As a general comment, moving through the process of better defining the output classes and the attributing to those classes of the costs have been refined from one period to the next. That is an example of better definition, if you like, of our costs to output classes. The cost per child information reflected in those dollars that I have just described has gone from \$3 796 to \$4 992. I think it is an important point that there is more complete attribution of costs under these outputs, and I think we will find that in a number of these. Do you wish me to go through each line of each output?

Ms WHITE: Yes, please.

Mr TRELOAR: Output 1.2—reception to year 12: \$1 244 145 through to \$1 329 084. That is the expense figure. In those cases, there is an output revenue line as well coming to a net expense, but we will stick with the expense figures as we did before. There is a range of reasons for the difference in those figures. Clearly, the wage decision flows through and the cost of increased wages flows through into each of these output classes and that is a significant part of the difference there.

Ms WHITE: You gave a figure of \$1 150 million for that output before. What was that?

Mr TRELOAR: The \$1 150 476 was in the Treasurer's statement at page 9.20. It shows the 2000-01 estimated result, which was the expense figure of \$1 327 181 less an output revenue of \$176 705 000. Again, there is an attributing of revenue to these output classes, as well. Essentially, I believe from what I am looking at here that the issues relate across the board, and that the salary and wage increases which you are aware of in total terms are then attributed to each of these output classes and, in a similar way, there are any other approvals or other changes in relation to attributing better the costs of the organisation to each of those output classes. Any further detail we would need to do more research on.

Ms WHITE: The next one is VET—output 1.3. There is a budget figure for 2000-01 of roughly \$320 million and the budget for the next financial year is roughly \$291 million. What was the estimated expenditure for 2000-01 for VET?

Mr TRELOAR: I would need to take on notice the issue of the \$320 million level to the \$294 million, \$295 million level. That is what you are saying, I think?

Ms WHITE: Why would you need to do that? It is clearly in the budget papers under that output class. It indicates a reduction in student hours from 23 million hours to 20 million hours. There is the budget difference between 2000-01 and this next financial year from \$320 million down to \$291.4 million. What did you actually spend and can you account for the differences?

Mr TRELOAR: Yes.

Ms WHITE: You talked about user choice being down.

Mr TRELOAR: I can answer now. A comparison between the 2001-02 budget for vocational education and training detailed on page 9.20 of the 2001-02 Budget Paper 5, Volume 2, and the budget for the same output on page 9.22 of the 2000-01 Budget Paper 4, Volume 2, shows that the budget for VET is recorded at \$319.7 million for 2000-01 and \$291.4 million for 2001-02, a difference of \$28 million. This apparent reduction is explained by inaccuracies in the output cost calculation in the 2000-01 budget papers.

Ms WHITE: A \$28 million difference due to an inaccuracy?

Mr TRELOAR: Mr Acting Chairman, I am completing my answer.

The ACTING CHAIRMAN: Ignore the interruptions.

Mr TRELOAR: Certainly. An error was made in assigning costs between the preschool education, R-12 education and training, and vocational education and training outputs. That has resulted in an artificially high budget number for VET and low figures for preschools and R-12 education in that year. It should also be noted that output figures include the apportionment of overheads and do not reflect the true direct costs in budgets for TAFE and private providers through purchase agreements. Refinements are still being made to the allocation of cost to outputs, with the result that accuracy is improving over a period of time.

The comparison of the estimated outcome for 2000-01, (\$294.479 million) with the budget for 2001-02 (\$291.409 million) does not support the assertion that there is a cut of the magnitude of \$28 million in the VET budget for 2001-02. The main changes in the VET budget between 2000-01 and 2001-02 are the reduction of \$6.8 million in user choice as a result of the policy changes to reflect the change in eligibility criteria approved by cabinet in December and a reduction of \$1.5 million required to reflect a partial return to government for the further investment in TVSPs in the TAFE sector.

My understanding is that there was an investment of about \$6 million in TVSPs provided for the TAFE sector, which will deliver recurrent savings estimated to be about \$5 million per annum. What I have just reflected, in a sense, is a dividend required from those savings of \$1.5 million out of the \$5 million, in fact leaving a net gain in purchasing power to institutes of \$3.5 million per annum.

Ms WHITE: A gain of \$3.5 million?

Mr TRELOAR: Yes. We are saying that TVSPs were worth \$6 million—and I believe that we are talking about 80 TVSPs in the TAFE sector, depending on the individuals and their length of service—and that will result in annual savings of \$5 million per annum. What I have reflected in this answer is that, of that saving of \$5 million, \$1.5 million has been required by the department, with the balance of \$3.5 million being retained as an ongoing benefit for TAFE institutes.

The Hon. M.R. BUCKBY: Mr Spring would like to add a comment.

Mr SPRING: The annual hours curriculum target for the coming financial year 2001-02 is 20 million. We now have the audited figures for last year, and the target achieved last year was 18.846 million. So members can see that we are estimating a substantially higher output of curriculum hours for VET, which demonstrates the fact that there has not been a reduction, because the prices are constant.

Ms WHITE: What you are saying is that this year's budget papers are wrong.

Mr SPRING: The figures are in last year's budget papers, which Mr Treloar has just explained.

Ms WHITE: But this year's budget papers, the end of year 2000-01 estimated result, which was printed in May this year, states that you had an estimated result of 23 million. You are saying that that is a mistake in this year's budget papers?

Mr SPRING: Last year's budget papers.

Ms WHITE: If the real figure was 18.846 million student hours (AHCs), why does this year's budget paper (9.9), if it is correct—and you are saying that this year's budget paper is correct—say that the end of year estimated result for 2000-01 is 22 980 673?

Mr SPRING: That was the estimated result. The audited figure is 18 million.

Ms WHITE: So, this budget paper is wrong?

Mr SPRING: It was an estimate and, now that we have the audited figure, I am giving the member the correct figure.

Ms WHITE: So, the figure in this budget paper is wrong: it should be 18 million.

Mr SPRING: No. We gave an estimate. We now have the correct figure, which was audited by the Australian National Training Authority (ANTA), and it shows 18.846 million. The estimate for this year is 20 million.

Ms WHITE: So, to correct last year's budget papers, which show that the target for 2000-01—and you are saying that what you delivered looks like being 18.85 million—

Mr SPRING: Yes.

Ms WHITE: —was 24.9 million. So, you did not meet that target.

Mr SPRING: That was an unadjusted result.

Ms WHITE: No, this is the target for 2000-01; the budget figure. You delivered 24.9 million, which is 5 million hours less this year than you said you would, according to last year's budget papers. What looks like a cut of 3 million this year—

Mr SPRING: No, we have not. There has been no net reduction in VET funding, if you take into account the matters explained in relation to the reduction in TAFE costs from packages—

Ms WHITE: I am just trying to correct last year's budget papers now. They clearly state that the target for 2000-01 is 24.9 million, made up of 22.6 million scope and 2.3 million fee for service, which is a total of 24.9 million. You are saying that what you actually produced was 18.85 million, but that was an increase. Obviously, your budget target for last year was higher than you are saying it was.

Mr SPRING: The student hours cited in the budget tables appear to have declined by almost 3 million. In reality, each of the columns measures slightly different aspects of student hours, which are explained below. The 22.9 AHC was OVET's estimate of raw output produced during 2000 and 2001—or, more realistically, the 2000 calendar year output. The figure of 22.9 represents an unaudited and unadjusted estimate of our actual year 2000 performance, including an estimated 1.2 million fee for service. The 20 million AHC target, which excludes FSS, is a nationally comparable state output agreed by OVET, ANTA, MINCO and the minister. Use of this figure aligns our initial planning targets with our external ANTA targets, enabling the Department of Treasury and Finance and ANTA to make cross jurisdictional comparisons in terms of productivity unit costs, and so forth.

Much of the difference between the two figures arises from statistical processes. Once final VET output is audited by NCVER, (the national vocational education and training statistical body), ANTA applies a series of adjustments enabling comparisons between the states and territories. South Australia has generally exceeded its ANTA output figures. The following table (which I will read) shows that the 2001 equivalent of the 20 million AHC target was 18.846 hours. So, in fact, the South Australian VET nationally comparable planning target grew between the two years.

The Hon. M.R. BUCKBY: Can I make a suggestion? Mr Geoff Wood is the director within the Department of Vocational Education and Training who handles this issue. I have asked for him to come here straightaway. If the member for Taylor is prepared to defer questions on this matter, he will be here shortly and should be able to answer her questions directly regarding those training hours.

The ACTING CHAIRMAN: I will get Mr Scalzi to ask the next question.

Mr SCALZI: It is pleasing to hear that the government has a commitment to early education. Capital works are important in the provision of education in the early years. What provisions have been made in the budget for capital works programs in preschools and childcare centres? Can the minister outline any new initiatives in place which will ensure the quality of family day care services in this state?

The Hon. M.R. BUCKBY: It is good to see that we are sticking to the order here in terms of being able to address child care and preschool issues rather than veering away from the program that we had set out, particularly in terms of the officers that I need here to be able to give in-depth answers to what the member for Taylor wants to know. We are committing substantial capital works funding to our preschools. One project that needed to be undertaken (particularly because of the amount of growth in the area, a lot of it related to the wine industry growth) related to the Willunga preschool.

Funds have been used to build a new centre on Willunga Primary School grounds. This is part of a major upgrade of the school, and the preschool upgrade is the first stage. I visited the current preschool building. It is pretty old, and it certainly requires major refurbishment. That is why we looked at it and then decided that it would be far better to re-site the preschool onto the school site. A child care component has been built into the plans for the new centre, which will provide child care options from that site, as there is not any centre-based child care, and very little family day care available to parents within the Willunga area. With respect to funding for Willunga this year, the total cost is some \$6.2 million, but this year we will be spending some \$262 000 to commence that program. I know that this development will be very warmly received by parents in the Willunga area.

The second project is in the Two Wells integrated service—again, it has been operating out of very old premises. Funding has been provided to integrate the preschool onto the primary school site. We have undertaken community consultation in relation to the plans, and the community is very happy with those plans. We are looking to provide a birth to 13 years site. The childcare centre component will be licensed for 21 places. The part-time preschool has approximately 35 children, and I would imagine that this number will increase again, with growth in population in the area. The amount of money that we are spending on that project this

year will be some \$192 000 and, again, that will be a particularly good program for Two Wells.

The Renmark Children's Centre has been running for a long time. Its utilisation rate is 100 per cent, and demand currently exceeds the number of places that are available. The community has a facility which will be able to accommodate changes in demand in the future, and members of the community have seen this as a very positive step forward. We anticipate spending some \$200 000 odd on that project this year. As I said earlier, the Waikerie childcare centre is a project that certainly was required. It is near full utilisation now, and there is also a potential for increasing demand. If you think of the Teletrack racing situation where it is likely that an increased number of people will be moving into that area, I am sure that we will see an increase in demand there. It is an integrated service with a child-care component of 21 children under five and five under two years of age.

There is one in my own area which is the LCI kindergarten. The relocation of this has been talked about for some time. The Gawler town council has been particularly strong in its efforts to have this one relocated, and I am pleased to say that we are relocating it to the Hewett Primary School. Where it is located at the moment is a significantly heavy traffic area, both vehicle and pedestrian traffic, and it does require relocation. The site is also really too small for the number of children who are now attending LCI kindergarten. As I said, that will be relocated to Hewett Primary School, a new primary school in Gawler which was established in 1999. It looks like it will cater for about 50 children. The total cost of that is \$1.2 million.

The other one that I opened just the other day is the Netherby preschool. I know that the member for Waite is very interested in this one. This preschool was on the Waite Institute grounds, and I approved its relocation following substantial representations by the member for Waite and also by the community. It is now located alongside the child-care centre at Netherby, which is a very good centre. The number of students prior to the transitional phase—this preschool was located on the Unley High School grounds while we undertook the construction of the new preschool—was 60 to 70 students. The number of students dropped quite significantly because of that relocation, but the numbers are now rebuilding and we expect that in term 3 some 60 children will be attending and, in term 4, 67 children will be enrolled; and there will be 70 children at the commencement of 2002.

It is an excellent centre and one where we were able to look at a number of different designs, including those which have been able to promote a feeling of being outside inside. If members of parliament call in they will see a tremendous use of outdoor light in these centres. The architects are being very creative and providing an excellent environment to maximise the use of outdoor light and therefore reducing the need for electricity for inside lighting. It is truly worth a look.

Mr SCALZI: The second part of my question is: can the minister outline the new initiatives that have been put in place that will ensure the quality of family day care services in the state?

The Hon. M.R. BUCKBY: Family day care is a very good operation. There are currently 22 family day care schemes operating in South Australia. Nineteen are geographically based and three are statewide additional needs schemes for families from non-English speaking backgrounds, Aboriginal access and rural care. There are some 8 776 families using this service, 15 091 children are registered and there are 1 400 approved care providers.

Family day care's current allocation of places is almost fully utilised.

A further 50 new places will be available from 1 July 2001. These places will be taken up mainly in the northern areas of the metropolitan area, that is, Elizabeth, Munno Para, Salisbury, Barossa and Gawler. The Commonwealth Department of Family and Community Services plans to implement a quality assurance system for family day care from 1 July this year and all schemes in South Australia will participate. A quality assurance system is being piloted in the northside scheme, that is, the Elizabeth, Munno Para and Salisbury areas from January to June 2001.

The commonwealth conducted further consultation in Adelaide on 23 May. The government is consulting with potential private operators of family day care schemes. Discussions have focused on appropriate regulations and standards for home-based care. The commonwealth has announced a new program 'In-home Care', that is, care in the child's own home from 1 January 2001. Division 3 of the Child Services Act currently precludes this type of care in the child's own home, which is an impediment. The program is being considered as part of the proposed consolidation of the Education and Children's Services Act. To give the committee some budget information, an indicative figure is that some \$27.3 million will be spent in 2001-02.

Ms WHITE: I want to return to the 'other supplies and services' lines as we are waiting on the 'outputs' results and the decrease of \$30.7 million, and Mr Treloar detailed the dollar components of that \$30.7 million. The section 'Explanations' refers to the decrease in 'other supplies and services', and one aspect of that 'relates mainly to improved asset management practices to reduce utility and other overhead costs throughout the department'. I want to talk about utility costs. Obviously, minister, you have said that you have reduced utility costs. I could see nothing in that \$30.7 million, which Mr Treloar read out, that directly related to reduced utility costs.

Could the minister tell me how much of a reduction is due to reduced utility costs because, if it does not appear in that \$30.7 million, obviously, something else was increased? What is the quantum, the dollar figure, for the reduced utility costs. One explanation in your budget papers at page 9.4 for the decrease in 'other supplies and services' is improved asset management practices to reduce utility and other overhead costs. How much of a reduction in that line is due to reduced utility costs?

The Hon. M.R. BUCKBY: We will have a go at this question but, given the depth of knowledge that the member for Taylor seeks, we may need to take that question on notice. If the honourable member wants exact figures, which she is asking for, we may need to take that question on notice. Mr Treloar will have a go at answering the question and, if it satisfies the honourable member, that is fine.

Mr TRELOAR: I am not able to quantify the exact saving contemplated there in terms of utilities. We will need to do some further work on that in terms of the particular lines included in 'utilities'. In general terms, there are savings but not of a significant nature. I will go back a step. In the P21 scenario, if savings are made, those savings are retained by the sites. That is quite clear. So, outside the P21 situation we are looking at other savings that may be in non-P21 situations. They may be in central office or across the total operations of the department but I really need to take that on board.

Mr SPRING: The question asked by the honourable member seems simple but it is not simple. Among the grants made to schools under P21 are grants for environmentally sustainable use of energy.

Ms WHITE: This is apart—

Mr SPRING: No. What I am trying to explain to the honourable member is that, in moving from a situation where we hold the accounts centrally and just pay them as they come in to a situation where the schools get the money (and we have provided substantial grants to schools to use energy more effectively), schools have been making substantial savings and using the money. They have been doing simple things, such as putting clocks on air conditioners, making sure that people are conscious of the use of all kinds of energy, water and other utilities and switching off computers at night instead of running them all night. Schools are showing 'substantial profits' and they are applying those to other areas.

To get all that data, as it is not the end of the financial year and we have not received the schools' accounts in detail, would be quite difficult to do today. We are not being evasive. The honourable member is asking a question that would require a substantial amount of research work at a time when the data is not fully available.

Ms WHITE: I will ask a more simple question. Minister, you are therefore anticipating an overall reduction to utility costs? That is what your budget papers say. A significant utility cost is electricity. Are you anticipating a reduction or an increase in electricity costs and, if so, how much? I note that the deal the government has reached for the contestable sites—and quite a number of schools fall into that category—involves a 13.6 per cent increase over three years. How does that translate into your electricity bill? What is the budgeted increase or decrease in your electricity bill?

The Hon. M.R. BUCKBY: I want to make one thing quite clear. A statement sent to all ministers by the Treasurer states:

The government will provide supplementation to ensure schools and hospitals don't pay any more than a modest increase as measured by some cost or inflation linked index. Details of this will be decided by cabinet in the next two weeks.

The Treasurer further states:

In relation to other departments, cabinet will consider a submission in the next two weeks as to what, if any, supplementation will be provided.

On 12 June cabinet approved a contract with AGL for a five-year term, which commences on 1 July. The increase in cost over the current cost is approximately 16 per cent nominal, which is fixed over five years, or 13.6 per cent in net present value terms. The Treasurer has stated that he will ensure that schools and hospitals do not pay any more than a modest increase as measured by some cost or inflation linked index, and that will be a matter for cabinet to decide in the next couple of weeks. So, at this stage, I cannot advise the member for Taylor of the exact level but we know that supplementation will be provided.

Ms WHITE: Is the minister saying that there could be a CPI increase? You are not talking about a decrease in electricity costs for your department, are you?

The Hon. M.R. BUCKBY: No, we are not talking about a decrease in electricity costs. I think that I am right in saying, but I stand to be corrected, that the Noarlunga East Primary School reduced its energy costs by some 56 per cent purely, as Mr Spring has already indicated, by turning off lights and heaters and doing a range of things such as that. I

remember that staff took away curtains from windows to ensure that classrooms received more natural light.

That certainly for all P21 schools is an initiative they are following consistently. We have put some \$1 million into ecologically sustainable development issues. To look at 1999-2000 and the successful initiatives we were funding there, we had energy conservation in 13 of the funded sites that received grants. To look at ongoing monitoring and environmental savings, there is a 10 per cent per annum minimum for automated irrigation, plus freeing up of the groundsperson's time, and 9 per cent ongoing energy savings just because you change the behaviour and mode of operation of what you do in the school.

There is some 23 per cent on energy savings just through technological fixes. In terms of our telephones and ISDN costs for internet access, sa.edu is now giving to all schools local call rates, so there is a significant saving there particularly for regional schools in terms of utility savings. With energy conservation and the school energy program, a student-based program resulted in up to a 38 per cent saving on energy consumption via behavioural change and up to a 48 per cent saving in simple technological fixes. That program has received international acclaim.

While the government may be looking at an increase in electricity costs, we are promoting in our schools an energy saving program. The Treasurer has guaranteed that supplementation will be provided to cover any additional cost incurred so that hospitals and schools do not pay any more than a modest increase as measured by the cost of inflation or a linked index, which would normally occur in any year. Regardless of whether the national market is operating, an inflation increase flows through and is adjusted.

Ms WHITE: The cost saving you are intending to make in the supplies and services line will not come from electricity—in fact, you are predicting a 'modest' increase in the cost of electricity to your department. If the utilities savings are not electricity, what are they? What proportion of your utility costs roughly would electricity be? Would it not be the major proportion?

The Hon. M.R. BUCKBY: You are mixing up what will be the price of electricity with behaviour that will occur at our schools. We are pushing a heavy program of saving electricity costs by changing behaviour within schools. Mr Spring has indicated that, in terms of the areas where those utility costs would be reduced, we would need to do some additional work to provide you with those details.

Ms WHITE: You are saying that you will make these utility cost savings by reductions in the overall price of electricity to your department?

The Hon. M.R. BUCKBY: No.

Ms WHITE: Well, where are you making it?

The Hon. M.R. BUCKBY: I will have to get that detail for you—I do not have that detail with me today.

Ms WHITE: You have not been able to say whether the size of the cost reductions that you will achieve on that budget line through utility costs will be \$1 million or \$100 million.

The Hon. M.R. BUCKBY: With our P21 schools it is different now to what it was before. As Mr Treloar said earlier, the savings made are retained by the schools. We will estimate the level we believe will be savings in that utility area, but if schools are given their global budgets they may make additional savings and keep those to spend. One of the benefits of P21 is that they are able to spend it in whatever area they wish, whether it be additional SSOs, teachers or

facilities. That is an area they can decide. The savings there in terms of electricity Mr Treloar might like to explain.

Mr TRELOAR: The total figure in terms of energy costs in our schools, which would include electricity and gas, is about \$11.7 million. That included P21 and non-P21 schools.

Ms WHITE: That is in the whole department?

Mr TRELOAR: Yes.

Ms WHITE: How much of that cost are you saving?

Mr TRELOAR: That has not been identified.

Ms WHITE: A major variation in your budget papers states:

The decrease in other supplies and services relates mainly to improved asset management practices to reduce utility and other overhead costs throughout the whole department.

And you go on to mention a couple of other things. You mentioned \$30.7 million of savings to that line on other things, but what you cannot tell me is how much the decrease relates to.

Mr TRELOAR: I mentioned the detail of the \$30.7 million and talked in terms of the change from costs being recorded as other suppliers to grants and subsidies. The point I made several times this morning is that in P21 scenarios we have turned our previous expenditure into grants and subsidies. Earlier this morning we talked in terms of what the shift has meant in accounting terms and how it is shown in the budget papers. I talked about the change and asked the honourable member to look four lines down where the grants and subsidies show that increase. With P21 schools, from global budgets they pay their utilities and that is shown under grants and subsidies.

Ms WHITE: You said \$3.6 million was transferring from other supplies and services to grants and subsidies. You gave a figure of \$3.6 million. Are you now saying that that \$3.6 million is the saving you are making through cuts to utilities costs?

Mr TRELOAR: I am quite clearly not saying that.

Ms WHITE: Well, how much of it?

Mr TRELOAR: There are no cuts, and we took on notice earlier to provide an answer to your question.

[Sitting suspended from 1 to 2 p.m.]

The Hon. M.R. BUCKBY: The question that the member for Taylor asked about the number of hours in terms of training will be answered by Mr Wood.

Mr WOOD: I understand that the question related to the outcomes in terms of student hours in VET in the year 1999-2000 and how that relates to other figures that have been given. The explanation lies in the fact that, between 1999-2000 and 2000-2001, there was a change in the basis of statistics from the Australian National Training Authority, which wanted to get nationally comparable figures. The way that was done was to exclude under so-called ANTA scope fee-for-service hours. In other words, the only things that appear there are publicly funded hours.

So the figure that has been given already for 2000-2001 for outcomes was 22.981 million. The comparable figure for the previous year was 21.6 million. So, there is an increase in the outcome between those two years. That is quite distinct from the targets. I refer to the three years for which I can give figures: for 1999-2000 it is 16.7 million; for 2000-2001 it is 18.846 million; and for 2001-2002 the target is 20 million. The long and short of it is that in each year the target has been going up. In each year the achievement has been going

up, and in each year the actual achieved outcome has been higher than the target.

Ms WHITE: The amount of money that has appeared in the budget papers for this year, 2001-2002, is \$291.4 million, broadly speaking, against output 1.3, vocational education and training. Last year, the amount of money that appeared against that same expense was \$320 million, and the year before that, \$291 million, roughly speaking. Could you explain how that is not a cut of \$28 million from last year to this year? The explanation given earlier was that a mistake was made in the previous budget papers which would throw the previous budget out.

Over those three years, from a budget given in 1999-2000 of \$291 million, the next year a budget of \$320 million, and for this coming financial year a budget of \$291 million, that appears to me to be no increase in budget at all. In fact, if you adjusted it for inflation, it would be a cut in dollar terms. Can the minister address that issue please?

The Hon. M.R. BUCKBY: Mr Chairman, it is getting a bit frustrating, because Mr Treloar explained to the member for Taylor before lunch where the \$28 million mistake occurred and the reasons for it. I cannot quite see what more we can give her. We have explained to her the number of hours that are being achieved. We estimate this year that that will be \$20 million and we do not know what the outcome will be. At the same time last year we estimated \$18.8 million (or whatever) and the final number of hours achieved was 22. We do not know what it will be. I cannot quite see how we can make her understand or give her a better understanding of this than what has already been delivered to her.

Ms WHITE: Let me ask the question in another way. Mr Treloar, in outlining the cut to other supplies and services between what you estimate will be the outcome for this financial year and what the budget will be for next financial year, said that \$30.7 million included a figure for a reduction in user choice of \$6.8 million. In addition, he said that there were other savings of \$5 million for TVSPs, and he said \$1.5 million of that went to Treasury and \$3.5 million of that went into VET TAFE institutes. So there is \$8.3 million of cuts there that you have given so far to vocational education and training. In dollar terms, what is the expected outcome for 2000-01 to the VET output?

Mr SPRING: The relevant figures are the 294 and the 291. The difference between this year and last year is 294 against 291, and there are ons and offs.

Ms WHITE: Are you comparing budget figures or are you comparing the estimated outcome of this year and the budget of next year?

Mr SPRING: Are you talking hours or money?

Ms WHITE: Money.

Mr SPRING: I am talking money now.

Ms WHITE: Yes, but are you talking about last year's budget or 2000-01 estimated outcome compared with—

Mr SPRING: I am talking about the figure of 294; that is the outcome. So what we are looking to explain is a difference of \$3 million. There has been a provision of \$6.2 million for salary increases less a reduced superannuation cost of \$1 million, a reduction in user choice eligibility changes of \$6.8 million and the dividend for the TVSP investment. So that gives you a minus figure of \$3.1 million. However, that is offset by \$6 million in TVSPs which would deliver recurrent savings for institutes of about \$5 million. So, in terms of real comparisons, they come out roughly even or slightly ahead as their costs have reduced because of that \$6 million in TVSPs.

Ms WHITE: You have just given a different figure from the one Mr Treloar gave me for the savings, so-called, to TAFE institutes: he gave me \$3.5 million, I understand you gave me—

Mr SPRING: There is \$5 million there: \$1.5 million goes back to Treasury and the \$3.5 million is a net saving to TAFE institutes—or a net gain in the purchasing power of TAFE institutes, because they are not carrying additional staff who are surplus to their requirements.

Ms WHITE: Could you give me the budgets of the eight TAFE institutes for this financial year and for 2001-02?

The Hon. M.R. BUCKBY: We would need to take that question on notice, and I am happy to do that. We do not have individual TAFE institute budgets here today. That can be easily supplied, though.

Ms WHITE: What is the 2000-01 budget for all of them together?

Mr SPRING: I have just explained that the difference is the figure of 294 and 291. Bearing in mind that TAFE institute budgets contain a whole lot of other things such as fees, earnings, substantial overseas programs and substantial contractual arrangements with firms here and overseas governments, when you look at the institute budgets it is not just a simple matter of looking at the government appropriation.

Mr WOOD: There are some differences between the budget for the TAFE institutes in total and the VET budget in total. The fact is that the individual TAFE institute budgets have not yet been determined for the year 2002 and therefore it is not possible to give them at this time for the year 2001-02. It depends on the state training profile.

The Hon. M.R. BUCKBY: Are you looking for the total budget which incorporates all the external income as well as the income from the government in terms of expenditure that they are undertaking? That is what Mr Spring is saying you are looking at, basically to say that there has been a reduction in allocations to TAFE.

Ms White interjecting:

The Hon. M.R. BUCKBY: Well, it would appear you are going down that track. If you want the government appropriation only, we cannot give you the total TAFE budgets that you are asking for because more than government appropriation goes to each TAFE institute. That should be fairly clear, I think, in the fact that all our TAFEs now are getting income from outside sources.

Mr HAMILTON-SMITH: Across the world many countries are struggling with the increasing inactivity levels of their young people. There has been considerable speculation about obesity and the need for physical exercise. I wonder if you could explain what strategies are in place to increase physical activity for students at South Australian schools?

The Hon. M.R. BUCKBY: Active for Life, as we have indicated in the budget, is a \$16 million program spread over four years. This is a new initiative which is designed to increase physical activity levels of children and young people while enhancing the development of positive attitudes towards participation in life long regular physical activity. An amount of \$12.6 million of that \$16 million will be directed to primary schools, given that what we want to encourage here is, from very early on in life, that young people get used to undertaking a level of physical exercise and then once you set that habit in train that will then continue for the rest of their life.

Grants will be provided to schools to support the increased provision of regular physical activity opportunities for students as a key strategy of Active for Life. Schools will be encouraged to identify students at risk of low physical activity levels and develop programs to increase their level and enjoyment of physical activity. They will also be encouraged to develop links with their local community to enhance the opportunities for their students to be physically active in both the short-term and the long-term. We are not necessarily talking here about getting out and playing sport. Most people will think that this means that they will be playing in more football or netball teams or whatever.

Mr SCALZI: Or soccer.

The Hon. M.R. BUCKBY: Or soccer, as the member for Hartley says. This physical activity can be in any form. For instance, it might be walking during lunch hours or many other similar activities that children can undertake. Teachers will be provided with access to professional development to help them to refine their skills and knowledge in order to provide physical activity experiences for students in all areas: early childhood, primary and middle years of schooling.

We are looking to develop partnerships with key agencies, in particular, the Office of Recreation and Sport and the Department of Human Services and key community groups to maximise the use of available resources and to link in with any other complementary strategies. Members may be aware of the commonwealth program which contributes money to communities for physical activities. It is hoped that we will be able to link in with some of those activities and that there may be additional money available through that commonwealth program.

Active for Life will provide additional support for infrastructure at the regional level to support the delivery of physical activity programs for students at school. There will also be a monitoring and review process to assess the achievements of the Active for Life initiative and to determine future directions. The establishment of a ministerial advisory committee on physical activity will be undertaken so that I can get some feedback in terms of how the program is developing. That advisory committee will be able to undertake some research into what more might be able to be done. The information and resources developed by that advisory committee will be shared with schools so that we can get best practice occurring in all schools.

In addition, physical activity forums will be conducted to facilitate the sharing of information and effective practice, and the student voice, which is important in terms of what sort of physical activity they prefer, will be heard in those forums. This is a significant move: \$4 million per year for four years will go a long way towards ensuring that our young people undertake a level of physical activity in the light of newspaper and other media reports of figures which show that the level of obesity in children is rising.

As I have said on a number of occasions, school is not the only area where the responsibility lies. We have children at school for 6½ hours a day. The facts are that they are at home or in their community for a great deal longer than they are at school. So, it is also the responsibility of parents to ensure that they undertake a role in the physical activity of children, that rather than letting them sit down and play on a computer or watch TV that they get outside and undertake some physical activity. If parents, the community and schools work together in harmony, I am sure that we will get a much better outcome in terms of the physical activity of our young people.

Mr HAMILTON-SMITH: I now refer to the issue of drugs. It was a challenge two years ago to chair the select committee on a heroin rehabilitation trial which looked at the whole issue of the impact of drugs on the community. One of the main recommendations of that committee was that there was scope to do more in terms of not only treatment and enforcement but also education. We have read a lot about the success of the government's drug education strategy. Will the minister outline what measures are in this year's budget to improve drug education for children, which is so important?

The Hon. M.R. BUCKBY: This is not only a state government initiative; we are also working in tandem with the federal government on this matter. The federal government has also recognised the problems that occur in our community because of drug addiction and young people being offered drugs by peddlers. We are trying to increase the level of information being given to our young people about the dangers of drugs and to ensure that they have the maximum level of information available to them so that when they are offered drugs they are well aware of the dangers that exist in becoming involved.

As part of the government strategy, the department has allocated ongoing funding of \$400 000 per annum for school drug education. Four project officers were appointed in the year 2000 to implement a DETE drug strategy. The aim of that strategy is to have in place in all schools effective whole-of-school practices to address drug related issues by the year 2003. The strategy includes curriculum and system responses to drug-related incidents.

New teacher support packages for drug education have been adapted for use from Western Australia for distribution to all schools this year. I can report that 54 schools began developing their own drug strategy in a trial process during last year and a further 150 schools have expressed an interest in developing their own strategy in 2001. One of the very popular strategies that we have undertaken is the Power Community Youth program. This program, which uses Port Power footballers to deliver healthy lifestyle messages to middle school students, has been funded under a statewide volunteer strategy. From the reports that I have received, not only do the Port Power players enjoy this program but, because the message comes from AFL or league footballers, it seems to sink in a bit more than if it is delivered by parents or other members of the community.

Mr HAMILTON-SMITH: Or Crows players.

The Hon. M.R. BUCKBY: Or, as the member for Waite says, by Crows players. I think if we got the Crows players involved, it might be even more powerful. Some \$220 527 of commonwealth funds is being made available to South Australian government schools through the National School Drug Education Strategy from 1998-2000. Further commonwealth funds will be available for the years 2001 to 2003. Additional state funding of \$2.14 million over the next four years will enable the expansion of the drug strategy and ongoing support of the Power Community Youth program.

The commonwealth program funds have been used to employ an additional officer to conduct research, update guidelines and disseminate information on relevant drug initiatives. There is new commonwealth funding of \$473 000, which has been made available to South Australia across the three schooling sectors to conduct local school community summits for the next two years. The government sector will receive just under \$360 000 of that \$473 000.

I will now cite some examples of regional programs that will be used to address drug issues. The Southern Learning

Centre is trialing an after school hours program for students at risk of exclusion from the drug use issue with the support of associated agencies such as the police and Family and Youth Services. The Clare High School has focused on developing partnerships with other community agencies. When drug-related incidents occur at the school, the local Drug and Alcohol Services Council worker attends the school to ensure that the issue is assessed and counselling or treatment interventions are made.

The Gladstone High School is also focusing on partnering with other local government agencies to address drug issues. In the year 2000, together with police and ambulance workers, it ran a mock accident to illustrate the possible effect of drink driving. Many country communities identify alcohol as the major issue for their young people rather than harder drugs.

Ms WHITE: I have asked for the Institute of TAFE budgets for this current financial year and you have said that you cannot provide them. I have asked for the total spent on TAFE, the public provider, out of the \$294 million under the output of vocational education and training, and you have said that you cannot provide that. So I want to ask a question in respect of something that Mr Treloar said earlier, that \$12 million out of the line 'Other supplies and services' in this next financial year was spent on the capital works program for minor works rather than in the recurrent budget. The 2000-01 capital works budget showed that \$84 million was budgeted and only \$69 million was spent, a shortfall of some \$15 million, and 11 projects worth \$11.7 million in this year's carried forward program were not done.

If you look at that \$15 million under spent in the capital works program, first, how can you say that \$10 million out of supplies and services had to be shifted to the capital works bucket, which is what I understood Mr Treloar to have said? Secondly, why is it that you cannot complete your capital works budget? Why is it that from year to year we have reannouncements? The centrepiece of your capital works budget last year was the Flinders maths and science school, but it was reannounced this year as a new project. Why is it that you cannot complete your capital works budget?

The Hon. M.R. BUCKBY: The completion of a capital works budget is absolutely no different under this Liberal government than it is under a Labor government. If the member for Taylor chooses to look at previous budgets in the early 1990s and late 1980s, she will see that the Labor government did not spend its full budget, either. A number of issues are involved. In terms of timing, with the Roma Mitchell Performing Arts Centre, there were issues with the weather and other things that meant that the project was extended beyond its initial completion date and, as a result, payments went forward into the next year. This is no different from any other government's budget anywhere in Australia because, while a government can budget a certain amount, it cannot guarantee that every last dollar will be spent.

I take issue with the maths and science school. It was not announced as a new project; it is an ongoing project, and money was spent last year to commence planning for that new school, and the plan is that it will be opened in 2003. In relation to what Mr Treloar said before, as mentioned by the member for Taylor, I will hand over to Mr Treloar and he will be able to explain that for her.

Mr TRELOAR: Just in relation to the slippage of \$15 million, there was some description in the Treasurer's budget papers and certainly there were three major projects involved in that slippage. We are not talking minor works,

but, for example, at Regency Park, in a \$33.8 million project, there was slippage in the cash flow. The tender has been let, the construction is well under way and the anticipated expenditure is there with completion for the 2002 academic year.

The Flinders maths and science project has been complex in terms of the negotiations. I am on the interim governing board for that project, and I can indicate that it requires a significant amount of negotiation. It is a complex project to build both a stand-alone science and maths school as well as integrating it properly into the facilities of Flinders University. The Marryatville project slippage arose from an unfavourable tender situation, and we have spent a lot of time in consultation with the community over the scope and cost of that project. Those three projects alone amounted to \$10.5 million in terms of the genuine slippage.

With respect to the other \$4.5 million, the issue that we have to deal with every year is that a significant source of funding in our capital program is the sale of properties. We have to try to manage both the achievement of sales—and that can be a day or two out in terms of a financial year subject to the vagaries of the property market—and the cash flow of an expenditure program involving quite significant projects like the \$33.8 million Regency redevelopment. We have to manage that and the achievement of reasonable sales of property.

It is important to note that the figures that we are talking about relate to investments and, in a sense, they are the investing component of the so-called capital works program. It is important to recognise, and certainly it should be recognised, that for 1999-2000 this department spent essentially its investing budget. Its budget was \$79.418 million, and its actual expenditure was \$79.053 million. We were extremely close in spending—

Ms White interjecting:

Mr TRELOAR: That is the nature of a program but the point is that, in terms of achievement of that level of expenditure, we set out to spend \$79.4 million. In 1999-2000 in our investing program we achieved \$79.053 million. I think that we were the only department to have achieved that level of expenditure in relation to its investment program.

In terms of the minor works figures that I talked about before, I point out that minor works are not part of the investing program: they are part of the operating program and the capital program. There were two components. First, there was an expenditure that we had undertaken and shown in the books of the department that were rechargeable and repayable. We undertook them on behalf of schools with the agreement of schools and, in an accounting sense, we had not yet got the funding back for those projects. In terms of the other part of that figure, it is simply a timing and cash flow issue relating again to the management of a complex program because it is spread over many hundreds of minor works and it is not part of the investing budget.

Ms WHITE: Can you show me where that \$12 million in minor works is accounted for? In the investing summary statement on page 9.24 of this year's budget papers, there is a line that says 'minor works'. Why is that \$12 million figure not included in there? Do you have two different things called 'minor works'?

Mr TRELOAR: That is a confusion, I believe, in the sense of the Treasury format of the papers. I can provide a list of the minor works that are listed there. We have looked through that ourselves, in the sense of being quite clear that they are minor capital works—our so-called minor works

program. Program maintenance and minor works is another terminology that we have used (PMMW). Those projects are, in essence, a whole series of work in progress, and they are the minor capital works in the investing program.

Ms WHITE: What is the \$12 million that Mr Treloar was talking about? He said that part of the \$30 million cut in the other supplies and services was \$12 million that was going to minor works.

Mr TRELOAR: I do not think that I ever used the word 'cut'.

Ms WHITE: No, I am using it.

Mr TRELOAR: Sorry, Mr Acting Chairman, I thought that it was being attributed to me.

The ACTING CHAIRMAN: I do not think that the member needs to cross-examine Mr Treloar.

Ms WHITE: The \$30 million decrease—

The ACTING CHAIRMAN: Order! Do not talk over me. All questions will be directed to the minister.

Ms WHITE: Minister, the \$30 million decrease—the \$30.7 million in other supplies and services. Mr Treloar earlier said that \$12 million of that was to go to minor works. Can the minister clarify where that is accounted for?

The Hon. M.R. BUCKBY: I am not quite sure what the member for Taylor is fishing for, sir, to be quite honest, because—

Ms WHITE: I am asking the minister to clarify that, because Mr Treloar has just said that it is not minor works as appears under this heading 'minor works' in the budget papers on page 9.24.

The Hon. M.R. BUCKBY: Mr Treloar has said that he will again explain that.

The ACTING CHAIRMAN: I ask him to do it precisely.

Mr TRELOAR: The \$12 million is two different things—it is a coincidence in terms of the numbers. The \$12 409 000 is shown as a 2000-01 estimated result under an investment program. I have said that I understand the confusion in relation to the terminology 'minor works'. I have explained that they are minor investment works, minor capital works, and have nothing to do with the \$12 million that we talked about before.

Ms WHITE: Where is that line accounted for? That was my question.

Mr TRELOAR: I understood that I said before that there were two components to that. It was shown in the other section in relation to supplies and services.

Ms WHITE: To which page is Mr Treloar now referring?

Mr TRELOAR: Page 9.25. We talked about it. I have gone from—

Ms WHITE: You said that that \$12 million was part of the decrease from the \$338.7 million—

Mr TRELOAR: Yes.

Ms WHITE: —to the \$308—

Mr TRELOAR: Yes. My point is that the figure of \$12 409 000 at page 9.24 is nothing to do with the figure on page 9.25 of a drop from \$338 million to \$308 million.

Ms WHITE: Where is the minor works that Mr Treloar is now talking about, which has nothing to do with capital works, which accounts for that \$12 million figure? Where is the increase of \$12 million reflected?

Mr TRELOAR: I am saying that there is a figure in terms of the \$338 million to \$308 million—a component of that we talked about as being \$12 million. I will explain, I think for the third time, that there are two components in that. I believe that the figure is about \$5 million or \$6 million in relation to the component that I talked about as being rechargeable. So,

of the \$12 million that we are talking about on page 9.25, \$5 million to \$6 million of it (I believe it is \$6 million; I got a nod from the back row) is rechargeable. So, we paid for it, and it is rechargeable. We paid for it in 2000-01. In a sense, that is one of the reasons why the number—

Ms WHITE: Where in the budget paper does it appear?

Mr TRELOAR: Where we paid for it was in the figure \$338 million. The figure went from \$312 million to \$338 000, in that it was this figure that we are talking about. We paid for it, and it is rechargeable: it will not appear again. So, part of it, regarding the reduction of \$338 million to \$308 million, is the fact that we will be paid for that amount which we paid for in 2000-01.

Ms WHITE: So, it does not appear anywhere else?

Mr TRELOAR: That is exactly my point.

The Hon. M.R. BUCKBY: I think the member for Taylor does not quite understand the difference between a system where the bureaucracy has handled all the accounts, or head office has handled all the accounts, and the change now, with the P21 schools, in that the P21 schools have control of their own budget. Previously, where head office would just automatically pay all the accounts, it still does that for a number but, as Mr Treloar has been saying, the schools will be charged, and that then comes out of their budget. It is purely an accounting factor that we are talking about. Those questions are not relevant, because global budgeting completely changes the paradigm that we have been dealing with. Where we will look at the \$30 million, that is out in the schools. In consultation with schools, we will make estimates as to what will be their level of expenses with respect to supplies and services. That is where it has changed significantly.

The member asked where it is occurring. That is the schools' responsibility now. That is the difference between running a head office system of administering schools and schools undertaking responsibility for their own budget. The important point is that, if one looks at the schools' SASIF accounts, one will see that there is \$35 million more in those accounts than there was at this time last year. That shows that there has not been a cut to schools, as the member for Taylor is sort of burrowing down to try to imply. There has not been a cut to schools, because those schools are holding an additional \$35 million. There is extra money in their accounts, and Partnerships 21 has delivered an additional \$30 million into school accounts. The fact is that the situation has changed, and the member for Taylor will have to change her thinking from the level of the paradigm in which she is thinking; she will have to move from that which is administered centrally to that which is now controlled at the school level locally. When she has made that jump, I think that she will understand more of what Mr Treloar has been explaining with respect to how the system is now working.

If one looks at, for instance, our SASIF (South Australian Schools Investment Fund) accounts, as at 13 June last year (so, basically, around estimates last year), primary schools were holding \$53.703 million, secondary schools were holding \$31.209 million and others were holding \$22.601—a total of \$107.513 million. As at the same date this year, those same categories of education facilities are holding \$140.825 million. That is a change of some \$33.311 million. That is where the difference has occurred. This money is now at the school level. If savings are being made in terms of estimates as to what they think they will save, they are the ones making those estimates in consultation with the department. If they make those savings, or more than those

savings, so that we pay out less in those supplies and services, they are dealing with those savings as they wish, because they can spend the money on additional equipment or on school excursions or on whatever education facility, or education factor, they want to look at.

If I look at the member for Taylor's electorate alone, she has some eight schools which have almost \$1 million more in their bank accounts than they had last year. That would tend to say to me that they have more money than they had last year, that there is no reduction in the supply of services because they have more money, and they are able to use that at their discretion. In looking at a few schools, I note that Burton Primary School's balance in SASIF last year was \$334 502, and this year it is \$515 202, so there is an increase of over \$172 000, which I would say is significant. The Direk Primary School had a balance of \$48 072 last year, and it now has a balance of \$190 592, which is an increase of some \$150 000.

The Elizabeth South Junior Primary School had a balance last year of \$118 000 and it is nearly \$124 000 this year. Last year the Elizabeth South Primary School had a balance of \$196 000, but this year it has gone down to \$74 000. Obviously it had funds that it had to acquit in terms of what it had to set aside that money for. Paralowie has gone from \$457 392 to \$996 960, so its balance has gone up by over \$500 000. The Salisbury North West Primary School has gone from \$150 706 to \$210 066; the Settlers Farm Primary School has gone from \$443 627 down to \$413 276; and the Virginia Primary School has gone from \$106 712 to \$169 927.

So, there is more money in our schools to pay for their supplies and services, and they are being very smart about the way they handle this money. I was at a school council meeting last night, and the school council said, 'We want to be careful how we spend this money. We want to make sure that we get the best outcome for the money we have', and they are very conservative people. The fact is that, now they have the ability to keep 100 per cent of the savings that they make, they are being very shrewd with the way they handle their money. They want to make maximum savings in terms of outlays on supplies and services so that they can spend their savings on additional benefits for their children in the school.

There is no doubt that we will see significant savings from these people because they are very keen to ensure that their best outcomes are achieved. I find it very interesting that it has been reported to me on a number of occasions now that the Leader of the Opposition has commented at meetings that, whilst the government has made Partnerships 21 purely on a voluntary basis, if the Labor Party attains government next time around it will be compulsory. How interesting!

Ms WHITE: That's wrong.

The Hon. M.R. BUCKBY: The member for Taylor says that it is wrong. I can only report what has been said to me, and that is that the Leader of the Opposition has addressed meetings and said that the Labor Party, when it attains power—

Ms WHITE: You know it's wrong.

The Hon. M.R. BUCKBY: Well, let's have him deny it.

Ms WHITE: He has.

The Hon. M.R. BUCKBY: He has not.

Ms WHITE: He has.

The Hon. M.R. BUCKBY: Really? Well, that is very interesting, because that is not what he has said at public meetings that have been reported to me. These are teachers

who have reported it to me, because they have been very surprised. They have certainly appreciated the fact that it is voluntary under this government. I might add that the reports that have come back to me have said that the Leader of the Opposition has said that there would be no incentives for schools to join P21. We have made incentives—

Ms White interjecting:

The Hon. M.R. BUCKBY: I can only report to you what has been put to me. If the Leader of the Opposition has come out and cleared this and said that that is not his intention, then I welcome it. That is excellent, because now we know exactly where he stands, but that is certainly not what he has been saying in the public arena.

Mrs PENFOLD: My question relates to major capital works. Will the minister highlight the major capital works being undertaken in regional areas as a result of the budget?

The Hon. M.R. BUCKBY: We have a significant major capital works program in our regional areas, and the honourable member has been particularly keen on the program relating to the Ceduna Area School. I visited that school in 1998. The member for Flinders accompanied me on that visit and I would have to say that it was one of the schools that, obviously, needed attention. Under previous Labor administrations, when capital works were desperately required at that school, the answer was to locate more demountable buildings at the site. I came away from my visit to the site somewhat depressed that some of our students should be learning under those sort of circumstances.

There were leaks in the roof. One room I vividly remember—which accommodated children in year four—was an internal room and it did not have a window to the outside area. It was just an awful place. It is particularly pleasing that we have been able to allocate \$5 million to that school. I think that this year some work totalling \$250 000 has been allocated to commence planning, and major money will be spent there next year to start to redevelop that school. The summary of all capital projects this year include major new works planned to commence totalling an estimated \$69.9 million, and some 57 projects make up that amount of money.

Five pre-school childcare centres, three Aboriginal schools, 18 primary schools, 15 high schools, six area schools, four combined schools, two special schools and four TAFE institutes will receive funding under that program. The investment activity for 2001-02 is some \$97.421 million, and the operating activities amount to \$66.599 million, a total of \$164 million. If one looks at where that funding originates, we estimate that we will generate revenue of \$15.4 million from asset sales; the commonwealth government has an input of \$31 million towards our asset program; \$9 million from the Community Development Fund; some \$16 million from cash rent relief for the Education Building is \$1.675 million; and an appropriation from Treasury of \$90.316 million.

A number of schools, I am pleased to see, will receive funding this year. Last year we were somewhat restricted by the Regency Institute funding which was brought forward by a year and which took up the major proportion of our new capital works money. It meant that, from memory, last year only four schools were new works because we were requested to bring forward the \$33 million development for the Regency Institute—which is nothing short of outstanding—as a result of the demand from students for hospitality courses. This year the works expenditure that will occur includes earthquake stiffening at the Adelaide High School and hall

for a total cost of \$2.123 million, and \$1 million is estimated to be spent this year.

The Angaston Primary School, which I visited, has Demacs located on site. Water is leaking through the roof, there is mould and a number of things are occurring at that school. The total cost of the project is \$1.94 million, and \$1 million is to be spent this year. Mr Acting Chairman, you would be aware of the Booleroo Centre School's amalgamation. The total cost of that project is \$2.5 million, with \$500 000 to be spent this year. I have mentioned the Ceduna Area School redevelopment. Coromandel Valley Primary School is another school where DEMACs are located on site and, given the rainfall in that area, I would consider it to be an unsuitable area to locate flat-roofed buildings.

Basically, you are waiting for an accident to happen in terms of water leaking through the roof. Many years ago flat-roofed buildings were erected in high rainfall areas. That is a \$2 million development, with \$1 million to be spent this year. The member for Hartley would be well aware of the East Torrens Primary School, the new amalgamated school, and some \$550 000 is to be spent there. I spoke earlier this morning about the relocation of the LCI pre-school. Gawler Primary School has been waiting for an allocation for years. The building at that school is over 100 years old and very little has been spent on it over that period of time.

The site is fairly small. There are a lot of 1950s wooden buildings on the site. The development was supposed to get up last year but for the development at the Regency Institute. So, I am pleased that that is occurring. The cost of that project is \$2.739 million, with \$2 million to be spent this year. Additional accommodation at Golden Grove Primary School totals \$505 000, which will be spent this year. A recreational facility at Heathfield High School totals \$1 million. A fire occurred in the administration centre at the Loxton High School earlier this year, so we have managed to commence a redevelopment of that school which totals \$3.9 million, with \$1.5 million to be spent this year.

The committee would be well aware of the Mawson Lakes housing development. Under the agreement with Delfin and the government it was agreed that a primary school would be established. It is currently housed in buildings that have been on the site for some time. Also I might add, it is our leading light in terms of a technology school. The total estimated cost of that development is \$15.6 million, with \$2 million to be spent this year. There is to be some plant replacement at the Mount Gambier High School totalling \$375 000. A fire occurred at the One Tree Hill School last year, and that project is \$1.275 million. Orroroo Area School has a \$750 000 program.

The relocation of the Peterborough Pre-school totals \$400 000. I visited the Port Pirie Special School some time ago and was really very concerned about the conditions under which the teachers had to work. There was what I would describe as a bizarre design of buildings. I think that it is octagonal in shape. There is not a door that separates one classroom from another, and there is only one area where a student can be isolated should there be a problem. We are spending \$1.5 million on that project. The continuation of Regency Institute of TAFE, stage 4, totals \$445 000 this year.

With respect to Smithfield Plains, I have been working with Kate Taylor, the principal of Smithfield Plains, for about 2½ years in an effort to develop a project for young people that will see a really improved outcome for this area. We have now accumulated 70 businesses that are prepared to work with the school on a special vocational education project, and

so \$1 million will be spent at that school. A building was burnt some time ago and is now not used, so that money will be used for the refurbishment of that building and development of the EVE project.

I spoke earlier about flat roof buildings in high rainfall areas. Stirling East Primary School is another example. When I went in there they had pots and pans on the floor to collect water dripping from the roof so it would not fall on the computers. They are making a significant investment in computers and to have the roof leaking every time it rains is not very smart. In addition, in one of the other Demacs I went into there was mould on the walls and when you walked into the room you could smell the mould in the room; it was not a good environment for students. Putting flat roofed buildings in high rainfall areas is a recipe for future problems.

I spoke about the Willunga Primary School redevelopment, which is commencing this year, as is additional accommodation for Woodcroft Primary School, at some \$450 000. All in all it is a significant program this year and many are looking at having needs for some time. In regional South Australia as a whole, we are talking about some \$370 000 to continue the construction of the Oak Valley Aboriginal School and child-care facility; \$292 000 to complete the upgrade to the science laboratories at Wudinna Area School; \$862 000 to commence the upgrade of the Anangu school at Amata (Dennis Brown from my office and I visited there in August last year and there is certainly a need for a redevelopment); \$681 000 to commence stage 2 of the redevelopment at Clare High School; \$371 000 to complete the relocation of the Cleve Preschool; \$480 000 to commence an upgrade of the Fregon School; \$163 000 to commence relocation of the Gordon Education Centre; \$679 000 to commence redevelopment of the Mount Gambier East Primary School (for which the local member has been lobbying); and \$270 000 to complete the upgrade of Riverton Primary School. Because of the growth in Victor Harbor, with the Victor Harbor council being the fastest growing council in the state (I stand to be corrected on that, but if it is not No.1 it is certainly No.2), \$160 000 has been allocated to complete the upgrade of Victor Harbor Primary School.

Kirton Point will receive \$50 000; \$100 000 will go to Port Lincoln Primary School for completion of the upgrade; \$150 000 to complete payments for a new preschool-child centre at Waikerie; \$3.2 million for Moonta Area School (that was an area where the science laboratories and the administrative area needed some serious upgrade); and \$778 000 to commence the upgrade of Roxby Downs. I have mentioned Angaston, Booleroo, Ceduna, Gawler, Loxton and Port Pirie Special School. The facilities in our regional areas are certainly going to be upgraded, and not before time.

Mrs PENFOLD: I refer to remote area education. What new initiatives are in place to address the education needs of remote families?

The Hon. M.R. BUCKBY: I thank the member for Flinders for her question. The member for Taylor was at Woomera when we attended the state conference of the Isolated Children's Parents Association. I was pleased to announce some improvements for those parents who live in far flung places of our state and have difficulty accessing a local school. Often their students are either learning via the Open Access College or the School of the Air. I am pleased to say that \$50 000 per annum for three years has been allocated to support the employment and training of home supervisors who work with isolated students. The country directorate within the department is leading the development

of this program in consultation with the ICPA. That scheme will provide home supervisors with access to accredited training.

In this situation in many cases governesses or home training people work on a station for maybe one or two years and will often, having had a taste of teaching children in that area, come back and undertake a Bachelor of Education. They have obviously learnt a lot in that time, but it would be good to give them some training and for them to have a certificate at the end from which they can get accreditation for when they go on to further studies. That is what we are looking at here and the ICPA has been lobbying me for that over the last 12 to 18 months.

The state education allowance of \$1 230 per annum paid in addition to the commonwealth assistance for isolated children's allowance has been extended to include year seven students. This will cost approximately \$200 000 over the next five years. The state government will augment the recently announced commonwealth government Telstra IT initiative to provide satellite technology and subsidise internet access to remote stations with a grant of \$50 000 per annum through the open access college to provide services to support remote and isolated students.

Earlier this year I announced the establishment of a rural forum and this arose from Mr Halsey, the Country Director for Education, and his consultation with country communities. From memory he conducted some 57 meetings through the country and provided excellent feedback on what parents in the country were looking for in terms of new education initiatives or support for their children. I have decided now to establish a rural forum and that will give parents, teachers and business leaders a greater say in the education of rural students. We are looking to have a cross section of rural communities on that forum so that they can undertake some research for me from time to time but also feed into me directly what additional initiatives they seek as a priority in education. That sharing of ideas and solutions is unique to our country sites and certainly, from the feedback I have had, one they will appreciate and look forward to being involved in. It can be and will be a sounding board for departmental initiatives and will give them a direct line to the minister to ensure their issues are being heard.

Ms RANKINE: Minister, to follow on from the clearly inaccurate comments you made to the member for Taylor in response to her last question (and we would be interested to see you back up those comments), on 3 May this year the Primary Principals Association held an extraordinary general meeting to verify anecdotal evidence that suggested major issues were facing principals in our primary schools. Will the minister explain why principals would feel they had to argue strongly in support of Partnerships 21 and will he now admit that intimidatory tactics were used to force principals into leading their schools into Partnerships 21? To back that up, I will read briefly from the report one of the comments from a principal:

The district superintendent has put enormous pressure on me to be in P21, even saying that I'm not a good leader because my school did not get led into partnerships 21. The school is being backed into a corner and is being bribed to go into Partnerships 21.

The Hon. M.R. BUCKBY: How interesting, because in the schools I visit all schools recognise that this is a voluntary scheme. I will give the member for Wright some feedback from schools, particularly from some most recent discussions we had in Port Lincoln with the country cabinet where about

eight schools and preschools were represented. Six or seven of them were in P21 and one or two were not in it.

The principal of the Cummins Area School made some very interesting comments when I spoke with him in the forum about Partnerships 21 and he said that he would never want to go back to the old system. He said that the system is not perfect, and that no system is, but he said, 'Let me tell you, I would not want to return to the old system. This one is far, far better than whatever the old system was.' One would have to question why 80 per cent of schools are now P21 schools. I think the Chief Executive signed off a further 10 schools just over the weekend that have come in, and, in relation to the principals' meeting on 5 May that the member refers to, the information that I have is that five out of 197 principals who were there mentioned P21 in the terms that she has, at that 7 May meeting.

Now, you are never going to please all of the people all of the time. We all know that. The fact is that an open letter to primary principals has been sent. It is dated 19 June and is co-signed by the President of the South Australian Primary Principals Association, Mrs Leonie Trimper, and Mr Geoff Spring. That sets out very clearly the matter of local management in our schools. I think it might be worthwhile reading it into the *Hansard* record, so that everybody is quite clear. It states:

Dear Principal,

Education, including primary education, is in an exciting period of development in South Australia, particularly through the strengthening of local management.

Change of this importance challenges our collective leadership, commitment and skills. It forces us to question historical approaches and develop new and innovative ways to meet the needs of students, parents and communities.

In meeting this challenge, the Department of Education, Training and Employment (DETE) and the South Australian Primary Principals Association (SAPPA) are committed to a partnership of review, analysis and ongoing refinement of the role of primary principals and the department's provision of services to them.

In focusing on the need for continual improvement, the department regularly meets with primary educational stakeholders, including principals. Throughout the first half of 2001 the department has been focusing on improvements in a number of areas raised by principals.

Last year Policy Shaping Groups gave principals a hands on way of having input into the process of ongoing improvement. This year, the department, with all principal groups, has been furthering this cooperative approach to addressing improvements raised in a variety of forums, including: feedback obtained from individual members through the SAPPA executive, the department's own Partnerships 21 training; various policy shaping consultations; SAPPA meetings; and the Australian Primary Principals Association (APPA) national campaign to attract additional resources for primary education.

The Chief Executive is aware of SAPPA's determination of key issues relating to the work of primary principals. Importantly, the department recognises that these key issues are being raised in several forums and has responded. In particular, it is important to realise the department is committed to developing strategies and products for meeting ongoing improvement.

Some of the key personal issues highlighted by primary principals include the following:

- Financial management
- Time
- Student behaviour management
- School facilities
- Curriculum
- SSOs
- Personnel
- DETE
- P21
- IT
- Personnel management.

Last Wednesday, 13 June 2001, the department's Corporate Board met with the SAPPA executive to update the association on

the status of this continual improvement process. The Chief Executive presented a comprehensive report which included an overview of the education situation, details of the recently announced budget and a status report on departmental projects that are addressing the above issues. The views of the SAPPA executive were put frankly and openly and substantial discussion ensued.

The result of this meeting, and earlier discussions, include the following outcomes:

- Investigating the redefinition of the role statement for leaders, such as primary coordinators, to provide greater support for primary principals, subject to discussion with the AEU.
- Recognition that global budget flexibility allows sites to 'buy in' external expertise (such as financial advice/service, etc.) and allocate additional leadership time for local priorities. The department will create a pool of providers for schools to select from.
- A commitment to create a timetable for developmental advancement.
- Agreement and affirmation to ongoing development of financial management support tools.
- Last Thursday's launch of the Governing Council Report software.
- Screen to screen financial management support through Timbuktoo software.
- The pending launch of the new Global Budget Management Tool, which is in its final stage of testing.

The chief executive's full presentation is available on the department's website at:

www.dete.sa.gov.au/corporate/files/sappa.pdf

The information presented last week was given on the clear understanding that principals are in a key position to influence and drive change and improvement through their individual and collective expertise. It is also understood that principals want to raise issues and propose solutions and strategies for resolving concerns and in so doing assist the department to design and implement best practice support structures and processes.

The SAPPA Executive and the Corporate Board affirm their strong commitment to work together to strengthen and promote primary public education in South Australia.

That letter is signed by Leonie Trimper, President, South Australian Primary Principals Association, and by Geoff Spring, CEO.

The fact is that 80 per cent of our schools are in P21. The schools that I visit that are not yet in P21 are taking their time, and they have every right to do that. The P21 taskforce that has undertaken to go around and ensure that schools have full information on what they are entering into has done an excellent job, without any doubt at all. What is occurring now is that schools that are not in P21 are having P21 schools visit and explain to those who are not in just exactly what are the benefits of coming into P21.

It is interesting that primary school principals, when you talk to them, do not say that it is the additional resources that are available, but it is the flexibility that they have now to be able to organise their own budget and also to be able to use the resources that they have how they want to in their own local sites. That is the major benefit of local management that we see operating here in South Australia. I will just finish by quoting Mr Peter Upton, who is one of Tony Blair's senior advisers in education. He was here in September—

Mr Scalzi interjecting:

The Hon. M.R. BUCKBY: Yes, the Labour government. He was here in September last year and he said that South Australia currently has the best local management model that he has seen anywhere in the world, and I think that is a fairly good recommendation.

Ms RANKINE: Minister, can you give us an absolute assurance then that no superintendents or principals were bullied or coerced into having their schools enter Partnerships 21? Just briefly—and my quote will not be quite as long

as the minister's—in the report prepared by the primary school principals association, they state:

From the data a grim picture emerged characterised by a sense of powerlessness and control over the changing roles of the principalship and increased expectations and demands of the position.

They said that there were:

... diminished feelings of accomplishment, and depersonalisation.

So I would be interested in your follow-up comments about the ability of schools to be able to make decisions for themselves and control their own destiny.

The Hon. M.R. BUCKBY: The member for Wright's comment is very interesting, because I could come back to her and ask whether she can guarantee that the union has not used any standover tactics or intimidation on school sites. The fact is that nearly all of the information that was given out by the union last year was highly misleading. Teachers who have been members of the union for 30-odd years have come up to me at school functions and said, 'I have just resigned from the union because I am appalled at the level of intimidation that is being used and the amount of misinformation that is being put out by the union over Partnerships 21.' This is not something that you do without a great deal of thought. I can clearly picture two women at one school who came to me and said exactly that. They said, 'We are highly disappointed and so frustrated and we have just resigned from the union.' This was in December last year and it resulted from the misinformation that was put out about Partnerships 21.

The member for Wright referred to the actions of district superintendents. District superintendents had to go out consistently and bat off this misinformation—I will not use the word 'lies', but it was close to it; let us put it in that way—that was put out by the union. They had to re-establish the facts of Partnerships 21. It is frustrating that the Vice-President of the union, Janet Giles, who sat on the Cox committee and was involved in the design of the model for South Australia's local management and a signatory to the final report, on ABC radio—I recall that it was between 8.30 and 9 a.m. and both of us were there—commended the committee for its work, the way in which the consultation had been undertaken, and the excellent outcome that had been achieved. However, within a matter of, I think, two or three months, that very same union representative was bagging Partnerships 21, the very thing to which she had been a signatory.

I suggest that the member for Wright talk to a few schools around the state, not just in her own electorate, and suss out the sort of misinformation which was being given. One only need look in local newspapers to recognise the sort of misleading information that was being put out to schools. Much of the time of district superintendents and the P21 task force has been spent on batting that off so that school communities understand exactly what Partnerships 21 is all about and the significant change that has come across the landscape because of Partnerships 21. I am very pleased with the outcome thus far. Any new system as large as this will have some teething problems—there is no doubt about that, and I would question any new system that does not. There are always ways in which you can improve a particular model, and that is exactly what we are working through now.

One of the issues raised by P21 schools involves governing council reports and the ability to produce a bottom line for governing councils to assess when they have their

meetings. We have now developed a package of software that enables governing councils to do exactly that. As mentioned earlier, we are very close to further refining the global budget tool that is used by schools. If a school officer has a problem with understanding their global budget or any particular issue, they can ring a hotline within the department with their global budget on the computer screen in front of them. The officer in the department can bring up the same screen on his or her computer and work through step-by-step with the SSO or the principal of the school the details of the budget and address the problems that they might be having or increase their understanding.

The honourable member referred to bullying. Bullying can take several forms in schools. It can range from actual or threatened violence and harassment to exclusion from a peer group or the creation of rumours. I suggest that rumours about P21 were definitely being created over the past 18 months by the union. That sort of bullying is often not reported and difficult to detect, as is bullying in schools. We are now looking at a range of policies and services to assist school communities with student behaviour management in terms of bullying in our schools, because schools are required to develop a clear grievance procedure for all forms of harassment. The school disciplinary policy requires schools to develop a range of strategies to ensure the safety and well-being of students and staff. It involves the whole school community in defining appropriate standards of student behaviour and establishing clear consequences for bullying.

For the information of the member for Wright, I refer to the 7 May meeting which she raised. This document indicates the percentage of schools that are coping well with P21 and the number of times that an issue was identified. Performance management was identified 10 times, and 97.7 per cent are coping. Regarding ICT, the same percentage of 97.7 per cent are coping; P21, 95.8 per cent are coping well; the department, 95 per cent are coping with their relationships with the department; in the personnel area, 94.6 per cent are coping well; and SSOs, 94.3 per cent are coping well. In respect of the issue of SSOs, I remind the committee that, today, through Partnerships 21, I was able to announce that 83 new teachers and 563 additional SSOs have been employed since the start of Partnerships 21. That is significant.

The union goes on about the reduction in class sizes and additional help in schools. That is exactly what Partnerships 21 is achieving because of the additional flexibility and the additional resources that are going into Partnerships 21. Regarding the ratio of teachers to SSOs across Australia, in South Australia in the year 2000 the ratio was 1:3.9. In 1993 (eight years ago), the last year of the Labor government, it was 1:4.9. So, we have had a 20 per cent increase in terms of the ratio of SSOs to teachers. I point out that some of the figures that I just referred to do not include the year 2001.

If we consider other states, it is very interesting to see that New South Wales is 5.3, Victoria is 4.5, Tasmania is 4.1, Northern Territory is 5.6, the ACT is 5.3, Queensland is 3.1 and Western Australia is 3.8. The national average is 4.2, so we are well below the national average and it shows that we are putting additional support in terms of SSOs into our primary schools well above the level in other states. It is a similar situation for the ratio of students to SSOs, where the national average is 63.3 and the South Australian average is 57.4.

The facts are that Partnerships 21 has delivered increased flexibility and has provided some 553 additional SSOs and 83 full-time equivalent teachers in our schools. That backs up

what has been said to me when I move around and visit various schools. As I have said in the House previously, the facts are that, of the additional resources being put directly into the schools by the government, about 75 per cent of those resources are being spent on additional staff. I think that is great, because that means additional help is going to teachers in class rooms, it is lowering class sizes, it is enabling the establishment of special classes for literacy and numeracy and it is improving educational outcomes for our young students.

Ms RANKINE: In relation to SSOs, what action is being taken in response to claims that SSOs face huge increases in their work load, have insufficient training, have to use inadequate software with a lack of technical support from DETE, and have inadequate time to deal with expected duties? This again comes from the primary principals' meeting. These are actually issues that they identified as concerns, not me.

The Hon. M.R. BUCKBY: It is very interesting that, as I have just said, since the introduction of Partnerships 21, we have employed an additional 563 SSOs. The facts that come out of that are interesting, in that the work load is being shared around and we are reducing the work load on SSOs by the ability to employ more. I think Mr Halsey, the country director, can expand on the SSO review even further, because he had a reasonable amount to do with that.

Mr HALSEY: The SSO review report has been received by the department, and we have established a steering committee which involves representatives from each of the principals' association, the bursars' association, SSOs and various directors in the department. We have established four working groups to look at best practice, training and development, and HR issues—three of the important issues—as well as training and development. We have identified with each of the recommendations which working party and which directorate has the lead on those implementation aspects of those recommendations. We have then worked that through in terms of working with the schools and identifying the key things that need to occur in order to, in essence, make good on those recommendations.

To date we have met with a group of SSOs and identified succinctly from them what are the service standards they require in this new model of operating, which is the actual local management model. That information is being fed back into directorates to ensure that we have operational service standards. Further, we are building a dedicated web site for SSOs which has all the user friendly information on it to assist SSOs in a one-stop shop, if you like, to ensure that they have access to information that is required to facilitate their work. This was one of the issues they talked about.

In terms of the best practice models, we are looking at literally that. What kind of modelling works most effectively? How do we use the capacity in Partnerships 21? How do we use effectively the new support that is coming down in terms of the IT based services, the improvements in EDSAS, the global budget management tool and the governing council reporting software? How do those things come together? That is linked with the high quality training and development that is currently being undertaken across the state. We have done those things.

In addition, what we are looking at is the way in which SSOs operate effectively, linking them in a centre of excellence arrangement where they share good practice. In a whole spectrum of schools from one teacher schools through to area schools, high schools in country locations and in metropolitan locations, we have some extremely good use examples

coming out, where the vast majority of SSOs are saying, 'Yes, we are working in a new environment, things are changing, the pace of things is changing at a rapid rate,' but the overwhelming majority are signalling satisfaction with what they are doing. They want support in T&D, the IT infrastructure, recognition, ease of communication, as well as wanting to link in with best practice.

The other thing that I should put on the record is that the department has engaged a full-time executive officer to service the needs of the steering committee, the working groups and directly assist in building the SSO dedicated web site. I will give members a couple of good examples of stuff that is coming through as a result of the implementation process and the steering committee that I chair. In a small school in the Riverland, there is a very competent SSO who also works in an informal cluster of schools providing advice and support in relation to financial support and the utilisation of IT for effective management. Some of those people, as you know, have been resident in the local community in schools for many years. They are often connected with a small business in the town and they bring in that expertise and those networks, so synergies develop that are working very effectively.

In a couple of sites as a result of not only the work of the SSO review but also the flexibility that has come through P21, principals and SSO teams in schools have looked at the way in which they design the work environment. One of the things that has come out of the SSO review is the need for those who work on finance, in particular, to be able to work in dedicated locations in a relatively uninterrupted way so that they can move through their work with accuracy and efficiency. What has been fed back into the steering committee is that there are examples where schools have looked at the range of work spaces, they have used a bit of the flexibility and the additional funding they have, and they have redesigned the work space and the work relationships.

One of the things that is coming through the SSO review and the networking that is occurring highlights the importance of work space work relationships as well as IT infrastructure, and that has been taken on board in terms of best practice and disseminating that information around the place so that we can improve the work of SSOs.

Finally, another point within the review report itself concerned the classification structure for SSOs and some of the backlog of work about reclassification. We have identified and quantified that and a team has been identified within HR to progress that. That has met with wide satisfaction with the steering committee and representatives of the bursars' association and the SSOs.

Membership:

The Hon. R.B. Such substituted for Mr Hamilton-Smith.

Mr SCALZI: Minister, I am very interested in the answer to my next question, because minor external works on schools are very important. I remember quite clearly, when we were first elected to government in 1993, the state of disrepair of schools. I particularly remember how much work needed to be done with respect to the East Marden Primary School in my electorate. What commitment has the government made to assist schools to carry out minor external works?

The Hon. M.R. BUCKBY: As part of this year's budget, the government has announced the External Repair and Paint Program. This program will provide \$15 million over three years—that is, this year, 2002-03 and 2003-04—to fund

small-scale facilities improvements. That will include grants to schools and preschools for minor external works, which are linked to their asset management plans; the continuation of the Ecologically Sustainable Development Program, which encourages schools and preschools to adopt energy and water conservation practices; and grants to preschools to fund their centre asset management plans. The grants for minor external works will be allocated in two parts: an external repairs and paint grant to schools and preschools; and a program of targeted external works projects—for example, painting, civil works, roofing, fencing, and so on—which is identified from the condition benchmarker P21 sites' asset management plans.

The External Repair and Paint Program will be calculated on the basis of a 'per student enrolment' as of the 2000 mid year census. A minimum grant of \$3 000 per site will also apply to assist small schools and preschools. Approximately \$8 million will be allocated via these grants. Sites that will have a major capital works project scheduled for commencement or completion this year will not be included in the funding allocation. Sites will be advised that this allocation is in addition to asset funding, their centre assessed management plan or their back to school funding.

The program of targeted external works projects will be identified from P21 sites' negotiated asset management plans. Approximately \$2 million will be allocated to these projects, and sites will be advised that projects are to commence as soon as possible following the approval of the funding. The current guidelines will be applied for the expenditure and the acquittal of the grant. This is a significant step in providing additional repair programs for our schools, and this one particularly concentrates on ensuring that the external areas of our schools are not overlooked in minor works programs. I am sure that it will be taken up by many schools and we will see the benefit in terms of the restoration or upgrading of the asset on the school property.

The ACTING CHAIRMAN: The member for Taylor.

An honourable member interjecting:

The ACTING CHAIRMAN: I will then call the member for Hartley who has been exemplary in his conduct, sitting patiently.

Mr SCALZI: The next subject is very close to my heart. I believe that we can never undertake too much civic education. Members would be aware of my commitment to citizenship. As Australia is celebrating the centenary of federation this year, will the minister outline what projects and events are being undertaken in our schools to celebrate the centenary of federation.

The Hon. M.R. BUCKBY: The Centenary of Federation Education Program is statewide and comprises projects and events funded by the state, that is, the Centenary of Federation SA and the commonwealth. The Centenary of Federation SA grants to the department include 19 schools and total \$192 700. In addition, there has been a \$100 000 grant for the Helpmann Academy's major new music, dance and public art project, *The Migration Story*. Centenary of federation projects include Young Citizens Centenary Shopfronts, which is being held between June and November.

A \$40 000 grant to the department will enable students and schools to exhibit their centenary of federation work to local communities in vacant town, suburban and city shopfronts. Two other major state projects are Connecting the Continent, which will be held in June and July—an online and road show project developed with the Open Access College engaging schools and communities along the

overland telegraph line commemorating the role of communications and IT in nation building. The second project, Source to the Sea, which will be held between July and October is a three-state project celebrating the importance of the Murray River, involving the Riverland, the Murraylands and other schools and communities.

The schools are also involved in the two joint state and federally funded national centrepiece events: Federation Week, to be held from 13 to 21 October; and Tracks to Federation—the East-West Rail Commemoration. The National Centenary of Federation participation includes the Youth Envoys, where 10 year 11 students from South Australia are involved in national programs. Centenary medallions have been distributed to all primary school students in South Australia, and I am sure that members have been involved in distributing those.

Student forums and conventions include the National Constitutional Convention, the ABC Federation Journey project, as well as the State Student Forum to be held in September, which is currently being developed with students from years five to 12 in online student-directed discussions on centenary themes and issues. The estimated budget is \$20 000. The Education and Federation Mosaic is another departmentally-funded project currently being planned as a major piece of public art work designed for the department by students and other artists as a lasting legacy for the centenary year. This project has an estimated budget of up to \$35 000.

Schools will also be the beneficiaries of many government and other centenary of federation projects and resources. It is particularly important that we do celebrate 100 years of federation. It was a historic event. It is one about which our students who are studying Australian history should be made well aware so that they understand the importance of the coming together of the states as a federation.

Ms WHITE: Minister, you have budgeted for a reduction in teacher numbers in this coming year and your chief executive has said that you intend to employ 800 fewer teachers over the next four years in our public schools. Can you break down those figures for me, please, for the next four years, that is, the reduction in the numbers of teachers and also in dollar terms. When you break down those figures could you provide me, please, with the reduction in the number of teachers in junior primary, years three to seven and high school for each of those four years, 2001-02 to 2004-05.

The Hon. M.R. BUCKBY: I do not have that breakdown with me, but I will take the question on notice. The honourable member would be aware that there is a significant downturn in the number of primary school students and that is for no other reason than the change in the birth rate in South Australia. We have seen now the babies of the baby boomers, so to speak, moving out of primary school and into our secondary schools and, as a result, we are seeing a significant downturn in the number of primary school students. As a result, of course, fewer primary school teachers will be required for their instruction.

I have had discussions about this issue with the Dean of Education at Flinders University, in that the message that is being given by the university is contrary in terms of job availability. We have had some discussions about creating a postgraduate diploma to address areas where there are sometimes shortages, in terms of maths, language and science teachers (we would desire a few more of those around the place), and what the university can construct in terms of a postgraduate diploma to retrain teachers in that area. The

university will be working on that between now and the end of the year and so, hopefully, we will have some information about that in the not too distant future.

The number of primary school teachers is a concern. A teacher came into my electorate office a matter of only six weeks ago. She was a young lady who had worked in the local jewellery shop. She decided to go back to education and undertake a teaching degree, which she completed at the end of last year. Of course, three years ago the union, in particular, was talking about the shortage of teachers. This young lady has now fully qualified as a teacher but, basically, has nowhere to go and she was seeking my advice. There are, I am sure, a number of young teachers who are in that situation.

I will undertake to provide that information to the honourable member, as well as the estimated number of students, because one goes hand in hand with the other in terms of what the demographers are predicting over the next four years. Mr Spring has just reminded me that we had a discussion with the University of South Australia about secondary students and he might like to expand a little on that.

Mr SPRING: The current situation around Australia is that 50 000 teachers are registered for employment for whom there are no jobs available. There is a very substantial surplus. I think that, at the start of this year across the whole of Australia, only 20 jobs were unfilled on the first day of school, and they were in extremely remote locations. Those positions were all fixed within the first week or so. The problem is that universities at the moment are turning out more primary-trained teachers than the country needs. There is now and has always been a problem where, in certain teaching areas, there is a demand for people with those qualifications from outside education: in science, mathematics, computer studies, technology, and so on.

So there is a national task force on teacher recruitment and quality, which has vice chancellors and other people represented on it, and we are working to try to get the agreement of the universities to change that pattern of training so we can have more qualified people in those areas where there are annual shortages. We manage to fill them all, but it is quite difficult and it is particularly difficult to get people to go to remote areas. We managed to fill the vacancies, but it is something that usually only clicks in right at the end of the holiday period and it would be nice to have, as we have in the primary area, reasonable numbers of people seeking entry into education in those specialist areas.

We have been talking with the University of South Australia to also cooperate with TAFE, particularly in the technology areas, because we now have a very large requirement for vocationally oriented teachers because of the huge uptake of the vocational education in schools program where 60 per cent of our years 11 and 12 students now take at least one module of VET in schools. It was 40 per cent last year and will probably go to 70 per cent in the next couple of years. We are experiencing a problem there, but we are working with the University of South Australia to try to get more people putting themselves forward.

It is somewhat easier to fix than it is in primary school because the people concerned can generally be trained for teaching in one year rather than a three or four year trained primary teacher. It is a problem that is continually with us. We have had the initial discussions and we expect to move forward on that so we have something in place for the beginning of next year.

The Hon. M.R. BUCKBY: This maybe an opportune time, while talking of teacher numbers and staffing, to distribute and have inserted in *Hansard* some purely statistical ABS tables showing teaching staff and ratios.

ABS Student:Teaching Staff (FTE) ratios by level of education

1999	N.S.W.	Vic.	Qld.	S.A.	W.A.	Tas.	N.T.	ACT	Australia
Primary	17.7	17.2	16.0	16.9	17.6	15.7	13.8	17.1	17.0
Secondary	12.6	12.6	12.6	11.9	12.4	13.0	10.9	12.3	12.5
Total	15.2	14.9	14.6	14.8	15.3	14.5	12.8	14.6	14.9

South Australia has a lower (better) Student-Teacher ratio than the national average

Staffing ratios—SSOs
Ratio of Students to SSOs in all states, 1999

N.S.W.	Vic.	Qld.	S.A.	W.A.	Tas.	N.T.	ACT	Australia
82.5	71.6	57.8	59.3	62.4	62.3	72.9	81.7	69.3

The ratio of students to SSOs is the best in the country except for Queensland and 16.8 per cent better than the national average.

Ratio of Teachers to SSOs in all states 1999

N.S.W.	Vic.	Qld.	S.A.	W.A.	Tas.	N.T.	ACT	Australia
5.4	4.8	4.0	4.0	4.1	4.3	5.7	5.6	4.6

The ratio of Teachers to SSOs is the best in the country along with Queensland and 15 per cent better than the national average

Ratio of Students to SSOs in S.A. Government schools 1990-99

1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
67.1	72.3	69.3	69.7	69.3	64.3	72.4	66.5	61.0	59.3

There has been a 14.2 per cent improvement in this ratio since 1990

Ratio of Teachers to SSOs in S.A. Government schools 1990 to 1999

1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
4.9	5.0	4.8	4.9	4.8	4.3	4.8	4.5	4.1	4.0

There has been a 22.5 per cent improvement in this ratio since 1990.

Source: Australian Bureau of Statistics.

The Hon. M.R. BUCKBY: They show, particularly in terms of SSOs we were talking about prior to the break, that the increase in SSOs we have seen since Partnerships 21 is probably without doubt the biggest increase in 25 years of SSOs and assistants in our schools. The figures we have here are only 1999 figures and if you go back 10 years to 1991 when you talk of a ratio of teachers to SSOs you can see a 22.5 per cent improvement in that ratio since 1990 and that does not include the 540 that have been taken on in the last 12 months. That figure would come down significantly. I think I quoted 3.9 for 2000 and, with Queensland at 3.1, I would expect we would be down around Queensland's number when we look at the additional number of SSOs now being employed in our schools. It is an extremely significant increase in the number of SSO staff in schools and places us at the best ratio or at least equal to the best in Australia.

Ms WHITE: Getting back to the original part of my question about teacher numbers and the number of students and the prediction of 12 000 fewer students over the next four years, the minister made the comment that that was solely due to declining birth rates in South Australia. I do not think that is correct at all because, if you look at the statistics for birth rates in South Australia over recent years and if you go back for the last four years and look at the number of naught to four year olds there has been roughly a 4 000 decrease in that number. That is obviously part of it, but surely that is masking a real issue in our public school system, namely, the big shift of students from our public schools into our private schools.

In South Australia compulsory schooling under the current law is between the ages of six to 14 years. If you look at what has been happening in our public schools you can see a significant shift of those populations out of our public schools. If you look at the compulsory years so that you are not talking about school retention rates or anything like that, you see that populations of each year cohort from year to year in South Australia have remained roughly about the same over the past 10 years with some variation. If you take the same cohort of students and track them each year you find a significant decrease in the proportion of students in our public schools. Will the minister comment because it raises an interesting issue?

I am looking at the annual report statistics from the department in association with the population statistics published by the ABS for South Australia. For example, if you look at last year's figures, which come from the department's statistical collection, each year the department looks at the number of six and seven year old students and so on who turn that age level on 1 July each year. They are measured at the same time each year, so a student who was six years old in 1991 would have been a 15 year old in the year 2000.

If you take the total number of students (they are predominantly part-time) full and part-time and include all year levels, ungraded—the total number of students in the public school system as recorded in the DETE annual reports for each year—and follow that through the system you see two interesting effects: first, over the last 10 years parental choice of public schools has declined for six year olds. We have less of a proportion of the six year old population in our public schools as years have gone by. More interestingly, as you follow the cohort of six year olds (or whatever age level you want) once they are in our public school system and track them to seven year olds the next year and so on through the system you see a marked decrease in the proportion of the age

level populations we have in our public schools. To give a couple of examples—and this trend is similar for whatever age cohort you look at—if you take last year's 15 year olds they were six year olds in 1991. According to the DETE annual report, there were 16 221 of them, and we had a population of 20 536 six-year-olds at that time. A total of 79 per cent of the six-year-old population in South Australia in 1991 were in our public schools.

If you track what happens to them, they were seven years old in 1992, eight years old in 1993, etc., down to 15 years old in the year 2000. Compared to the 20 536 six-year-olds in 1991, in the year 2000 there were 20 426 15-year-olds, so there was not a lot of net migration out of the state. However, the proportion of that same student cohort that remained in our public schools had dropped from 79 per cent down to 62.3 per cent. Some 81 per cent of the six years old students in South Australia in 1990 were in our public schools. By the time they were 15 years old, in 1999, some 62.4 per cent were left in the system.

So, a significant proportion of the population of any year cohort who start in our public schools leave our public schools system during the compulsory years of schooling, presumably to go to non-government schools. Obviously there will be a small proportion who will have exemptions from the minister or who might be home-schooled, but that would be a very small proportion.

Mr Scalzi interjecting:

Ms WHITE: I am talking about the compulsory years of schooling, six years old to 15 years old. Does that trend concern you? Do you think it is just a matter of parental choice? Do you think it says anything about parental attitudes or student attitudes to the quality of funding of our public schooling or the quality of delivery? Why is this happening? It is a significant trend out of our public schools. It has nothing to do with birth rates, because we are talking about the same group of students from year to year and looking at what happens. I would contend that that has a lot to do with your predictions of a declining number of teachers over the next four years.

The Hon. M.R. BUCKBY: Some very interesting comments were made by the President of the AEU only just last week in relation to public school and private school numbers, and we actually both agreed on that issue. That was a first, I must admit, and we agreed also in the fact that public schools are holding their own. I am not sure that they were his exact words, but that is certainly what he said. Relative to other states, nationally there are fewer students in private schools than we have in South Australia. We both agreed that we are holding our own.

The member for Taylor has touched on a number of issues. When you compare primary to secondary, you have to take into account that a number of country students undertake School of the Air, as you would know, Mr Acting Chairman, and are then sent to a private school in Adelaide for their secondary schooling. I know from my country experience that that happens in a wide range of cases. I was one example, where I undertook my primary schooling at the local primary school and then moved to a private secondary school. That is one factor. As the member for Hartley says, that is their choice.

Another factor that we have seen in the past 10 to 15 years is a significant increase in the number of low fee-paying private schools. In my day, and I guess right through into the mid to late 1980s, the private schools that existed were those that were a relatively high cost to parents. We have now seen

a large number of small and low fee paying schools come into the private system which are attractive to parents because of their low fee base.

One only has to look at Trinity College, which is in my area, and the number of students who are attending there. At that school parents who qualify for school card get a 40 per cent reduction in fees for one student. On top of that, if you send a second student along it goes down to 90 per cent of the school fee and 85 per cent for the third and further students. The facts are that people are making a choice. Sometimes it is for religious reasons. Where previously sending their child to a church based school was out of their reach because of the fees, many parents are now able to take up that option because of lower fees that are charged by these smaller schools and the range of schools that have come into the system.

Some parents choose it because of the sporting programs that are available at private schools. In previous years public schoolteachers used to take after school activities in terms of training for athletics, football, netball, soccer or whatever. The AEU claimed that this was not part of their role as a teacher. As a result, we have seen a significant decline in after school hours activities on our public school sites, where previously physical education or sports teachers coached teams in public schools. Parents have recognised that that is available in a private school. A friend of mine is a teacher at Trinity College and he was told that one of the roles he would be taking on was to coach a year 8 footy team: that was included in his conditions of employment. Obviously, we cannot do that in the public school sector.

There is another significant factor which I think the American Teachers Union very wisely recognised at the start of 1999 and which unions in England, here or New Zealand have not yet recognised, and I think that is very unfortunate—that, when you continually bucket the public education system in just about every press release, people gain a perception of the public school system, that it is in chaos or that it is not all that it should be. Yet we know from what we spend on a per student basis that we are spending far more now than we did 10 years ago and that there are far more resources.

I will not labour P21, but you only have to look at the extra \$30 million which is putting extra resources into schools. But when you have a union that comes out and criticises—and as I say 99.9 per cent of the press releases that come out criticise public education—what else would you expect but the perception by parents that the public education is second rate, and we all know that it is not? We all know that this is one of the best systems anywhere in the world.

If you talk to teachers who go away to other countries for a 12 month exchange, when they come back you will find that they would far rather be in our system than the other systems they have been in. I recommend that members look at this month's *Express* newspaper which is produced by the department and which points out the positive things that are happening in public education. There is a range of programs where we highlight the very good things that are happening in public education.

It is a pity that the press does not highlight that as well. It does when it is public education week, which we have this week, but for the rest of the year we see a number of negative stories, which I guess is what papers are all about selling these days—they are not into selling the positives: they are into selling the negative stories—which, as I say, creates a perception in the community. When you talk to parents who

send their children to public schools—and I am one of those—they are generally very happy with the level of service, the facilities and the teaching support that is given to their students in their schools.

If we compare government and non-government schools in South Australia—and these are ABS figures—on average the government schools are better staffed than the non-government schools. We only have to look at the government school teacher ratio of 14.8 which is better than the non-government ratio of 15. We are not talking about larger class sizes or those sorts of things: they are better funded and they perform very well. In the House I have reiterated that last year South Australian public school students in the international science and maths competitions came third in science and eighth in maths—or vice versa, I cannot exactly remember. I am sure I am right in saying that: I know it was third and eighth. That says to me that we have a very good public education system here in South Australia.

We know from the figures that we are funding schools at above Australian average levels. Our secondary schools are the best in Australia in terms of funding. I tend to think that it is a matter of how we sell ourselves and get the message across about all the good things that are happening in our public schools, because I can tell you there are plenty. I do it on every occasion that I can. On every occasion that I can I laud the work our teachers and SSOs are doing in our schools. I am disappointed that the union does not follow the path of the United States teachers union which recognised that, by consistently bagging the public education system, it was turning people away from the public education system into the private system—purely by perception.

As I said, in 1999 it decided to change that. It decided that it would lobby the government when it needed to for increased conditions or pay but that it would get out there and sell the benefits of public education and push the positives at the same time. Being a supreme optimist, I can only wait to see whether the Australian teachers union follows that position. When it does stop this continuous haggling and criticism of the public education system that leads to a perception in the community which is not right—that our public education sector is second rate—I think we will see a change in the attitude of the Australian public. We have enough *Express* papers to be circulated.

Ms WHITE: I am glad that the minister said that teachers do a good job in our schools, because teachers and support staff and all the people employed in our schools work extremely hard, and the majority of them are very dedicated and do a good job. However, I must comment that I thought it was a bit poor in terms of the willingness of teachers to coach sport and alike to link the attitude of teachers and unions towards the funding of public education with the drift towards the private sector. I did not think that that was a very good thing to say at all. I now come to my final question. I am disappointed that the minister was unable today to provide me with the individual TAFE institute budgets or the collective budget for the current financial year. There are some strong rumours going around about the financial position of some of our TAFE institutes. For example, there is a rumour that the Regency institute has overspent its budget by about \$5 million, that the Murray institute has also overspent its budget, and that institutes have been told to delay large payments until after the end of the financial year. Will the minister say whether any institutes have overspent their budget and by how much, and what is the size of the

current outstanding accounts that are yet to be paid on behalf of TAFE institutes?

The Hon. M.R. BUCKBY: I reiterate the fact that our TAFE institutes and lecturers do an excellent job. This is evidenced by the national survey of the number of students who get jobs once they have completed their TAFE training—from memory, I think it is about 86 per cent. That indicates the excellent staff in our TAFE institutes who are getting those sorts of outcomes. Geoff Wood is the Director of TAFE. I will ask him to address the member for Taylor's questions.

Mr WOOD: The accrued position for TAFE institutes as at 31 December 2000 was a positive balance of \$1.778 million. A more refined accounting treatment has been used, so this figure cannot be compared with prior years, but it is a positive balance. It is true that it masks the different performances by different institutes. Some institutes are increasing their cash balances and some are not. Regency has decreased its cash balance, but it is taking steps to reduce its operating costs. For instance, it is reducing the administrative overheads, rationalising its facilities management, freezing non-essential spending that is not related to delivery, and streamlining its HR positions in order to improve its performance next year.

Ms WHITE: By how much is Regency over budget?

Mr WOOD: Regency's cash balance decreased by an amount last year. I am afraid that I cannot give you that figure now.

Ms WHITE: On an accrual or a cash basis, either one will do, or both. Is the \$5 million figure in the ball park?

The Hon. M.R. BUCKBY: I would like to double check our records, as we do not have that figure here.

Ms WHITE: The second part of my question refers to the large outstanding accounts in excess of, say, \$20 000.

The Hon. M.R. BUCKBY: We do not have that sort of information here either, so I will take that question on notice.

The Hon. R.B. SUCH: These are genuine questions without notice, so I do not necessarily expect a complete answer on the spot. I point out that none of them are hostile. Has the department conducted, or will it conduct, a review of the school day in terms of starting and finishing times—I note that this matter is close to the heart of the member for Hartley—and also will it look at the efficiency of the current general timetabling in schools to see whether we should follow the European model? As we know, in Europe the afternoon activity is usually physical, individual tuition, art and so on and, as we also know from recent trends, it allows for greater participation by senior students in the part-time work force.

Given that we have had the same basic arrangement with some local variation for many years, has the department looked at that issue; and, if not, will it look at the issue of whether or not the current starting and finishing times and the use of time within those times is the most efficient in terms of learning outcomes?

The Hon. M.R. BUCKBY: The member for Fisher has touched on an extremely important point. Last year at Enfield High School we introduced a flexible learning strategy which comprised a four-day week for senior students. From the feedback that we have received, this strategy has been very successful. It has involved students commencing their day at 8 a.m. (with teachers being at the school at that time) and finishing their day at, from memory, 5 p.m. Teachers have reported that there has been no lack of attendance at classes.

On the day which the students have had off from teacher contact time in the classroom, as the member for Fisher has suggested, many of them have undertaken vocational education training and work placement positions. This project has been particularly successful. A survey of parents, students and staff was undertaken last year. It showed that students were using the day for the completion of school assignments, engaging in part-time work and utilising community resources for the completion of academic studies and assignments.

An increasing number of students at Enfield High School are undertaking vocational education training placements on the Monday (the day of no contact) in the areas of hospitality, information technology, outdoor and physical education. Certificate courses in these three areas are offered at Enfield. So, students are gaining in those areas as well. This day has also been used to conduct full senior class excursions such as camps and field trips. Therefore, this has been less disruptive to the middle school. This day has also been used for staff team meetings and learning area planning which teachers say has been very important.

Parents have been happy with the flexible learning strategy arrangements. The changes in the school daily time structure have been easily managed in terms of staff relief, cover for absences, and ensuring that all staff are fulfilling their timetable commitments. What the member for Fisher suggests highlights the success at Enfield High School. I agree with him that it may well be time to review our school day, which has not changed for 100 years in respect of a 9 o'clock start. I think it would be a good idea to look at the current situation and see whether the Enfield High School experience or a similar experience could be spread across the whole system.

The Hon. R.B. SUCH: My second question relates to young people at risk, those who have left school early or, in some cases, who have been encouraged to leave school early. I was pleased earlier this year to hear Mr Spring say that he sees it as an important issue. Will the department commit extra funding to some innovative programs to tackle this issue? As the minister would be aware, I am on the governing board of Douglas Mawson Institute of TAFE and it is prepared to provide innovative programs on campus for local high school students but it needs a small amount of additional money to make that happen. Is there money in the system to support schools and TAFE institutes that are prepared to offer innovative programs for young people who have a very poor opportunity of getting future employment because they left school early?

The Hon. M.R. BUCKBY: Each year this government puts \$4.5 million into vocational education training. I stand to be corrected, but I am pretty sure that in terms of commitment per student across Australia it is a far greater commitment than that made by either Victoria or New South Wales to VET. A lot of that is done in collaboration with TAFE institutes. Since bringing TAFE and Education and Children's Services into one department, we have been able to ensure that there is a very smooth transition between school and TAFE. Students are able to undertake TAFE subjects while they are at school and TAFE recognises prior learning that has occurred in schools, so students get accreditation when they move into TAFE and can attain their TAFE diploma or certificate more quickly than was otherwise possible.

The member for Fisher raises a very important issue because, if we look at our student cohort at the moment, of

our 16-year olds, 95.7 per cent—close to 96 per cent—are in school, TAFE, an apprenticeship or some form of training. That leaves only 3 or 4 per cent who are either unemployed or of whose whereabouts we are unsure. Those very people, those students at risk, are the ones we need to address, and let me refer to Windsor Gardens Vocational College, which commenced in 1999. As a high school, it had a student population of 400 and falling. It now has a student population of 600, and some very innovative programs are being run there.

This week's *Advertiser* carries an article about an after-hours program that is run for students at risk at Windsor Gardens, and young people made particularly favourable comments in the media about it. Windsor Gardens Vocational College offers twilight education with a program called 'Show me the money'. It is a safety net for students dropping out of the education system and, for the past seven weeks, 22 young people have attended the twilight school from 3.30 p.m. to 5.30 p.m. They are learning to write resumes, prepare for interviews, work on literacy and numeracy, and they are encouraged to work part time, do work experience, attend TAFE and work on community programs.

One young chap by the name of Brian Wills said in the article, 'This gives us a second chance. The teachers are nicer and they treat us like adults.' Jeffrey Russell, a 15-year old, said, 'This is a chance to go back into the mainstream. It is better than quitting. Once you have gone out and earned dollars, school doesn't seem so bad.' We have two vocational colleges, one at Windsor Gardens and one at Christies Beach, and they are doing just that, and I want to increase the number of these schools as we travel along.

It was such a shame when in 1991 Goodwood Technical High School was closed and, as I have said in the House before, I vividly remember a letter I received from a teacher when I opened Windsor Gardens Vocational College. He congratulated the government on reintroducing technical education, vocational education, into our schools. He commented that, when he was a teacher at Goodwood Tech, he had five students, all boys, who had disconnected from the system. They would not be accepted by any other schools because of behavioural problems, and they were obviously disconnected with their learning and basically on the streets, so to speak. They came to Goodwood Tech and one of them used to catch a bus at 5.30 in the morning and change buses three times just to get to Goodwood Tech on time. He was never late and the teacher never had one problem with those five students.

Only last week I opened Gawler House, which is part of Gawler High School and used to be one of the Beafeld behavioural units. They no longer had use for the house so it was turned over to the high school. The young students there, students at risk, have renovated the entire cottage and it is just brilliant to see. The mother of one young fellow who was there came up to me and said, 'I am just so happy with this project. I've got five sons. The one who is here today is the youngest of the five and he is the first one to stay at school beyond 15 years of age.'

When I talked to him, I asked what was so good about the project, and he said, 'I could do something with my hands.' He knew that he had to be in the classroom and do maths and that sort of work, but being able to get out and do some work with his hands was important. He and the other young fellows and girls obtained a certificate in building construction while they were doing this renovation. When I asked what he wanted to do now, he said that he would seek an apprentice-

ship in cabinet making. What a success story for that young fellow whom the Principal of Gawler high school, Sandra Lowery, mentioned to me on the day, saying that without doubt he would have ended up on the street and been disconnected from the community.

Those are the options. Our vocational education training money, that \$4.5 million, is put out into the various regions in the state, and schools are able to bid for that money and then they can develop programs in association with TAFE. My suggestion to the member for Fisher is that it would be worthwhile discussing the matter with the schools and the Douglas Mawson institute, which is an excellent institute. It would be well worthwhile to have a discussion with the regional EVE group, because it holds the money now in terms of what money is available to develop programs between TAFE and the schools.

I also mention the youth pathways program, which is for the most disadvantaged students in the system, and I am sure that the member for Fisher knows about the Hallett Cove youth pathways program called Choices. This gives a lot of information about the various youth projects that are available. Sir, I seek your leave to table this document.

The ACTING CHAIRMAN: The minister cannot table the document, but he can distribute it.

The Hon. M.R. BUCKBY: I will distribute the document, so that members can see some of the various projects that we offer to our students at risk. There is always more that one would like to do for these young people because, if they do drop out of the system, unless we are able to re-engage them, basically, they end up for the rest of their life as being unlikely to be employed and, according to research carried out by Flinders University, many of them will end up with a criminal record. There is certainly a desire on my part, and also on the part of the department, to do as much as we can to get our programs right for these young people so that they stay within the system.

The Hon. R.B. SUCH: I should point out that I went to Goodwood Tech—not at the same time as people such as Mal Hemmerling or K.G. Cunningham. I also point out that His Excellency the Governor went to Thebarton Tech a few years earlier than I went to Goodwood Tech.

My next question relates to ADHD. I recently heard a visiting American professor say that, in South Australia, we have gone from the situation where, six years ago, the equivalent of one bus load of young people were given amphetamines to control that condition and now the figure is about 90 bus loads. He pointed out that children as young as 18 months are being prescribed this drug—speed, amphetamine, whatever you want to call it—and that it is more prevalent in certain suburbs in terms of being dispensed. Apparently, under the Medicare guidelines, doctors can prescribe it without cost to children, yet in the school system parents have to demonstrate, basically, that their child has a disability before they warrant special assistance.

Is the minister aware of this issue and of the concern that has been raised not only by that professor but also by others that, while the children are on the drugs they seem to be fine but, as soon as they stop taking them, because there may not necessarily be supportive counselling and modification to their behaviour, there is an immediate reversal to their previous behaviour. Are the minister and the department aware of this conflict between what the Medicare system, on the one hand, readily makes available and the problem it creates in schools because young children and older children are taking these amphetamines and, on the other hand, the

fact that the parents have to demonstrate a justification for special help, which may not be available, because there are not enough specialised support staff to provide that help?

The Hon. M.R. BUCKBY: As the member for Fisher said, this is a matter which has received significant attention in media and which has been the subject of much discussion over probably the last couple of years, I suppose, and maybe even a little longer. I think I am right in saying (and the member can correct me) that Ritalin is the drug that is prescribed for attention deficit hyperactive disorder. What occurs with that condition is that students are generally easily distracted. They do not seem to plan or consider the consequences of their actions. They repeatedly break the rules and upset others, and they can be physically very restless and crave stimulation. So, in terms of being in the class, they are somewhat of a challenge. The prevalence of ADHD is not easily determined, and the department does not have the statistics on the number of students in schools who are diagnosed with ADHD. The National Health and Medical Research Council report on ADHD in 1997 suggested that the prevalence rate in Australia is between 2.3 per cent and 6 per cent of our children.

The condition is recognised by the department but does not in itself meet the criteria of a disability under the students with disabilities policy. If a student with ADHD meets the criteria because of a co-existing disability, further support is available through a negotiated curriculum plan. The schools provide extensive support to students with ADHD. Student development plans are based on the behavioural patterns of individual students; behavioural support personnel are available to assist schools where necessary; a health care plan is established, where medication management is required; parents and other care givers and school personnel work together to individualise and implement a learning management plan where ADHD students' learning needs are identified and documented; a statewide Learning Difficulties Training and Development Program for school staff is provided; and a manual for teaching and managing students with ADHD is available on the departmental web site.

ADHD students may be supported by general intervention funding available through early assistance grants, basic skills test funding, flexible initiatives resourcing and additional special education funding, or from the global budget if the school is a Partnerships 21 school. Departmental personnel have regular contact with the Attention Deficit Association of South Australia to manage the education of children with this disorder. As a parent, I would imagine that it must be a particularly difficult decision to put your child on this drug at a very early stage in their life, recognising that they may well be on it for a period of time. Parents to whom I have spoken have indicated that, for the first 12 months on this drug, the child loses their appetite and can lose weight, but that settles down after that period of time. They certainly report a reduced level of physical activity and a better level of concentration within the class, and better connection with their education. What is suggested is that, as the child grows older, the disorder tends to reduce in its intensity and students learn to cope with it, so that they are able to recognise and control their actions as they get older. It certainly is a disorder of which we are aware, and we provide support to the students to help them in whichever way we can to ensure that they get the best out of their education.

Ms BREUER: I was interested to hear the earlier comments about teacher numbers, because I am very much aware that country schools have problems in attracting staff

to their schools. I would like to spend more time on country incentives, but we will not have time today. One of the issues with respect to attracting teachers in rural, and particularly remote, South Australia is the problem that the majority of the REM houses do not meet current standards. I believe that something like 58 per cent of the stock are over 25 years old, and 84 per cent do not meet the recommended government standard size of 120 square metres of living space. A lot of the housing in Coober Pedy is 1960s style, weatherboard, above ground and very hot. In Whyalla a lot of the housing is old and very small for families. I know that minimal maintenance is carried out on houses in the Far North, and many of them need security upgrades. In Port Pirie, they are old, they are not much good for families, and there is an acute shortage of housing for teachers.

There was a policy of selling off houses between 1994 and 2000—I believe some 717 were sold—and that money was not reinvested in housing in those areas. There seems to be no income source to replace those houses. I have heard the comment made that what is happening in a lot of places, such as Coober Pedy and Whyalla, is that good money is just being thrown away after bad money. They are trying to do a little bit of maintenance on these houses. What is actually needed is new stock. New houses need to be purchased to attract teachers to some of these areas. How will you meet the needs of teachers without reinvestment in this area? What sort of budget for the capital investment program for housing do you have in the budget?

The Hon. M.R. BUCKBY: That area does not come under my control. Minister Lawson controls the stock of government houses, so the area of capital works the honourable member is talking about would be in his budget. We do not have any lines in our budget that cover the refurbishment, repair or replacement of housing stock for teachers.

Ms Breuer interjecting:

The Hon. M.R. BUCKBY: Certainly. The community's expectations have changed over a period of time. I remember talking to a teacher who took up a house on the Eyre Peninsula. The Department of Agriculture (as it was at the time) had a policy that its staff could have airconditioners in its homes, and the Department of Education had a policy that there were not to be airconditioners in its homes. So the teacher took over the house from the Department of Agriculture officer and the airconditioner was taken out. You really have to question some of the decisions that are made from time to time, but that was a long time ago.

It is an important aspect that, to attract teachers to the country these days, they are provided with suitable accommodation. Naturally, any teacher who has a family will look at that as an issue when they are transferred. There are other issues to be considered. It may be that the teacher is being transferred into a permanent position for a contracted period of time, so the length of time they will be there will not be very long. You have raised it, and it is an important issue. I will seek an answer from Minister Lawson for you. I will take your question on notice as to what level of capital works might be allocated in his budget for refurbishment or replacement of government housing stock which comes under his control.

Ms BREUER: The number of teachers was an interesting aspect. There appears to be a major shortage of TRTs in country regions, particularly in Port Augusta and Whyalla. As I live in that region, I appreciate the problems in those two areas. I believe that there is a problem in getting TRTs to work in all the remote schools. If you do not have enough

TRTs, that has a major impact on students and the stress level of staff. I believe that positions are advertised but that there seem to be delays of up to six months in filling positions. There do not seem to be any strategies (I am not aware of any) to overcome these delays. I would be interested to know of any.

Very often what happens is that cluster TRTs—which are usually meant for a term of one to 19 days—are used to fill vacancies where area TRTs should be used, which means that people travel over 50 kilometres to be part of a cluster TRT. I was interested to hear the figures about the vacancies. Mr Spring commented that in remote schools it is difficult and that often schools only get their teachers at the last minute. I know that that creates all sorts of headaches for principals in those schools. I have frequently heard that issue raised.

I would be interested to know what allocation has been provided to ensure that there are adequate TRTs in some of those country regions, and what measures will be taken next year to ensure that they are available? What strategies are in place to overcome delays in filling these positions? It is also an issue for PRTs as well, as there is a real shortage of PRTs.

The Hon. M.R. BUCKBY: John Halsey, as our country director, has the responsibility of country schools within the department, so I will hand over to him to address the question.

Mr HALSEY: I am pleased to provide information on this. I think that the issue that has been raised of maintaining a high quality supply of teachers in country areas is one that is universally shared, and when I say 'universally' I mean in Australia and, indeed, internationally, particularly in places such as Canada and parts of America where you have large distances, small populations and the attraction of large centres. As a department we have been working both at a state and national level to determine two issues: what are the requirements of rural and remote communities in terms of the portfolio of expertise that they require for the programs they want; and, secondly, what are the strategies to ensure that you have the supply?

If you talk to anyone around Australia and ask what the most pressing issue in rural and remote Australia is in relation to education, pretty well always—as has been raised—is the question of the recruitment and retention of quality staff. I guess that the first point, just by way of a context statement, is that we are not unique, and I do not mean this disparagingly, but even doing simplistic things such as paying everyone double does not solve the problem. To push the point, when some people say to me, 'Well, pay me more', I say, 'Right, we will pay you double tomorrow morning. Will you pack your bags and go and be the teacher (I will not name the place) in the middle of the Eyre Peninsula?' I know that area is in your electorate, Madam Acting Chair. They say to me, 'No, hang on, there are 1 000 other issues.'

That therefore kicks over to the question: what are the strategies that will do what is required? I think that we need to recognise that, in getting to the solution, the demand does vary. In a sense you could virtually have an army of PRTs and TRTs on the door only to find that something would occur in a school or in a set of schools that would require that army plus one more. What we do have in place is a team of PRTs, and each district superintendent and groups of leaders of schools is talking and negotiating to increase the number of PRTs and the availability of those PRTs for use.

As the honourable member knows, some PRTs work in a dedicated way on the lands and others work in the Whyalla,

Port Augusta and Port Pirie areas. There are, if you like, rules and conditions associated with their employment, but we have talked to leaders about increasing the number of PRTs available. Secondly, as a department we have used the existing TRT pool, increasing the flexibility by using the mix of contract people—and their capacity to pick up TRT work—and people who are appointed part time who can also pick up extra TRT work, and that policy and that strategy is being driven very strongly.

Thirdly, in terms of both the PRT, TRT and appropriate skill mix that is required, particularly in the maths/science area, we are working with the University of South Australia, Whyalla Campus, the Spencer Institute of TAFE and the country directorate to see whether we can develop a new model of training for people in situ rather than the business of people leaving the area and going back; and particularly training in situ for mature adults who already have a skills base—maybe in agriculture, technology, accounting, farming or even in the former steel industry—and who are interested in coming back.

Work done to date suggests that we could possibly start this with a pilot of 10, and that project is currently in its embryonic stages. Because they are adults we know that, as a strategy, one area we will need to look at is negotiations with the Teachers Registration Board because—while these people are going through a conversion process to become a teacher they already have skills, adult relationship strategies and they have been screened in terms of their appropriateness for teaching, and so on—we must determine how we can move them into sites more easily.

Some time this morning the minister mentioned the new maths/science development, and I think that members would realise that we have a range of, if you like, instructors, hourly-paid instructors, mentors, and so on and, as we look at breaking down some of the rigidity under which schools operate (which is particularly driven by local management), I think that that area could open up—particularly with greater flexibility with respect to the Teachers' Registration Board and teacher registration—in terms of increasing our portfolio. Fourthly, what we have done and are doing as a department to increase the availability of trained people now, as distinct from something of a more longer term nature, is to work ahead of the game, so to speak, with each of the three universities to identify graduates who are prepared to go to the country and who want to go.

To support that initiative we have a proactive strategy in the universities headed by an officer (who is a former principal of an area school in the Flinders Ranges) to run programs specifically about teaching, working and living in country locations and, with that, identifying young people, graduates (some of a mature age), who are interested in going to the country. The district superintendents, with their leadership teams and communities, have this year identified, on a pilot basis, 25 impending vacancies for new graduates. So that we do not lose that expertise base we will, in the vernacular, sign them up now and guarantee them a job as from the beginning of 2001.

Ms Breuer interjecting:

Mr HALSEY: No, permanent positions in country locations. This is about ensuring that we have the right skills base, and it is also part of the refreshment and rejuvenation of the system, particularly in country locations. Historically we have found that many people will sweat off, as members would know, and pick up a set of contracts rather than take a permanent position in some locations. To drive that a bit

further is to have another look at the current range of incentives, which include, at best, one year off after 10 years. I am working with the Country Leaders Reference Group as a result of country leaders, parents, communities, governing councils, and so on, saying, 'Can we review the suite of incentives? Can we generate some flexibility?'

We are mindful of any IR situations with which we need to deal; but we are clearly seeing that, since the incentives were introduced, there is a need to have more of a mix and match model to suit different situations. If we can work our way through that, plus the proactive graduate program, plus the flexibility to create more PRTs, plus the work that we are doing to look at broadening the range of personnel available who can be used in schools, those things will add up to increasing the pool of available people to operate in schools and to ensure that schools are staffed, particularly in the PRT and TRT areas.

Having done all of that, my first hand experience of talking with some people in Whyalla, to be specific, or Port Augusta, or, indeed, on the lands, is that you can go through all of that and you will still find a situation where they say, 'We do not have a TRT on this particular day for this particular location. What else can be done?' In that instance we are looking at developing cluster arrangements between schools and also looking at what we can do, in a virtual learning sense, by reviewing the way in which schools operate using IT and the virtual classroom model.

While, for the past century, we have been historically wedded to one teacher and one class, the reality of life is—and students are driving this as much as teachers—that the very favourable student:computer ratio is changing practice within classrooms. While we have to concentrate on care and custody and ensure that the pedagogy is right, the enhanced IT environment and the enhanced distance learning does in fact present challenges for us about how we manage the custodial relationships as distinct from the pedagogical relationships in schools.

That is a front on which we are working as well as trying to deal with the issue that has been identified. I think that I mentioned this earlier but, just for the sake of completeness, the other thing that we are doing to try to get a better package of PRT, TRT and contract staff where we do not have permanency is to package them so that they come in year bundles. Also, we will look at whether we need to generate even more flexibility in relation to the ability for part-time people to pick up on TRT and PRT work, and to see whether there is anything else we need to do in terms of travel between sites.

Mr SCALZI: One of the areas that concerns me and I am sure concerns many people in the community as well as many teachers is the incidence of bullying in schools. That can have a detrimental effect on the self-esteem of students and their real learning in future. What is being done to curb the incidence of bullying in schools?

The Hon. M.R. BUCKBY: We are undertaking a number of things in schools and the latest one that I announced this week is a program called 'Bullying: Out of Bounds'. Bullying takes several forms and can be physical or verbal and when it happens it is not nice. The school discipline policy requires schools to develop a range of strategies to ensure safety and well-being of students and staff, that is, to involve the whole school community in defining appropriate standards of student behaviour, in developing partnerships between home and schools and in establishing clear consequences for bullying. Sanctions that can be put into place include

suspension, exclusion or expulsion under this policy and that may be used in a response to bullying.

The statistics for term 3, year 2000, indicate that .78 per cent of students were suspended and 9.06 per cent were excluded for violence or threatening the safety of others. Many instances of bullying are dealt with effectively without suspension or exclusion and less than 2 per cent of all students were suspended or excluded in term 3 2000. Some of the strategies that address bullying include the implementation of curriculum around protective behaviours, conflict resolution and peer mediation skills, sexual harassment and racism and the teaching of pro-social skills. There are student decision-making forums, including class meetings and student representative councils, which empower students to address issues concerning their safety and welfare at the school. There are peer support and pastoral care programs and reviews are undertaken of the schools' behaviour code.

One of the new projects just announced in the last week is the 'Bullying: Out of Bounds' program. Over the next 12 months an officer will be conducting research of all the best practice with regards to bullying around all schools in South Australia and, in addition, the national task force on bullying in schools will link into that national task force. A web site will be created from that research and those best practice policies developed by schools will be placed on the web site so that teachers or parents can look at best practice around the state and nation to be able to see what might work in their school.

It is an age old problem. It has been with us forever and a day. It is not only in schools but also in the workplace and we can do as much as we can within our schools but, unless anti-bullying behaviour is reinforced in the home, we will continue to have this problem in our schools and workplaces. It is not one that is simple but it is certainly one for which we are consistently looking for new approaches to see whether we can help children who are the victims of bullying.

Some work done by Flinders University on bullying is interesting. It undertook a study which showed that 25 per cent of those young people who were either a perpetrator or a victim of bullying, by the time they were age 30, would have a criminal conviction recorded against them. That shows the seriousness of the matter and where we can develop these programs. The more information we can pull together about successful programs used in schools and make that available to teachers and parents across the community via this web site with the 'Bullying: Out of Bounds' program, and the more information we can get across, the better tools parents, teachers and students will have to deal with it when it occurs. It will not be something we can eradicate forever. It is an age old problem: it is a matter of our coming up with better ways in which to deal with it.

Ms BREUER: I asked only two questions in my previous bracket.

The ACTING CHAIRMAN: I would not want to see the honourable member disadvantaged as she has been so well behaved and has sat so quietly for such a long time. I will give her the call straight away.

Ms BREUER: I have an important question that I am sure the minister has been expecting on Aboriginal schools, in particular in relation to the occupational health and safety requirements which are standard throughout other schools in the state but which seem to be terribly remiss in Aboriginal schools. Having been there on a number of occasions and seen the conditions under which the staff and students work, I am constantly amazed that it goes on and has gone on for

many years. Many of the schools do not meet the occupational health and safety standards and have had numerous audits done but with few results. The Oak Valley school is a prime example, but I will not ask questions on that school today: I will save them for a later date.

The Anangu schools have many issues and there is an occupational health and safety report from October last year referring to issues, many of which related to every school. In Indulkana there was inadequate communication equipment for people travelling in the area. We know that mobiles do not work in that area, so they are not a standard issue—we are talking of satellite phones. One area which is particularly important to Indulkana but which applies to all schools in the area is the lack of access to quality and timely maintenance. It is extremely expensive for schools to bring in people to work in the schools to do maintenance. Quality is often lacking and they have to wait for long periods. I am talking of schools at Indulkana, Fregon and Pipalyatjara, all of which have commented to me. The lack of playground equipment and maintenance of that equipment in those schools is a problem.

Rainwater is an issue and in Indulkana in recent times it has been a real issue, but it also occurs over and over in some other Aboriginal schools in the area. Staff safety is an issue, particularly in areas like Watarru and Pipalyatjara, which are extremely isolated from the rest of the state. Inappropriate staff housing is often an issue, with real occupational health and safety issues in those schools. I have heard a lot of comments about blocked toilets and long drop toilets and the inability to get them maintained on a regular and quality basis. Amata has had major issues, which still have to be addressed.

Another area of particular concern to many schools is electrical wiring. There has been a lot of trouble in that regard. There is the old favourite issue of asbestos that occurs over and over. I know that money has been allocated for about the last three or four budgets for Oak Valley and Amata schools and a couple of others. Money is allocated to replace and upgrade those schools, but occupational health and safety is an ongoing issue in all Aboriginal schools, particularly in the Pitjantjatjara lands. Is the minister prepared to bite the bullet? Is there an adequate allocation in the budget to cover these occupational health and safety issues because you cannot expect teachers to be working in those conditions as they have for many years.

We have a problem attracting teachers to the areas, as has been admitted today. When you send them into those areas there are extreme occupational health and safety risks. I would not like to be living in those communities with those issues. Have you allocated or will you allocate funding and what will happen in future to ensure that teachers, staff and students in those areas are working under conditions that the rest of the state expect as they certainly would not condone their current conditions?

The Hon. M.R. BUCKBY: The member for Giles raises an important issue, particularly in terms of the occupational health and safety issues at Oak Valley Aboriginal school and what the department has done there. The issues were noise from generators, lack of drinking water at the junior school site and a lack of staff amenities. What we have done there is we have provided a Demac building from the Ceduna Area School, which is surplus to that school's needs and has been allocated to Oak Valley. One half of the building has already arrived and the other half is scheduled to arrive next week. On the drinking water issue, we are currently providing to

Oak Valley bottled drinking water, from my understanding, so that issue has been addressed.

I have a briefing here about that, that some 20 by 10 litre water containers were delivered from Ceduna to Oak Valley. It was further agreed that subsequent supplies of drinking water would be purchased from the community store for school use. So we are addressing the needs there. And, of course, as the member well knows, after long negotiations the Oak Valley community has agreed to the building of a new school there, which will address a lot of the issues that she talks about at that particular school.

I mentioned earlier this morning that myself and Dennis Brown, who works in my office and previously was a principal of the Amata school, visited Amata, Ernabella and Kenmore Park schools back in August of last year, so that I could get a feel for what the issues were up there. In relation to Amata, as the member for Giles would be aware, we have identified and put aside funding for the building of a new school there.

There is some discussion within the community as to where the site of that school should be. As she would know, the current site of the school is in the middle of the town and is subject to a fair amount of graffiti and other things that go on around the school site, and the suggestion has been that it should be placed on the outer edge of town, whether or not that is a good idea. We have had discussions. I will ask Mr Halsey to comment further in a moment.

First, though, I have just been advised that in relation to one of the figures that I quoted on bullying, and that was suspension figures, I said that the statistics from term 3, 2000 indicate that .078 per cent of students were suspended and 9.06 per cent were excluded for violence or threatening the safety of others. That 9.06 is not a correct figure, and I will correct that. It is 0.06—so that is quite different, and I just want to make sure that that correction is inserted in *Hansard*.

In relation to the Amata school, there have been discussions with the community, and I agree with the member for Giles. When I visited I was surprised at the level and the condition of that particular school, and I came back and had discussions with Mr Spring and said that we really must do something about this place, because in terms of giving some incentive and creating the right atmosphere, both for teachers and for students, that is certainly not fulfilling that at the moment. Can I hand over now to Mr Halsey who has regular contact with the schools that the member talks about and has a pretty good level of information in terms of the dollars and, certainly, the program.

Mr HALSEY: Thank you, minister. Just reflecting on what the minister said, the question, in a sense, 'Are you prepared to bite the bullet?' was a fairly powerful image that encapsulated the question. In 'biting the bullet', one of the interesting dimensions is in fact the improving outcomes that we are actually getting, notwithstanding the work that still needs to be done. I think in the context in which the answer is being presented it is important that we record the fact that, on the lands and in particular the work that is being done there with the teachers and the leadership of the lands and the support of the elders, and so on, we are improving very substantially, in terms of literacy and numeracy and attention rates, and, indeed, in terms of retention and achievement rates at senior secondary.

The reason I say this is not to diminish the issues that you have raised but really to say, in a sense, that we are building and continuing to build, under the commitment of the department's plan for Aboriginal education, its commitment

to education on the lands, and P21 and local management on the lands.

To return more specifically to the issues that you raised about, in essence, the facilities and support structures and services available in a physical and a living environment sense, the minister has already mentioned that funds have been allocated, and that has been noted. What we are doing is we are actually engaging an architect to bring together consultant advice to three of the communities that the minister has mentioned, and I have visited all communities recently.

What we have at Fregon, as you know, are funds totalling about \$600 000, and these have been identified to address a range of issues associated with, as you said, toilets, plumbing, rainwater tanks, paving and painting, and the provision of new administration facilities. The consultant architect that I just mentioned will work with this site, together with Ernabella, because Ernabella, as you know, is the hub.

There is the leadership centre for Anangu education, and for support services to the land, which are taking off and working very effectively in terms of managing and leading through Partnerships 21, and with the strength and leadership of the Pitjantjatjara Yankjantjatjara Education Council, which Katrina Tjitji is the director of, an Anangu woman, who is a trained teacher, and Ruth Ananka, also a trained Anangu teacher, is the chair of the Pitjantjatjara Yankjantjatjara Education Committee.

At Pipalyatjara we do have this feasibility study for a new admin facility and for the upgrading of the multipurpose space to be undertaken. When I was there recently I spoke with Emily Buddy, who is one of the key Anangu people within the community, about the siting of the school, about the range of facilities, about its relationship to Kalka, its relationship to the community, the community store, and its integration with the small Anangu ANTEP facility and TAFE facility and the TAFE lecturer. Emily has a desire to see two things happen: one is the school upgraded and, secondly, issues addressed with the siting of the school, and, of course, that links to Watarru, which you have mentioned as well.

The school community has indicated a desire for a new school at the location, but as we all know there are also issues there, and discussion with the consultant architect will take place, because they have that building they fondly refer to as the 'airport building', plus the recreation area at the back, and there are issues to do with lighting of the paved basketball court. Those things need to be addressed.

The CPC is working well. They have a very good groundsperson now, a very respected person in the community, and there are some elements working very well there, and, in particular, the dedicated case management of the year 12 program with the young Aboriginal women is a highlight, as well as the use of technology and technology programs in the middle schooling area.

At Amata, as the minister said, 1.2 has been identified for school redevelopment. We have had preliminary discussions, and I myself went there again not so long ago and met with the principal about the future. The community has indicated its preference for a new school on a new site; that has been mentioned. The department's options at this stage seem to be: an upgrading option on the current site; rebuilding the school on a new site, out on what is affectionately known as Telecom hill; or rebuilding the school on a new site, which will link the existing community facilities, such as the oval, the TAFE, the CDEP facilities, and other community groups,

such as arts and crafts centres. So, you get a sense of integration within the communities.

At Mimili, an additional classroom building has been provided to the school for the start of term 3. At Kenmore, a future site redevelopment will occur through the school's planning process. Regarding the issue of housing at Watarru, as we speak, the new house is in the process of being built for transport to Watarru. It will be designed in such a way that it will accommodate two teachers at the school.

Watarru itself is interested in being a school in its own right as distinct from, for want of a better term, a sub-school or a campus at Pipalyatjara, because it is 143 kilometres south-east of Pipalyatjara. We have put in additional transport, in the form of an additional Toyota, and a radio and security. We have a very good principal there. The house that is currently at Watarru will be relocated to Kenmore to deal with the issue of accommodation at Kenmore, because currently there is a very large caravan, which is quite good, but it is not a home—and people want a home. From memory, that work is scheduled for term 3. That work is being done and the communities know about it.

In terms of Oak Valley, the minister has made some comments. The key thing there, as we all know, is getting the new school started. As we speak, we are awaiting the finalisation of the permits. As the minister said, the Demac is there, and the other half will travel down on Saturday. The caravans are there, the toilet has been upgraded, and the students went on a camp for a week to facilitate building. I believe very strongly, almost passionately—that is going over the top—that, if we can continue to work towards getting the new school there, that will be a wonderful outcome and a wonderful set of solutions. It will not solve everything, because the member would know that there are mobility issues, particularly across the border from Junjunjara, which cause some upgrowth and then some decline. There are issues there to be wrestled through.

The other thing that needs to be added to the answer in terms of the long-term viability and well-being of the lands, addressing some of those very deep fundamental issues that have been raised, is a project on which the Chief Executive is working with the Superintendent for Aboriginal Education, TAFE and Employment and, of course, it was spearheaded by the minister following his visit there. To put it bluntly, we are trying to significantly reconceptualise the way in which we do business with the lands. Members will be aware that every year many millions of dollars flow onto the lands and many millions of dollars flow off the lands through contracts, white salaries, deals, store policy, etc.

In simplistic terms, what we have is a rich class and an underclass, people who long for a degree of independence and the maintenance and nurturing of their traditional ways of living and interacting with each other. Schools on the lands are a significant part of the landscape in terms of community infrastructure. By and large, they are the most successful organisational structures on the lands. That is perhaps a small feather in our cap—maybe that is an overstatement—but they are very substantial pieces of infrastructure, as you know.

We are the largest employer of Anangu people. We have had a long history of training Anangu people through the ANTEP program. Just last week, I had a meeting to try to accelerate stage 4 of the Anangu ANTEP training program so that people not only can be trained to work on the lands but are mobile off the lands. At the moment, this training program has a very limited location for exercising the qualification if people want to be more mobile. Secondly, we

want to hone in on management leadership and increase the number of jobs that are available in a real sense, an economically powerful and appropriate sense for the Anangu people. What that requires of us is the model that we are working through with the AP executive and Pitjantjatjara-Yankjantjatjara and going back again in a couple of weeks to finalise the model.

This model looks at schools as community development employment centres—in a sense, training centres—where we reinvigorate and refocus the availability of TAFE training on the lands. We look at the employment contracts that are put on the lands over which we have influence to ensure that anyone who works on the lands in terms of a building, in a construction sense, has a contractual element to it which obliges them to train. So it is not just a matter of going and doing the work and coming away and pulling all the profits off.

Simplistically speaking, you plug the gaps and the bleeding away of the economic fabric of the lands, which ultimately is expressed in dollars and cents, and we up the ante in terms of the ANTEP training program in the management and development of indigenous people themselves so that in the next five to 10 years we change the profile substantially from white principals and Anangu coordinators to Anangu principals and white coordinators, changing the mix.

The other thing that we need to do and that we are doing to try to bring a sense of vision and hope—as the Chief Executive and I have said on many occasions to these people—is saying that the idea of a job that is stable and generates income and opens up so many things as well as recognising cultural sensitivities is extremely powerful. We are having increasing success with the Wiltja program at Woodville. Last year, we had 52 Aboriginal graduates in this state in SACE, all the way in diversity from Harry, the initiated young man from Indulkana, through to the most urbanised Aboriginal connection, for want of a better term.

One of the things we are looking at with the ANTEP program is how we identify, ahead of the game, young people who are coming through who will start at a higher base than many of the Anangu teachers whom we have trained at the moment and who, therefore, will have a better capacity to move into teaching and ultimately leadership, management and community development to see whether we can work with them and identify and support people and support through mentoring, accommodation (as we do through Wiltja) and maybe even some sort of a scholarship program which we can negotiate with the commonwealth.

In this way, more of them can return, if they want to, improve the skill base, influence the decision-making and add to improving the government structures on the lands, so that real effectiveness and appropriate impacts are gained from the resources that go into the lands through this department and various other portfolios of the department in terms of education, children's services, the preschool years, the employment targets and employment programs.

We will have the capacity to use those employment programs to get matching commonwealth funds and attract other funds and TAFE training (both in situ and in a mobile sense with a mobile skills centre) and also the upgrading of ANTEP. To be quite honest, we need to be more demanding about the outcomes that we require and the level of those outcomes, notwithstanding some of the complexities of the lifestyle that people lead.

If we are able to do some of those things and change the cultural headset, focus on the outputs and stop the bleeding out of some of the economy that actually goes onto the lands, I think that will help. Certainly the local management and all the schools that are in P21 and all of the agencies on the lands have made an absolutely fundamental commitment to PYEC decision-making and policy-shaping, with good advice from us. However, it is those people who must drive and are driving and are articulating what they want.

One good small positive thing that has come out has been the literacy results because of, for example, the commitment to scaffolding. That is one of the things that they continue to articulate and require of us. In a nutshell, it is a high priority of the agency. We are committed to maintaining the infrastructure. We are committed to a high quality, long-term training and development program. We are committed to trying to use our public funds actually to endeavour to develop the local economy far better than it is in order to stop the drain away of resources from the lands.

We are committed to moving ahead the capital works money that is here at the moment. For example, in terms of Oak Valley, one of the terms of the contract is that the successful contractor has to employ local people in the Oak Valley community through the auspices of CDEP in a sustained way to assist in building and construction, and hopefully build the skill base for the ongoing maintenance of that school. We want to expand that model on the land so we also get some things going there. They are a few things that are going on.

Ms RANKINE: The opposition has been told that meetings of the risk management group are frequently cancelled and that issues such as TRT have drifted on without resolution. We have been told that a planned meeting to establish practices to support P21 risk management has not occurred. We actually received a report that said:

Meetings of the risk management group are frequently cancelled at the last minute as they are chaired by Bronte Treloar who wears many hats and has to give priority to the minister, the chief executive, parliament, etc. Renee Boss did chair one meeting for Bronte, but usually it is one out, all out. When meetings have been held, not all the key players have been available to report, and issues such as the TRT one have drifted along without resolution.

Can you detail the operation of the risk management fund and explain for what purposes and how much has been allocated from the risk management fund since the introduction of Partnerships 21? Further, how many meetings have been held this year, as we are more than halfway through the school year?

The Hon. M.R. BUCKBY: As Mr Bronte Treloar, chair of the risk management group, is by my side, I will ask him to give the details.

Mr TRELOAR: It is true that there have been a number of cancellations of the risk funds steering committee in recent times. That has occurred because some work was being undertaken through a resources working party and some fairly intensive work that had involved a range of people involved in the committee. A meeting had been scheduled for 21 June, but we found that that clashed with a very important other commitment, so a meeting is scheduled for 28 June.

The risk fund steering committee has been established. The operating policies and procedures were circulated to all sites in March 2000 and they have been upgraded. An amount of \$28.5 million has been allocated to the risk fund. The risk fund document of some 14 pages has gone to all sites on the

operating policies and procedures. I will not go through all of those.

At the end of the day, the amounts that have been allocated of \$28.5 million go across a range of areas and include the catastrophe insurance program, with an annual premium payable to SAICORP of \$3.8 million, and a risk retention budget which really has related to the areas of fire loss, miscellaneous, disaster, vandalism, theft, common law, vicarious liability and ambulance services. It is very important to acknowledge that part of the developments in relation to P21 have been to understand what the actual vandalism costs have been within the, if you like, breakdown maintenance.

One of the things we have done through P21 is to say that the costs relating to vandalism would be paid for by the risk fund. In that way, we are getting a profile of those costs across the system and, in my view, and certainly in the view of the schools and the principals around the table, we will understand those costs better and we will be in a position to take preventive action in a far better way.

Other operational programs within the risk fund relate to access for disabled students, hazardous materials, emergency accommodation, school security, RCDs—a range of programs which are listed in the operational guidelines and which relate to various operational programs. We do have contingency programs and—

The ACTING CHAIRMAN: The chair will resume at 7.30. Enjoy your dinner. Is there is any possibility that people can have some discussion with a view to perhaps shortening the evening's proceedings?

The Hon. R.B. Such interjecting:

The ACTING CHAIRMAN: I think there could be some informal discussions.

Ms RANKINE: Can I ask how many meetings there actually have been?

The ACTING CHAIRMAN: No, you can't—at 7.30.

Ms RANKINE: Well, I did ask him. I asked him in the first part of the question.

The Hon. M.R. BUCKBY: I will include that in the record for the honourable member.

[Sitting suspended from 6.01 to 7.30 p.m.]

Membership:

Ms Key substituted for Ms White.

The Hon. R.B. Such substituted for Mr Hamilton-Smith.

Witness:

The Hon. M.K. Brindal, Minister for Employment and Training, Minister for Youth.

Additional Departmental Adviser:

Ms Jennifer Taylor, Executive Director, Office of Employment and Youth.

The ACTING CHAIRMAN: I thank the minister for his attendance and I call on him to make a brief statement.

The Hon. M.K. BRINDAL: I insert the opening statement in *Hansard* without reading it, as follows:

The handing down of State Budget 2001 provides all South Australians with a landmark opportunity to build upon recent successes in combating unemployment and getting more people into worthwhile training. Seven and a half years ago, when the Liberals returned to office, South Australia had an unemployment rate of 10.7 per cent. Now it is just 7.3 per cent in trend terms, within 0.5 per

cent of the national average. Youth unemployment continues to bounce around from month to month, anything between 22 per cent and 30 per cent—but it is a darn sight better than the 40 per cent plus it was in the dark years of Labor in the early 1990s.

Most importantly, however, our youth unemployment-to-population ratio has fallen from 11.5 per cent in December 1993 to 6.7 per cent in May 2001. While we can and must do better than this, it compares much better than, say, Queensland's 7.6 per cent rate.

In this year's budget the government has provided an extra \$2 million a year for a new statewide youth employment program. This will allow communities to identify specific issues preventing young people's involvement in their local labour market and to put in place strategies to address these. The program specifically aims to help communities keep young people in their local community.

It is estimated that 800 young people a year will benefit from this new program. Overall, more South Australians are in work, and our young people are obtaining work or are starting apprenticeships or traineeships that enable them to become work ready. In the past seven years, total employment in South Australia has grown by 37 000 jobs. While this is encouraging, I am not satisfied. There is more to do and that is why this year's budget is so important.

In budget 2001 we have committed an extra \$3 million a year, over the next four years, for a new incentive program which targets employment growth in the private sector. The Private Sector Employment Program will support employment growth by providing incentives and advice to employers in key employment growth areas so that employers create long-term jobs. These incentives will provide employers taking on the unemployed, with financial help.

They will be targeted to areas having the greatest potential to provide long-term employment. Employers taking on those people most disadvantaged in the labour market will be eligible for the highest level of subsidy. It is expected that more than 2 000 jobs will be created by providing these incentives to the private sector. An extra \$200 000 a year is also in the budget under the Regional Employment Strategy to 14 regional development boards and the City of Onkaparinga to help them with local employment measures.

In addition, the government is providing \$1.15 million in this year's budget to establish an employment for regional and remote areas projects initiative. This strategy aims to develop a pool of 'project ready' workers available for key construction programs in rural and remote areas of our state. More than 2 000 people have registered interest with the Partners in Rail database to help build the Adelaide to Darwin rail link.

To ensure that this pool of talent meets industry needs, the Office of Employment and Youth will provide a number of training placements. I said earlier that it is vitally important to have adequately trained staff to take up growing employment opportunities in our state in coming years. In this year's budget the government has allocated more than \$291 million for skilling the workforce. We are wanting to develop a highly skilled and internationally competitive workforce by targeting support for industry skill development.

Quality programs will be delivered across the state's eight TAFE institutes and nearly 300 registered training organisations. I have said on many occasions that lifelong learning is a priority if South Australians are to achieve employability and develop the necessary skills and flexibility in the workforce. So that South Australia can attract new investment and support existing enterprises we are working with the commonwealth to continue to build a nationally consistent training system.

Following the commonwealth's latest offer, we are now negotiating to boost South Australia's funds to expand vocational education and training even further. The state government will continue to build the skill base that is essential to provide opportunities for our disadvantaged people. We will continue to have an emphasis on industries such as fishing and seafood, food and beverage processing, information technology, automotive, tourism and hospitality.

Many of you will have heard the Premier's announcement only this Tuesday that eight automotive companies have so far committed to a new automotive precinct being developed alongside Holden's at Elizabeth. It is expected that 1 000 new jobs will be created; two Victorian companies are relocating part of their operations to South Australia and two companies from overseas are locating to South Australia.

In the area of community services and health, we have just released funds for a \$1.8 million package providing training for mental health carers. In addition, we are providing in this budget \$1 million for prevocational training to prepare young people for apprenticeships. Commitment to small businesses will be enhanced

through \$500 000 being provided for the 'ticket to training' program. Small businesses can access \$500 vouchers for training to meet their specific needs.

Also, a \$2 million training program will provide at least 800 places across 10 regions, with an emphasis on meeting skill shortages in regional areas. The budget also contains an extra \$300 000 for strengthening lifelong learning opportunities through adult community education grants as a pathway to more formal training or employment. Of course, it is vitally important that South Australia has an ongoing supply of apprentices and trainees so that our state continues to prosper in coming years. The government has allocated more than \$30 million in this year's budget.

Our focus on school leavers, new entrants and people re-entering employment has paid off. We now have more than 30 000 people in apprenticeships and traineeships. This growth is due to the variety and flexibility of training available. It is no longer limited to a small number of trades. In just two years the number of vocations that can be undertaken in apprenticeships or traineeships has risen from 200 to more than 1 200.

So, in this budget the government is providing over \$30 million for apprentices and trainees. South Australia's efficiency in training means we now have the second lowest cost per training hours in the nation, without compromising quality. South Australian employers have an 87 per cent satisfaction rating of our training system. Employment results for our training graduates are excellent—more than eight out of 10 graduates are employed shortly after completing their studies.

Finally, I know that many of you will be interested in what we are doing for youth. In addition to the ongoing support of existing youth programs such as the highly successful Active8 there is the Premier's youth challenge, the youth parliament, youth leadership grants and youth awards showcase. The government will provide \$800 000 a year for the next four years on an integrated youth strategy. This is aimed at helping maintain the viability and vitality of our local communities through actively supporting involvement by our young people and improving the capacity of agencies involved with them to help young people make decisions about their future. Also, good news for youth—the government will have a further intake of 600 trainees in the South Australian public sector starting 1 July.

Ms KEY: I appreciate the assistance that has been given to me by your officers, minister. We have had one meeting with many of the officers who are sitting at the table today and we look to our next meeting to draw out some of the issues that we have already identified. I would like to ask you a number of questions, the replies to which could be supplied later within the limits for estimates questions and information. I will begin with a couple of those and then I have a question that I would particularly like to address to Dr Wood regarding the Public Administration Industry Training Advisory Board.

I seek some general information with regard to all the programs administered by the Office of Employment and Youth, the target groups for each of those programs and the conditions that apply to those operations. As I said, some of this information we sought from your officers at a previous meeting. I would like to know the total cost for each program and the individual unit costs for delivering these programs. As I have asked in other portfolios, I am also looking for information that provides the number of persons receiving employment or other OEY programs in 2001 and how many you are forecasting for 2002. That is a question that you may like to take on notice.

The Hon. M.K. BRINDAL: I will be specific about the last part of your question. Are you asking about the number of people who are beneficiaries of the programs?

Ms KEY: Yes.

The Hon. M.K. BRINDAL: We will take that on notice.

Ms KEY: I am also interested to get a profile of the number of staff working in the Office of Employment and Youth, also their classifications and major job title.

The Hon. M.K. BRINDAL: I will take that on notice. I am prepared to supply it so long as it does not violate any industrial rights of staff concerned. As far as profile is concerned, they are all very hardworking, decent people for whose character I would vouch.

Ms KEY: I would probably agree with that. In relation to the Public Administration Industry Training Advisory Board, I received a telephone call late on Tuesday night, I think it was, to say that this board was going to be wound up at the end of this financial year. Since that time, I have followed up on the telephone call I received. I was a bit surprised to hear that I had received this information before the chairperson of that board and the executive officer. As a result of research, my information is that the six sectors that are covered under this ITAB—commonwealth, state and local government, police, fire and emergency services—were not consulted on the decision. I hope you can refute this allegation. I also understand that the various unions covered under this ITAB were not consulted. At this stage, there does not seem to be any information available on why the decision was made. Could the minister or his officer answer that question?

The Hon. M.K. BRINDAL: I will answer first and then give Dr Wood a chance to supplement the answer, because the responsibility is mine. Dr Wood and a number of officers have consulted with me over some months now and the decision was made on 12 May. On 12 May I approved the cessation of funding to the Public Administration Industry Training Advisory Board to be effective from 1 July 2001. The reason for so doing, in brief, is as follows: it has been decided—and it was recommended by Mr Spring as my chief executive and approved by me—that the department will not continue its contract of service with the South Australian Public Administration Industry Training Advisory Board. The decision was advised by letter and verbally on 19 June 2001. I have a slight deal of embarrassment if the shadow minister was notified before the groups, but hope she would acknowledge that it means that I am assiduous in keeping my colleagues informed—perhaps a little too assiduous in this case.

The first reason for the decision was that the functions of this ITAB can be carried out better and more efficiently by other means. The Public Service training package is now established. Incidentally, I am told that, while this body was the ITAB for public administration industry training, in fact it had no input at all into developing this important package—which perhaps says something. The PAITAB is not now needed for this purpose. The public sector is composed of a small number of big employers, and strategic information on work force directions can be best ascertained by talking directly with those employers. There is duplication between the PAITAB and other industries. For instance, at state or national level there are ITABs for local government, public safety and other related issues.

Secondly, to be absolutely frank, the SAPAITAB had low credibility in terms of representing its sector. Five of the last nine meetings were actually cancelled due to the lack of a quorum and the largest employer, the South Australian Commissioner for Public Employment, does not view the PAITAB as adding value to skills development. The commissioner has written of the PAITAB's 'lack of any real product'. The commonwealth government has also been unenthusiastic about the worth of this ITAB. None of this should be taken as any indication of the lack of support for training within the public sector—rather the contrary.

I say to all members that, certainly in my time in the teaching profession which goes back nearly 20 years, if there is one thing that the government sector does rather well for all its employees it is that it encourages ongoing training and development. This is certainly not a lack of commitment to training or continuing development in the public sector, and discussions already have begun on alternative consultation processes and promotion of the public sector training package. The government is committed to lifting our public sector skills and giving staff new opportunities.

In summary, and quite succinctly, the PAITAB was costing us \$116 000 per annum. Its employees could not even attend their own meetings. It is my opinion that we were wasting our money, and I will not sit here and waste government money. So, we are coming up with a better and more effective body that will deliver that training to public servants, to public employees—not a body that cannot even bother, for \$116 000 to get itself to half the meetings that it was supposed to attend. I invite Dr Wood to comment, if he wishes to do so.

Dr WOOD: I reiterate, from my point of view, support for training. I have had a meeting with the chair of the ITAB and other people whom she brought with her and discussed a number of alternative things that can be done—for instance, ways of promoting the Public Service training package. I know that the Commissioner for Public Employment has expressed a positiveness about setting up consultation mechanisms as well as replacing the ITAB, and I think that it is necessary to disengage the idea of support for training from the idea of support for this ITAB, or any other ITAB. The idea is to support training, not to have any particular mechanism in mind. The amount of money is limited and, to cut a long story short, the same objectives can be achieved by other means.

Ms KEY: I am told by the chair of the board that Dr Wood indicated that there was no consultation because it did not matter what the ITAB members had to say; the minister was not prepared to continue to fund it. Is that the case?

The Hon. M.K. BRINDAL: No. Dr Wood is an officer who works for me. I made the decision that the board would cease. I did it on his and Mr Spring's recommendation. Once that decision had been made, if members of the board had wanted to come and see me, I suppose they could have done so. But neither Dr Wood nor Mr Spring has authority to reverse the decision of a minister.

Ms KEY: The last point I want to make about this issue is that we are talking about reforming the area of training, and I presume that we are talking about the state public sector.

The Hon. M.K. BRINDAL: Yes.

Ms KEY: There were other sectors involved in this PAITAB, particularly emergency services. I understand what the minister is saying about there being, certainly on a national level, other training organisations and boards, particularly in the local government area, but can the minister inform the committee what funding the government is looking at putting into this new body (I am referring to the state public sector), and the prediction for the other five sectors which were represented on the structure which is to finish at the end of this financial year?

The Hon. M.K. BRINDAL: With respect to the matter of potential duplication, Public Service Education and Training Australia was established in 1998 as a nationally recognised body for public administration areas of the commonwealth, state and territory governments. The objectives of the PSETA are such that it is, in effect, in many

ways, a national ITAB for the commonwealth and state public service sectors, and it has developed the national public services training packages to which I alluded previously. So, there is a potential duplication. It does not currently provide advice on training priorities to the department, but it does undertake many of the promotional functions of the state ITAB.

While the PAITAB has successfully quantified and identified public sector training priorities, the highest priorities uncovered are generic skills such as leadership, various aspects of management, customer service, low level IT skills, etc., which are the bread and butter issues of many of the RTOs and, as I am sure the shadow minister is aware, are in fact the bread and butter of many of the departmental heads, who work very hard to try to encourage and increase these skills in their managers and, indeed, in all their employees. Therefore, the lack of specific advice on training needs for these sectors is unlikely to cause any significant problems, because it has been covered.

Local government has its own training centre and a dedicated national ITAB with a different role from the State ITABs but which includes the promotional aspects providing information on training. Similarly, the police force, with its own training academy, could be consulted separately as part of the wider consultation process.

In answer to the member's question on generics, I will get a more detailed answer if we examine the record and deem it appropriate. That money largely remains available for reallocation in a coherent way for—

Ms Key interjecting:

The Hon. M.K. BRINDAL: Yes, the total amount available is \$116 000, either for reallocation within that public sector or within the other ITABS. We will not be taking the money out of that sectoral dedication in the budget. If possible, we will keep it within the public sector area. Frankly, if we find that this public sector area can be done for \$50 000 or \$60 000, we will divide the money amongst the other ITABs on some sort of basis, because it will stay within the ITABs—that is what I am saying.

Ms KEY: Information that I received was that there was some suggestion that the Commissioner for Public Employment would take over this role.

The Hon. M.K. BRINDAL: To my knowledge none of that has been finalised. It has not been discussed with me, so it is probably the good old Adelaide grapevine at work.

Ms KEY: In relation to payroll tax rebates, last year the opposition received a leaked copy of a briefing to the Treasurer that was prepared by senior Treasury officials as part of the DETE bilateral negotiations. The document addressed the government's policy of payroll tax rebates and their effectiveness in combating youth unemployment. The document states:

Treasury and Finance is of the view that (payroll tax rebates) are no longer an effective employment tool. To continue administering this incentive would be difficult, with a high risk of incentive abuse by employers. Furthermore, DETE has indicated that this form of employment incentive is not as effective and transparent as direct incentive for specific initiative/occupation/ industry.

Why has the government maintained a scheme that Treasury and DETE consider offers 'a high risk of incentive abuse by employers' at a cost to taxpayers in the last six months alone of \$7.65 million? What cost benefit analysis has been done to compare this outlay—in the vicinity of \$15 million per annum—with other youth employment initiatives? Who are the beneficiaries of these outlays? Will it be concentrated

particularly for people in the business sector who favour the Liberal Party?

The Hon. M.K. BRINDAL: I will totally ignore the last assertion. It is beneath the dignity of the shadow minister to make that sort of statement. I would expect that of the leader but not of the shadow minister.

Ms Rankine interjecting:

The Hon. M.K. BRINDAL: Well, I would. She is not. She does not normally play those sort of silly games.

Ms Rankine: You do.

The Hon. M.K. BRINDAL: Of course I do, but I am not as silly as the shadow minister.

The ACTING CHAIRMAN: Order! We do not need that kind of conduct from either side. If it continues, we will shut the whole show down quickly.

The Hon. M.K. BRINDAL: We have good public servants (the shadow minister knows that), and they provide a range of advice. Government gets lots of advice on lots of occasions from lots of different people. The idea of having an executive government, and indeed a parliament, is to sift through the advice and consider all aspects of the matter. We are elected to make a determination on behalf of the people of South Australia. That does not mean that the advice given by DETE or Treasury is always accepted. If the shadow minister ever becomes a minister, she will realise that sometimes the best advice is the advice not taken. Treasury is often very fulsome in its advice and would not let you spend anything. A good Treasury is very conscious of what happens with public moneys—that there is a public good.

All I am trying to say is that I do not know the document to which she is referring. It is quite possible that at different times and for different reasons very good and honest people have given their best assessment that this is not an effective tool. Cabinet considers, as do the Minister for Education and I, the advice of this department, and we would take it to cabinet, along with our own advice, and cabinet considers it. All I can say is that, if that was the advice given, it was advice that the cabinet considered, as it has a right to do, and decided was not appropriate advice for the budget settings and for what we wanted to do with employment at this time. The question was quite detailed. If there are any further aspects of the question that I can clarify I will take it on notice.

Ms KEY: Thank you, minister. This year's allocation to the Aboriginal apprenticeship program re-announces last year's funding, along with 2001-02 places, to a grand total of 60 Aboriginal apprenticeships over two years. Why is the government not seeking to expand this important program to provide more places to those most disadvantaged young job seekers in our labour market; and will the government consider some additional Aboriginal apprenticeships and a number of reserve places for young Aboriginal people in the youth training program for next year?

The Hon. M.K. BRINDAL: I am advised that it is a two-year program and we are in the middle of that. At the end of next year, when this round of programs finishes, it will be reviewed. There is a chance that it can either be increased or decreased. Partly in answer to this question—and I am sure that the shadow minister will agree with this because I have spoken to her on many occasions about this sort of thing—I point out that one of the problems is not so much the quantum of money that can be made available but the readiness of suitable numbers of people to participate in programs.

I could say to the shadow minister that it may well be that we could provide double the money with no more results,

because there is no point putting people into programs that they are not yet ready for or that they cannot cope with. I am sure that the shadow minister is as aware as I am that a lot of work has to be done with indigenous people. For a whole range of reasons, they do not necessarily get the same opportunities that our children get and that so many of us in this community take for granted. It is not just a factor of money or a factor of having these programs: it is a factor of a whole heap of social conditions (as the shadow minister will know) of social needs and of educational needs, all of which have to be addressed.

At this time, we believe that this is about the right level of funding for about the right number of people who are undertaking the courses and successfully completing them. If there is an indication that there is an opportunity to put more money into this area and to quickly skill a lot more people, the shadow minister has my absolute assurance that we would find money from somewhere to do it. I am honestly answering: in this case, I believe this is the adequate amount of money to fulfil the need that is there. But if we were lucky enough to find that the need increased, I will guarantee that we would find the money to meet the need, because we do not want to deprive any of those people, when they are ready to take up that level of training. Incidentally, these are the indigenous programs. Indigenous people are not precluded from any other programs. These are special programs for indigenous people, but there are all the other programs in which other indigenous people can be included and often are—but they do not have to. It would be very wrongful discrimination to say, 'Because you are indigenous, you are only eligible for indigenous programs.' They are discriminatory programs to further help people who are eligible for the others.

Ms KEY: I want to ask you about User Choice. On 23 January this year, you issued a media release announcing the government's decision to change the way it funds apprenticeships and traineeships under the User Choice training scheme. The changes have been prompted by widespread criticism that the User Choice scheme was being rorted by employers who were simply registering existing employees to gain training subsidies. That was certainly the information that was being made available.

Do you think, minister, that last year's decision to direct funds away from the state government's youth training scheme to user choice allowed employers to rort user choice by claiming training subsidies for existing employees? Was this not the rationale for the changes to user choice announced in January—and certainly that was one of the points you made in your media release? Can you give an assurance that user choice is no longer subject to these rorts—or double-dipping of any kind? Given that the user choice is a direct re-allocation from the youth training scheme, where the employment outcomes are very transparent, can you now quantify the employment outcomes for young people from the extra \$15 million put into user choice, as distinct from the skill development and job readiness aspects of the training?

The Hon. M.K. BRINDAL: I will take some aspects of what you said on notice, because, again, you have asked very detailed questions. I think I have the general gist and I will run through it. The reasons we changed some of the rules—as you acknowledge—are as follows. As of 31 December 1997 and prior to the introduction of user choice, there were 194 apprentices and trainees under the description of associate professionals in training. As of December 2000 there were 2 560, which is a remarkable increase, and

something that we should be proud of. But a proportion of this growth was due to a number of existing workers being converted to new apprenticeships undertaking certificate 4 in first line management. It will not take too long, but I will give some specific examples because they are interesting.

Student A was employed by a supermarket as a managing supervisor for five years. Student A was then converted to a new apprenticeship, undertaking certificate 4 in first line management, and received training by the supermarket. Student B was employed in a manufacturing company as a supervisor of storepersons for five years and then converted to a new apprenticeship, undertaking certificate 4 in first line management. Student C was employed by an electronic appliance store as a store manager for 12 years and then converted to new apprenticeship first line management. That is why it was necessary to change the rules.

I will carefully check so that I cannot be thought to mislead; but I can sit here and tell you that I have absolutely no knowledge of any of those continuing—I cannot say that they were rorts. The problem was that it was quite allowable. The system as it existed then allowed this to happen, so I really cannot say that those people were cheating. I can say, however, that we did not think that that was what public money should be spent on. We believe in life-long learning as, I am sure, you do. We are committed to life-long learning, but we are not necessarily committed to subsidising everybody through what most firms would see as their absolute responsibility, and that is to train people to fill positions in their own hierarchies. So, it is a matter of getting that right. I do not think that continues, but I will check up and give you more a detailed answer on notice.

The second part of the shadow minister's question was, in effect, are there better outcomes? I can say that last year we announced that we would train something like 500 people in the government youth traineeship schemes. By rejigging it and asking agencies for more money, we extended that to 613—so the outcome was not 500, as we published last year, but 613. The successful uptake from government traineeships, as the shadow minister will know, was seven in 10 engaged in full-time jobs, which was a good outcome, but many of those engaged in full-time employment outcomes were, in fact, people who were then absorbed full-time in the public service to meet the remoulding of the public service profile. As the shadow minister will know, it has been of concern to this government for some time—and, I am sure, it would be of concern to her were she in government—that the public service average age is perhaps about 45, and going up a year at a time and, if we are not careful, we will end up with everybody retiring from the public service on the same day and nobody with any skills.

Ms Key interjecting:

The Hon. M.K. BRINDAL: Yes, we have got to do that remixture, and we are doing it. That was part of the seven out of 10 uptake. It is a matter of how long we wanted that level of recruitment in the Public Service. It is also a matter of this: if you look at 613 trainees with a 70 per cent success rate you are looking at about 413 full-time job equivalents. Under the old scheme—the 1 200 we were training—you are looking at about 800 job outcomes. If you take that traineeship for the 600 people and convert it to training possibilities, you can buy about three training places in TAFE for every one traineeship.

So, we were offering 1 800 additional places in our TAFE institutes through user choice and things like that. Interesting, and I think that the honourable member has had some

experience in this sector so she will probably know this, eight out of 10 TAFE graduates (better than university graduates) achieve full-time job outcomes. So, one would argue that the 1 600 new training places in TAFE were successful at a rate of eight out of 10, and you get that money now. We believe confidently that it can be predicted to have moved from producing about 800 (or a bit over) full-time equivalent job outcomes previously under the traineeship scheme to getting now, we believe, just over 2 000 full-time equivalent job outcomes.

We believe that change of the mix has been the correct change, but we are monitoring it and we are looking at it from year to year to make sure that we get a better answer each time we do it. I think that there may have been some more specifics in the question but I will go back, have my officers look at the question in *Hansard* and, if there are any bits I have not answered, we will provide an answer to the honourable member.

Ms KEY: I seek clarification. I have a couple of more matters in the employment area on which I would like to ask the minister questions, which he may decide to take on notice. I also have some questions I want to ask about the youth area in particular. Mr Acting Chairman, what is your understanding of our time frame?

The ACTING CHAIRMAN: My generous understanding would be about 10 past eight.

Ms KEY: Thank you, Mr Acting Chairman. Minister, why has the government decided to discontinue the public sector graduate program when, as you have already said, the average age of public servants, apparently, is getting worse: it is now approaching 50 years. A number of comments have been made. The *Advertiser* of 31 May reported that government would fund separation packages offered to about 100 senior level public servants to save \$20 million over two years to enable recruitment of young trainees and graduates to combat the ageing of the public sector and to help improve departmental services.

Also, when we look at the Treasurer's media release, and Budget Paper 3, at page 4.4, we see a reference to the \$20 million as money to free up from existing portfolio cost structures and available to be applied to cost pressures and new initiatives within the portfolio. Minister, can you clarify what direct benefit there will be to young job seekers from the \$20 million freed up through savings generated by separation packages from senior public servants under this measure? It does not seem to make sense to the opposition.

The Hon. M.K. BRINDAL: I am sure that it does to the honourable member because, in a sense, she has partly answered her own question. It is not as mystical as it seems. Previously we had tried to get young graduates in there. How had we done it? This is the Premier's scheme, not mine; he administered it. There was a scheme called the Graduate Trainee Scheme, that is, you get in graduates and there is a pool of money to encourage Mr Spring, Dr Wood or other people who employ to consider a young graduate. If I were Mr Spring and I took on a young graduate, I get that young graduate slightly more cheaply because the Premier has a special bucket of money to give me the graduate and it is a cost benefit to my department.

We subsidised the employment of graduates to encourage them into the public sector. What we are now doing—and the honourable member read some of the appropriate quotes herself—is saying, 'We still need to revitalise the public sector. How should we do it?' This year we have moved to a system of TSVPs. By encouraging the TSVPs in some

departments and freeing up some costs, we hope to achieve the same outcomes. We have said, 'Last year we were trying to subsidise an increase of young graduates into the public sector through cross subsidy of a departmental budget.' This year we are trying to do the same thing. However, instead of doing it the way we did it last year, we are doing it through a different subsidy mechanism, that subsidy mechanism being targeted voluntary separation packages. We have not really changed the aims of what we are trying to do; we have simply changed the mechanism.

Ms KEY: I want to question the minister particularly on the youth part of the portfolio. Earlier this year, the Channel 9 program *Directions*, which is partly funded by the minister's government, reported that a major international youth employment summit would be held in Adelaide in April 2002. I am advised that the summit is now to be held in Egypt. Will the minister explain the Office of Employment and Youth's involvement in the bidding for this summit, the total cost of the bid and the reasons for South Australia failing to secure this major international event? Why did the *Directions* program report that the government had secured the summit for Adelaide, and what would have been the benefits for young people in South Australia had the summit been held here?

The Hon. M.K. BRINDAL: We were very interested in that summit. Somebody visited us (I had breakfast with them before Christmas last year) on the matter of the summit, and my officers and I were quite excited about it. We did all we could to put in a bid. I will get details on the cost of the bid, but it would not have even cost thousands of dollars. The honourable member will be pleased that we did it with no consultants involved; we did it internally with the expertise in my department. It was a very professional bid. We had the offer to secure that conference. I do not know how it was announced, but I do not think any government source ever announced that we had secured the conference. Apparently they were talking about a possible booking at the convention centre, and we were excited about it. In fairness—and the honourable member would expect us to do this—there needed to be letters of exchange. It was an agreement in principle.

Commitments needed to be made by both our side and their side about what we would pay for and what we would get in return. As the negotiations proceeded, it appeared to us that we—the people of South Australia—were being asked to contribute rather a lot in terms of finances, in terms of commitment and what we had to pick up. From memory, we had to guarantee a certain number of free places, a certain amount of accommodation for press and officials, and those sorts of things. When we analysed it, we saw that we were being asked not quite for a blank cheque but a very large cheque. That is fine if you know that on the other side of the very large cheque there is an equally glittering reward.

In our opinion, the rewards on offer were ephemeral. They certainly were not guaranteed. They were very clearly asking us for iron-clad guarantees. The government of South Australia could have put up millions of dollars and ended up with a program that may or may not have worked in that instance. We would have been excited and honoured to host the program. However, we made an accurate and honest assessment that, while that is the sort of thing South Australia

would encourage and seek in the future, we cannot back long odds. So, we made a business decision that it was not worth proceeding with. I will get the honourable member the exact cost, but I would be surprised if it was any more than hundreds of dollars; it might have been a couple of thousand. It was done internally.

Ms KEY: I will put some questions on notice. I am seeking details with regard to Budget Paper 5, Portfolio Statements, volume 2. I am pleased to see there is an increase of \$800 000 under youth services. Could I be provided with a breakdown of the money to be spent particularly on salaries in the areas of Activ8, youth policy and youth initiatives?

I refer to the youth employment program. I notice that this year's employment statement says that the new youth employment program is costed at \$2 million per annum over four years. Could I have a breakdown of the employment objectives; the operating guidelines; how the \$2 million will be allocated; how the figure of 3 200 people over the life of the program was arrived at and clarification on what 'reaching across the existing support structures for young job seekers through a partnership approach' means in practical terms; and any other details relevant to support that program?

The Hon. M.K. BRINDAL: I will give a detailed answer on notice. I am glad you acknowledge that this government has a social conscience and a heart.

Ms KEY: I didn't say that.

The Hon. M.K. BRINDAL: No, but I did. The money was arrived at somewhat arbitrarily, and I hope you will accept it in that sense. It is a new program, and we are not sure what it could become or how much we should put in, as you never are with a new program. The honourable member may be aware of hysteresis, which is a concept relating to the situation as society is returned to fuller employment. An observation has been made about Europe, and I think it is true for Adelaide: it is increasingly obvious in Adelaide that the return to employment is not universal and, if you return to a fairly fully employed society, you then find that the areas of unemployment, while much fewer, tend to be much more insidious. As the employment increases in the community generally, it is almost as if the unemployed tend to congregate together and you get small pockets of severe unemployment, probably more severe in those pockets than it was when the community generally was suffering unemployment. That is called hysteresis by professors and so on.

As our employment figures are getting better, this program gives us an opportunity to work not with generic programs across South Australia (although we are not abandoning them) but to look at those areas where there is third and fourth generation unemployment and see specifically what we can do in those areas to target employment outcomes. That is why you use the words. You would say they are rhetoric and, yes, they are, but we have to work out how to work in, say, a northern or western suburbs community. I hope the member understands what I am saying.

The ACTING CHAIRMAN: I thank the committee for its indulgence and cooperation. There being no further questions, I declare the examination of the votes completed.

ADJOURNMENT

At 8.13 p.m. the committee adjourned until Tuesday 26 June at 11 a.m.