

**STANDING COMMITTEE ON
ESTIMATES AND FINANCIAL OPERATIONS**

**INQUIRY INTO THE REMOVAL OF SENIOR SCHOOL
ALLOCATION FUNDING FOR YEAR 11 AND 12 COURSES
AT DISTRICT HIGH SCHOOLS**

**TRANSCRIPT OF EVIDENCE
TAKEN AT NAREMBEEN
TUESDAY, 8 JUNE 2010**

SESSION THREE

Members

**Hon Giz Watson (Chair)
Hon Philip Gardiner (Deputy Chair)
Hon Liz Behjat
Hon Ken Travers
Hon Ljiljanna Ravlich**

Hearing commenced at 12.01 pm**PADFIELD, CR STEPHEN****Shire President, Shire of Narembeen,
sworn and examined:****PECZKA, MR FRANK****Chief Executive Officer, Shire of Narembeen,
sworn and examined:**

The CHAIR: I welcome you to the committee this afternoon. Before we begin, I am required to ask you to take either an oath or affirmation.

[Witnesses took the oath.]

The CHAIR: You will have signed the document entitled “Information for Witnesses” have you read and understood this document?

The Witnesses: Yes.

The CHAIR: These proceedings are being recorded by Hansard. A transcript of your evidence will be provided to you. To assist Hansard, please be aware of the microphone and try to talk directly towards it. I remind you that your transcript will become a matter for the public record. If for some reason, you wish to make a confidential statement during this afternoon’s proceedings, you should request the evidence be taken in private session. If the committee grants your request, any public and media will be excluded from the hearing. Please note that until such time as the transcript of your public evidence is finalised, it should not be made public. This prohibition does not, however, prevent you from discussing your public evidence generally once this hearing is complete.

Thank you for coming along this afternoon. As you are aware the committee is inquiring into the government’s decision to cease to provide the senior school funding allocated for year 11 and year 12 courses at 21 district high schools across Western Australia, including Narembeen District High School. We welcome your input and I ask you if you have any opening statement that you would like to make.

Mr Padfield: Thank you very much, Madam Chair, ladies and gentlemen, for giving Narembeen shire the opportunity to put our point of view. What I am going to say you have probably heard already from the school principal and the P&C. Basically, there are a couple of things I would like to say. While most of us, 95 or 96 per cent of people, would be quite happy to see the children go away for year 11 and year 12—there is probably not much doubt about that—but there is the other four, five, six per cent who have huge financial problems, emotional problems or problems that the child is not ready to go away for whatever family reasons, and I think that they certainly have to be looked after. From a council point of view, it is the continued chipping away at the resources and whatever we have in our local towns. We can go back 30 years, and I do not want to particularly do that, and see what was there. What has been taken away in that time? We are being made more responsible all the time for more and more things. Thirty years ago, medical was not on our agenda. Today, we have to supply a car, a doctor, surgeries, which costs the council at least \$100 000 a year. It is the same with the agricultural situation, where all of a sudden we are being chipped away at—wild dogs and skeleton weed control is coming back to the councils. And here, it is coming to the school again. I am not saying the council will take it up, but it is more of this chipping away and chipping away, before we are left with nothing. I think that is one of the major concerns we have.

Also, I wonder if some of the bureaucrats have really taken into account the distance. I think most of you—Hon Giz Watson came from Albany—came from Perth this morning. I imagine you were all out of bed at five o'clock this morning—probably before!—and drove up here 300 kays. I know one child on SIDE is 45 kays out, but some of the children come in from up to 80 kilometres out. Let us just say that one of the Wilsons, who lives 75 kilometres out the other side of Narembeen, comes into town. He has to get the bus. He has to go back up to Merredin. That is 150 kilometres twice a day. It is the equivalent of you driving from Perth to here every single day. You got here at half past nine this morning. He has to be in Merredin at half past eight. All right, it might be only one or two, but I can assure you not every parent can afford to send their children to senior high schools. We can say they are well subsidised, that most of it is paid for and that 95 per cent of people in Narembeen can afford it, or get by anyway. But there is that other five per cent. I know of one child in the school at the moment on SIDE whose mother is a single parent and who lives 50 kilometres towards Mt Walker. There is no way that mother can afford to send her child to Merredin. I know she cannot. She works full-time down here. She works part-time elsewhere. I have seen the child working where she is studying. I believe this child is a highly educated young lady who hopes to go to Murdoch University next year. But do not take that opportunity away from that one person. That is what you will do. That one child will not have an opportunity to go to Murdoch next year because her mother will not be able to afford to put her through years 11 and 12. I think that that is something that we really need to take in. That child would probably be given—I do not know how she would have managed. She would probably be taken out of school. I hope not. It is an issue and I think we have to look after the one or two percenters. Thank you.

The CHAIR: Did you want to say something, Mr Peczka?

Mr Peczka: The president said it all, Madam Chair, thanks.

The CHAIR: Yes. Do members have any questions?

Hon LIZ BEHJAT: The same question I have been asking: apart from the information that has been passed onto you by the school principal, is the shire aware of the fact that the government is saying that you cannot offer year 11 and year 12 subjects to students at Narembeen high school next year?

Mr Padfield: I am not aware that the government has said that it is not going to. I am only aware of what we have read and, certainly, the information that has come from the —

Hon LIZ BEHJAT: All the information you are relying on is the letter that you have obviously seen a copy of—that the principal has probably given you a copy of—from late last year and what has been written in the paper. You have not picked up the phone and rung the education department and asked, “Why can we not offer year 11 and year 12 at Narembeen?”

Mr Padfield: No; not to my understanding.

Mr Peczka: Conversely, the department has not phoned us either.

Hon LIZ BEHJAT: Sorry?

Mr Peczka: On the other side of the fence, they have not phoned us, either—the department.

Mr Padfield: The education department has not rung us, has not been in contact with us, either. It is the schools —

Hon LIZ BEHJAT: They have not been in contact with you but they have obviously written to the school but at no time have they said that you cannot do that. Why would they ring, if nothing is changing? Apart from the senior school allocation of the FTE that was there the year before last year but not this year—or last year but not this year—nothing else is changing, so why would they ring?

Mr Padfield: If nothing is changing, perhaps you can tell us why we are going through this process with the education department having stated that there are 21 schools it is looking at. Why are you asking me that question? Somebody out there is saying that 21 schools will lose SIDE.

Hon LIZ BEHJAT: No; they are saying they are losing their senior school allocation for FTE. It is not saying it is losing SIDE.

Mr Padfield: Well, I hope that they are not.

Hon LIZ BEHJAT: Nobody has said that. That is where the —

The CHAIR: As I understand it, the change with SIDE is the proposition that a certain percentage will be paid for.

Hon LIZ BEHJAT: Yes; but it is not saying you will lose SIDE. We need to get that on the record.

Hon PHILIP GARDINER: I do not think that is what Stephen is saying. Stephen was not talking about SIDE. He was talking about the importance of —

Hon LIZ BEHJAT: But everyone is under the impression they are losing SIDE; that they cannot offer it.

Hon PHILIP GARDINER: No; it is the implications.

Mr Padfield: What we are under —

The CHAIR: Perhaps it is fair to say it is unclear.

Mr Padfield: It is very unclear.

Hon LIZ BEHJAT: It seems to me that you need a lot of things clarified here in this town—that is what I am picking up.

Mr Padfield: Perhaps—and you will probably hear the same from a lot of other town councils—the government wants to clarify things a little better to take the issue out and let people understand they are not in a position they are going to lose these things. They are talking about 21 schools. What are they going to take away? Why not clarify it?

Hon LIZ BEHJAT: I agree with you.

Hon KEN TRAVERS: I think there are some semantic games going on. I was looking at the honour board there. You have obviously been the shire president for a few years now. In terms of this process and the level of consultation and the level of engagement with the local community, what is your view about the way the state government has managed this issue to date in terms of consultation—and you have just had that exchange with Hon Liz Behjat about what the government is or is not doing. Maybe you can give your views and whether you would consider that acceptable if your council was introducing a new policy in a similar way.

Mr Padfield: You would have expected to have more correspondence telling us what they are doing. That is what I would say. All right, it is probably not a council issue that the school is losing the SIDE or whatever it is losing. It is not that something will come to council and we will make a policy on it because it is not our jurisdiction, but once again a lot of these things, as I said before, are just chipping away at the edges, and it comes back to council all the time. Country council is so much different from the city council; the whole community relies on its council to be the focal figure of the whole town. I have a unit in Perth in Stirling. I would not even know who my council is down there; it is a different situation down there. But up here in the country, everyone comes to the council; the schools come to us, the medical people come to us, the hospital will come to us if it is seeing something disappear. We are probably more of a spokesman for a lot of them. That is what we try to be. Is the whole community up in arms over losing SIDE? No, they are not. Why? Because it is probably affecting only two or three per cent of the population. The others will not get upset about it, but somebody needs to look after that two or three per cent.

Hon LJILJANNA RAVLICH: I have gone through your submission and you seem to be arguing that there is an inherent contradiction with the government policy that seeks to move towards independent schools, and by implication give a greater level of autonomy to the schools, yet at the

same time it is making decisions that are taking away the autonomy of schools such as Narembeen, when perhaps it would like to continue with its year 11 and 12 SIDE program. I wonder whether you can you expand on that and why you have argued this case.

[12.15 pm]

Mr Peczka: It is probably pretty simple. They are promoting independent public schools in the nomination or registration for that and they are inviting most schools around, say, Western Australia, one would assume, to become an independent public school. I do not know the exacting details of that, but that seems to me contradictory and in conflict with what the current decision is to remove funding allocation for year 11 and 12. That is riding on the back of developing MOUs for shared facilities with schools as well. That to me confuses me of where the education system is going, particularly for country areas. On the one hand saying, “We want shared facilities and shared costs” and tax the community for that, and on the other hand saying, “Here is a chance to become an independent public school to”—one would assume—“promote and improve your standard of education further than what you are doing at the moment and provide additional opportunities, and on the other hand we will take the financial purse strings away from you so that you cannot survive at the end of the day.” So there is no choice left in it.

Hon LJILJANNA RAVLICH: Ideally, what would you as the CEO like to see happen in Narembeen?

Mr Peczka: As the CEO, I would certainly like to see the school continue on with their enhancement and improvement program and provide the opportunities for the local district, and even surrounding areas if necessary. The choice of education is probably gone out of one’s planning and one’s thinking as a family member or as an individual. The choices are very limited. It is either go here or you will not go anywhere; or go here and incur greater costs, but you cannot attend the local education system to receive equally good education as been demonstrated by the school principal. They have got the expertise and if there is local autonomy, the school can engage or employ teachers to provide that expertise or higher standard of education for its students and its community. Not be considered as a school of choice is what we are going to head into in the near future is disappointing. I would like to see the school continue on with its good work and not have the rug taken out from underneath them, I suppose you could say.

Hon LJILJANNA RAVLICH: Would you see that if SIDE cannot be offered and if year 11 and 12 courses are not offered, could it be the start of a further downward spiral for the school?

Mr Padfield: They are losing another service. I do not suppose there is going to be a downward spiral for the school. I think our school is a pretty exceptional school. I suppose we all say that. But I think one has only to look at the academic results of Narembeen, and if they look at them closely they find there are pretty high academic results come out of the school. It is just another service that will be taken away—or could be taken away, because I am not sure whether it will be from what I have heard now. It is just another downgrade.

Hon LJILJANNA RAVLICH: Can I put it to you this way: is Narembeen experiencing a growth in population? Are more people coming?

Mr Padfield: Absolutely not.

Hon LJILJANNA RAVLICH: Basically you have a further, albeit slow, declining population.

Mr Padfield: Yes, I think our population in the past 30 years—probably if some of you came through we still have the same signs “Welcome to Narembeen” as we had 30 years ago. Underneath it has a population of 1 230. That shows you how far—I think our population last statistics were about 980. We are no different from most other country towns. The interesting part about it is that, once again, it comes back to the services. A lot of elderly people are actually coming back into town. You cannot get a house in Narembeen for love or money, you cannot even rent a house in this place. But there are a lot less people here and a lot less people on the farms, of course, because most

of the farms are halved now, most of the neighbours have bought somebody else out. It is a continuation of downgrading services. That is the way I look at it.

Hon LJILJANNA RAVLICH: My point is that if that population of births and young children in the community tends to follow that trend of a downward decline in population over time, we may get to the point where there is this view that there are not sufficient critical numbers to, in fact, have a school in Narembeen—I do not know.

Mr Padfield: I hope that never happens.

Hon LJILJANNA RAVLICH: So do I.

Mr Padfield: I did not go to school in Narembeen. My wife did and I think she said at the time that went she went to school here, some 35 years ago now, there were about 230 students. Today I think I heard Chris say that there are 115 at the school. Let us not kid ourselves—it is not going in the other direction if it does not. Let us hope it plateaus. Most country towns are making an effort to keep their population, but there are always people leaving somewhere and unfortunately there is nothing you can do about that.

Mr Peczka: Can I make a comment, Madame Chair? In my opinion I think that looking ahead in a crystal ball, taking the year 11 and 12 of a senior high school will go into the district high school level of probably year 9 and 10 as time goes on. It is part of a process of forward planning, one would assume, where they will erode into the year 9 and 10 of a district high school and erode that service or facility even further and education further. That puts a greater test and burden upon families and the community. As a shire, the WA Planning Commission is looking at our population being stable for the next 15 to 20 years in their forward planning estimates. At the same time, the shire, like every other local government, is looking to attract, let alone retain its own population, and to increase that population. As everyone else, we are looking at light industrial land releases, lifestyle lot releases and residential lot releases. If we can get an extra 20 population in the district as a result of that, we are still lacking two resident trades, as in a plumber and a painter. I was looking at Channel 7 *Today Tonight* last night; the ping-pong Poms are coming over from up and down. He was a plumber by trade. He said if there is any job out there, let me know. I felt like ringing him up there and then on the spot and asking him to Narembeen!

The CHAIR: You've got a blocked pipe!

Mr Peczka: We might have a blocked pipe with the Department of Education. We will increase our population by those little efforts. And those little efforts are significant in our community and district. They may not be recognised by the department as a 20 per cent increase in population in the next five years, but a 10 or 20 per cent increase locally to us by having two families is a huge increase. But we are not going to sit back and not offer that opportunity for the district to grow and develop one way or another. To attract and retain professionals in our town and community and district, we need a good education system; and that education system is at a high level now. We do not want to erode that any further where people are going, "Well, what years do your school to go?" "Well, it goes to year 7." "I am not going to go there; I am going to go somewhere else." Outside forces are working against us at the same time. I would hope that the district is committed and it has been committed to support the school by the volunteer fundraising and the volunteer busybees. That is a huge cost. The shire does bear the cost of school bus. Everyone wants a school bus to turn around on a safe road. The department or the Public Transport Authority will not pay for it. The community does through the shire by its rates. There is a huge cost and commitment by the shire to keep a good education system going and provide the opportunities that a school can identify.

Hon LIZ BEHJAT: Mr Peczka, in your submission to us on page 1, paragraph a), the decision-making process and rationale behind the decision, your response was —

... the decision making process of the State Government announced in March 2010 to cease senior high school allocation funding for year 11 and 12 courses at 21 district high schools lacks integrity and transparency.

Can you identify what was the state government announcement of March 2010 that you based that on?

Mr Peczka: Hon Behjat, from the media, basically. It wasn't—

Hon LIZ BEHJAT: A state government announcement you read in the media?

Mr Peczka: A media release, yes.

Hon LIZ BEHJAT: You based that whole comment that the government lacks integrity and transparency on an article you read in the newspaper?

Mr Peczka: Yes, by the Minister for Education.

Hon KEN TRAVERS: I had a couple of areas: you may not know the answer, but do you know how many apprentices are actually employed within the town?

Mr Padfield: I cannot really tell you; probably two or three. Really, only the major firm that employs apprentices living in town are AIM, which is the John Deere agency, which is just down the road here. I believe it has a couple—certainly one anyone anyway. I know the electrician in Corrigan who services this area; he certainly has one or two apprentices. But, no, there are not a lot of apprentices in this district.

Hon KEN TRAVERS: I guess in a town the size of Narembeen, obviously one of the big movements in training is towards, certainly in the early years, school-based apprentices and trying to make it a transition from school to apprentices. Is that an area where you can see some ability for you to continue to grow and develop the town, as Mr Peczka was saying earlier, by sort of retaining some of the children in town longer to actually grow and develop their skills while still being in a school situation, but also doing some structured workplace learning outside the school environment. Is that an opportunity for a place like Narembeen?

Mr Padfield: I am sure it is if businesses were prepared to accept the apprentices. I know we always used to have an apprentice mechanic, but no longer do for various reasons. I am probably not the one to answer because I am not in education enough to hear it, but I think that most year 11 and 12s actually want to go away and complete their education as a year 11 or 12 student and not come out as a year 10 or whatever it is, finish year 10 and go to an apprenticeship. Now there are some, for sure. Some of them do very well. My daughter did that. She came out of year 11 and did not particularly like school. She was at school in Perth, but academically she was not quite up there so she decided to do an apprenticeship instead. So there are people, for sure.

Hon KEN TRAVERS: All right. The argument is put that years 11 and 12 have not been cancelled at senior schools or at district high schools, but the senior school allocation was the money that value-added; it was the bit that allowed the schools to do that extra work with the students to add something over and above. Basically, the alternative is that you can go to a district high school and effectively you are getting the same education as if you took the SIDE sitting at home. So I guess it is about trying to understand what value-adding that that senior school allocation could give to both the school and to a town like Narembeen that I am trying to understand. That is why I am asking you these questions, because to me it is that value-adding that becomes the important part. Are there any other areas in which you could see the school and the local community, if they have that bit of extra funding to be able to work with the local community, can provide a better outcome for the students as a result of having that funding.

Mr Padfield: I am sure it is something that could be investigated. It is certainly something the council has not taken up, to be honest with you.

Mr Peczka: If I can make a comment, Hon Travers, certainly the apprenticeship and traineeship programs, the financial incentives, I suppose, let alone the course outline, are not as great. If you look at an employer employing an apprentice or a traineeship program and it is going to cost you \$45 000 gross on a basic salary depending on the age and so forth with the oncosts, and if the apprenticeship or traineeship grant is worth \$1 500 to \$2 000, there is a huge gap of incentive there. But going to the value-adding side of things, I totally agree. To provide a career pathway and a future for our kids, we have to provide the opportunities locally. But it is all at community cost again. There has to be an outcome where it is attractive for all concerned. I believe that there is a value-added process that we can build into the system for year 11 and 12.

Hon KEN TRAVERS: I guess my other question was going back to this: I think we heard the senior school allocation was 0.34 of an FTE for the town. That is gobbledegook for basically another part-time job in town. I am also interested for a town like Narembeen. My experience has been small country towns value every job because of the multiplier effect. Can you give us a bit of an explanation from a council perspective what the value you place on every job in town is? This is only a 0.34, but it still adds up.

Mr Padfield: Every job that comes to town quite often can bring more children to town which, of course, in turn helps keep the school viable. You really do look at any job in town or another person coming to your town, one person or two people, we can all say it is irrelevant. This is not the big smoke. But probably in the smaller country towns, another family coming into your town just adds and gives more. It helps everything out: it helps the school out; it helps the hospital out; it helps the doctor out. One is not much, but if you multiply that one by one every month or so, it soon adds up. I think that is what we have to look at. We can say that one is totally irrelevant, bringing one person in for one more job is totally irrelevant, because it is only just the very one. But you think quite often when one job is there another job multiplies by that usually. When the figures keep going up and up it is because somebody has a job; they do something and somebody else needs a person to help do that job. It is the same with bringing one person into town. Quite often it might multiply to two people.

[12.30 pm]

Hon KEN TRAVERS: I know that in the city we might see one job being only 0.34 of a job. My experience has been that some shires habitually monitor and look for every job or part of a job that they can get into the town. Is that something that you as a community or a shire do?

Mr Padfield: Probably not. I do not think we actually go out there and do a statistical run to see how many jobs are available from the local businesses. We are certainly there to encourage local businesses. If we can encourage any local business to start, we will. We give them quite good backing. That is not monetary backing—we refuse to give monetary backing—but we certainly will help them to start their business up. We will give them rent-free premises, and we will waive the rates if we have to for the first year et cetera, on the understanding that they have to be competitive in six or seven months because there are other people out there who are paying everything as well. But we certainly are out there helping. Once a business starts up, if that business gets big enough, it will employ someone. Employing another young person will hopefully stop that person from leaving Narembeen and cause that person to stay here.

The CHAIR: That is the end of our questions. Thank you very much for your contribution. It has been most useful.

Hearing concluded at 12.32 pm