Australian Government

Department of Education, Employment and Workplace Relations

ANNUAL
REPORT
2009–10

In many areas of Australia it is considered offensive to publish photographs of Aboriginal and Torres Strait Islander peoples who have passed away. This publication may contain such pictures.

The term Indigenous peoples in this report refers to Aboriginal and Torres Strait Islander peoples unless otherwise stated.

Letter of transmittal

Australian Government

Department of Education, Employment and Workplace Relations

Secretary
Lisa Paul PSM

Senator the Hon Christopher Evans
Minister for Tertiary Education, Skills, Jobs
and Workplace Relations
Parliament House
CANBERRA ACT 2600

The Hon Peter Garrett MP
Minister for School Education, Early Childhood
and Youth
Parliament House
CANBERRA ACT 2600

Dear Ministers

It gives me great pleasure to present to you the Department of Education, Employment and Workplace Relations' Annual Report for 2009–10.

This report has been prepared under section 63 of the *Public Service Act 1999*, which requires me to provide you with a report to present to the Parliament.

The annual report includes information required under section 74 of the *Occupational Health and Safety Act 1991*, section 8 of the *Freedom of Information Act 1982*, section 516A of the *Environment Protection and Biodiversity Conservation ACT 1999* and section 311A of the *Commonwealth Electoral Act 1918*.

In addition, I am required to report on the administrative operation of the social security law under subsection 241(1) of the *Social Security (Administration) Act 1999*, which covers the working age payments responsibility of the department.

In accordance with section 57 of the *Financial Management and Accountability Act 1997*, the annual report also includes the audited financial statements and the Auditor-General's report.

In addition, and as required by the Commonwealth Fraud Control Guidelines, I certify that I am satisfied that the department has prepared fraud risk assessments and fraud control plans, has in place appropriate fraud prevention, detection, investigation, and reporting procedures, and has collected and reported annual fraud data.

I wish to acknowledge the dedication of all departmental employees and their continuing commitment to supporting the government in the implementation of its initiatives.

Yours sincerely

Lisa Paul

7 October 2010

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Clockwise from top left:

1. The South Australian DEEWR office celebrated Harmony Day in March 2010 with a morning tea. Pictured is Judith Leeson in her 'traditional' Aussie fly-proof hat.

2. In June 2010 the Hon Julia Gillard MP, former Minister for Education attended a Building the Education Revolution recognition ceremony at the Kingsway Christian College and Independent School in Western Australia. At the ceremony the school acknowledged the value of their new facilities which include a library, a music room and additional classrooms.

3. In September 2009, representatives from DEEWR's Indigenous Development Programs (past and present), Secretary Lisa Paul and Group Manager, People Group Ben Johnson attended an afternoon tea at Parliament House, hosted by Senator the Hon Mark Arbib, Minister for Employment Participation. Mr Arbib congratulated the participants on their achievements and reinforced the importance of DEEWR's Indigenous recruitment initiatives.

4. DEEWR has been involved in implementing the Pacific Seasonal Worker Pilot Scheme, which gives people in participating countries the opportunity to work in the Australian horticulture industry in regional areas where there is demonstrated unmet demand. In October 2009 a farewell ceremony was held in Griffith for these workers prior to their return home to Vanuatu.

5. In July 2009 the Hon Julia Gillard MP, former Minister for Employment and Workplace Relations and acting Prime Minister, was presented with the interim *Keep Australia Working* report by Senator the Hon Mark Arbib, Minister for Employment Participation, and the Hon Jason Clare MP, Parliamentary Secretary for Employment.

6. In December 2009, Senator the Hon Ursula Stephens, Parliamentary Secretary for Social Inclusion and the Voluntary Sector, launched the Golden Gurus program at the International Volunteers Day Awards held on the Gold Coast. Senator Stephens is pictured here with Ernie Peralta, who originally presented the idea at the Australia 2020 Summit.

7. In March 2010, new Disability Employment Services arrangements commenced. Pictured here are Noel Hiffernan of Break Thru, Ross Lewis, CEO Break Thru, Senator the Hon Mark Arbib, Minister for Employment Participation, Lucy Macali, CEO ACE National and Donna Faulkner, Chairman ACE National.

OVERVIEW

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The Secretary's overview

Welcome to the DEEWR Annual Report for 2009–10, a year that saw a redoubling of our efforts to help Australians recover from a challenging economic downturn.

Our support for the government's response to the global recession has been a great achievement. It has helped many Australians, especially the most vulnerable, recover from the impact of the downturn and participate in the nation's growing economy and prosperity. Through this work we have contributed immensely to Australia's productivity and economic growth.

I am also very proud of our achievements in expanding education and employment opportunities for disadvantaged Australians.

This work is now helping many young people, retrenched workers, people in disadvantaged regions, Indigenous Australians and people with disability to achieve their potential by studying, training or working.

We saw the consolidation of the Fair Work Act—its architecture, we helped the government deliver many major microeconomic reforms in early childhood, schools, higher education, employment and workplace relations. We achieved life-changing assistance to many Australians.

We have also made significant changes to our organisational structure. I am immensely grateful to all our staff for their great dedication and flexibility in ensuring a smooth transition. As a result of the changes, the department is better placed to develop policies and programs that recognise the important connections between early childhood education, primary and secondary schooling, tertiary education and work.

Responding to the economic downturn and preparing for recovery

The Australian labour market has been more resilient than expected following the recent global recession. In responding to its impact, DEEWR implemented programs to address rising unemployment and to raise skills in anticipation of the opportunities that a recovery would bring. We also worked closely with other agencies to ensure that the government's stimulus measures were effective and well coordinated.

While helping to address the immediate needs of Australians, we have also been looking to the future by focusing on the longer term challenges facing Australia: the ageing of our population, international competition and structural economic changes that are creating a growing demand for skilled workers, particularly in the services and trades, with relatively fewer jobs for unskilled workers.

DEEWR is on track to answer these challenges through implementation of the government's reform agenda. *Measuring the Impact of the Productivity Agenda*, an independent report DEEWR commissioned during the year, has highlighted the potential long-term benefits of the national productivity agenda. The report predicts that reforms to early childhood, secondary and tertiary education and training and to employment and workplace relations could increase the level of Australia's GDP by around $100 billion annually, on average, over the period 2010 to 2040. The reforms could also lead to more jobs—on average an extra 526 000 each year to 2040.

Lifting skills across the population

Continuing to skill Australia for the future

Over the past year, DEEWR continued to implement government reforms to increase the number of training places and support the take-up of apprenticeships, which were hit particularly hard by the global recession. We have been supporting the government's commitment to provide 711 000 training places over five years through the Productivity Places Program and other measures. The $155 million Securing Australian Apprenticeships initiative enabled more than 48 000 apprentices to continue their apprenticeship training. In addition, the $80 million Apprentice Kickstart package

helped 24 400 young Australians into apprenticeships by offering bonuses to employers who took on an apprentice aged up to 19 years in a traditional trade.

The Skills for Sustainable Growth package

Building on the success of these earlier measures, we supported the development of the $660 million Skills for Sustainable Growth package, a comprehensive set of skills policies announced in the 2010–11 Budget. Some $238 million will be invested in reforms to create a world-class vocational education and training (VET) system that responds more effectively to the skills needs of employers, offers higher quality training and is more accessible to all Australians, and can include a guaranteed training place for those aged 15–24 years.

A $200 million Critical Skills Investment Fund is being set up to tackle immediate skills shortages in the mining, construction, renewable energy and infrastructure sectors. The package also addresses the literacy and numeracy deficits that affect around 4.5 million working age Australians through a $119 million Foundation Skills initiative. This will help 140 000 working age people learn the basic skills needed to get a job or undertake more advanced training.

A further $100 million is going towards modernising apprenticeships including extending the Apprentice Kickstart program. This is expected to help 22 500 more young people secure apprenticeships. Implementing these measures will be a major part of our work in 2010–11.

Increasing the skills of young people

DEEWR recognises the need to support young Australians, a group particularly vulnerable to economic downturns. We are acutely aware that youth unemployment accounted for some 70 per cent of the decline in employment in Australia during the global recession. We have been working to ensure that our programs and services address their particular needs as they make the important transition from childhood to adulthood and from education to employment.

The $77 million National Green Jobs Corps launched in January 2010 is one such program. It is helping young people aged 17–24 years looking to work in the green and climate change industries to participate in environmental training programs. This will prepare them for work in relevant occupations of their choice.

The government has also committed to providing extra support to young people who choose to undertake post-school education. During the year, DEEWR staff worked hard in developing the program and legislative changes to Youth Allowance. The changes will benefit more than 100 000 students, particularly those living in regional and remote areas. We are also supporting the rollout of income-contingent loans (VET FEE-HELP) to students studying for higher level VET qualifications.

Increasing job opportunities and social inclusion

Supporting jobs growth

In 2009–10, DEEWR continued to support jobs through the government's Building the Education Revolution (BER) stimulus measure. The BER is stimulating economic activity by supporting 24 000 projects in communities throughout Australia. It has cushioned the non-residential construction sector from a significant downturn. It is creating new and improved school infrastructure that has been welcomed by many school communities.

The Auditor-General examined the implementation of the BER and found that there were 'positive early indicators that the program is making progress toward achieving its intended outcomes'. Implementing such a large program in the timeframe needed to provide economic stimulus was challenging, and during the year concerns were raised about whether the program was achieving value for money. In response to those concerns, the government established the BER Implementation Taskforce, chaired by business leader Mr Brad Orgill, in May 2010. The taskforce received complaints from 2.7 per cent of schools involved in the BER. In its interim report, which was released shortly after the annual reporting period in August 2010, the taskforce

found that generally, BER is delivering quality infrastructure within the timeframe constraints set. The taskforce made an interim finding that delivering the Primary Schools for the 21st Century component of BER may have added a cost premium of 5–6 per cent compared to pre-BER costs. The taskforce's work continues in 2010–11 and implementing its recommendations will be a priority for the year ahead.

Improved employment services—Job Services Australia

Job Services Australia, the government's new employment services, started on 1 July 2009. The work by DEEWR staff in implementing major improvements to employment services through Job Services Australia is already paying off. The simplified and demand-driven employment services helped 333 000 job seekers find a job, with providers developing 1.3 million employment pathway plans, helping 170 000 job seekers into training and finding work experience places for 300 000 people. These achievements have been made possible by Job Services Australia's personalised approach and focus on the employment, training and recruitment needs of job seekers and employers and are a testament to the crucial support provided by DEEWR staff across Australia to our Job Services Australia providers.

Employment services supporting disadvantaged job seekers

We have also made progress in helping close the employment gap for Indigenous Australians through the new Indigenous Employment Program. After extensive public consultation, the program began operating in July 2009, providing personalised assistance to individuals, communities and organisations. By the end of its first year, it had placed almost 12 000 Indigenous Australians in employment and about 14 000 in training and other activities. In addition, Job Services Australia placed more than 38 000 Indigenous job seekers.

Regions disproportionately affected by the impact of the global recession received our support through the Keep Australia Working strategy. The government appointed 21 Local Employment Coordinators to work with the community and business in labour markets identified by the department as the most disadvantaged. The coordinators have helped retrenched workers secure alternative employment and are working with industry, training providers and service providers to develop training programs tailored to local industry needs. We have worked with the coordinators and Centrelink to support jobs expos attended by over 92 000 people in these priority employment areas. Through the expos, 8000 job seekers have found employment.

The new Disability Employment Services was introduced in March 2010. All job seekers with disability can now access individually tailored employment services.

Improved support for parents and young children

Paid parental leave

During the year, DEEWR staff worked closely with other agencies, in particular in supporting the Department of Families, Housing, Community Services and Indigenous Affairs, to develop arrangements for the government's paid parental leave scheme. As a result of this work, from 1 January 2011, all Australian parents of a newborn child will be eligible for 18 weeks of parental leave at the national minimum wage. The scheme should boost productivity through increased workforce participation by women and improved early childhood development outcomes. It should also help families achieve a better work/life balance.

Quality and affordability of early childhood education and care

Child care is critical to helping young families achieve a better work/life balance and forms part of the government's reform agenda that DEEWR has been helping to implement. Independent modelling undertaken for the department has estimated that the government's reform to the Child Care Rebate could boost the level of GDP by around $3.5 billion annually, on average, over the period 2010 to 2040.

DEEWR has been playing a key role in the collaborative effort to implement COAG's *Investing in the Early Years: A National Early Childhood Development Strategy*. The 2010–11 Budget provided $273.7 million for improving the quality of early childhood education and care. This will support the new National Quality Framework to improve staff-to-child ratios and more qualified staff to ensure that children have better opportunities to learn and develop in child care and preschool. There will also be significant support to boost infrastructure and staff qualifications in 142 rural and remote early childhood centres.

Building better schools and universities

Improving school education through the Education Revolution, My School and other reforms

Implementation of the Education Revolution continued, including through the BER as previously mentioned. We are also on track to achieve the Digital Education Revolution objective of ensuring that every student in Years 9–12 has a computer, and more than 300 000 computers have already been delivered to schools across Australia. In addition, work to deliver Trade Training Centres has continued: 68 centres are scheduled to be completed by the start of the next school year. They will benefit some 173 schools.

The department has been working closely with the states and territories to provide extra assistance to schools under the COAG Smarter Schools National Partnerships. This assistance aims to address disadvantage in low socioeconomic status school communities, improve teacher quality, engage students more effectively in learning and strengthen relationships between schools, parents and the local community.

One of our major achievements in the schools sphere was the release of the government's *My School* website in January 2010, marking a new era of transparency in Australian schools. Parents are now able to access information about the performance of schools across the country.

Importantly, the department has also led the development of the Ministerial Council for Education, Early Childhood Development and Youth Affairs' Indigenous Education Action Plan. This plan outlines how all education sectors will work together to achieve the Closing the Gap targets for improved education outcomes for young Indigenous Australians.

The draft Kindergarten to Year 10 curriculum for English, mathematics, science and history was released for public consultation in March 2010, another great achievement. The department worked with the Australian Curriculum, Assessment and Reporting Authority, which is overseeing the curriculum's development. The final curriculum is expected to be released in late 2010.

In April 2010, the former Minister for Education, the Hon Julia Gillard MP, announced a review of school funding arrangements, to report in 2011. A secretariat for the review has been set up in the department to support this work.

Boosting participation, fairness and quality in Australian universities

The department has been active in implementing landmark reforms to higher education following the government's response to the recommendations of the Bradley Review of Higher Education in the 2009–10 Budget. We are helping to increase the number of Australians with higher education qualifications through the development of a new student-centred funding model, a low socioeconomic loading to universities and improved income support arrangements for students.

The department assessed more than 190 applications to the Education Investment Fund. This work culminated in the government announcing funding totalling $550 million for 19 major projects to support world-leading, strategically focused infrastructure investments to transform Australian higher education, vocational education and research sectors.

The department has also implemented a number of key government reforms to increase the focus on quality and accountability in higher education. We have undertaken early work to establish the new Tertiary Education Quality and Standards Agency. This independent body will regulate university and non university higher education providers and monitor quality and standards.

Creating a fairer workplace

Advancing Forward with Fairness

DEEWR has made significant progress implementing the government's Forward with Fairness reforms. As part of these reforms, Fair Work Australia, a new industrial relations tribunal, became fully operational in July 2009.

A new national workplace relations system for the private sector started in January 2010. This means all private sector employees and employers now have access to the same workplace laws, tribunals, minimum conditions, rights and entitlements. Modelling by Access Economics earlier this year showed that moving to a single national system is expected to save the Australian economy around $4.8 billion over 10 years.

A national approach to occupational health and safety

Progress has also been made with harmonising occupational health and safety (OHS) laws across the country. Safe Work Australia, a new statutory authority with responsibility for improving OHS in Australia, began operating in November 2009. All Australian governments have formally committed to adopting uniform OHS laws, as well as consistent compliance and enforcement regimes, by the end of 2011. Safe Work Australia is developing model regulations and priority codes of practice.

Closing the gap on Indigenous disadvantage

In the past year, DEEWR continued to work tirelessly on Indigenous policy.

A new three-year Learn Earn Legend! partnership between the department and the National Rugby League began with the inaugural Rugby League All Stars Match in February 2010. The partnership provides young Indigenous people with encouragement and opportunities to stay in school, go on to post-school education and get a job.

DEEWR facilitated 'Indigenous Employment, Everyone's Business', a business leaders' forum that brought together Indigenous businesses across Australia and representatives from major Australian organisations. The forum has strengthened support for the Closing the Gap agenda in the Australian business community and led to the establishment of the Indigenous Employment and Enterprise Action Group.

DEEWR worked with the Department of Finance and Deregulation to introduce the enhanced Indigenous Opportunities Policy, which affects all Australian Government procurement activities. From July 2010, organisations that secure a large government tender for a project in an area with a significant Indigenous population will have to train and employ local Indigenous people and use Indigenous suppliers. This should increase employment, training and business opportunities for Indigenous people across the country.

The Indigenous Economic Development Strategy, together with a comprehensive 2010–2012 action plan to drive improved outcomes for Indigenous employment and economic development, will be finalised once public consultations have ended in November 2010.

I am immensely proud of the department's work in supporting education and employment outcomes for Indigenous Australians, and look forward to an ongoing focus on opportunities for further improvements in all our work.

Achievements within DEEWR

Increasing workplace diversity

Our achievements in the Indigenous realm extend to the internal functioning of the department. We have made progress in implementing our Reconciliation Action Plan (RAP). We celebrated the first anniversary of the RAP on 2 June 2010, providing all DEEWR staff the opportunity to reflect on the achievements of the past year, among them:

» exceeding the RAP target to have 330 Indigenous people employed at DEEWR (at 30 June 2010, Aboriginal and Torres Strait Islander employees represented 5.65 per cent of all DEEWR staff, which is more than double the Australian Government target of 2.7 per cent for the Australian Public Service)

» meeting the targets set out in the Mura Kaimel – Yarrangi Implementation Plan to increase recruitment, equity and development opportunities for Indigenous people at the department

» providing cultural awareness training for nearly 600 DEEWR staff.

Creating a greener department

In 2009–10, DEEWR continued to pursue environment-friendly policies and practices, with several notable achievements. Our new building on Marcus Clarke Street in Canberra is a standout example. This year the Green Building Council of Australia gave it a 6 Green Star rating—the highest rating possible. Across all our buildings, we reduced paper use by about 25 per cent from 2008–09 to 2009–10, and the use of recycled paper increased by 20 per cent. We also reduced energy and water use in line with our new environmental management policy created in March 2010. I am very optimistic about the considerable environmental impact these actions will have.

Looking to the future

In 2010–11 and beyond, DEEWR will continue to address the challenges posed by the economic recovery, population ageing and structural changes in the economy. We recognise the imperative to help Australia build a highly skilled workforce with the capacity to respond quickly to the changing needs of industries and ensure the long-term competitiveness and sustainability of Australia's economy.

We will also continue to work towards lifting participation rates so more Australians will be able to enter and remain in the workforce. This is important if we are to help increase economic growth in an increasingly ageing population and reduce disadvantage. According to Skills Australia, we will need to lift our participation rate to 69 per cent over the next 15 years to avoid future skills and labour shortages and mitigate the impacts of an ageing population. This means we need to focus now on targeting those groups less likely to have a job, including women, young people, Indigenous Australians and people living in low socioeconomic areas.

As the Australian economy continues to recover, our work will remain pivotal to the development and wellbeing of all Australians—from early childhood to adulthood.

The year ahead is set to be another exciting one for DEEWR and, with our record of achievements of the past 12 months, I am confident we are well placed to continue to create a productive and inclusive society for all Australians.

Lisa Paul
Secretary

Departmental overview

This section provides an overview of the Department of Education, Employment and Workplace Relations (DEEWR). It covers the department's role in delivering the government's agenda, the department's Executive, adjustments to the department's performance reporting structure and the role of the portfolio.

The department has a key role in the government's efforts to improve Australia's productivity and enhance the economic and social wellbeing of all Australians.

The department continues to be the lead government agency providing national leadership in education and workplace training, transition to work, and conditions and values in the workplace. Its responsibilities cover government priorities for early childhood development, quality education outcomes, a skilled workforce with greater participation, successful workplaces and an inclusive society.

The quality of education and training across the life cycle, including early childhood, schooling, vocational education and training and higher education, contributes to the development of a highly skilled and world-class workforce and to an engaged and prosperous population. Effective arrangements to assist unemployed people into jobs and meet skills needs, together with a fair and balanced workplace relations system, ensure that the economy operates to meet the needs of employees, industry and Australia as a nation.

Flexible and cooperative working arrangements can be rapidly put in place to effectively address crosscutting issues and government priorities as they arise. During the reporting year, the department played a significant part in the government's response to the global recession. It rapidly implemented programs to address rising unemployment and to skill people in anticipation of the opportunities presented by economic recovery. In addition, it was involved in complex coordination processes with a range of other departments, to ensure maximum effectiveness of government stimulus measures.

DEEWR now has a significant and continuing role in the government's actions to consolidate recovery and ensure long-term growth and prosperity.

DEEWR Executive and departmental structure

The department is structured to deliver its business through the Executive and its groups. The role of each member of the Executive is outlined below. The Executive and departmental structure are shown in Chart P1.1.

Lisa Paul—Secretary

Lisa Paul, PSM has been Secretary of the Australian Government Department of Education, Employment and Workplace Relations since 2007. The portfolio focuses on productivity and is central to Australia's economic growth through people's productivity—their education, skills and labour force contributions. The department is organised by the life cycle: early childhood, schooling, young people's transitions from school, vocational education, higher education, employment and workplace relations. DEEWR has a key focus on fairness throughout life, whether it is social inclusion measures in local communities or fairness in the workplace.

DEEWR administers approximately $44.5 billion annually and has about 6000 staff in over 54 locations in Australia and 14 locations overseas.

Prior to this role, Lisa was Secretary of the Department of Education, Science and Training from 2004 to 2007.

She has more than 20 years public sector experience, including three Deputy CEO roles, which were in the Department of Education, Science and Training; the Department of Family and Community Services; and the Health Insurance Commission. She has held senior positions in education, welfare, community services, health and housing, in state and Commonwealth governments and in central and line agencies.

Lisa has also sat on the boards for the Australian Research Council and the Commonwealth Scientific and Industrial Research Organisation as well as on the boards for the Higher Education Endowment Fund and the Education Investment Fund.

Lisa has led some important whole of government work. For example, in 2002 she was asked to lead the Australian Government's domestic response to the Bali bombings, for which she was awarded a Public Service Medal.

Robert Griew—Associate Secretary

As Associate Secretary, Robert Griew has a horizontal policy role in the Executive. The role is designed to bring together all parts of the department to develop a policy agenda which touches all parts of the portfolio. In particular, Robert has a focus on strategic policy and the department's Indigenous strategy.

Robert joined DEEWR in April 2009 from the Victorian Department of Education and Early Childhood Development. He was Secretary of the Northern Territory Department of Health and Community Services from 2003 to 2007 and was the CEO of the AIDS Council of NSW from 1998 to 2001.

Robert has had a 25-year career delivering health and community service policy and programs at the Commonwealth level, as well as in a number of state and territory jurisdictions. He has run public health, Indigenous, ageing and early childhood education programs.

Interspersed with his public sector career, Robert has worked as a consultant advising on organisational development and public health. He currently holds the position of conjoint Associate Professor in the School of Public Health and Community Medicine at the University of NSW.

Tony Cook—Deputy Secretary

Tony Cook is the Deputy Secretary and Director of the Office of Early Childhood Education and Child Care (OECECC), a position he is seconded to until 10 September 2010. OECECC is responsible for delivering the Australian Government's key commitments on early childhood education and child care and guiding major policy reforms at a national level.

Tony's substantive position is Deputy Secretary of the Office for Children and Portfolio Coordination with the Victorian Department of Education and Early Childhood Development (DEECD), a role which includes responsibilities for early childhood development and services and child and adolescent health. Within this role, Tony is also responsible for a range of corporate services such as DEECD's overall strategic and corporate policy and planning agenda and support to ministers in relation to external and internal communications, data and evaluation, legal services, governance and risk management.

Within his substantive position, Tony chairs the Ministerial Council for Education, Early Childhood Development and Youth Affairs Early Childhood Development Working Group, which provides advice to ministers on early childhood development issues. Tony is also a member of the Council of Australian Governments Early Childhood Development Steering Committee.

Tony is a registered primary school teacher with a major in early childhood education and has been a deputy principal and taught in schools and preschools in Queensland and the United Kingdom.

Michele Bruniges—Deputy Secretary

Michele Bruniges joined the department in October 2008 as Deputy Secretary for the Office of Early Childhood Education and Child Care. She moved to her current position as Deputy Secretary, Schools, in April 2009 to focus on delivering the government's commitments for school education.

From 2005 to 2008 Michele was Chief Executive of the ACT Department of Education and Training. Prior to this she held several senior positions within the New South Wales Department of Education and Training in areas of curriculum, assessment and reporting and strategic information and planning.

Michele has a Doctorate of Philosophy in Educational Measurement, a Masters Degree in Education from the University of New South Wales, a Graduate Diploma in Educational Studies and a Diploma in Teaching from Goulburn College of Advanced Education.

She is the recipient of numerous professional awards, including a Churchill Fellowship to study student achievement in education in the United States and the Netherlands and an Exceptional Service Award from the Professional Teachers Council NSW for promoting teacher professionalism. She is a Fellow of the Australian College of Educators.

Michael Manthorpe—Deputy Secretary

Michael Manthorpe is temporarily responsible for the Building the Education Revolution (BER) cluster and will continue his role as the Director of the OECECC. The BER cluster is responsible for providing economic stimulus through the rapid construction and refurbishment of school infrastructure. While leading the work of the OECECC, for the period April 2009 to 2010, Michael was responsible for advancing the government's agenda for high-quality, accessible and sustainable early learning and care. Prior to his promotion to Deputy Secretary, he led a small task force within the department which managed the government's response to the insolvency of ABC Learning, for which he was awarded the Public Service Medal in 2010.

Michael has served for 21 years in the department's workplace relations, employment, workforce participation, strategic policy, and in early childhood education and child care areas.

Kathryn Campbell—Deputy Secretary

Kathryn Campbell joined the department in May 2010 as the Deputy Secretary, Tertiary, Youth and International, focusing on implementing the government's skills package and tertiary sector regulatory reform. Previously Kathryn spent several years as Deputy Secretary in the Department of Finance and Deregulation.

Kathryn holds a Master of Business Administration, a Master of Information Science, and a Bachelor of Applied Science (Applied Mathematics). She undertook the Advanced Management Program at Harvard Business School in 2008.

Sandra Parker—Deputy Secretary

Sandra Parker was promoted to the role of Deputy Secretary, Employment in early 2010 and is responsible for the delivery of effective and efficient employment services.

Sandra began her public service career in the ACT education and training sector in 1994 and moved to the Commonwealth in 1998. During that period, she spent a year working as a senior project officer with the Australian National Training Authority and a further year with an industry training council.

Since joining the Australian Government, she has held various policy and program positions in vocational education and training, social policy and workplace relations.

Sandra was head of the Office of the Australian Safety and Compensation Council from 2005 to 2008.

John Kovacic—Deputy Secretary

John Kovacic leads the department's Workplace Relations cluster, which is responsible for providing policy and legal advice on workplace relations, occupational health and safety and workers compensation matters; implementing workplace relations reforms in the public and private sectors; administering the employee entitlements safety net scheme known as the General Employee Entitlements and Redundancy Scheme (GEERS); intervening in significant tribunal and court cases and managing Australia's relationship with the International Labour Organization.

John commenced his public service career in 1978 as a graduate clerk with the Department of Productivity. He joined the then Department of Industrial Relations in 1981 and has continued to work in various iterations of that department. He has worked in a range of business and corporate areas, both in a national and state office context.

Ewen McDonald—Deputy Secretary

Ewen McDonald is the Deputy Secretary for the Corporate and Network cluster. The cluster includes the Finance, People, Parliamentary and Communications, Legal, Investigations and Procurement, IT Services and Applications, and State Delivery and Network groups. Before taking on this role, Ewen was involved in the establishment of DEEWR and policy and program issues in schools.

Ewen began his career in the Victorian Public Service in 1978 where he worked in a number of agencies before joining the Australian Public Service in 1993. Ewen has worked on policy, program and corporate issues.

The structure shown in Chart P1.1 reflects the major areas of activity for the department. Its five outcomes provide a broad focus for policy advice and implementation of government programs in partnership with states and territories, non-government authorities, service providers and industry.

Chart P1.1	
Executive and departmental structure at 30 June 2010	
Secretary Lisa Paul	
Deputy Secretary—Director of the OECECC Tony Cook	Early Childhood Development
	Indigenous Pathways and Early Learning
	Early Childhood Programs
Deputy Secretary—Schools Michele Bruniges	Digital Education and Youth Transitions
	Lifting Education Outcomes
	National Curriculum, Assessment and Reporting
	Infrastructure and Funding
Deputy Secretary—Building the Education Revolution Michael Manthorpe	Program Management
	Strategic Management
Deputy Secretary—Tertiary, Youth and International Kathryn Campbell	Youth and Industry Skills
	Higher Education
	Tertiary Skills and Productivity
	International
	Skills Australia CEO
Associate Secretary—Strategy Robert Griew	Jobs Strategies
	Economic Strategy
	Strategic Policy
	Indigenous Economic Strategy
	Social Policy
	Social Innovation
Deputy Secretary—Employment Sandra Parker	Procurement and Business Partnerships
	General Employment Services
	Specialist Employment Services
	Income Support
	Employment Systems and Relationships
Deputy Secretary—Workplace Relations John Kovacic	Safety and Entitlements
	Workplace Relations Implementation
	Workplace Relations Policy
	Workplace Relations Legal
Deputy Secretary—Corporate and Network Ewen McDonald	Finance
	People
	Communication
	Legal, Investigations and Procurement
	IT Services and Applications Systems
	Delivery and Network

Portfolio overview

At 30 June 2010, the Education, Employment and Workplace Relations portfolio consisted of the Department of Education, Employment and Workplace Relations and the following agencies:

» Australian Curriculum, Assessment and Reporting Authority
» Australian Institute for Teaching and School Leadership
» Australian Learning and Teaching Council
» Comcare
» Fair Work Australia
» Fair Work Ombudsman
» Office of the Australian Building and Construction Commissioner
» Safe Work Australia.

Each agency produces its own annual report.

Chart P1.2 outlines the portfolio, outcomes and program structures and the list of agencies.

Chart P1.2

Portfolio ministers, outcomes and programs structures, and agencies at 30 June 2010

Portfolio Minister
The Hon Simon Crean MP
Minister for Education, Minister for Employment and Workplace Relations, Minister for Social Inclusion

Senator the Hon Mark Arbib
Minister for Employment Participation
The Hon Kate Ellis MP
Minister for Early Childhood Education, Child Care and Youth
Senator the Hon Ursula Stephens
Parliamentary Secretary for Social Inclusion and the Voluntary Sector
The Hon Jason Clare MP
Parliamentary Secretary for Employment

Department of Education, Employment and Workplace Relations

Outcome 1 Improved access to quality services that support early childhood learning and care for children through a national quality framework, agreed national standards, investment in infrastructure, and support for parents, carers, services and the workforce	1.1: Support for the Child Care System 1.2: Child Care Fee Assistance 1.3: Early Childhood Education
Outcome 2 Improved learning, and literacy, numeracy and educational attainment for school students, through funding for quality teaching and learning environments, workplace learning and career advice	2.1: Government Schools National Support 2.2: Non-government Schools National Support 2.3: Schools Support 2.4: Trade Training 2.5: Digital Education Revolution 2.6: National Action Plan on Literacy and Numeracy 2.7: Building the Education Revolution 2.8: Smarter Schools – Low SES School Communities National Partnership 2.9: Smarter Schools – Improving Teacher Quality National Partnership 2.10: Youth Support 2.11: School Student Assistance
Outcome 3 A growth in skills, qualifications and productivity through funding to improve teaching quality, learning, and tertiary sector infrastructure, international promotion of Australia's education and training sectors, and partnerships with industry	3.1: Higher Education Support 3.2: HELP 3.3: Tertiary Student Assistance 3.4: Vocational Education and Training 3.5: VET National Support 3.6: International Education Support
Outcome 4 Enhanced employability and acquisition of labour market skills and knowledge and participation in society through direct financial support and funding of employment and training services	4.1: Employment Services 4.2: Indigenous Employment 4.3: Disability Employment Services 4.4: Working Age Payments
Outcome 5 Safer, fairer and more productive workplaces for employers and employees by promoting and supporting the adoption of fair and flexible workplace arrangements and safer working arrangements	5.1: Employee Assistance 5.2: Workplace Assistance

Portfolio agencies			
Australian Curriculum, Assessment and Reporting Authority	Australian Institute for Teaching and School Leadership	Australian Learning and Teaching Council	Comcare
Fair Work Australia	Fair Work Ombudsman	Office of the Australian Building and Construction Commissioner	Safe Work Australia

REPORT ON PERFORMANCE

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OUTCOME 1

Improved access to quality services that support early childhood learning and care for children through a national quality framework, agreed national standards, investment in infrastructure, and support for parents, carers, services and the workforce

OUTCOME 1

Improved access to quality services that support early childhood learning and care for children through a national quality framework, agreed national standards, investment in infrastructure, and support for parents, carers, services and the workforce

The Australian Government's agenda for early childhood education and child care focuses on providing Australian families with high-quality, accessible and affordable integrated early childhood education and child care. Recent measures to achieve this aim include increasing the Child Care Rebate (CCR) from 30 per cent to 50 per cent, stabilising the child care market following the collapse of ABC Learning, improving the information available to support parents in their child care choices on the <www.mychild.gov.au> website and increasing the supply of integrated early learning and care through the Children and Family Centre and the Early Learning and Care Centre initiatives.

A high-quality, integrated early childhood education and child care sector that produces good outcomes for children is essential for a number of reasons. Research shows that the brain grows rapidly and is most receptive during early childhood. Children's ability to participate fully in society as adults will be shaped in large part by their experiences in childhood. The early years of a child's life have a profound impact on their future health, development, learning and wellbeing. Children who have a good start in life are also more likely to develop the skills that will better equip Australia to be a competitive force in a global society.

More and more families rely on early childhood services to support their workforce participation and inform the choices they make about how to balance their work and family responsibilities.

The Australian Government—in partnership with the states and territories through COAG—is implementing a range of initiatives to achieve positive early childhood development and education outcomes for all Australian children. All jurisdictions have committed to the provision of high-quality, accessible and affordable services for children and their families.

On 7 December 2009, COAG agreed to a number of improvements to early childhood education and care through the introduction of a National Quality Framework (NQF), to cover long day care, family day care, outside school hours care and preschool services. Since the COAG announcement, all jurisdictions have been working together to develop the arrangements for transition to the new framework. The department has engaged in wide-ranging stakeholder consultation to assist services with the transition to the new national system. A series of public information forums were conducted in April and May 2010 in 12 locations across Australia. The Stakeholder Reference Group and the Critical Friends Group were also established to act as key consultation forums during the transition to, and implementation of, the NQF.

The new jointly governed unified framework will apply from 1 January 2012. The framework includes:

» a new national quality standard
» a quality ratings system
» a streamlined regulatory system
» a new national authority, the Australian Children's Education and Care Quality Authority, to guide implementation and management of the quality system from 1 January 2012.

The new national legislation is expected to come into effect on 1 January 2012, with gradual implementation of improved ratios and staff qualifications over subsequent years.

Outcome 1 key priorities

The key priorities for 2009–10 were to:

» develop implementation and transition strategies to give effect to the National Partnership Agreement on the National Quality Agenda for Early Childhood Education and Care

» continue to progress implementation of the 38 Early Learning and Care Centres

» continue to develop policy and strategy related to the National Early Childhood Development Strategy through the development of advice on key reform areas for COAG consideration, in collaboration with states and territories

» progress the government's commitment that by 2013 all children in the year before they attend formal schooling will have access to a quality early childhood education program, by working in partnership with state and territory governments as agreed to in COAG's National Partnership Agreement on Early Childhood Education

» complete the first Australian Early Development Index (AEDI) national data collection and the subsequent dissemination of AEDI data through the AEDI National Report 2009, online community maps and community profiles

» continue to monitor and support state and territory governments' progress in establishing Children and Family Centres under the revised National Partnership Agreement on Indigenous Early Childhood Development

» begin to implement the budget measure to assist Budget Based Funded early childhood services to move towards meeting the new National Quality Standards agreed by COAG

» help disadvantaged children and families to access parenting, early learning and child care programs by, for example, implementing the Home Interaction Program for Parents and Youngsters and developing the Indigenous Universal Access Strategy to support the implementation of the National Partnership Agreement on Early Childhood Education

» improve the information available for parents to support their child care choices through further development of the <www.mychild.gov.au> website.

Outcome 1 key achievements

The key achievements for 2009–10 were:

» COAG endorsed the first National Early Childhood Development Strategy—*Investing in the Early Years*—on 2 July 2009. This was a collaborative initiative involving the Australian Government and state and territory governments.

» COAG endorsed the NQF for early childhood education and care and school age care.

» Through appropriate multilateral arrangements and sector consultations, key materials were developed to support the implementation of the NQF for early childhood education and care and school age care. This included drafting instructions for the nationally applied legislation and its associated regulations, draft assessment and ratings process materials and related communications activities to inform families and the sector of the reforms.

» Plans were made for establishing the Australian Children's Education and Care Quality Authority and for winding down the National Childcare Accreditation Council.

» More than 600 ABC Learning Centres were successfully transitioned to GoodStart.

» Arrangements for 36 of the 38 ELCCs were announced—at 30 June 2010, six centres were operational, 14 were under construction and the remainder were at various stages of the pre-construction planning process.

» Annual reports for the 2009 calendar year were received from state and territory governments on progress towards the goal of universal access to early childhood education by 2013. While it is still very early in the life of the National Partnership, there was encouraging progress against agreed benchmarks and deliverables.

» In July 2009, COAG endorsed a revised National Agreement on Indigenous Early Childhood Development, under which Children and Family Centres will be established across Australia by June 2014 to deliver integrated services that offer early learning, child care and family support programs. At 30 June 2010 the locations for 38 centres were agreed.

» The Ministerial Council for Education, Early Childhood Development and Youth Affairs developed and endorsed the National Information Agreement on Early Childhood Education and Care to facilitate and improve the collection, sharing and reporting of early childhood education and care information.

» Indigenous Remote Service Delivery Traineeships in Indigenous Budget Based Funded services in remote service delivery locations and in Children and Family Centre locations in the Northern Territory, Queensland, Western Australia and South Australia were implemented.

» The first national AEDI data collection was completed in July 2009. In December 2009, the AEDI National Report 2009, *A Snapshot of Early Childhood Development in Australia*, was released, along with online community maps. In May 2010, detailed community profiles were publicly released. The 2010 AEDI follow-up data collection in small communities commenced in May 2010.

» Thirteen new centres for the Home Interaction Program for Parents and Youngsters were established. Funding continued for 22 existing centres across Australia.

» Improvements were made to the <www.mychild.gov.au> website to include information on around 14 000 approved child care services about vacancies, fees, service providers and locations. The website now also provides access to a child care estimator, which allows families to estimate their possible entitlement to government-provided child care subsidies.

National Early Childhood Development Strategy

The department was a key player in the development of a landmark policy document, the National Early Childhood Development Strategy—Investing in Early Years. The strategy was endorsed by COAG on 2 July 2009. For the first time, all Australian jurisdictions agreed a national vision to work towards a more effective and better coordinated national early childhood development system to support the diverse needs of children and their families.

The vision of the strategy is that all children have the best start in life to create a better future for themselves and for the nation. It identifies the early childhood development outcomes that all governments are seeking to achieve for children by 2020, including existing commitments, areas for immediate action and future areas for reform.

Commonwealth, state and territory governments are working together to develop further advice for COAG on the implementation of the strategy.

Program 1.1 Support for the Child Care System

Program objective

To improve access to quality services that support early childhood education and care through the provision of support for child care services. The program helps families to participate in the social and economic life of the community as it:

» promotes and supports quality child care

» assists services to improve access and inclusion for children and families with special and/or additional needs

» provides professional support to build the capacity of the child care sector

» supports the sustainability of child care for all Australian children and families, including in areas and/or under circumstances where services would not otherwise be available

» develops, maintains and disseminates information to assist families to make informed decisions about child care and the related support programs and services provided or funded by the government.

The AEDI, which measures the health and development of children in a geographical area, is funded under the program and is being rolled out nationally to determine how children in a community are developing compared with other children around Australia. It provides a 'snapshot' of all children in a community and does not report individual children's performance. This means that governments and community organisations will be able to target communities that need extra help to improve the wellbeing and school readiness of children.

Table 1.1		
Key performance indicators for Program 1.1		
Performance indicator	**Estimate**	**Actual**
Child Care Services Support		
Number of child care services receiving Sustainability Assistance	1200[a]	1738
Number of child care services receiving Establishment Assistance	250	206
Jobs Education and Training (JET) Child Care Fee Assistance		
Number of children in child care	40 000	42 550
Number of parents assisted	25 000	27 930

a   This estimate was published in the 2009–10 Portfolio Additional Estimates Statements.

Child Care Services Support

Sustainability Assistance is aimed at improving and supporting access to child care services for families in areas where the provision of child care may not otherwise be financially viable. Over 2009–10, 1738 services received Sustainability Assistance.

Establishment Assistance was paid to 206 eligible child care services that began operating in the reporting period.

Trend analysis

The number of services receiving Sustainability Assistance increased from 1115 in 2008–09 to 1738 in 2009–10. This reflects that Sustainability Assistance is a demand-driven payment.

Establishment Assistance is also demand-driven, with the number of services receiving this assistance dependent on the business decisions of child care service providers to enter the market.

Jobs Education and Training Child Care Fee Assistance

In 2009–10, the Australian Government committed approximately $53.2 million to the JET Child Care Fee Assistance program.

The program provides additional assistance to help families with the cost of child care, usually while they are undertaking study. The assistance is paid to the approved child care service, so that a family's fees can be reduced.

Estimates of the numbers of parents and children involved in the program in 2008–09 were revised at the time of the 2009–10 Budget to more accurately reflect take-up of the program. The number of parents in the program increased from 22 722 in 2008–09 to 27 930 in 2009–10 (around 22 per cent), with many of the parents undertaking study. Demand and timing for assistance for parents and children is also influenced by the availability and starting dates of courses.

Trend analysis

From 1 July 2008, eligibility for JET Child Care Fee Assistance was extended from 12 months of study to 24 months, regardless of the course duration, so customers can choose to receive the additional support at the time most advantageous for them. Parents undertaking part-time courses can receive part-time equivalent funding for the duration of their courses. This extension is directed at parents improving their skills through education and training, providing opportunities for sustained employment. As it has taken effect, this policy change has contributed to the trend towards more JET Child Care Fee Assistance recipients over the past two years. There will be an estimated 1700 new JET Child Care Fee Assistance customers each year due to this policy change.

Effectiveness indicators

The effectiveness key performance indicators (KPIs) listed in Table 1.2 provide details on the number of children with additional needs using government-approved child care services. This is seen as a good measure of the overall effectiveness of access to quality child care and early learning services, as families with children from the target groups identified often find it more difficult to access child care that is appropriate to their special needs.

Table 1.2		
Effectiveness indicators for Program 1.1		
Performance indicator	**Estimate**	**Actual[a]**
Trend in the number of children with additional needs using government approved child care services—by target group:		
Children with disability	22 100	26 300
Aboriginal, Torres Strait and Australian South Sea Islander children	14 300	19 300
Children from non-English backgrounds	84 500	109 200
Total number of children with additional needs using government approved child care services	116 000	N/A

a   The actual data in this column is derived from the 2008–09 Child Care Provider Survey.

Data for 2009–10 is not available. This is because there is no current data available from the Child Care Census. The data developments undertaken by the department during 2009–10 will result in current data becoming available again from 2010–11.

The data outlined above were derived from the 2008–09 Child Care Provider Survey which is a transitional data source for this indicator. The total number of children with additional needs using government approved child care services is not included as the data source contains double counts. This is because children who fall within more than one of the target groups may be included more than once, as reported by the child care service they attended.

GoodStart purchase of ABC Learning

The unprecedented collapse of ABC Learning and its impact on thousands of Australian families highlighted the importance of having a stable and diversified child care market in Australia.

To minimise disruption and uncertainty for thousands of families and employees, the Australian Government was quick to respond by providing funding to ensure the continued operation of the loss-making ABC2 centres while the court-appointed receiver managed their sale.

The ABC receiver's subsequent tender process for the remaining ABC1 centres provided an opportunity for the community and not-for-profit sector to increase its representation in the market.

Shortly before the finalisation of the bidding process, GoodStart approached the government requesting a loan to help it meet the cost of its bid for most centres. GoodStart was established by four non-profit organisations—Social Ventures Australia, Mission Australia, the Brotherhood of St Laurence and the Benevolent Society.

Together, these organisations have committed to providing high-quality, accessible child care, with a particular focus on children from at-risk and disadvantaged backgrounds. These aims are closely aligned with the government's priorities in early learning and child care.

The government agreed to lend GoodStart $15 million over seven years to assist its acquisition of the centres. This loan is not a grant and will be paid back in full, at no cost to taxpayers. By 30 June 2010, GoodStart had completed its purchase of more than 600 ABC Learning Centres. The remaining centres are expected to settle progressively until the end of September 2010.

The entry of GoodStart into the child care market has increased the not-for-profit share of the long day care market from around 22 per cent to around 34 per cent, spread across many operators.

Program 1.2 Child Care Fee Assistance

Program objective

To assist parents with the cost of child care. Through the provision of this assistance more families are able to access quality services that support early childhood learning and care.

Table 1.3		
Key performance indicators for Program 1.2		
Performance indicator	**Estimate**	**Actual**
Child Care Benefit (CCB)		
Number of approved child care places available	713 200	701 000[a]
Number of eligible approved services	11 700	13 417
Number of eligible families using approved child care services	600 000	628 000
Percentage of families using approved child care services and receiving Child Care Benefit	80%[b]	76%[c]
Percentage of families claiming maximum rate Child Care Benefit	33%	35%
Child Care Rebate (CCR)[d]		
Number of families receiving CCR	600 000	628 000

a   As child care places for most child care services types (except in-home care and occasional care) have been uncapped since 2006, services are no longer required to report the actual number of approved child care places. In the 2010–11 Portfolio Budget Statements, this indicator has been replaced with the number of children using approved child care places. The government will continue to fund an unlimited number of child care places in long day care, outside school hours care and family day care across the country, helping new centres set up and existing centres to expand. Families accessing those new child care places will be eligible for the Child Care Benefit and the Child Care Rebate.

b   This estimate was published in the 2009–10 Portfolio Additional Estimates Statements.

c   The removal of the minimum rate for CCB payment from 1 July 2008 resulted in a reduction in the percentage of families who use approved child care services and receive CCB as a fee reduction. However, families affected by this change (by either electing to have or having their CCB payment entitlement reduced to zero) still met the other CCB eligibility requirements apart from the income test, and so could receive the increased CCR entitlement.

d   The Child Care Tax Rebate was renamed the Child Care Rebate, effective from July 2009, because since 2006–07 it has been paid directly by the Family Assistance Office rather than claimed from the tax system. The name change did not change a family's eligibility or entitlement to the rebate.

Child Care Benefit

The Child Care Benefit (CCB) is based on a family's income so that it is targeted to people most in need of additional financial assistance. Most families using approved child care receive this subsidy as a fee reduction at the time they pay their fees. Some receive it as a lump sum at the end of the year.

Trend analysis

Expenditure on the CCB and the number of families assisted since 2007–08 have shown gradual growth.

Child Care Rebate

Families not receiving CCB may be eligible for the CCR. The CCR is not income-tested, so working families using approved child care can receive this assistance regardless of their income.

From July 2008, a family's rebate entitlement increased to cover up to 50 per cent of out-of-pocket costs up to a maximum of $7500 per child per year; it can also be claimed quarterly, closer to when the costs are incurred. Due to these changes, the estimated actual expenditure for child care fee relief assistance for families under the CCB and the CCR has significantly increased since 2007–08 when the rebate was 30 per cent of out-of-pocket costs. Estimated actual expenditure for 2009–10 is $3.2 billion.

Trend analysis

As a result of changes to the rate of rebate, outlays for CCR have increased. It is not possible to attribute meaningful trends for comparison over the period 2007–08 to 2009–10 due to these changes. However, the number of families assisted by CCR was similar in 2008–09 and 2009–10.

Effectiveness indicator

The effectiveness indicator in Table 1.4 provides details on the child care out-of-pocket expenses as a proportion of weekly disposable income after child care subsidies. This is seen as a good measure of overall affordability of access to quality services that support early childhood learning and care.

Table 1.4		
Effectiveness indicator for Program 1.2		
Performance indicator	**Estimate**	**Actual**
Child care out-of-pocket expenses as a proportion of weekly disposable income after child care subsidies (based on one child in full-time long day care depending on income up to $100 000 per annum)	10–14%	8–10%[a]

a   Based on average child care fees.

Child care affordability, as measured by out-of-pocket expenses (after subsidies), has outperformed the estimate, coming in at eight to 10 per cent of weekly disposable income, based on average fees. This is due to the July 2008 increase to the CCR from 30 per cent to 50 per cent of approved child care gap fees (after CCB).

Trend analysis

This indicator was last reported on in 2007–08. At that time, child care out-of-pocket costs with one child in full-time long day care were nine to 10 per cent of disposable income after child care subsidies.

National Quality Agenda assessment and ratings field tests

On 7 December 2009, COAG signed an agreement to raise the quality of early childhood education and care. The National Quality Agenda for Early Childhood Education and Care includes a new National Quality Standard that will apply to long day care, family day care, outside school hours care and preschool settings from 1 January 2012.

To reduce the current regulatory burden on services, a single, nationally consistent assessment and rating system is being established. In an important first step, the new assessment process has been piloted through a field test involving 21 long day care services across Australia. The field test, which took place during June 2010, was very well received by both services and assessors—there is genuine enthusiasm for the focus on outcomes for children and families. Feedback from the field test has informed and helped finetune the assessment and rating process and supporting documents.

'It was a positive experience for our team and a great opportunity to have input into a process we strongly believe in. The new framework has a stronger emphasis on education. It allows individual centres to develop their own responses to the requirements of what is defined as good practice. This should allow for the better development of sense of belonging for children.' Acton Early Childhood Centre, Canberra.

'We are very positive about the new quality reforms and have enjoyed being part of the field test process. It gave us an opportunity to showcase what we do as educators and also consult about the way services like ours will be assessed and rated in the future. We firmly believe that the quality reforms need to result in the best possible outcomes for children and are proud to be part of the team that has helped with its development.' Unicare University Child Care Club, Nedlands, Western Australia.

Quality—worth reaching for

Australian Early Development Index

The Australian Early Development Index (AEDI) is a population measure of how young children prior to school age are developing in different Australian communities. The national implementation of the AEDI is an Australian Government initiative, with funding of $24.5 million to 30 June 2011.

In 2009, teachers around Australia collected data on more than 260 000 children (representing 98 per cent of the estimated resident population of five-year-old children), using a checklist across five domains of early childhood development: physical health and wellbeing; social competence; emotional maturity; language and cognitive skills; and communication skills and general knowledge.

The preliminary results, available through the AEDI website <www.aedi.org.au>, show that while most children are doing well, others are developmentally vulnerable as they enter school (23.5 per cent of Australian children are developmentally vulnerable on one or more of the AEDI domains and 11.8 per cent of Australian children are developmentally vulnerable on two or more of the AEDI domains).

The AEDI provides a robust dataset that will have a vital role in strengthening our early childhood evidence base. It has the potential to be used widely within the community, including schools, teachers, parents, non-government organisations, and all levels of government to support and inform early childhood policy and practice. A number of regional and community forums have been held across Australia to discuss the AEDI data and what it means for communities and their children. The department is also using the AEDI in aspects of planning and policy development.

In May 2010, the Australian Government announced an extra $2.6 million in funding to help communities respond to their AEDI results through the AEDI Local Champions Program. Local champions are individuals or organisations with local experience and expertise that will work with targeted communities where there is identified disadvantage and developmental vulnerabilities. The local champions will assist in identifying the needs of the community and promote activities to improve the outcomes for the young children of that community.

Left: Former Deputy Prime Minister, the Hon Julia Gillard MP, and Minister for Early Childhood Education and Childcare, the Hon Kate Ellis MP, take time to talk with children before the AEDI launch in Melbourne, December 2009.
Right: A music class at the child care centre where the AEDI was launched in December 2009.

Program 1.3 Early Childhood Education

Program objective

To improve access to quality and nationally consistent early childhood education programs delivered in a diversity of settings, including through preschool and child care, to support optimal child development in the early years and prepare children for formal schooling irrespective of where they live.

The new Early Learning and Care Centres will increase the supply of integrated early childhood education and care facilities. The program places a strong emphasis on connecting with schools to ensure that all Australian children are fully prepared for learning and life. To facilitate this, where possible, the Early Learning and Care Centres are being established on school, TAFE, university or other community land. The early learning and care provided will be in a long day care setting that takes into account the specific requirements of the local community. Children attending these centres in the year before formal schooling will also have access to an affordable, age-appropriate early learning program, delivered by a qualified teacher.

Table 1.5		
Key performance indicators for Program 1.3		
Performance indicator	**Estimate**	**Actual**
Universal Access to Preschool (NP)		
Key performance indicators for this item are still being developed	During 2009 the department will be developing bilateral agreements with individual states and territories. These agreements will specify the state or territory's planned approach to the delivery of the commitment. KPIs will be developed once these agreements are finalised	Bilateral agreements have been signed with each state and territory. The agreements contain six KPIs, covering enrolment rates (including for disadvantaged and Indigenous children); teacher numbers; cost to parents; and hours of attendance

Universal Access to Preschool

In 2009, under the National Partnership Agreement on Early Childhood Education, the Commonwealth entered into bilateral agreements with each state and territory government to support the universal access to early childhood education commitment. The bilateral agreements contain baseline performance indicators and performance benchmarks against six key performance indicators over five financial years to 2013. The bilateral agreements can be found at <www.federalfinancialrelations.gov.au/content/national_partnership_agreements/education.aspx>.

Trend analysis

It is not possible to undertake a trend analysis on this indicator, as 2009–10 is the first time it has been reported against.

New Early Childhood Services for the Milikapiti Community

Child care services commenced in Milikapiti, Melville Island, in March 2010 in a creche funded as part of the Northern Territory Emergency Response.

With support from the Budget Based Funding, the three main communities that make up the Tiwi Islands now have access to child care services, including after school care and vacation care programs.

To build community capacity and the sustainability of the services, local community members received basic child care skills training. The creche is operated by a full-time coordinator, group leader and two child care workers with support from part-time child care workers and relief staff. Further staff training to support the attainment of early childhood qualifications by the current workforce is being explored with the support of the Tiwi Islands Shire Council, which operates the creche.

The completed Milikapiti creche

Effectiveness indicators

The effectiveness indicators listed in Table 1.6 provide details on the preschool participation rates of all children (including Indigenous children). An increase in the participation rate is expected as a result of the Universal Access initiative.

Table 1.6		
Effectiveness indicators for Program 1.3		
Performance indicator	**Estimate**	**Actual**
Preschool participation rates of all children	71%	70%
Indigenous children preschool participation rates	59%	62%

Enrolments for all children did not reach the estimates, partly due to more accurate data becoming available. The relevant National Partnership commenced well into the reporting period which has impacted on the result. An increase in enrolments for Indigenous children is attributed to the universal access to early childhood education initiative and continuing actions by state and territory governments.

Trend analysis

It is not possible to undertake a trend analysis on this indicator, as 2009–10 is the first time it has been reported against.

Departmental outputs for Outcome 1

Table 1.7		
Departmental outputs performance information		
Performance indicator	**Estimate**	**Actual**
Program management		
Payments are made in accordance with approved timelines	All programs to meet relevant administrative targets set by quality assurance processes in DEEWR	All payments were made in accordance with relevant administrative targets set by quality assurance processes
Payments made are based on calculations which are accurate and in accordance with approved guidelines	All programs to meet relevant administrative targets set by quality assurance processes in DEEWR	All program payments were accurate and met relevant administrative targets
High-quality Ministerial replies as measured by the level of satisfaction of Ministers and the Parliamentary Secretary with the quality and timeliness of the replies	Qualitative evaluation of satisfaction using feedback from the Ministers and Parliamentary Secretary to the Secretary	Satisfied[a]
Services provided by Australian Government agencies (e.g. Centrelink) satisfy performance requirements	DEEWR requirements met	Centrelink satisfied the key performance measures in the bilateral management arrangement (See below)
Policy services		
High-quality policy advice as measured by the level of satisfaction of Ministers and the Parliamentary Secretary with the quality and timeliness of policy advice	Qualitative evaluation of satisfaction using feedback from the Ministers and Parliamentary Secretary to the Secretary	Satisfied[a]
High-quality research and evaluation reports as measured by the level of satisfaction of Ministers and the Parliamentary Secretary with the quality and timeliness of the reports	Qualitative evaluation of satisfaction using feedback to the Secretary from Ministers and Parliamentary Secretary	Satisfied[a]
Research activities are completed according to plan	At least 90% completed to plan	Satisfied

a During the year, ministers, parliamentary secretaries and their staff provide feedback on the level of satisfaction with departmental advice during regular meetings with the department. Overall feedback from their offices is that they recognise the significant efforts made by departmental staff to meet their requirements. The volume of written material provided to the ministers and parliamentary secretaries remained steady over 2009–10. The department provided training to staff and monitored the quality of ministerial correspondence and briefings.

Bilateral management arrangement

The bilateral management arrangement between Centrelink, the Department of Human Services and DEEWR provides a framework for all three agencies to deliver outcomes in relation to employment, education and child care. The arrangement contains a confidence framework developed to monitor the strength and success of the relationship between agencies and to assure the parties that policy and program outcomes are being achieved. Overall, Centrelink's performance against the confidence framework was satisfactory during 2009–10.

The results of the annual reconciliation of CCB exceeded the department's expectations; over 700 000 reconciliations were completed.

REPORT ON PERFORMANCE

2

OUTCOME 2

Improved learning, literacy, numeracy and educational attainment for school students, through funding for quality teaching and learning environments, workplace learning and career advice

OUTCOME 2

Improved learning, literacy, numeracy and educational attainment for school students, through funding for quality teaching and learning environments, workplace learning and career advice

The Australian Government's Education Revolution aims to ensure that all young Australians have the opportunity to acquire the knowledge and skills to enable them to reach their full potential. Improving educational outcomes for all young Australians is central to the nation's social and economic prosperity and will position young people to live fulfilling, productive and responsible lives.

The government provides educational leadership and works in partnership with state and territory governments and non-government school authorities, parents, educators and other organisations so that teaching and learning for all Australian school-age children is the highest quality.

COAG has set ambitious targets to lift educational attainment and to close the gap between the educational outcomes of Indigenous and non-Indigenous students. These are to:

» lift the Year 12 or equivalent attainment rate to 90 per cent by 2015

» halve the gap between Indigenous and non-Indigenous students in reading, writing and numeracy within a decade (2018)

» at least halve the gap between Indigenous and non-Indigenous students' Year 12 or equivalent attainment rates by 2020.

To achieve these targets, the government is implementing a range of reforms. More than $24 billion is being provided through collaborative National Partnerships (NPs) with states and territories to:

» improve teacher quality

» boost literacy and numeracy

» raise achievement in disadvantaged school communities

» support students in the transition from school to further education, training or to employment

» prepare students for further education and training and to live and work in a digital world

» lift Year 12 or equivalent attainment.

The department is working in collaboration with state and territory governments and non-government education authorities to close the gap between the outcomes of Indigenous and non-Indigenous students. The development of the Indigenous Education Action Plan 2010–2014 provides an important platform to improve the educational outcomes and economic participation of Indigenous students over the coming years.

In addition, the rapid construction and refurbishment of school infrastructure is building 21st century learning environments to support achievement by students. These new facilities will also be available for broader community use. The rapid investment in this infrastructure program provided economic stimulus as part of the response to the global recession.

State and territory governments regulate and fund government and non-government schools in Australia. The Commonwealth also funds government schools and is the primary source of public funding for non-government schools.

An open and transparent review of Commonwealth funding for schooling commenced in 2009–10 and is to report towards the end of 2011. The report's recommendations are expected to set the platform for long-term investment and improvement in educational outcomes.

Following the launch of the *My School* website <www.myschool.edu.au> by the Australian Curriculum, Assessment and Reporting Authority (ACARA) in January 2010, a wide range of nationally comparable information about schools is available to support accountability, school evaluation and resource allocation. Schools which are performing well provide models of education practice to assist other schools make improvements.

Another significant element of the government's reform agenda for Australian schools is the development of an Australian Curriculum from Kindergarten to Year 12. This will provide the same curriculum content and achievement standards for schools across Australia. This will be one of the first in the world to be delivered in an online environment, ensuring that it is dynamic and can be both readily updated and linked to high-quality curriculum resources.

The Office for Youth supports the government's vision for all young people to be safe, healthy, happy and resilient and to have the opportunities, skills and capabilities to learn, work and engage in community life and to influence decisions that affect them. The office, through its whole of government function, builds on the government's significant investment and effort for young people. The office led the development of the National Strategy for Young Australians and continues to work with youth sector organisations, agencies and all levels of government, to provide policy advice about the specific needs of young people in Australia. The office manages the Australian Youth Forum, which provides young people and the youth sector with the opportunity to communicate directly with the government, and administers several programs which support development opportunities for young people and help them engage with their families and communities.

Outcome 2 key priorities

The key priorities for 2009–10 were to:

» roll out the $16.2 billion Building the Education Revolution (BER) program as part of the Nation Building—Economic Stimulus Plan developed by the government in response to the global economic crisis

» implement the range of NPs aimed at improving educational outcomes for Australians and at closing the gap for Indigenous students

» work in collaboration with state, territory and non-government education providers to close the gap between the outcomes for Aboriginal and Torres Strait Islander students and those for other students

» publish comprehensive, nationally comparable information on the performance, operating context and resources of all schools in Australia via a new specific-purpose website managed by an independent expert body, ACARA

» support ACARA in developing the Australian Curriculum for Kindergarten to Year 12 in the learning areas of English, mathematics, science and history

» progress an open and transparent review of funding for schooling, including through the release of a discussion paper and draft terms of reference in April 2010

» establish the Business-School Connections Roundtable as part of the government's response to the 2020 Summit

» develop and release the National Strategy for Young Australians—a framework to guide government actions and improve government interventions for young people.

Outcome 2 key achievements

In 2009–10:

» Under the BER program, 23 800 school projects were approved; of those, 23 711 were begun and 14 461 were completed.

» The *My School* website <www.myschool.edu.au>, launched in January 2010, brought together, for the first time in Australia, nationally comparable data on school performance, operating context and resources.

» Implementation plans were negotiated with all jurisdictions under the National Partnership on Youth Attainment and Transitions and Youth Connections providers and School Business Community Partnership Brokers were contracted in 113 youth attainment and transitions service regions, providing national coverage.

» The offering of the Certificate IV in Career Development by 18 registered training organisations was facilitated; representing an increase of 80 per cent in 12 months.

» Two Business–School Connections Roundtable meetings were facilitated and a discussion paper for consultations was developed. The roundtable will develop a practical strategy to ensure that secondary schools benefit from connections with business. This supports the broader commitment to improve the linkages between schools and their communities.

» Funding of $69.9 million was allocated to assist 2900 schools in purchasing over 321 000 computers through the National Secondary School Computer Fund.

» Over 2200 new digital resources were acquired through the National Digital Learning Resources Network (formerly The Le@rning Federation), bringing the total number of digital learning resources in its repository to 11 280.

» The new service provider for the education sector, Education Services Australia, formed from merging the ministerial companies Curriculum Corporation and Education.au limited, began operation on 1 March 2010.

» On 12 March 2010, states and territories agreed to implement the National Schools Interoperability Program, under the Digital Education Revolution.

» The National Strategy for Young Australians was released in April 2010.

» Between 16 December 2009 and 28 February 2010, consultations on the draft Indigenous Education Action Plan 2010–2014 were held, to ensure that the final document reflects the experience and expertise of Indigenous Australians, educators and others. Over 100 submissions were received through the public consultation process, and on 15 April 2010, education ministers referred the draft plan to COAG for its consideration.

» Under the $550 million Smarter Schools—Improving Teacher Quality National Partnership the Australian Institute for Teaching and School Leadership was established and the Teach for Australia initiative was implemented.

» Under the $540 million Smarter Schools—Literacy and Numeracy National Partnership

– Catholic schools participating in the National Partnership in the Kimberley region of Western Australia, focus on implementing literacy and numeracy programs with proven success, combined with a high level of support for schools and staff through regional consultants. A strong feature of this model is improving each school's understanding of their students' literacy and numeracy skills through providing specialised data analysis training of regional consultants and key school staff which will enable schools to have a better understanding of how to use data to better target support to meet the individual learning needs of each student.

– networks of 14 literacy partnership coaches and 14 numeracy partnership coaches were created in South Australian primary schools that were identified in the 2008 NAPLAN and state-based literacy and numeracy testing as having the potential for significant improvement in performance. The coaches lead the professional development of teachers and support school leaders in their plan to achieve school improvements.

» Under the $1.5 billion Smarter Schools—Low Socio-Economic Status School Communities National Partnership

– teams of experienced teachers led by an Executive Director School Improvement ('turnaround teams') were established in Queensland schools to provide targeted specialist advice to school leaders, teachers, other staff, students and parents to ensure whole school, innovative and flexible approaches to address issues such as literacy and numeracy, student wellbeing and data analysis.

– principals of the NP schools in western New South Wales committed to working collaboratively to implement a change strategy that would give schools access to experienced, high-performing school leaders to lead, mentor and support local principals in developing processes, strategies and programs. This has significantly boosted the leadership capacity of schools in the region and these leaders support them in developing capability in data analysis, evaluation and accountability.

» In September 2009, the national results of literacy and numeracy testing were published in the 2009 NAPLAN Summary Report. The full national report, National Assessment Program— Literacy and Numeracy: Achievement in Reading, Writing, Language Conventions and Numeracy, was released by the Ministerial Council for Education, Early Childhood Development and Youth Affairs (MCEECDYA) in December 2009.

» On 1 March 2010, the content and achievement standards for the draft Kindergarten to Year 10 Australian Curriculum were released for public consultation until 30 May 2010.

» On 14 May 2010, the content for the draft senior secondary years Australian Curriculum was released for public consultation until 30 July 2010.

» The Primary Connections curriculum resources were aligned with the draft Australian Curriculum: Science to promote better teaching of that subject in primary schools.

» Over $384 million in funding was allocated to 92 projects for 301 schools across Australia, under Round Two of the Trade Training Centres in Schools Program (142 applications from 494 schools across all school sectors and states and territories were received and assessed for the round).

Program 2.1 Government Schools National Support

Program objective

The objective of this program is to contribute to boosting participation and Australia's productivity by providing supplementary funding to government schools that contribute to the achievement of the five outcomes set out in the National Education Agreement (NEA) agreed by COAG. These are:

» all children are engaged in, and benefiting from, schooling

» young people are meeting basic literacy and numeracy standards, and overall levels of literacy and numeracy achievement are improving

» Australian students excel by international standards

» schooling promotes social inclusion and reduces the educational disadvantage of children, especially Indigenous children

» young people make a successful transition from school to work and further study.

Under the National Education Agreement approximately $14 billion is being provided by the government for government schools over the four years from 2009–2012. This funding is supplementary to the funding provided by the states and territories, which have primary responsibility for funding schools.

The Australian Government and state and territory governments have committed, through the National Education Agreement, to the objective that all Australian school students acquire the knowledge and skills to participate effectively in society and employment in a globalised economy. States and territories are responsible for working with the nongovernment school sector in their state or territory to ensure their participation in relevant aspects of the agreement.

The Performance Reporting Framework for the agreement is detailed in the Intergovernmental Agreement on Federal Financial Relations 'Public Accountability and Performance Reporting'. Performance information for Program 2.1 will be reported to COAG by the COAG Reform Council.

The agreement incorporates the COAG targets set for schooling and these must be met across all Australian schools regardless of sector (government or nongovernment).

To monitor and assess the progress of governments against the agreed outcomes in the agreement, COAG has endorsed the following performance indicators:

» Proportion of children enrolled in and attending school (by Indigenous and low socioeconomic status (SES))

» Literacy and numeracy achievement of Year 3, 5, 7 and 9 students in national testing (by Indigenous and low SES)

» Proportion of students in the bottom and top levels of performance in international testing; for example, the Programme for International Student Assessment (PISA) and the Trends in International Mathematics and Science Study (TIMSS)

» Proportion of the 20–24-year-old population having attained at least a Year 12 or equivalent or Australian Quality Framework Certificate II (by Indigenous and low SES)

» Proportion of Indigenous students completing Year 10

» Proportion of young people participating in post-school education or training six months after school

» Proportion of 18–24-year-olds engaged in full-time employment, education or training at, or above, Certificate III.

The COAG Reform Council monitors, assesses and publicly reports on the performance of the Australian Government and state and territory governments in achieving the outcomes and performance benchmarks specified in the agreement. The 2008 baseline report released in 2009 is available at <www.coag.gov.au/crc/reports>.

Table 2.1		
Key performance indicators for Program 2.1		
Performance indicator	**Estimate**	**Actual**
Government Schools Specific Special Purpose Payment		
Number of full-time equivalent students funded (enrolment projections)	2 255 000	2 269 277
IESIP Elements		
Number of participants in the Indigenous Youth Mobility Program[a]	220	202
Number of participants in the Indigenous Youth Leadership Program[a]	360	391
Number of students attending Sporting Chance academies[a]	1200	n/a[b]

a   This program is funded under the *Indigenous Education Targeted Assistance Act 2000*.

b   This indicator relates directly to the continued expansion of Sporting Chance academies, rather than the overall attendance of students at Sporting Chance academies, which was reflected by the estimate of 3000. The estimate relating to student participation arising from the expansion should have been 1200. Data verifying this estimate is not due to be collected until August 2010.

Government Schools Specific Special Purpose Payment

The figures in Table 2.1 refer to the full-time equivalent number of students in government schools funded under the NEA in the 2009 school year. The number of full-time equivalent students has increased by 8503 (0.4 per cent) since 2008. About 94 per cent of this increase is due to increased participation at the senior secondary level of school education.

IESIP Elements

Indigenous Youth Leadership Program

The Indigenous Youth Leadership Program (IYLP) is helping to close the gap in Indigenous educational disadvantage through supporting a number of Indigenous students to attend high-performing secondary schools (government and non-government, day and boarding) and/or universities to complete Year 12 and/or an undergraduate degree.

Since its inception in 2005 (for 2006 commencements) the number of places available, the demand for places and the take-up of places by students in the program has continued to grow. All available secondary scholarship places have been filled since 2008 and, while not fully subscribed in 2010,

demand for tertiary scholarships is growing as the number of young people in the primary target group—Year 12 graduates—grows. The number of students assisted by the program will continue to grow until 2012 when up to 900 young people are expected to receive a scholarship. The number of schools approved as IYLP high-performing schools has grown from 50 in 2009 to 62 in 2010.

Indigenous Youth Leadership Program: one participant's perspective

'Being part of the Indigenous Youth Leadership Program has changed my life in various ways. I have met amazing young Indigenous people who I can relate to and who are striving to make it and be somebody in this world. I have had support from both my peers and mentors who were able to see me through to Year 12 and encourage me to further my studies at a university level. I think that having this support is essential in helping see young Indigenous people become leaders in our country.

'The gatherings which are organised once a year have been amazing as Indigenous students all over Australia come together to meet and partake in a life changing experience. We meet inspirational Indigenous leaders from around Australia who tell us their life stories which allows us to be aware that we are not alone and anything is possible you just need to believe in yourself. Something I will never forget being taught the 2007 gathering 'who are we— warriors, what are we holding in our hands—spears, what are we holding in our hands—shields, what are we going to do—change the world.'
(Abby-Rose Cox, Indigenous Youth Leadership Program participant)

IYLP students at an Indigenous Youth Leadership Forum.
L to R: Eric Fernando, Sorogo Mills, Abby-Rose Cox, Sam Kluk and Jerome Cubillo.

Indigenous Youth Mobility Program

The Indigenous Youth Mobility Program (IYMP) provides $49.2 million over four years to December 2012 to provide 324 places each semester for post-compulsory education and training in a supported accommodation environment.

The program provides practical assistance and support to help Indigenous young people aged 16–24 years, mostly from remote areas, access post-secondary education and training, including Australian Apprenticeships, in major centres.

Since 1 July 2009, 637 Indigenous young people have taken part in the program, with 123 course completions. At 30 June 2010, there were 213 active participants. The take-up rate of the program doubled in the first half of 2010. While the participation rates in the program have improved, continued efforts will be made to focus on course completions.

Sporting Chance academies

The expansion of the Sporting Chance academies continues to encourage school engagement and positive educational outcomes for Indigenous students.

Ten new girls' academies commenced operations in Semester One, 2010: four in Western Australia, four in the Northern Territory, and one each in Queensland and Victoria, supporting an additional 700 students in each calendar year.

Funds were provided to Former Origin Greats to support an academy for 500 students in south-east Queensland.

Literacy and numeracy—national minimum standards

National Assessment Program

The National Assessment Program encompasses the set of assessments of student performance endorsed by MCEECDYA. It includes national full-cohort literacy and numeracy assessments in Years 3, 5, 7 and 9, three-yearly sample assessments in science literacy, civics and citizenship, ICT literacy, and Australia's participation in international assessments.

National Assessment Program—Literacy and Numeracy

Following the introduction of the National Assessment Program—Literacy and Numeracy (NAPLAN) in 2008, all students in Years 3, 5, 7 and 9 are assessed in May in reading, writing, language conventions (spelling, punctuation and grammar) and numeracy. Reporting from the second round of NAPLAN in 2009 provided comparative data for 2008 and 2009, and the 2010 national report to be released by MCEECDYA in December 2010 will allow for growth measures through tracking increased achievement for the same cohort of students tested in 2008.

Results are reported using five national achievement scales which cover the full range of achievement from Years 3 to 9 in each domain. Each scale consists of 10 bands which represent the increasing complexity of the skills and understandings assessed by NAPLAN. Six of these bands are used for reporting student performance in each year level.

The national minimum standards represent the basic elements of literacy and numeracy that students are expected to demonstrate for the year level. They are represented in the reporting scale by a range of scores aligned with the second achievement band for each year level in each domain. The national minimum standard for Year 3 is band 2, Year 5 is band 4, Year 7 is band 5 and Year 9 is band 6.

Students whose results are in the lowest band (below national minimum standard) will need focused intervention and additional support to help them achieve the skills they require to fully participate in schooling.

In 2009, the percentage of students at or above the national minimum standard (with the exception of Year 9 writing and spelling) was more than 90 per cent across year levels and domains ranging from:

» 92.2 per cent (spelling) to 95.7 per cent (writing) for Year 3 students

» 91.7 per cent (reading) to 94.2 per cent (numeracy) for Year 5 students

» 92.1 per cent (grammar and punctuation) to 94.8 per cent (numeracy) for Year 7 students

» 87.8 per cent (writing) to 95.0 per cent (numeracy) for Year 9 students.

Indigenous students achieving national minimum standards in literacy and numeracy

The percentage of Indigenous students estimated to be working at, or above, the national minimum standard is markedly lower than for non-Indigenous students in all domains and at all year levels.

Chart 2.1

Percentage of Year 3, 5, 7 and 9 Indigenous and non-Indigenous students at or above the national minimum standards in reading, writing, spelling, grammar and punctuation, and numeracy, NAPLAN 2009
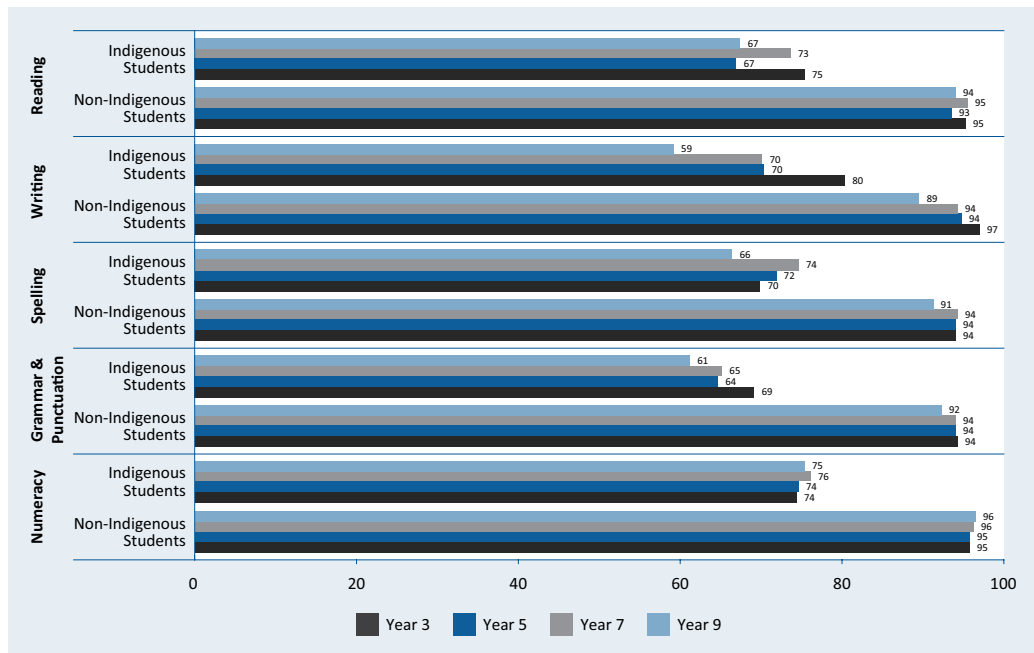
Source: Ministerial Council for Education, Early Childhood Development and Youth Affairs 2009, National Assessment Program—Literacy and Numeracy: Achievement in Reading, Writing, Language Conventions and Numeracy.

Chart 2.2

Percentage of Year 3, 5, 7 and 9 students above, at or below the national minimum standards in reading, writing, spelling, grammar and punctuation, and numeracy, NAPLAN 2009

The national minimum standard is band 2 for Year 3, band 4 for Year 5, band 5 for Year 7, and band 6 for Year 9.

The black lines indicate the transition points for 'at or below' and 'above' the national minimum standard for each year level.

Year 9

	Band 7	Band 8	Band 9	Band 10
Reading	4 15 28	28	16	8
Writing	8 17 28	26	14	5
Spelling	9 16 27	26	15	6
Grammar & Punctuation	11 19 27	22	13	7
Numeracy	7 16 27	29	16	5

Year 7
- Reading 4 14 26 28 17 10
- Writing 7 13 24 28 18 10
- Spelling 6 13 25 29 18 9
- Grammar & Punctuation 6 14 28 27 15 8
- Numeracy 5 13 25 29 19 9

Year 5
- Reading 4 14 27 28 17 8
- Writing 6 11 20 26 21 14
- Spelling 6 13 26 26 18 10
- Grammar & Punctuation 5 12 27 31 17 7
- Numeracy 7 13 21 25 21 13

Year 3
- Reading 4 12 23 27 20 12
- Writing 6 9 14 21 23 26
- Spelling 6 10 19 25 20 19
- Grammar & Punctuation 2 6 15 30 29 16
- Numeracy 4 11 18 23 20 22

Band 1   Band 2   Band 3   Band 4   Band 5
Band 6   Band 7   Band 8   Band 9   Band 10

Source: Ministerial Council for Education, Early Childhood Development and Youth Affairs 2009, *National Assessment Program—Literacy and Numeracy: Achievement in Reading, Writing, Language Conventions and Numeracy*.

Trend analysis

NAPLAN was introduced in 2008. The earliest available trend data will be the 2010 NAPLAN results.

National Assessment Program—international assessments

The National Assessment Program accompanies Australia's participation in international tests. These provide information on the progress of Australian sch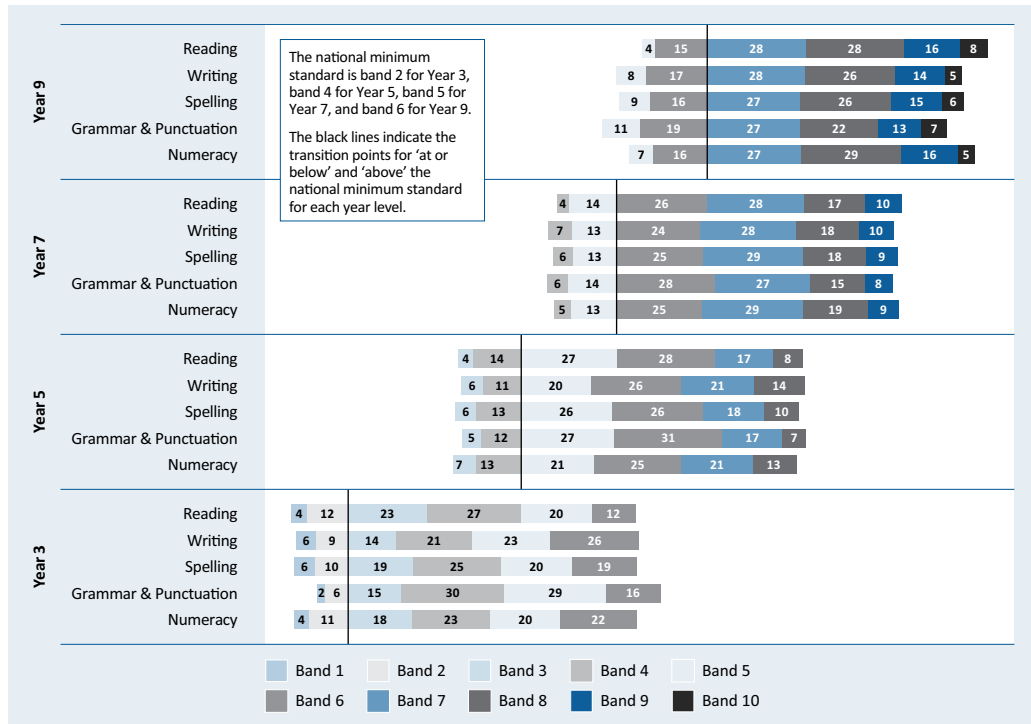ool students relative to other countries and assist education systems and schools to identify strengths and weaknesses in policy and practice.

Australia participates in two international sample assessments—PISA, conducted by the Organisation for Economic Co-operation and Development (OECD) and TIMSS, conducted by the International Association for the Evaluation of Educational Achievement:

» PISA—conducted every three years; tests reading, mathematical and scientific literacy in a sample of 15-year-old students in Years 9, 10 or 11. COAG has agreed that results from PISA will be one of the indicative progress measures used to provide information on the progress of Australian schooling towards achieving COAG agreed outcomes.

» TIMSS—conducted every four years; tests a sample of students in Years 4 and 8.

For the first time, Australia will also take part in the next cycle of the Progress in International Reading Literacy Study (PIRLS) 2010–11, a five-yearly study which involves assessing the reading literacy of Year 4 students. Participation in PIRLS 2010–11 will provide Australia with the opportunity to benchmark reading literacy at Year 4 internationally and will provide data complementary to that collected through the NAPLAN.

Australia's results from the 2007 cycle of TIMSS—released in December 2008—showed Australian students were above average in three out of the four test areas; for Year 8 mathematics, they were average.

Australia's mathematics performance has improved since TIMSS 2003 at the Year 4 level and was unchanged at Year 8. Performance in science was unchanged for Year 4 and decreased for Year 8. Over the same period, a number of countries improved their performance relative to Australia.

Indigenous students recorded much lower results than non-Indigenous students in both PISA and TIMSS, and their results have not shown improvement over several testing cycles.

» Indigenous students achieve well below the OECD average for PISA, while Australia as a whole performs above the OECD average.

» Indigenous students have lower levels of self-efficacy and self-concept, particularly in relation to mathematics and science, although there are no significant differences in the levels of effort and persistence in studying reported by Indigenous and non-Indigenous students. Self-efficacy, socioeconomic status and home educational resources were among the factors found to significantly influence Indigenous performance in PISA.

» For TIMSS 2007, the gap between Indigenous and non-Indigenous performance increased for students at Year 4 level and remained consistent across cycles at Year 8 level.

National Assessment Program—sample assessments

Selected groups of students in Years 6 and 10 participate in the national sample assessments that are held on a rolling three-yearly basis. Students' achievement is measured against nationally agreed proficiency standards in science literacy (for Year 6 students), civics and citizenship (Year 6 and Year 10 students), and ICT literacy (Year 6 and Year 10 students). The cyclical conduct of the sample assessments using comparable data sets allows the monitoring of trends in student performance over time.

Samples of Year 6 and Year 10 students took part in ICT Literacy assessments in 2005 and 2008. *The 2008 National Assessment Program—ICT Literacy Years 6 and 10 Report* was published in April 2010. Results from the 2008 assessment showed that nationally 57 per cent of Year 6 students achieved or bettered the Year 6 proficient standard and 66 per cent of Year 10 students achieved or bettered the Year 10 proficient standard. This represented a significant improvement in 2008 for Year 6 students—57 per cent achieved or bettered the Year 6 proficient standard for 2008 compared to 49 per cent in 2005. There was no statistically significant improvement for Year 10 students—66 per cent achieved or bettered the Year 10 proficient standard in 2008 compared to 61 per cent in 2005.

Sample groups of Year 6 students participated in science literacy assessments in 2003, 2006 and 2009. *The 2009 National Assessment Program—Science Literacy Year 6 Report* will be published late in 2010.

Sample groups of Year 6 and Year 10 students participated in civics and citizenship assessments in 2004 and 2007. *The 2007 National Assessment Program—Civics and Citizenship Years 6 and 10 Report* was published in February 2009. Students will participate in the October 2010 assessment.

Australian Curriculum Assessment and Reporting Authority

Since ACARA's establishment in late May 2009, the authority has contributed significantly to the government's educational reform agenda.

In January 2010, ACARA launched the *My School* website. This site provides, for the first time, nationally comparable information on all Australian schools, including the publication of 2008 and 2009 NAPLAN data and associated contextual information. The website provides unprecedented transparency on the performance of Australian schools and focuses accountability on governments, systems, principals and teachers.

This investment in transparency has enabled parents and the community to understand a school's achievements and, importantly, the context within which a school operates. Data presented on the website includes student and staff numbers, information about the type of school, results from NAPLAN assessments, VET participation and Year 12 attainment rates and student attendance information. Further information—such as financial data; senior secondary information; percentages of students with disability or language backgrounds other than English; growth data on literacy and numeracy achievement; staff expertise levels; and parent, teacher and student satisfaction survey data—will be added to the website as it becomes available.

My School supports data-driven decision making. It provides governments, education authorities, systems and policy makers with reliable information on all schools in Australia that helps inform school evaluation and improvement, educational accountability and resource allocation.

Effectiveness indicators

Table 2.2		
Effectiveness indicators for Program 2.1		
Performance indicator	**Estimate**	**Actual**
Enrolment trends		
Trend in full-time student enrolments in Australian schools:		
» Primary	1 376 000	1 379 598
» Secondary	884 000	894 308
Trend in the number of Indigenous students at school	133 000	133 000
Percentage of young people who commence on the Indigenous Youth Mobility Program who exit the program after achieving a vocational education and training or higher education qualification or to take-up full-time employment	60%	n/a[a]
Percentage of eligible Indigenous students in receipt of Indigenous Youth Leadership Program scholarships who complete Year 12	90%	96%

a   The new program delivery model introduced in July 2009 has meant it is too early to have sufficient data integrity.

Table 2.3			
Full-time school enrolments (government and non-government) by level of education, Australia: 2007 to 2009			
	Level of education		
	Primary	**Secondary**	**Total**
2007	1 969 303	1 447 220	3 416 523
2008	1 973 502	1 460 787	3 434 289
2009	1 986 715	1 474 611	3 461 326

Source: Australian Bureau of Statistics (ABS) 2009, *Schools, Australia, 2009*, cat. no. 4221.0.

Trend in full-time student enrolments in Australian schools (government and non-government)

The government's school program (programs 2.1 and 2.2) supported an increasing number of students across Australia during 2009. Student numbers increased from their 2008 levels in all states and territories except Tasmania and the Northern Territory. Government school enrolments have grown overall from 2007 to 2009, with a decline from 2007 to 2008. Non-government school enrolments grew steadily from 2007 to 2009. Total growth 2008 to 2009 was 27 037 with an increase of 9352 in government schools and an increase of 17 685 in non-government schools.

Table 2.4			
Full-time school enrolments in government and non-government schools, Australia: 2007 to 2009			
	Government	**Non-government**	**Total**
2007	2 268 377	1 148 146	3 416 523
2008	2 264 554	1 169 735	3 434 289
2009	2 273 906	1 187 420	3 461 326

Source: ABS, 2009, *Schools, Australia, 2009,* cat. no. 4221.0.

Chart 2.3

Apparent retention rates of full-time secondary students, Indigenous and non-Indigenous students from Years 7 and 8 to Year 12
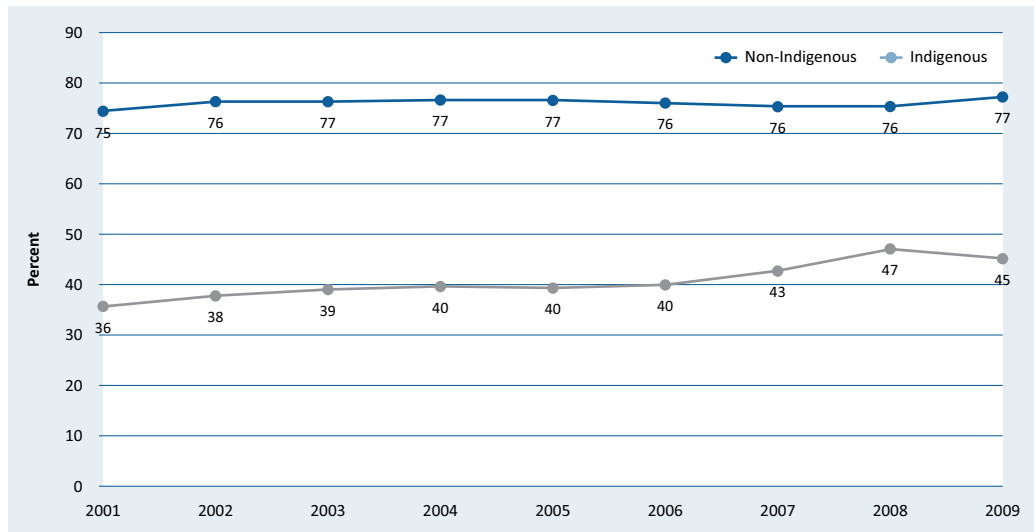
Source: ABS, 2009, *Schools, Australia*, *2009*, cat. no. 4221.0.

Trend in the number of Indigenous students at school

Since 2001, the Indigenous apparent retention rate from Years 7 and 8 to Year 12 has increased by 10 percentage points, from 36 per cent to 45 per cent. Since 2001, the gap between the Indigenous and non-Indigenous Year 12 retention rate has reduced from 39 percentage points to 32 percentage points.

Over three years since 2006, Indigenous retention rates increased by 5 percentage points, closing the gap with non-Indigenous retention rates by 4 percentage points.

Program 2.2 Non-government Schools National Support

Program objective

Fulfilling the Australian Government's election commitments to non-government schools, the government will provide an estimated $28 billion for non-government schooling for 2009–2012 under the *Schools Assistance Act 2008*. Funding appropriated under the Act supported the capital and operating costs of the non-government primary and secondary education schools and systems. Government funding to non-government schools supplemented funding raised by the schools from other sources.

Table 2.5		
Key performance indicators for Program 2.2		
Performance indicator	**Estimate**	**Actual**
Recurrent Grants—Non-government		
Number of full-time equivalent students funded (enrolment projections)	1 174 000	1 174 425
Capital Grants—Non-government[a]		
Number of schools assisted with capital support	250[b]	266
English as a Second Language—New Arrivals (ESL-NA)—Non-government		
Number of new arrivals assisted	1158	1052
Investing in Our Schools Programme[c]		
Number of eligible government and non-government schools that receive funding	9594	9393
Local Schools Working Together Pilot Programme		
Number of projects funded	25	26
Local Community Centres—contribution program		
Number of eligible centres that received funding	5	5

a   Figures are for the 2009 calendar year.

b   This estimate was published in the 2009–10 Portfolio Additional Estimates Statements.

c   This program ceased on 31 December 2008. The final funding round for government schools was in 2007. The final funding round for non-government schools was in 2008. The estimate and actual figures reflects all program years.

Recurrent Grants—Non-government

During 2009–10, $6.1 billion in recurrent assistance grants was paid to non-government schools to assist with the recurrent costs of school education. This assistance is paid on a per student basis. During the same period, the government also provided $61.8 million in funding under the Indigenous Supplementary Assistance program and Indigenous Funding Guarantee, which support the delivery of additional educational services to Indigenous students.

This indicator refers to the full-time equivalent number of students in non-government schools during the 2009 school year who are funded under the *Schools Assistance Act 2008*. This number has increased by 18 661 (1.6 per cent) since 2008.

Capital Grants—Non-government

The Australian Government continues capital grants funding under the Schools Assistance Act to non-government school communities to provide and improve capital infrastructure, where they would otherwise not have access to sufficient capital resources under the Act. From 1 January 2009, capital funding for the government school sector was incorporated into funding provided to the states and territories through the National Education Agreement.

English as a Second Language—New Arrivals—Non-government

In 2009–10, the English as a Second Language—New Arrivals Program assisted 1052 students. This assistance consists of a one-off payment to non-government educational authorities to help with providing intensive English tuition to recent new arrivals from language backgrounds other than English. Although this was less than the 1158 estimated student numbers, eligibility is dependent on specific visa subclasses and the level of English tuition required.

Investing in Our Schools Programme

The Investing in Our Schools Programme (IOSP) funded small-scale infrastructure projects in schools. In line with a funding decision of the previous government, funding for this program ended in 2008. All government and non-government IOSP projects are expected to be fully acquitted during 2010–11. Funding for this program was provided under *the Schools Assistance (Learning Together—Achievement Through Choice and Opportunity) Act 2004*.

Local Community Centres Contribution Program

The Local Community Centres Contribution Program was announced in the 2008–09 Budget. The government provided $1.138 million as a contribution towards the construction and fit out of five community centres. The aim is for the centres to provide a meeting place and other resources for a range of local community groups. It is anticipated that all five community centres will be fully acquitted by the end of 2011.

Literacy, Numeracy and Special Learning Needs Program

The Literacy, Numeracy and Special Learning Needs Program assists non-government education authorities in improving the learning outcomes of educationally disadvantaged students by contributing funding for additional teaching and learning assistance. The program has a particular focus on literacy and numeracy and includes students with disabilities. The program funding is only one source of funding available to non-government schools to meet the needs of educationally disadvantaged students.

School Languages Program

The School Languages Program (SLP) funded under the Schools Assistance Act supports the study of Asian, European, Indigenous and Auslan languages from Kindergarten to Year 12 levels in non-government schools and after-hours community languages schools. SLP funding for government education authorities was rolled into the NEA in 2009. In 2009, targeted funding of $12.795 million was provided by the Australian Government to state and territory non-government education authorities to implement strategies for languages education. In 2010, an estimated $13.595 million in funding will be provided to non-government schools to support languages education.

The MCEECDYA National Statement and Plan for Languages Education in Australian Schools 2005–2008 guides the development of language education in schools. All education ministers have agreed to revise and update the plan. This activity is currently being progressed by the MCEECDYA Languages Education Working Party.

Short Term Emergency Assistance

Short Term Emergency Assistance funding is available to non-government schools facing financial hardship. To be approved for funding, the applicant must satisfy four criteria: the financial difficulty is short term; the financial difficulty is severe; the circumstance was unexpected; and the requirement for assistance qualifies as special need.

Two applications received before the start of the financial year were assessed against criteria for funding and approved during 2009–10. The total amount of funding paid in the reporting year was $420 000 (GST inclusive).

Establishment Assistance

Establishment Assistance was discontinued for new schools with effect from the 2009 program year. The assistance was available in 2009 only for non-government schools that commenced in 2008, and received the first year of Establishment Assistance in 2008. During 2009–10, $358 533 408 was paid to schools and systems at the rate of $250 per student.

Effectiveness indicators

Table 2.6		
Effectiveness indicators for Program 2.2 (Non-government)		
Performance indicator	**Estimate**	**Actual**
Enrolment trends		
Trend in full-time student enrolments in Australian schools:		
» Primary	607 000	607 117
» Secondary	582 000	580 303
Trend in the number of Indigenous students at school	22 000	22 233

Program 2.3 Schools Support

Program objective

In its national leadership role, the government funded initiatives aimed at improving the quality of outcomes for all Australian students. In 2009–10, the department delivered a range of initiatives aimed at enhancing the wellbeing, engagement and participation of school students. Importantly, Schools Support includes a range of Indigenous education initiatives that strategically target issues that impact adversely on the educational outcomes of Indigenous students. Schools Support also includes grants for national research and parents' organisations and awards for academic excellence.

Table 2.7		
Key performance indicators for Program 2.3		
Performance indicator	**Estimate**	**Actual**
Drought Assistance for Schools Measure		
Number of schools assisted	2200[a]	1696
National School Chaplaincy Program		
Number of new schools approved	–[b]	–
Helping Children with Autism Package		
Number of teachers and other school staff attending professional development courses	900	1200
Number of parents and carers attending workshops and information sessions	2900	2700
Framework for Open Learning		
Number of projects funded	10	9
Parliament and Civics Education Rebate		
Number of schools receiving the rebate	1397	1817[c]
Australian Student Prize		
Number of Australian Student Prizes awarded	500	500

a   This estimate was published in the 2009–10 Portfolio Additional Estimates Statements.

b   No new contracts were expected to be executed during 2009–10.

c   Commitments to three schools for this period remain outstanding.

Drought Assistance for Schools Measure

Drought Assistance for Schools helped drought-affected families experiencing financial hardship meet education expenses by assisting with the cost of items such as textbooks, excursions and extracurricular activities or other items that benefit students and are related to their schooling. The program provided up to $10 000 per school per year for government or non-government, rural and remote schools located in exceptional circumstances declared areas. The reduction in the number of schools assisted from the estimation provided in the 2010–11 Portfolio Budget Statements is largely a result of a reduction in the number of exceptional circumstances declared areas at 1 January 2010. This program concluded on 30 June 2010.

National School Chaplaincy Program

The National School Chaplaincy Program is an ongoing program that commenced in 2007, and is scheduled to conclude in December 2011. There were 2698 schools offered funding agreements in 2007–08, with no new contracts approved after December 2008.

Helping Children with Autism package

The government's initiatives in the cross-portfolio Helping Children with Autism package foster productive partnerships between schools and families to improve the educational outcomes of children with autism spectrum disorder (ASD). The initiatives provide professional development for teachers and other school staff who are working with students with ASD and workshops and information sessions for parents and carers of school-age children with ASD. The shortfall in target numbers over 2008–09 of parents and carers participating in workshops is due to the lower participation rates in rural and remote locations. The overall target for the parents and carers initiative is for 5800 parents and carers to participate over 2008–2012. Based on increased participation trends over 2010, it is estimated that the overall participation target will be met by February 2012.

Framework for Open Learning Program

The Framework for Open Learning Program (FOLP) supports the integration of ICT in teaching and learning across Australian schools and the vocational education and training and higher education sectors. Priorities for activities funded under FOLP are consistent with the Joint Ministerial Statement on Information and Communications Technologies in Australian Education and Training: 2008–2011. In 2009–10, administration and priorities for FOLP evolved in line with the merger of the ministerial companies into Education Services Australia (ESA). Consequently, FOLP projects and activities are under review until ESA's priorities for 2010–11 have been determined in consultation with stakeholders.

The number of projects funded under the Framework for Open Learning has remained consistent since 2007. The difference between the estimated and actual number of projects funded in 2009–10 is due to the need to reassess priorities as a result of the merger.

National Asian Languages and Studies in Schools Program

The National Asian Languages and Studies in Schools Program (NALSSP) started on 1 January 2009. It supports the goal that by 2020 at least 12 per cent of students will exit Year 12 with a fluency in Mandarin, Japanese, Indonesian or Korean sufficient for engaging in trade and commerce in Asia or for university study. There was continued strong interest and support for all elements of the program in 2009–10. State and territory governments and non-government education authorities implemented a range of innovative projects under their three-year NALSSP strategic plans, targeted at increasing the number of students studying the NALSSP languages and cultures.

In July 2009, Senator the Hon Mark Arbib, Acting Minister for Education, announced that seven projects would receive $2.75 million in funding under Round One of the Strategic Collaboration and Partnership Fund. Round Two of the fund opened in March 2010.

In October 2009, former Minister for Education, the Hon Julia Gillard MP, announced that 86 projects, representing 141 schools, would receive $1.8 million in grants as part of Round One of the Becoming Asia Literate: Grants to Schools element. Round Two of this element opened in May 2010.

Grants and awards

Australian Students Prize

The Australian Students Prize recognised the academic excellence and achievement of high-performing secondary students. Five hundred prizes were awarded in 2009, with each winner receiving $2000 and a certificate. The prizes to each state and territory were allocated on a pro

rata basis according to the Year 12 population for the previous year and the number of Science, Mathematics and Informatics Olympiad medal winners. In 2009, there were 21 Olympiad medal winners. Those students were automatically eligible for the Australian Student Prize and were included in the 500 prizes awarded nationally.

Recurrent Service Fees

Recurrent Service Fees (formerly Curriculum Corporation) provides part of the annual Australian Government contribution to base service fees for the ministerial company Education Services Australia (ESA). ESA is owned by Australian education ministers and began operation on 1 March 2010, resulting from the merger of the Curriculum Corporation and Education.au limited.

ESA aims to provide efficient services across all Australian education sectors and will provide vital support for the implementation of key government initiatives such as the Digital Education Revolution and online delivery of the Australian curriculum.

Asia Education Foundation

Grants and awards program funding was provided to the Asia Education Foundation to further the objectives of the *National Statement for Engaging Young Australians with Asia in Australian Schools*. In 2009–10, the foundation conducted Round Two of the Leading 21st Century Schools: Engage with Asia professional learning program for school leaders. The foundation has increased the range of resources and services provided through its web portal and has provided support for the Australian curriculum cross-curriculum priority on Asia and Australia's engagement with Asia. In addition, the foundation has established new mechanisms for communication nationally through the National Asia Literacy Roundtable and the National Asia Literacy Network.

National Student Aptitude Test for Tertiary Admission

The National Student Aptitude Test for Tertiary Admission is a pilot program to identify and trial the use of a student aptitude test or tests to provide universities with a supplementary mechanism for assessing Year 12 students and other potential candidates seeking entrance to university.

Stage One of the program, which ran from October 2007 to October 2008, evaluated two existing aptitude tests: the Special Tertiary Admissions Test (STAT) and uniTEST, an aptitude test for undergraduate admission which assesses generic reasoning and thinking skills. Stage Two of the program, which ran from December 2008 to March 2010, involved the supply, promotion and evaluation of uniTEST.

The final evaluation report, prepared in March 2010 by the Australian Council for Educational Research (ACER), indicated that while uniTEST scores might be predictive of university performance, there was low uptake on uniTEST, and little overall impact on increasing participation by students from low SES backgrounds. The STAT has been used by each state's tertiary admissions centre since 1996 and is a popular and robust 'standalone' predictor of university performance used by most Australian universities. The final evaluation report showed that there was strong support for the predictive validity of STAT and the results were highly correlated with university grades (36 universities took part in the ACER research). The STAT is typically used by universities for mature-age entrants.

The final evaluation report noted that it may be useful to use STAT to supplement other admissions mechanisms in a number of fields such as the sciences.

Supplementary Funding for School Operations

The government provided a total of $4 million each year in 2008, 2009 and 2010 to four orthodox Jewish schools. These funds are provided to take account of the special circumstances of families at these schools. Each school receives a proportion of total funding based on enrolments at the four schools, and the funds are used for operational expenditure to support the education of students at the schools. There is one final payment of $4 million to be made under this program in 2011.

Local Schools Working Together pilot program

The aim of the Local Schools Working Together pilot program is to encourage government, Catholic and independent schools to work together to develop shared educational facilities that will broaden the benefit of government expenditure on capital infrastructure. The partnership theme extends to third parties such as local councils or businesses where the projects may feature broader community benefit.

Funding of $62.5 million was made available over four years, starting in 2008–09, for the development of 26 shared educational facilities nationwide, including in remote, rural and regional areas. Twenty-six projects over two funding rounds were approved by the former Minister for Education, the Hon Julia Gillard MP, on 2 February 2009 and 12 November 2009.

Improving the Practical Component of Teacher Education program

The Improving the Practical Component of Teacher Education program provided an additional $18.809 million to higher education providers to support high quality professional experience for teacher education students in 2009 and 2010.

Quality outcomes

Australian Government Quality Teacher Program

The Australian Government Quality Teacher Program supports national leadership in high-priority areas of teacher professional learning to improve the professional standing of schoolteachers and leaders. The program equips teachers with the skills and knowledge needed for teaching in the 21st century, in line with the aspirations of the Education Revolution. The program also funds the Australian Institute for Teaching and School Leadership to undertake its responsibilities in relation to national professional standards and professional learning for teachers and school leaders. In 2009, the program assisted 46 517 teachers to access professional development.

From January 2010, the government component of the program's funding for states and territories was rolled into the NEA; however, funding for the nongovernment sector continues.

Values Education

The Values Education program aims to make values a core part of schooling in line with the National Framework for Values Education in Australian Schools. Funding of $271 000 was committed in 2009–10 to support curriculum resources for all schools, including a values education website and school-based projects.

Civics and Citizenship Education

The Civics and Citizenship Education program provides assistance to schools for civics and citizenship education and supports the teaching of history through initiatives such as the National Schools Constitutional Convention, the National History Challenge, the Simpson Prize and a national website. On 23–25 March 2010, 123 students selected from conventions in states and territories attended the National Schools Constitutional Convention. The eight state and territory 2010 Simpson Prize winners attended Anzac Day commemorations at Gallipoli in April 2010. Over 4000 students competed in the 2009 National History Challenge. In addition, the Prime Minister's Prize for Australian History recognises significant contributions to understanding Australian history and rewards outstanding achievement in the field of Australian historical research. The prize is an embossed gold medallion and a tax-free grant of $100 000.

Parliament and Civics Education Rebate

The Parliament and Civics Education Rebate (PACER) provides a subsidy for schools travelling more than 150 kilometres to the national capital for a civics and citizenship education excursion. PACER is a demand-driven program and the take-up has continued to be higher than expected. In 2009,

PACER assisted 92 853 students from 1817 schools to visit the national capital as part of their civics and citizenship education. Rebate payments of $4.15 million were made to these schools.

Quality Outcomes Program—other initiatives

A range of initiatives delivering high-quality arts experiences and education programs are funded through this program. The initiatives aim to improve equity of access and participation in arts education and to increase access to arts education for students in rural and remote areas. They include support for the work of The Song Room, the Australian Children's Music Foundation, Musica Viva in Schools and Bell Shakespeare, as well as national awards for excellence in school music education and the national Music: Count Us In event for schools across Australia. In 2009, 354 540 students, teachers and parents participated in Music: Count Us In and 1306 teachers participated in Music: Count Us In professional development courses. In 2009, over 170 000 students in more than 250 schools took part in The Song Room's Enhanced Learning through the Arts Project.

Innovation in Science, Technology and Maths Education

In 2009–10, the government funded a number of nationally significant projects to advance school science and maths education and to support the implementation of the Australian Curriculum for science and mathematics. Under the Innovation in Science, Technology and Maths Education element of the Quality Outcomes Program, a total of $2.8 million was invested in the following initiatives in 2009–10:

»   The Science by Doing project, led by the Australian Academy of Science, establishes professional learning communities and develops digital professional teaching and learning resources for junior high school science teachers.

»   The Primary Connections: Linking Science with Literacy, led by the Australian Academy of Science, improves primary science education by supporting teacher professional learning and developing teaching resources that align with the draft Australian curriculum.

»   The Scientists in Schools Program, managed by CSIRO Education, partners classroom teachers with scientists and mathematicians. The program is stimulating and increasing students' interest in science and maths, promoting school science and maths education and broadening awareness of the types and variety of science and maths related careers. In 2009–10, the number of Australian schools participating in the program increased from 995 to 1881.

The following two projects, funded under the Quality Outcomes Program—other initiatives undertook activities in 2009–10 aimed at improving school science and maths education.

»   The Science and Technology Education Leveraging Relevance project, managed by the Australian Academy of Technological Sciences and Engineering, received $2 million. The project is engaging Years 9 and 10 students in an inquiry-based learning approach to the teaching of science through the context of renewable energy. In 2009–10, 182 secondary schools participated in stage one of the project.

»   The Improving Mathematics Education in Schools project, managed by the Australian Mathematical Sciences Institute, received $2 million. It aims to provide an integrated approach to increasing mathematics achievement, especially in low SES communities, develop innovative resources to support the national mathematics curriculum and raise awareness of career opportunities in occupations and professions requiring mathematical skills.

Asia Literacy Ambassadors—Partnering Businesses and Schools

The objective of the Asia Literacy Ambassador—Partnering Businesses and Schools project is to promote Asia literacy in schools, and stimulate and increase student interest in Asia. The project provides Asia-skilled professionals to act as Asia Literacy Ambassadors and work with secondary schools nationally. The focus of the ambassadors' relationships with schools is to inspire and motivate students, teachers and parents in the teaching and learning of Asian languages and Asian studies. Eighteen school–business partnerships have been established.

National School Drug Education Strategy

The National School Drug Education Strategy has fostered capacity in school communities to provide safe and supportive school environments for all Australian school students and promoted a nationally consistent approach to school drug education across all education sectors. The strategy has supported the development of effective, evidence-based prevention and early intervention school drug education resources to support schools to respond to, and effectively manage, drug issues.

Northern Territory Emergency Response

School Nutrition Program

This program is a continuation of the government's contribution towards improving school student engagement and attendance by delivering a breakfast and lunch program to school-age children in schools in communities covered by the Northern Territory Emergency Response. The program also provides job opportunities and training for local Indigenous people living in remote communities.

Teacher Housing

The Australian Government has provided $11 million for the construction of at least 22 additional teacher houses under the Closing the Gap in the Northern Territory National Partnership Agreement.

As a result of pooling of Northern Territory Department of Education and Training (NTDET) and Australian Government funding, NTDET will construct 47 houses. At 30 June 2010 the NTDET had 20 houses completed to lock-up stage; seven houses near completion; and eight houses between 50 per cent and 70 per cent completed.

Expansion of the Enhancing Education elements

The Australian Government has provided $45.7 million over three years to Northern Territory education providers to develop career pathways for Indigenous staff, increase the number of Indigenous staff with education qualifications and provide support and programs to enable teachers and students in remote school communities achieve improved outcomes in literacy and numeracy.

Implementation of this work is being progressed in conjunction with the Smarter Schools NPs. Over 2009–10, this funding has supported:

» the establishment of five Critical Friends consultants to enhance school improvement planning processes

» the establishment of a Remote Improvement team to work intensively with targeted government schools

» the commencement of a trial of inclusive leadership models in eight remote schools

» the employment of one Remote Indigenous Education Manager to work closely with school leaders and facilitate enhanced community partnerships in education, with five more positions expected to be filled in regional locations

» the continuation of a Remote Specialist Support team working with five remote Catholic schools

» a specific selection process for the recruitment of quality teachers to remote schools

» enhanced services and support for students with conductive hearing loss in 33 targeted remote schools

» the establishment of an Indigenous and Remote Workforce Development team and a Quality Remote Teaching Service team.

Expansion of the Enhancing Education elements—Kimberley Sound Amplification project

Chronic suppurative otitis media is a serious problem in Aboriginal communities in the Kimberley (Western Australia). On any one day, in a Kimberley classroom, up to 65 per cent of Aboriginal students can experience intermittent hearing loss. Hearing loss has a life-long impact and often starts early, impeding speech and language development.

Acknowledging the links between hearing and early literacy acquisition, the Australian Government committed $1.3 million under the *Indigenous Education (Targeted Assistance) Act 2000* to support the Kimberley Sound Amplification project. This cross-sectoral project has provided sound amplification equipment for all classrooms in Kimberley schools in the government, Catholic and independent sectors.

The project commenced in June 2009 and is due for completion in July 2010 with sound amplification equipment operating in all 458 Kimberley classrooms.

Sound amplification equipment has been installed in all Aboriginal Independent schools and Catholic Education schools. The sound field ensures that all students can hear teacher instructions and enables students with hearing impairment to participate in classroom activities. The provision of two compatible microphones allows the teacher and the Aboriginal assistant to teach in tandem, or to work in different parts of the room, with a consistent noise level across the class.

Already teachers are reporting noticeable improvements in student engagement in the classroom. Many have reported that students are misbehaving less and are better able to focus on in-class activity. Additionally, teachers no longer have to shout, as the sound field allows them to interact with all students at normal speaking volume, despite external and ambient noises. With less stress on their voice and more engaged students, the teachers have a more enjoyable teaching experience.

Training in the use of the equipment and in the importance of personal hygiene and nutrition was provided to all Kimberley schools by the Western Australian Department of Education and was very well received by the teachers.

The Australian Indigenous Education Foundation

The Australian Government's $20 million investment over three years (2009–10 to 2011–12) in the Australian Indigenous Education Foundation will support the delivery of its Indigenous Scholarship Programme and help it raise a further $20 million from external sources to bring total funds to $40 million. This endowment fund will deliver scholarships for Indigenous secondary students around Australia to achieve Year 12 attainment.

In 2009, the foundation received $12.5 million in government funds, nearly $1 million in donations and over $4 million in pledges from external sources. In this first year of operation, the foundation distributed $478 124 from government funds to five Foundation Partner Schools in Sydney for 43 students, including two Year 12 graduates.

The Parental and Community Engagement program

The Parental and Community Engagement program (PaCE) is a community-driven program which focuses on the development and implementation of creative and innovative approaches to improve the educational outcomes of Indigenous school students through enhancing Indigenous parental engagement with schools and education providers.

In 2009–10:

» 181 single or multiple year PaCE projects were approved nationally

» $19.13 million in funding was approved for projects in 2009–10 (a further $15.1 million was already committed for projects until December 2012)
» over 18 500 parents of Indigenous students, 7800 community members and 5400 other participants were targeted.

Community Festivals for Education Engagement program

The Community Festivals for Education Engagement program aims to encourage Indigenous students to attend school regularly, complete Year 12 and pursue further educational and employment opportunities. The program's events also promote a greater understanding of contemporary and traditional Aboriginal and Torres Strait Islander cultures. In 2009, five organisations produced 13 festival events in New South Wales, the Northern Territory, Queensland, South Australia, Western Australia and Victoria. There were 7750 student participants in these events.

Community Festivals for Education Engagement Program—Townsville Vibe Alive Festival

On 26 to 27 May 2010, DEEWR's Townsville employees rolled up their sleeves to help support the Townsville Vibe Alive event. Vibe Alive is a two-day festival for Indigenous students, particularly those from rural and remote communities.

This year, over 2000 students from the Townsville region attended the event. They participated in educational and health activities, music, performing arts and sports. They also attended a careers expo and got the chance to meet and speak with Aboriginal and Torres Strait Islander role models.

While the event is an action-packed two days of fun, it also conveys a serious message—stay at school, finish Year 12, and live a positive and healthy lifestyle.

Townsville Vibe Alive was a great opportunity for DEEWR employees to speak directly with students, parents and teachers about the educational and employment opportunities for Indigenous students. It is a very practical way to connect with communities and give them the information and access to all the programs that are available to students through DEEWR.

Vibe Alive events are funded under DEEWR's Community Festivals for Education Engagement Program. In 2010, a total of 13 events will be staged throughout Australia. You can learn more about the program at <www.deewr.gov.au/Indigenous/Schooling/Programs/Pages/CommunityFestivals.aspx>.

Expansion of intensive literacy and numeracy programs for underachieving Indigenous students

The Australian Government's focus on improving literacy and numeracy outcomes for underachieving Indigenous students has seen 16 Closing the Gap projects established at a range of sites across Australia. Projects seek to contribute to the evolving evidence base of what works. A common example of this evidence-based improvement is targeted teacher professional

development. For example, in one project, teachers and Indigenous Education Workers participate in intensive learning, enabling them to produce culturally appropriate and inclusive resources which will be familiar to Indigenous students, building on their existing knowledge and giving them an early taste of success. Further projects will be funded during 2010.

Personalised Learning Plans

The government supported the development of Personalised Learning Plans for Indigenous students by providing resources for teachers. These resources are designed to assist teachers to engage with individual students and their parents, to capture student aspirations, implement appropriate personalised teaching and learning strategies and monitor student progress against targeted learning goals.

Supporting remote schools—additional teachers for the Northern Territory

The Australian Government worked with Northern Territory education providers to fund up to 200 additional teachers in schools in remote communities.

At 30 June 2010, a total of 140.5 full-time equivalent teachers had been recruited, deployed and retained. Total expenditure is $107.8 million from 2009–10 to 2012–13.

In addition, the Northern Territory Government has identified savings from its allocation over the lifetime of the measure which will be used to fund the construction of at least 22 additional teacher houses. A shortage of suitable accommodation remains a major challenge to the successful completion of the Additional Teachers measure.

Effectiveness indicators

Table 2.8		
Effectiveness indicators for Program 2.3		
Performance indicator	**Estimate**	**Actual**
Apparent retention rate of full-time students from Year 7/8 to Year 12	74.7%	76.0%

Chart 2.4

Apparent retention rate of full-time students from Years 7/8 to Year 12, 2004 to 2009
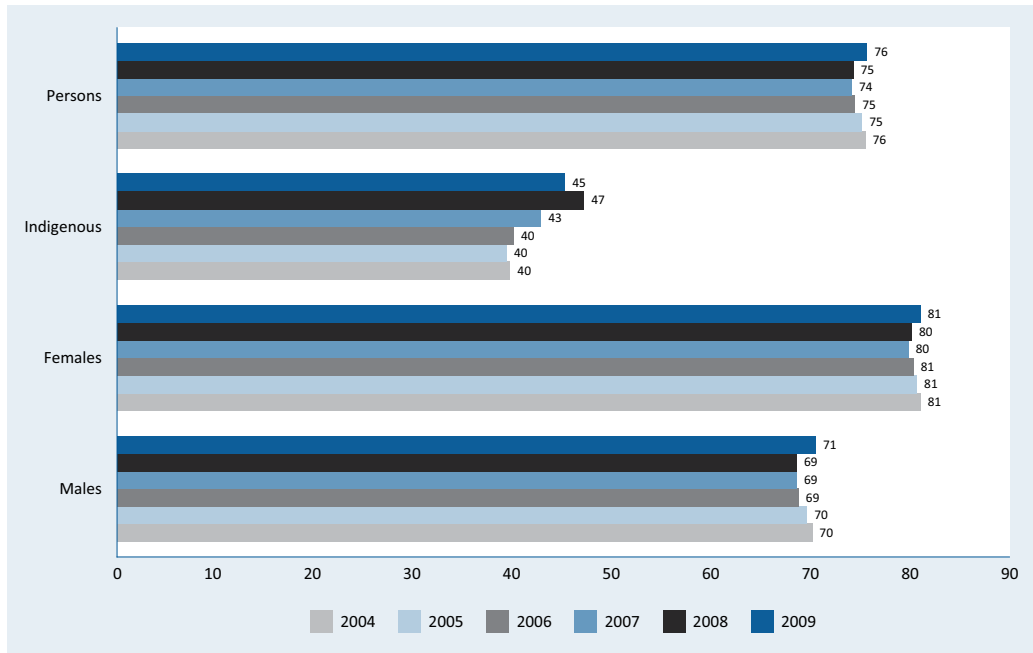
Source: ABS 2009, *Schools, Australia, 2009*, cat. no. 4221.0.

Table 2.9

Full-time school and preschool enrolments for Indigenous students

	2007	2008	2009
Indigenous school students	147 181	151 668	155 533
Indigenous preschool Students	9627	10 014	10 687

Source: ABS 2009, Schools, Australia, 2009, cat. no. 4221.0, and the National Preschool Census, 2009 Summary Report.

The number of Indigenous students continues to increase, with Indigenous school enrolments increasing by 5.7 per cent and Indigenous preschool enrolments increasing by 11 per cent. A large portion of this year's increase in preschool enrolments occurred in New South Wales, where enrolments increased by over 300.

Program 2.4 Trade Training

Program objective

Trade training is an important element of the government's workforce development agenda and will help address national skills shortages in traditional trades and emerging industries by improving the relevance and responsiveness of trade training programs in secondary schools.

In addition, trade training will contribute to increasing the proportion of students achieving at least a Year 12 or equivalent Certificate II qualification to 90 per cent by 2015 as agreed by COAG in April 2009. Trade training in schools provides students with access to high quality, relevant education and training opportunities that continue to engage them and encourage them to complete their studies.

Table 2.10		
Key performance indicators for Program 2.4		
Performance indicator	**Estimate**	**Actual**
Australian Technical Colleges		
Number of student enrolments	2762	3163
Trade Training Centres in Schools Program		
Number of schools funded	302[a]	301
Number of projects funded	92[a]	92

a   This estimate was published in the 2009–10 Portfolio Additional Estimates Statements.

Australian Technical Colleges

As at the Australian Technical College (ATC) October 2009 Census, there were 3163 students enrolled in the 24 colleges operating in regional and metropolitan areas across all states of Australia. The Australian Technical Colleges program lapsed on 31 December 2009 and all colleges were integrated into the broader education and training systems in their relevant state or territory. All former ATC students were provided with an opportunity to complete their ATC programs under the new arrangements.

Trade Training Centres in Schools Program

Funding has been provided through an annual national competitive application process to build or upgrade training facilities for secondary school students. In round two of the program, $384.2 million was approved for 92 projects involving 301 schools. The actual number of schools funded reflects the withdrawal of one school from a successful Round Two cluster application.

Bindoon Trade Training Centre

The Brother Norman Tuppin Trade Training Centre was officially opened in May 2010. 'Our students now have a modern facility to study both engineering and construction certificates,' said the centre's principal, Damian Wallis.

The Catholic Agricultural College—Bindoon, in Western Australia, is a Year 7 to Year 12 coeducational secondary school for day and residential students. The school is located in the Chittering Valley's rural hinterland about an hour's drive north of Perth and about seven kilometres from the rapidly growing town of Bindoon.

The school is set on a 3300 hectare working farm with cattle, sheep, wheat and other crops. The student cohort includes a number of Indigenous students and students from the rural and remote Kimberley area. Education at the school is a balance of secondary curriculum and on- and off-the-job vocational training that suits the learning style of the students.

The Trade Training Centre proposal submitted by the college demonstrated robust partnerships and outlined a strong student support and pastoral care strategy including increased literacy and numeracy programs and career and transition advice. Because the proposal aimed to address current skill shortages in the engineering, construction, automotive and agriculture industries and provide increased employment opportunities, it had strong community support.

The school received $1.5 million under the Australian Government's Trade Training Centres in Schools Program to refurbish and fit out an existing building with state-of-the-art equipment for use by the school and wider community

Students enjoying the Brother Norman Tuppin Trade Training Centre.

Program 2.5 Digital Education Revolution

Program objective

The government has embarked on a major school reform agenda to support quality teaching and school leadership, improve educational outcomes for disadvantaged young Australians, promote world-class curriculum and assessment, and strengthen transparency.

The reach of each of these initiatives is supported and extended by the $2.4 billion Digital Education Revolution (DER) which aims to contribute sustainable and meaningful change to teaching and learning in Australian schools to prepare students for further education, training and jobs of the future. The DER recognises the importance of ICT in schooling to help Australian students acquire the knowledge and skills they need to participate effectively in a globalised economy.

For more than a decade, governments and school communities around Australia have been working to harness the power of ICT to improve educational opportunities, boost outcomes and energise the learning experience.

With computers that are networked using high-speed broadband connections, teachers everywhere can create new learning materials which combine curriculum resources, information from across the world, concrete everyday examples and their own insights. They can share with each other, collaborate and find new ways to make ideas and information understandable and meaningful to their students. With the same networked computers, students can learn to create, innovate, think critically and work in teams to solve problems.

Through the DER, the government is working with jurisdictions, government and non-government schools sectors and VET and higher education sectors to support the deployment of technology enriched learning environments.

All state and territory governments and non-government education authorities have now agreed to a national, coordinated and collaborative partnership approach to developing and implementing the DER through National Partnership and funding agreements. Through this joint approach, all secondary schools now have access to funding for ICT equipment to achieve high-quality learning outcomes as part of the government's education reform agenda.

Over 300 000 computers have been installed since the commencement of the National Secondary School Computer Fund. The first round of the fund concluded on 30 June 2010. This round targeted schools most in need of investment in ICT which had computer to student ratios of 1:8 or worse. By 30 June 2010, the 896 schools targeted in Round One achieved a computer to student ratio of 1:2, dramatically increasing access to ICT for students in Years 9 to 12. The schools will continue to receive funding to achieve a 1:1 ratio by the end of 2011.

The government has also committed $80 million to a high-speed broadband network for the VET sector, as part of the government's response to the 2020 Summit. Implementation of the Vocational Education Broadband Network (VEN) is being closely coordinated with the government's broadband initiatives, including the National Broadband Network and broadband commitment under the DER. In the first instance, a national network connecting state and territory TAFE networks will be established. It is intended that school authorities will be able to connect to the VEN, establishing, for the first time, the capacity for TAFEs and schools to network nationally.

The government's announcement on 18 February 2010 to provide funding of $40 million through the Digital Strategy for Teachers and School Leaders will help teachers and school leaders achieve proficiency in ICT and embed these skills across curriculum and teaching practices.

Table 2.11		
Key performance indicators for Program 2.5		
Performance indicator	**Estimate**	**Actual**
National Secondary School Computer Fund[a]		
Number of schools assisted	2900	2900

a   KPIs were not reported in the 2009–10 PBS, as the DER had moved to a National Partnership and all secondary schools would benefit from the National Secondary School Computer Fund.

Program 2.6 National Action Plan on Literacy and Numeracy

Program objective

The National Action Plan on Literacy and Numeracy focuses on the key areas of teaching, leadership and the effective use of student performance information to deliver sustained improvement in literacy and numeracy outcomes for all students, especially those who are falling behind. In addition, there is a particular priority on delivering accelerated improvement in literacy and numeracy outcomes for Indigenous students. The 2008–09 Budget announced funding of $577.4 million over four years for the delivery of this plan.

The key elements of the plan are National Partnership Agreement for Literacy and Numeracy, including strategic research initiatives, and Literacy and Numeracy Pilots in low SES communities.

Table 2.12	
Key performance indicators for Program 2.6	
Smarter Schools – National Partnership for Literacy and Numeracy	
Number of schools/students assisted	395 171 students across 1022 schools (2009–10 to 2011–12)

Trend analysis

The first year of the national literacy and numeracy assessment was 2008. The results of NAPLAN over 2008 and 2009 indicate that while some gains have been made, there remains a gap between the percentage of Indigenous and nonIndigenous students at or above national minimum standards in reading, writing and numeracy. Although the gap reduced in 14 of the 20 NAPLAN domains and year levels from 2008 to 2009, any real trends can only be reported over a span of three years or more.

The government has also committed, through the National Partnership Agreement on Literacy and Numeracy, to establishing an evidence base of effective literacy and numeracy practices. The

evidence base will include rigorously reviewed literacy and numeracy research, in addition to strategies and approaches that have demonstrated improvements in student literacy and numeracy outcomes, particularly for those who are at risk of falling behind. Consistent with the NP, the evidence base will be developed in partnership with state and territory government and non-government education authorities, including practitioners.

States and territories have developed trajectories of improvement for all Indigenous students to meet the COAG target of halving the gap in Indigenous reading, writing and numeracy by 2018. These trajectories, endorsed by ministers in April 2010, will be used by the COAG Reform Council to measure progress towards halving the gap.

The initiatives of the National Action Plan for Literacy and Numeracy complement the Indigenous education activities funded under Program 2.3 Schools Support.

National Partnership Agreement on Literacy and Numeracy

The $540 million Smarter Schools—National Partnership Agreement on Literacy and Numeracy (NP) is the centrepiece of the National Action Plan. The NP will provide $500 million to states and territories ($150 million in 2009–10, to facilitate reform; $350 million in 2011–12, to reward reform). An amount of $40 million has been retained to implement evidence-based initiatives to drive accelerated improvement in literacy and numeracy outcomes.

The NP commenced in 2009 and implementation is underway at the school, system and national levels. Final implementation plans were signed by the former Deputy Prime Minister, the Hon Julia Gillard MP and her state and territory counterparts. Those documents are publicly available on the DEEWR <www.deewr.gov.au> and Federal Financial Relations <www.federalfinancialrelations.gov.au> websites. State and territory annual reports (for the 2009 calendar year) covering progress against key milestones have also been published on the DEEWR website. All schools undertaking NP activity in 2010 are expected to publish a school plan on their website. The plan identifies key priorities, reform activities and investment taking place. Of the 1989 schools identified by jurisdictions as beginning their participation in 2009–10, 1256 (63 per cent) have published their plan.

The second major element of the plan is the Literacy and Numeracy Pilots in low SES communities. The Australian Government has invested $41.3 million in 30 Literacy and Numeracy Pilot projects, operating in over 400 schools nationally. These pilots are trialling new approaches to improving literacy and numeracy strategies in schools. A national evaluation of the pilots is underway and its findings will assist all educational authorities and the government to further the literacy and numeracy reform agenda in addition to informing the evidence base of effective practices.

Effectiveness indicators

Table 2.13								
Effectiveness indicators for Program 2.6								
	Year 3		**Year 5**		**Year 7**		**Year 9**	
	Reading	**Numeracy**	**Reading**	**Numeracy**	**Reading**	**Numeracy**	**Reading**	**Numeracy**
Percentage of students at or above the national minimum standard in reading and numeracy	93.7	94.0	91.7	94.2	94.0	94.8	92.2	95.0
Percentage of Indigenous students at or above the reading and numeracy national Minimum Standards	75.1	74.0	66.7	74.2	73.2	75.8	67.0	75.0

Source: MCEEDYA 2009, National Assessment Program—Literacy and Numeracy: Achievement in Reading, Writing, Language Conventions and Numeracy.

Program 2.7 Building the Education Revolution

Program objective

As part of the government's $42 billion Nation Building—Economic Stimulus Plan, $16.2 billion is being invested over four years through Building the Education Revolution (BER) program.

The objectives of the BER were to provide economic stimulus through the rapid construction of school infrastructure and to build learning environments to help children, families and communities participate in activities that will support achievement, develop learning potential and bring communities together.

The BER program has contributed significantly to the value of non-residential building approvals at a crucial time in the aftermath of the global downturn.

Over the 10 months to April 2010, the BER program contributed $12.5 billion to the seasonally adjusted values of Australian Bureau of Statistics Building Approvals. The department estimates that the program represented around 32 per cent of the total value of non-residential building approvals (in seasonally adjusted terms) over the year to April 2010.

The employment supported by the program and the government's other stimulus measures is helping to reduce the unemployment rate and the build-up of long-term unemployment. Treasury has estimated that the overall impact of the economic stimulus plan, of which the BER is the single largest element, is support for 200 000 jobs.

The stimulus objective of BER required education authorities to put in place procurement and construction models that could achieve far more rapid construction activity than has typically been achieved under earlier programs. Notwithstanding the need for accelerated construction activity, the BER guidelines also sought the achievement of value for money.

During 2009–10, the question of whether value for money was being achieved through BER was subject to considerable debate and scrutiny.

The Primary Schools for the 21st Century element of the BER program was the subject of a performance audit by the Australian National Audit Office and an inquiry by the Senate Education, Employment and Workplace Relations References Committee. The department provided advice and evidence to these two major accountability exercises.

In April 2010, the government announced that it would establish the independent BER Implementation Taskforce, headed by Mr Brad Orgill. The taskforce came into operation on 3 May 2010 and is scheduled to make an interim report to the Minister during August 2010. It is examining both individual school complaints as well as the systemic methods used by education authorities to implement the BER. The taskforce has the benefit of legal, construction, quantity surveying, business and other expertise to help it do its work. Several departmental staff have been seconded to the taskforce to assist it in its deliberations.

The BER is underpinned by a strong partnership approach between the Australian Government, state and territory governments and non-government education authorities.

The three elements of the BER are:

» Primary Schools for the 21st Century—$14.1 billion for long-term investment to build or upgrade large-scale infrastructure in all primary schools, special schools and primary components of Kindergarten to Year 12 schools within the government and non-government sectors. Under the program, funding is available for new buildings such as libraries, multi-purpose halls, covered outdoor learning areas, and classrooms or for major refurbishment of existing facilities.

» Science and Language Centres for 21st Century Secondary Schools—$821.8 million for the construction of around 500 new, or refurbishment of existing, science laboratories or language learning centres in secondary schools, government and non-government, that demonstrated, through a competitive process, a need for the project and a readiness and capacity to complete it.

» National School Pride Program—$1.2 billion for all schools, government and non-government, for funding for minor capital works and maintenance projects such as refurbishment of buildings; construction of fixed shade structures and covered outdoor learning areas, upgrades of sporting grounds and facilities and infrastructure support for students with disabilities or special needs.

Table 2.14		
Key performance indicators for Program 2.7		
Performance indicator	**Estimatea**	**Actual**
Building the Education Revolution		
Government—percentage of eligible schools receiving funding through Primary Schools for the 21st Century	70.07%	70.07%
Number of schools receiving funding through:		
» National School Pride Program	6816	6816
» Science and Language Centres for 21st Century Secondary Schools	377	377
Non-government—percentage of eligible schools receiving funding through Primary Schools for the 21st Century	28.24%	28.24%
» National School Pride Program	2679	2679
» Science and Language Centres for 21st Century Secondary Schools	160	169

a   The figures are based on 2009 data sources and represent the percentage of the total number of schools eligible for funding under the Primary Schools for the 21st Century program.

Trend analysis

Since the commencement of the BER in February 2009, 23 810 projects have been approved across the three elements of the program, with 99.5 per cent of these projects at or beyond the commencement stage and 61 per cent at the completion stage.

Building the Education Revolution

Primary Schools for the 21st Century

At 30 June 2010, of the 10 551 approved projects, 99 per cent had started, 88 per cent were under construction and 19 per cent had been completed. The majority of projects are due to be completed by March 2011; however, following the government's decision to rephase a proportion of Primary Schools for the 21st Century funding, a small number of projects are forecast for completion in the first half of 2011–12.

Science and Language Centres for 21st Century Secondary Schools

At 30 June 2010, of the 537 approved projects, 60 per cent were under construction and 30 per cent had been completed. Project variations were approved to extend completion dates due to a range of circumstances.

National School Pride Program

At 30 June 2010, 98 per cent of the 12 722 approved projects had been completed. Variations were approved to extend the completion date of the remaining projects, as their finalisation is contingent on the completion of major works under Primary Schools for the 21st Century or a Science and Language Centre for 21st Century Secondary Schools project.

A Building the Education Revolution project: an energy-efficient environmental learning centre

On 28 May 2010, work began on a new $3 million, six-star energy-efficient environmental learning centre at Gold Creek School in the Australian Capital Territory.

Gold Creek School provides education to students from Kindergarten to Year 10 across two campuses in North Canberra. The junior campus is to receive a new environment centre funded through the Primary Schools for the 21st Century element of the Building the Education Revolution program.

The new centre will use the latest techniques to save energy and water. The environmentally conscious approach starts from the ground up; the building will be constructed with low-energy production bricks, plasterboard made largely of recycled materials and certified renewable plantation timber.

The building aims to achieve a six-star design certification from the Green Building Council of Australia. Rainwater will be captured, stored and used for garden irrigation and toilets. Natural cross-flow ventilation will cool the building. Solar power will be generated and excess energy will be returned to the grid. The school will also be paid for excess energy under the ACT electricity feed-in tariff.

School Principal Sue Jose is excited about the opportunities the new building will bring to the school. 'The new centre will give students a place to learn "hands-on" about protecting the environment and growing and caring for plants in the gardens and orchard surrounding the centre,' Ms Jose said.

The centre will include two standard classrooms and a special 'wet classroom' with a set-up similar to a science classroom. The school plans to use the wet area for a variety of purposes, including to propagate plants for the surrounding gardens. Internal doors can be opened, creating a presentation space useful for both students and the community. Gardening groups are expected to use the space for workshops and demonstrations.

The local community will be heavily involved with the school students in planting and caring for the extensive community gardens that will surround the new building.

'Our school already has an Environment Club and the curriculum has an environment and sustainability focus. The new centre will add a practical element to the students' learning. Year 4 students will be located in the Environment Centre and will be encouraged to promote sustainable practices and environmental awareness across the school,' Ms Jose said.

The Gold Creek School's project is the first in the southern hemisphere to register for the International Living Building Challenge, which aims to promote truly sustainable design and construction practices around the globe.

ACT Minister for Education and Training, Andrew Barr, with students from Gold Creek School.

Program 2.8 Smarter Schools—Low SES School Communities National Partnership

Program objective

The Smarter Schools—Low Socio-Economic Status (SES) School Communities National Partnership (NP) provides $1.5 billion over seven years (2008–09 to 2014–15) to facilitate a range of within school and out-of-school reforms to address the learning needs and wellbeing of students in low SES school communities.

The NP is supporting nationally significant reforms that aim to better equip students for further education, workforce participation and civic responsibilities. It will contribute to a range of social policy objectives, including addressing social exclusion and Indigenous disadvantage.

Reforms are being progressively implemented by government, Catholic and independent schools from 2009. Participating schools are developing school level plans detailing their NP reform activities and plans are being progressively published.

The effectiveness in achieving the intended result of Outcome 2 will be measured by the performance indicators set out in the National Education Agreement. These include the proportion of Indigenous and low SES children enrolled in and attending school and the literacy and numeracy achievement of Year 3, 5, 7 and 9 Indigenous and low SES students in national testing.

Table 2.15		
Key performance indicators for Program 2.8		
Performance indicator	**Estimate**	**Actual**
Smarter Schools–Low Socio-economic Status School Communities National Partnership		
Number of schools assisted	705	1024

Smarter Schools—Low Socio-economic Status School Communities National Partnership

Almost 1700 schools (approximately 13 per cent of the student population) are expected to participate in the NP across Australia over the life of the NP. Reforms are being progressively implemented by schools with an estimated 1024 schools participating by the end of 2010.

Program 2.9 Smarter Schools—Improving Teacher Quality National Partnership

Program objective

The Australian Government has committed $550 million to the Smarter Schools—Improving Teacher Quality National Partnership (NP). The government recognises that teacher quality is the single greatest in-school influence on student engagement and achievement and that improving teacher quality requires both strong school leadership from principals and new approaches to teacher recruitment, retention and reward.

Under this NP, Australian governments are implementing a range of nationally significant and sustainable reforms targeting critical points in the teacher 'life cycle' to attract, train, place, develop and retain quality teachers and leaders in our schools and classrooms. These measures are supported by other reforms, including those that will develop effective workforce planning and support, improve teacher remuneration structures, increase school-based decision making and improve teacher education and professional development. These reforms also provide a platform for raising student performance and will support other schooling reforms targeting low SES school communities and literacy and numeracy outcomes.

The bilateral agreements and implementation plans agreed between the Commonwealth and the states and territories set out the agreed facilitation payments and state co-investments

to be made in support of these reforms. The states will also be rewarded for improvements through implementing reforms, such as those that improve teacher remuneration structures, increase school-based decision making and improve support for teachers in 'hard-to-staff' and disadvantaged schools.

The Australian Institute for Teaching and School Leadership—formerly Teaching Australia—was established in 2010 in response to the unfolding reform agenda. The institute has responsibility for rigorous national professional standards and for fostering and driving high-quality professional development for teachers and school leaders, working collaboratively across jurisdictions and through engagement with key professional bodies. It will also guide reform in areas of the NP that will benefit from national coordination.

This NP also includes funding for the development and introduction of additional pathways into teaching. The objectives of these reforms include:

» attracting the best and brightest graduates into teaching
» attracting people into teaching who have skills and qualifications in subject areas that are in short supply (including mid-career entrants)
» introducing combined study and employment arrangements to better meet the needs of beginning teachers and schools.

The Teach for Australia initiative is a new pathway into teaching for high-achieving university graduates. The program attracts those who may have been destined for an alternative career path, by offering a unique combination of university study and employment-based teacher training. Following a six week intensive residential training period, graduates undertake a two-year placement (reduced load) at a disadvantaged secondary school while completing a Postgraduate Diploma of Teaching with the University of Melbourne. They are supported by a dedicated educational adviser, and with the guidance of an experienced teacher mentor specifically trained for their role. Forty-five graduates commenced in 13 Victorian government secondary schools on 1 February 2010.

Recognising that principals lead the implementation of the education agenda at local school level and are therefore critical to the success of school education reforms, the Australian Government held a forum for principals (A National Conversation with Principals) in Canberra on 10 and 11 November 2009.

A cross-section of 146 principals from all school types (primary, secondary and combined), sectors (government, Catholic and independent) and locations (metropolitan, regional and remote) in each state and territory attended the forum, along with 12 representatives from professional and other associations.

Delegates had the opportunity to talk directly to the Hon Julia Gillard MP, former Deputy Prime Minister, about the reforms the government was pursuing in education, the difference the reforms would make for their schools and their students, and how the government could help school principals lift educational outcomes for all students. Principals reported that the forum was a valuable opportunity to build their leadership capacity and broaden their understanding of national education issues.

Shaun Isbister, Teach for Australia Associate 2010

Shaun Isbister is one of 45 outstanding university graduates selected from a field of over 700 applicants from across Australia to take on the challenging role of 'Associate' in the Teach for Australia initiative.

Shaun is among the initiative's first intake of Associates who commenced a twoyear employment-based teacher training program in one of the 13 Victorian government secondary schools participating in the initiative.

Shaun is now teaching Year 11 Business Management, Industry and Enterprise, Personal Development and Pastoral Care at Mill Park Secondary College in Melbourne's northern suburbs. He is also attending training at the University of Melbourne and studying hard to complete a postgraduate qualification in teaching. While he studies, he will develop his teaching practice with the support of an experienced in-school teacher mentor, and will learn to maximise connections between teaching theory and practice with the help of an educational adviser. Throughout this time, Shaun remains committed to developing his teaching for the benefit of his students.

'I love every moment in front of my classes; even the challenging moments as these provide great opportunities to improve,' said Shaun. 'One highlight came in my first week with my Industry and Enterprise group. A lot of kids in this group seemed to lack a positive self-image, so I gave them a test that profiled their top 24 strengths (no weaknesses!) and they loved it. I could really see an immediate difference in the attitude of three or four students and all credit to them, they continue to develop and thrive.'

Shaun lists another highlight as a conversation he had with a student and his mother about how much the student was enjoying Shaun's class. 'They both had some very kind words to say and it was actually quite touching. You do not get that kind of reward in any other job; it makes all the time and effort worthwhile,' said Shaun. 'I think the biggest thing so far has been being able to say to students, 'Hey, I've been through this. It isn't easy and it will take a lot of work, but if you want to do it you can.' This seemed to resonate with them along with my class motto—results, not excuses.'

Kerryn Sandford is Shaun's educational adviser. She meets with him regularly, observes lessons, provides feedback and supports him in making the links between the theory and practice of teaching.

'He is very driven, highly motivated and is good at reflecting upon and `un-packing' his assumptions. The students respond to his enthusiasm and persistence,' said Kerryn.

'Watching his practice improve over the past six months confirms that he is well on the way to becoming a highly effective teacher.'

Teach for Australia attracts people like Shaun who are motivated to make a difference through education to improving the outcomes of students from disadvantaged school communities. Shaun witnessed first-hand the difficulties students face in achieving academic excellence when he attended one of Melbourne's 20 most under-achieving schools based on VCE results. 'I feel Teach for Australia will give me the knowledge and skills to make a difference to educational disadvantage,' Shaun stated in his application to join the initiative.

On completion of Teach for Australia, Shaun will join other committed alumni who are expected to become exceptional leaders in society and continue to work towards educational equity and social reform.

Program 2.10 Youth Support

Program objective

The government is committed to ensuring that all young people make a successful transition from school to further education and training or work. There is a clear link between Year 12 or equivalent attainment and improved social and economic outcomes for young people. Evidence shows that current Year 12 or equivalent attainment rates have not increased significantly over the past decade.

Several elements of the $623 million National Partnership on Youth Attainment and Transitions came into effect on 1 January 2010. This included the consolidation of previous youth transitions programs into the following four new elements, all of which were developed in consultation with the states and territories:

» Maximising Engagement, Attainment and Successful Transitions—$106 million in funding to the states and territories to support the implementation of reforms in the areas of multiple learning pathways, career development and mentoring.

» National Career Development—$47 million in funding administered by the Australian Government for the development of resources that will be of most benefit to all jurisdictions if undertaken at the national level (for example, the *Job Guide* and myfuture.edu.au).

» School Business Community Partnership Brokers—$183 million in funding for a program that will improve community and business engagement with schools to extend learning beyond the classroom, increase student engagement, deepen learning experiences, lift attainment and improve educational outcomes, with providers in place over 108 service regions from January 2010.

» Youth Connections—$287 million in funding for a program which will provide an improved safety net for youth at risk through tailored case management and support to help them reconnect with education or training and build resilience, skills and attributes that promote positive choices and wellbeing, with providers in place in 113 service areas from January 2010.

Between July and December 2009, the programs funded under Career Advice Australia continued to deliver coordinated career and transition support services for Australians aged 13–19 years, through local, state and national networks, until the end of 2009. The Enterprise and Career Education Program also continued to support the development of quality enterprise education, career development, vocational learning and transition support for school students through a range of strategic initiatives to the end of 2009.

Youth engagement

The Office for Youth was responsible for developing the National Strategy for Young Australians. The strategy sets out the government's vision for all young people to grow up safe, happy, healthy and resilient and to have the opportunities and skills they need to learn, work, engage in community life and influence decisions that affect them.

The strategy provides a framework to inform the government's efforts for, and investment in, young people. It identifies eight priority areas for action, of which two, education and employment, relate directly to DEEWR's portfolio responsibilities. The office will continue to promote the strategy as a guide to future government policy and will ensure that young people's needs and perspectives are taken into account in all government business.

The office manages the Australian Youth Forum (AYF), which is one of the main communication and engagement channels between the government, young people and the youth sector. It is open and accessible to all young Australians aged 15–24 years, and gives them an opportunity to contribute their ideas and opinions and to help form practical solutions to problems in their lives and in society as a whole.

The AYF engages young people through the AYF website <www.youth.gov.au/ayf> and also in person at forums and community activities. In 2009–10, the AYF was instrumental in giving an estimated 4000 young people a voice through the National Conversation and **youTH**INK: live & online forum, the AYF website, partnership events, sponsorship activities and outreach forums. Notably, hundreds of young people and youth sector members gave their direct input through the AYF to inform the government's National Strategy for Young Australians, which was released in April 2010.

The government, through the office, supports the delivery of National Youth Week (NYW), Australia's largest celebration of young people. A joint initiative with state and territory governments, NYW aims to recognise the value of all young Australians within their communities and provides young people with the opportunity to raise issues of relevance to them. Young people are involved in NYW through organising and participating in events and activities held around the country.

The office also works collaboratively across the government on issues affecting young people. Late in 2009, the office coordinated a cross-government submission to the House of Representatives inquiry on the impact of violence on young Australians.

The office provided secretariat support to the National Advisory Group on Body Image, which presented its report and recommendations to government in late 2009. Work progressed in response to the Advisory Group's recommendations culminated in an announcement in June 2010 of new body image initiatives, the release of a ministerial statement on body image and the launch of a Voluntary Industry Code of Conduct. The new body image initiatives focus on the education environment and the fashion, media and advertising industries with the aim of building young people's resilience to negative body image pressures and reducing those pressures by promoting positive cultural change.

The office administers programs that reflect a holistic approach to young people's engagement and participation in their communities and society. These programs include the Youth Development and Support Program and the Transition to Independent Living Allowance.

The Youth Development and Support Program, a national program launched in October 2009, is designed to provide financial support to non-government, not-for-profit organisations which deliver small-scale, community-based projects to develop young people by creating practical and innovative opportunities in their communities. The program provides funding for initiatives that inspire and encourage young people to engage with government and community, and help them develop skills and connections within their communities.

The Transition to Independent Living Allowance is available to young people aged 15–25 years who have exited, or are about to exit, state-based care and/or informal care such as juvenile justice, out-of-home care, foster care, supported care or Aboriginal and Torres Strait Islander kinship care arrangements. The program is administered by Southern Youth and Family Services in Wollongong, New South Wales.

In 2009–10, the office continues to use an evidence-based approach in assisting effective policy development. This included the publication of the Investing in Australia's Young People and State of Australia's Young People reports. The reports provide a comprehensive and consistent view on government investment in young people, how young people are faring and ways government can genuinely communicate with them.

The office was responsible for the production of the Youth Budget Statement 2009–10, which is an easy-to-read online resource aimed at young people. It identifies relevant federal budget measures that impact on, or benefit, young Australians.

The Mentor Marketplace program assisted young people who were separated, or at risk of being separating, from families, communities, education, training and work with mentoring services.

YouthLinx was a prevention and early intervention program that supported young people and their families to build self-reliance and strengthen their family relationships, and encouraged community involvement. YouthLinx services provided practical support and guidance to young people and their families by helping them deal with issues affecting their wellbeing as a family, and by referring them to other specialist services as required. Support may have included advocacy, referral and information, skills development and provision of skilled practical assistance.

Table 2.16		
Key performance indicators for Program 2.10		
Performance indicator	**Estimate**	**Actual**
Careers, Transitions and Partnerships[a]		
Number of young people supported through:		
» Youth Pathways	25 500	32 058
» Connections Program	3000	4386
» Structured Workplace Learning	80 000	85 868
Number of schools supported through:		
» Career and Transition Support	2600	2056
» Adopt a School	1500	1450
Number of students supported through Adopt a School	25 000	29 489
Regional Industry Career Advisers (RICA) Network:		
» Number of contracts	57	57
Number of industry sectors with contracts in place to deliver National Industry Career Specialist network services	10	10
Youth Engagement		
Mentor Marketplace		
» Number of young people assisted	1000	1082
YouthLinx		
» Number of contacts with young people through YouthLinx activities	172 000	133 788
» Number of families engaged through YouthLinx family support activities	5000[b]	4902
» Number of young people engaged through YouthLinx family support activities	14 500[b]	13 703
» Percentage of young people and service providers reporting positive outcomes from participation in YouthLinx activities	92%	94%
» Percentage of young people, their families and service providers reporting positive outcomes from contact with YouthLinx for family support activities	95%	89%
Transition to Independent Living Allowance		
» Number of young people accessing the Transition to Independent Living Allowance	2260	2761

a   The programs administered under the Careers, Transitions and Partnerships program are based on calendar year business levels and are for the 2009 calendar year.

b   This estimate was published in the 2009–10 Portfolio Additional Estimates Statements.

Trend analysis

All programs in the above table ceased on 31 December 2009. From 1 January 2010, two new programs were in place under the National Partnership on Youth Attainment and Transitions (School Business Community Partnership Brokers and Youth Connections).

Career and Transition Support and Adopt a School were implemented through the Local Community Partnership Program, which finished at the end of 2009. The lower figures reflect an appropriate wind-down of activity towards the end of the contract period.

The number of young people accessing the Transition to Independent Living Allowance has increased steadily over the past three years. In 2009–10, 2761 young people received the allowance compared to 1504 in 2007–08. This could be due to a number of factors, such as better promotion of the allowance as well as the fact that it increased from $1000 to $1500 on 1 July 2009.

Program performance

Both the YouthLinx and Mentor Marketplace programs finished on 31 December 2009 when the government's investment in youth, careers and transitions was re-formed into new programs—Youth Connections and School Business Community Partnerships Brokers. These programs, which started on 1 January 2010, offer more targeted assistance for young people and in more locations, making it easier for young people to access the programs.

The Youth Development Support Program 2009–10 funding round received 404 applications. This response is indicative of the number of organisations seeking to better engage with, and support the development of, young people in their community.

The Transition to Independent Living Allowance continues to be available to young people aged 15–25 years who have exited or are about to exit state-based care or informal care, with 2761 young people accessing the program in 2009–10.

Program 2.11 School Student Assistance

Program objective

The government is committed to raising the Year 12 or equivalent attainment rate to 90 per cent by 2015 and to reduce the gap in Indigenous education under its policy of giving all eligible Australians an opportunity to gain a first-class education. It acknowledges the financial difficulties that some students and their families may experience in undertaking higher education. Measures in place to provide student support and to encourage and assist young people to remain in education and training and are an important part of the government's strategy in achieving its targets. Support is provided through programs such as Youth Allowance (student) and ABSTUDY, and funding through the Assistance for Isolated Children scheme.

Table 2.17		
Key performance indicators for Program 2.11		
Performance indicator	**Estimate**	**Actual**
ABSTUDY—Secondary		
Number of school students receiving ABSTUDY as at end June	28 000	27 588
Youth Allowance—Secondary		
Number of secondary school students receiving Youth Allowance as at end June	98 500	118 784
Assistance for Isolated Children (AIC) Scheme		
Students in receipt of Assistance for Isolated Children funding	12 118	11 098

Trend analysis

The number of ABSTUDY secondary school student recipients increased from 25 861 in June 2009 to 27 588 in June 2010. This is an increase of 6.7 per cent compared with June 2009 and an increase of 7.1 per cent from June 2008 to June 2010.

This increase can be attributed to the rising number of Indigenous secondary school students as well as the availability of ABSTUDY to support participation in programs such as the Sporting Chance Program, the Indigenous Youth Leadership Program and the Indigenous Youth Mobility Program.

The number of Youth Allowance (student) secondary school student recipients increased from 100 545 in June 2009 to 118 784 in June 2010, an 18.1 per cent increase; the increase in 2008–09 was 3.3 per cent. The increase in the number of recipients reflects the growth in full-time secondary school enrolments and possibly the effects of the global recession on family income.

ABSTUDY—Secondary

ABSTUDY provides a means-tested living allowance and a range of supplementary benefits for Indigenous students. ABSTUDY provides assistance for Indigenous Australian secondary school students to participate in full-time education. In June 2010, 27 588 secondary school students were receiving ABSTUDY.

Youth Allowance—Secondary

Youth Allowance (student) is a means-tested income support payment available to eligible young people aged 16 to 24 years. Certain 15-year-olds, including those who are unable to live at home, may also receive assistance. Youth Allowance (student) provides assistance for students and apprentices to participate in full-time education, training or apprenticeships. In June 2010, 118 784 secondary school students and apprentices were receiving Youth Allowance; 20.2 per cent of recipients had private earnings (on average $241.01 a fortnight). There were 13 982 Youth Allowance (student) recipients assessed as independent.

Assistance for Isolated Children Scheme

The Assistance for Isolated Children Scheme helps the families of geographically isolated primary, secondary and certain tertiary students with additional educational costs where they are unable to attend an appropriate government school on a daily basis. The scheme is demand-driven, so actual numbers depend on how many students in isolated geographical areas seek assistance.

Departmental outputs for Outcome 2

Table 2.18		
Departmental outputs performance information		
Performance indicator	**Estimate**	**Actual**
Program management		
Payments are made in accordance with approved timelines	All programs to meet relevant administrative targets set by quality assurance processes in DEEWR	All payments are made in accordance with administrative targets set by quality assurance processes
Payments made are based on calculations which are accurate and in accordance with approved guidelines	All programs to meet relevant administrative targets set by quality assurance processes in DEEWR	Payments made by all programs were accurate and met relevant administrative targets
High-quality Ministerial replies as measured by the level of satisfaction of Ministers and Parliamentary Secretaries with the quality and timeliness of the replies	Qualitative evaluation of satisfaction using feedback from the Ministers and Parliamentary Secretaries to the Secretary	Satisfied[a]
Effective reporting of student performance in nationally agreed key areas	Results agreed and published	Results agreed and published for: » 2009 NAPLAN for students in Years 3, 5, 7 and 9 » National sample assessment in ICT Literacy (2008)
Effective use of online Schools Service Point	99% of all returns will be collected online	100% of returns are collected online
Effective use of online School Entry Point	99% of all applications for funding through the Digital Education Revolution and Building the Education Revolution will be collected online	100% of all applications for funding for the Building the Education Revolution were collected online
National Report to Parliament on Indigenous Education and Training	Seventh report to be tabled in Parliament in 2009	Seventh (2007) and eighth (2008) reports ready to be tabled in 2010
Timeliness of Parliamentary reports (including interim responses where appropriate) provided to Parliament and its Committees	At least 90% meet deadline	At least 90% were completed to plan

Table 2.18

Departmental outputs performance information

Performance indicator	Estimate	Actual
Services provided by Australian Government agencies (e.g. Centrelink) satisfy performance requirements	DEEWR requirements met	Centrelink satisfied most of the key performance measures in the bilateral management arrangement
Policy services		
High-quality policy advice as measured by the level of satisfaction of Ministers and the Parliamentary Secretaries with the quality and timeliness of policy advice	Qualitative evaluation of satisfaction using feedback from the Ministers and Parliamentary Secretaries to the Secretary	Satisfied[a]
High-quality research and evaluation reports as measured by the level of satisfaction of Ministers and the Parliamentary Secretaries with the quality and timeliness of the reports	Qualitative evaluation of satisfaction using feedback to the Secretary from Ministers and Parliamentary Secretaries	Satisfied[a]
Research activities are completed according to plan	At least 90% completed to plan	Satisfied

a   During the year, ministers, parliamentary secretaries and their staff provide feedback on the level of satisfaction with departmental advice during regular meetings with the department. Overall feedback from their offices is that they recognise the significant efforts made by departmental staff to meet their requirements. The volume of written material provided to the ministers and parliamentary secretaries remained steady over 2009–10. The department provided training to staff and monitored the quality of ministerial correspondence and briefings.

Bilateral management arrangement

The bilateral management arrangement between Centrelink, the Department of Human Services and DEEWR provides a framework for all three agencies to deliver outcomes in relation to employment, education and child care. The arrangement contains a confidence framework developed to monitor the strength and success of the relationship between agencies and to assure the parties that policy and program outcomes are being achieved. Overall, Centrelink's performance against the confidence framework was satisfactory during 2009–10.

Service delivery performance for Youth Allowance (student), Austudy and ABSTUDY for Outcome 2 is reported with Outcome 3 (refer page 111).

REPORT ON PERFORMANCE

2

OUTCOME 3

A growth in skills, qualifications and productivity through funding to improve teaching quality, learning, and tertiary sector infrastructure, international promotion of Australia's education and training sectors and partnerships with industry

OUTCOME 3

A growth in skills, qualifications and productivity through funding to improve teaching quality, learning, and tertiary sector infrastructure, international promotion of Australia's education and training sectors and partnerships with industry

Tertiary education is a key to the economic and social prosperity of Australian life. Post-school education and training gives individuals the knowledge and skills to contribute fully to Australian society and to meet the challenges of a fast-moving and internationally competitive knowledge economy.

The changing nature of work means that many Australians need greater access to training and education opportunities to participate fully in the workforce, whether through language, literacy and numeracy (LLN) support, apprenticeships and traineeships or higher education degrees. These needs must be met by a high-quality tertiary education system that is responsive to changing pressures on labour market supply that result from economic cycles and the changing age profile of Australia's population.

Through education reforms, the Australian Government is committed to ensuring that higher education and vocational education and training (VET) equip Australians to make Australia a more productive and socially inclusive nation.

The skills and qualifications delivered by Australia's tertiary education sector meet the needs of individuals and Australia's economy and offer opportunities for learning both within Australia and overseas.

The Australian higher education sector consists of 42 universities, of which 37 are public, two are private and three are Australian branches of overseas universities, as well as more than 150 other higher education providers. In the VET sector, approximately 5000 public and private registered training organisations (RTOs) deliver skills and qualifications from national industry training packages and other courses. There are almost 1300 education providers who are registered to deliver education and training to international students studying in Australia.

Tertiary education is central to boosting productivity, equipping Australians with the knowledge needed for their role in the workforce and ensuring the education sector's sustainability and status as a world-class education system. Significant reform is being undertaken throughout the tertiary education sector to provide it with the capacity for this role.

The development of new funding arrangements is pivotal to this reform. In higher education, demand-driven funding arrangements that will operate from 2012 are under development. Other measures such as mission-based compacts between the Australian Government and individual universities will also promote excellence and build capacity and international competitiveness in the Australian university sector by detailing public funding commitments and reciprocal institutional commitments.

The VET sector is also undergoing systemic reform: cooperation with the states and territories is being strengthened through COAG, and there are new funding mechanisms and associated targets.

Greater quality in the delivery of tertiary and international education will be achieved through the work that is taking place across the tertiary and international sectors to improve the consistency of regulation of providers and achieve greater quality in the delivery of tertiary and international education.

Improving learning opportunities and learning outcomes is multifaceted. It includes making more places available and ensuring that there are more equal opportunities available for participating in learning.

In 2009–10, there was a focus on putting in place mechanisms to support students from low socioeconomic status (SES) backgrounds to participate in tertiary education at all levels, to help all Australians maximise their potential. The support mechanisms include expanded LLN support for adults, targeted initiatives to support Indigenous students and scholarships and extra funding to universities to encourage and support low SES background students to participate in higher education.

Significant investment in infrastructure is being made to expand and update facilities in both city and regional areas.

In 2009–10, the connection between education and employment outcomes was strengthened through initiatives in response to labour market needs in higher education—through financial incentives to encourage students to study and work in areas of national priority and in VET, and through incentives for apprenticeships and other training to study in industries that risk skill shortages in the recovering economy.

Supported by the continued strengthening and streamlining of pathways between VET and higher education, these enhancements move Australia further towards a seamless, accessible and more quality-assured tertiary sector that will further increase the appeal of Australia as a preferred study destination for international students, an important feature of a globally connected nation.

Four key targets drive achievement of these outcomes and sit behind much of the work of the government in the tertiary education sector:

» By 2020, the proportion of Australians aged 20–64 years who do not have qualifications to at least Certificate III level will be halved compared with 2009 proportions

» By 2020, the number of higher VET qualifications (diploma and advanced diploma) that were completed in 2009 will be doubled

» By 2020, 20 per cent of undergraduate enrolments in higher education will consist of students from low SES backgrounds

» By 2025, 40 per cent of 25–34-year-olds will have attained at least a bachelor-level qualification.

Meeting these targets will contribute significantly to achieving the aim of Outcome 3, which is a growth in skills, qualifications and productivity for Australia. Outcome programs have progressed these government targets by providing funding to improve teaching quality, learning and tertiary sector infrastructure.

Key priorities

The key priorities for 2009–10 were:

» to increase the number of students participating in tertiary education and receiving qualifications and to support areas of national skill and qualification need, including trades, nursing, education and early childhood education through

– an increased number of places, particularly in national priority disciplines and occupations

– offering incentives to encourage participation in priority areas

– building stronger partnerships with industry and making the apprenticeship system more agile to reflect the changing needs of business and apprentices

– improving tertiary education outcomes for people from low SES backgrounds, from regional and remote areas and for Indigenous students, by implementing targeted programs that increase their access, participation and retention

– phasing out of full fee-paying places for domestic students at university, ensuring that places are granted based on merit

– putting in place national VET equity governance and reform measures

» to reform the structure of higher education funding arrangements to achieve a demand-driven system that rewards the participation and support of students from low SES backgrounds, including a loading in funding provided to universities based on students enrolled from low SES backgrounds.

» to develop mission-based compacts with universities to provide a framework for jointly achieving the government's reform agenda and institutions' individual missions

» to enable a more seamless provision between the VET and higher education sectors through the continued implementation of systemic reform

» to invest in infrastructure to underpin the quality and capacity of the tertiary education sector through funding mechanisms including the Education Investment Fund and the Teaching and Learning Capital Funds for both higher education and VET

» to mitigate the effects of the global recession

» to establish the new Ministerial Council for Tertiary Education and Employment to consolidate national responsibility for the governance of the tertiary and international education sectors

» to improve quality assurance and accountability through measures to improve regulation and standards across the tertiary and international education sectors

» to strengthen the transition from school to work to allow more young people to complete Year 12 and gain appropriate vocational training structured into their school arrangements

» to negotiate a Green Skills Agreement with the state and territory governments in collaboration with the training sector, universities, business, industry and unions

» to facilitate the sustainable development of Australia's international education and training sector to ensure that it continues to be recognised as world class and globally connected.

Key achievements

In 2009–10:

» Greater equity and social inclusion across the tertiary education sector were achieved through

– the formation of the new National VET Equity Advisory Council and the delivery of national VET equity reform and a range of equity programs in higher education

– the completion of tender processes for the Australian Apprenticeship Access Program and for the delivery of the Language Literacy and Numeracy Program

– the implementation of measures to support and encourage people from low SES backgrounds to participate in higher education

» An increase in the number of places and incentives offered to encourage participation in tertiary education and related employment in priority labour market areas. This included

– 500 new Commonwealth supported early childhood education places for commencement in 2010

– a reduction in the compulsory Higher Education Loan Program (HELP) repayment (with a matching reduction in HELP debt) for education and nursing graduates through a HECS-HELP benefit

– the extension of VET FEE-HELP to eligible Victorian Government–subsidised VET students

– a boost in VET funding of over $422 million to support, in partnership with states and territories, the delivery of over 125 600 new commencements in training under the Productivity Places Program

» Quality initiatives, including

– preparation for the establishment of the Tertiary Education Quality and Standards Agency as an independent statutory authority in 2011

– foundation work on the establishment of the national VET regulator, which will register and audit RTOs from 2011

– bringing forward the review of the Education Services for Overseas Students Act 2000 (ESOS Act) undertaken by the Hon Bruce Baird AM

– strengthened quality assurance arrangements under the Australian Quality Training Framework for the registration and auditing of training providers, endorsed in December 2009

» The effects of the global recession on individuals were mitigated through initiatives that included

– implementation of the Training and Learning Bonus, a one-off financial bonus to assist with the costs of study, for eligible students and postgraduate scholarship holders under the Nation Building—Economic Stimulus Plan

– establishment of the MCTEE Apprentices Action Group to oversee implementation of the COAG-agreed actions to support the engagement and retention of Australian Apprentices during and following the economic downturn

– successful implementation of the Apprentice Kickstart Bonus from 1 December 2009 and of the Keep Australia Working Apprenticeship measure

– successful implementation of the Building the Basics package—$28.2 million over three years to provide 5888 additional LLN training places for adults aged 25 years and over, increase the number of trainers and encourage the acquisition of further qualifications

» Programs to increase the number of qualified workers available to Australia included

– strengthening the role of industry skills councils under the Skilling Australia for the Future policy including: consolidation of their central role in the national training system through the development and maintenance of training packages and through the implementation of policy changes flowing from the recommendations of the *VET Products for the 21st Century* report, under the auspices of the National Quality Council; advice on emerging issues and skills and training needs for individual industry sectors; assisting individual enterprises in identifying their workforce development and skills needs; and delivering the Enterprise-Based Productivity Places Program

– reforms to establish a national licensing system across all states and territories. Progress included: agreement by the Ministerial Council for Federal Financial Relations to general financial arrangements for the National Occupational Licensing System (NOLS); establishing interim advisory committees with membership drawn from employer, union, regulator, consumer and training organisations to develop licensing policy for the first wave of NOLS occupations: plumbing and gasfitting, electrical, property and air-conditioning and refrigeration; and development of a draft Bill for the system for public comment.

– funding seven significant projects through the Professional Services Development Program, enabling 519 overseas-trained Australian residents to have their professional qualifications assessed for the purposes of registration and/or employment in Australia

» COAG and Ministerial Council processes were developed to assist the government in implementing reforms such as National Partnerships

» Management of infrastructure programs included

– the announcement of 19 successful projects from the Education Investment Fund (EIF) Round Three and Sustainability Round

– continued support to James Cook University for a new school of dentistry

– successful completion of 84 per cent of sites receiving funding under the Teaching and Learning Capital Fund for VET, with the remainder due to be completed by 31 December 2010. Projects funded focus on modernising and improving the quality of teaching and learning across the sector

– provision of grant funding totalling $11 million to 21 organisations under the Industry and Indigenous Skill Centres program and the successful implementation of the Indigenous Regional Projects element under the Industry Training Strategies Program for 2009–10 and 2010–11, with 21 projects totalling $2.7 million to be funded nationally

» Institutions were provided access to sustained levels of funding to resource ongoing teaching needs through

– an increase, as recommended in the Review of Australian Higher Education, in the maximum annual student contribution amount for education and nursing units of study for students who commence from 2010, from the national priority band to Band 1 level. This measure will deliver additional funding to higher education providers that can be used to improve the resourcing of education courses

- – implementation of the government's commitment to a new indexation formula that will maintain the real value of the Commonwealth's funding and student contributions for higher education through amendments to the *Higher Education Support Act 2003*
- » International collaboration resulted in
  - – the establishment of a Bureau for Vocational Education and Training Collaboration to inform the process of developing the Indian VET system and proposals for 'practical areas of development' between Australia and India
  - – support of 15 regional link projects and 10 projects to increase Australia's profile
- » Support for the international education industry resulted in an increase in international student enrolments in 2009 to 631 000, generating $18.6 billion to the Australian economy, including
  - – arrangements for the transfer, from 1 July 2010, of the responsibility for marketing of Australia's international education and training from DEEWR to Austrade
  - – a consultation process in response to these changes, called Re:New AEI, with key stakeholders across the sector which will result in a five-year strategic plan
  - – the provision of 1806 scholarships, fellowships and exchange opportunities, including 588 scholarships through the Endeavour Awards and Prime Minister's Australia Asia Awards, allowing candidates to participate in study, research and professional development across the Asia-Pacific, Middle East, Europe, the Americas and Australia
  - – continued provision of information to the international education sector, including international student enrolment data and research into international students' experiences of studying in Australia.

Program 3.1 Higher Education Support

Program objective

The objective of this program is to provide support for Australia's higher education sector through a range of initiatives. These initiatives support institutions, students and staff in the sector in order to achieve national growth in skills, qualifications, productivity and social inclusion.

The government aims to make Australia one of the most highly educated and skilled nations and in the top group of Organisation for Economic Co-operation and Development (OECD) nations for university research and knowledge diffusion.

Of Australia's 42 universities, 37 are public, two are private and three are Australian branches of overseas universities. Of the other higher 150 education providers, three are, like the universities, self-accrediting while the others are non-self-accrediting higher education institutions.

In 2009, 813 896 domestic students and 320 970 international students (including 75 377 studying offshore) were undertaking studies through Australian higher education institutions.

The Australian Government is the primary source of public funding for Australian universities and self-accrediting institutions under the legislative framework of the *Higher Education Support Act 2003*. Publicly funded institutions receive on average approximately 55 per cent of their operating revenue from government grants and payments on behalf of students who take out loans.

The Review of Higher Education, chaired by Professor Denise Bradley AC, examined and reported on the future direction of the higher education sector, its fitness for purpose in meeting the needs of the Australian community and economy and the options for reform. Released at the end of 2008 and run concurrently with the Review of the National Innovation System, the Bradley Review helped to develop a long-term vision for higher education into the next decade and beyond.

In response to the Bradley Review's 46 recommendations, the government committed $5.4 billion in the 2009–10 Budget to a significant reform agenda that will see higher education and research fuelling economic development and productivity, and supporting Australia's role as a leader in the Asia–Pacific region.

In 2009–10, the department worked on the government's commitments to the recommendations of the Bradley Review, including the implementation of a demand-driven funding system from 2012.

From 2012, public universities will be funded on the basis of student demand. This means that the government will fund a Commonwealth supported place for all undergraduate domestic students accepted into an eligible higher education course at these institutions. Under the demand-driven funding system, providers will decide how many places they will offer and in which disciplines. Providers will be able to increase the number of Commonwealth supported places they offer in particular disciplines in response to employer and student demand.

In the interim period, transitional arrangements for 2010 and 2011 provide for the funding cap on over-enrolments to be increased from 5 per cent to 10 per cent, and for the funding floor for under-enrolments to remain. Providers will be paid for over-enrolment in the year in which it occurs rather than retrospectively.

The government provides support for new and existing infrastructure. Initiatives target new building works and infrastructure maintenance as well as the promotion of structural reform to support universities in adapting to the new structures. The government established the Education Investment Fund from 1 January 2009 and, through four funding rounds, has committed $2.1 billion in major capital funding.

The government is also complementing the Education Investment Fund through a one-off payment of $500 million from the Teaching and Learning Capital Fund for Higher Education paid in 2009–10 and financial support through the Capital Development Pool.

Equity measures provided by the government include equity programs to develop partnerships between schools and higher education providers to ensure greater equality of access for all Australians, as well as a loading in funding provided to universities based on the number of students from low SES backgrounds who are enrolled in those institutions. As part of the budget package for 2009–10, the government announced that better measures of low SES would be developed based on the circumstances of individual students and their families. For 2009–10, funding for the Higher Education Participation and Partnerships Program was allocated using a new interim measure of SES of higher education students.

The government continued to make a number of measures available to encourage students and universities to respond to labour market needs and also to improve access to higher education places, including for students from Indigenous communities and regional and remote areas. These included National Priority Scholarships, additional Commonwealth supported places, a reduction in student contributions for students enrolling in priority disciplines and National Accommodation Scholarships for students relocating more than 100 kilometres to study specialist courses not available near their homes.

The government is also supporting and rewarding excellence across universities. Performance funding will be provided from 2012 to reward universities for meeting particular targets. Preparation for these new arrangements includes the development of performance indicators for the new performance funding system.

The first full mission-based compacts with universities will be agreed in the second half of 2010. Compacts will be agreements that outline the relationship between the Australian Government and individual universities and provide a framework for jointly achieving the government's reform agenda and institutions' individual missions. They will provide information on public funding commitments and reciprocal institutional commitments. A discussion paper, *Mission-based Compacts for Universities: A Framework for Discussion,* was released in July 2009. As a transitional arrangement before the first compacts begin in 2011, universities negotiated an interim agreement for the 2010 calendar year.

The effectiveness of initiatives under this program is measured using several indicators. The numbers of domestic enrolments (full-time equivalents), domestic postgraduate enrolments (full-time equivalents), undergraduate completions and postgraduate coursework completions are measures of the capacity of the program to fund and support places for students. The labour

market's demand for graduates, as measured by the percentage of higher education graduates in full-time employment within four months of completion of degree (of those available for work), and the trend in graduate starting salaries as a proportion of male average weekly earnings provide an indication of the program's impact on productivity in the workplace. The program supports access to, and participation in, higher education for Indigenous students, measured by the trend in the number of all Indigenous students by selected higher education course level categories.

Table 3.1		
Key performance indicators for Program 3.1		
Performance indicator	**Estimate**	**Actual**
Commonwealth Grant Scheme (CGS)		
Number of Commonwealth supported domestic undergraduate places[a]	422 000	443 797
Number of Commonwealth supported domestic postgraduate coursework places[a]	21 000	25 289
Number of CGS medical places for which medical student loading is provided[a]	10 208	10 255
Number of regional campuses under the CGS for which regional loading is applied	85	85
Number of CGS places for which enabling loading is provided[a]	4694	6786
Number of CGS places for which Transitional Loading is provided[a]	27 421	29 288[b]
Higher Education Equity Programs		
Number of Indigenous students supported (Indigenous Support Program)	9450	8892
Capital Development Pool and Special Projects		
Number of Capital Development Pool projects funded	40	47
Diversity and Structural Adjustment Fund		
Number of projects receiving funding	8[c]	64
Commonwealth Scholarships		
Number of scholarships allocated to higher education providers[d]	44 360	44 131
Higher Education Special Projects		
Number of projects that received funding by the Support for Small Businesses on Regional University Campuses Program (program ends in 2010)	4	4
Number of Commonwealth supported places accessed by students in the National Centre of Excellence for Islamic Studies	40	107
Education Investment Fund		
Number of projects supported by the Education Investment Fund[e]	—	32

a   These figures refer to calendar year 2009.

b   This estimated actual is the most current figure available at time of print.

c   This estimate was published in the 2009–10 Portfolio Additional Estimates Statements.

d   Includes new and continuing scholarships allocated to eligible higher education providers in calendar year 2009.

e   EIF funding is awarded on a competitive basis, and the number of projects to be funded cannot be estimated ahead of time.

Commonwealth Grant Scheme

Under the Commonwealth Grant Scheme, the Australian Government provides funding to higher education providers to support the provision of undergraduate and some non-research postgraduate student places. Funding agreements detail the number of places (in broad discipline clusters) that providers are funded to deliver. Eligible providers may also receive additional funding through loadings:

» regional loading—helps higher education providers meet the higher costs associated with their regional location, size and history. A review of regional loading was announced as part of the 2009–10 Budget. The outcomes of the review will inform the government's policy on the future provision of regional loading for regional universities from 2012

» enabling loading—provides additional funding to higher education providers for students undertaking a course leading to a higher education award who cannot be charged a student contribution

» medical student loading—for Commonwealth supported places in a medicine course of study, completion of which would allow provisional registration as a medical practitioner

» transitional loading—additional funding for mathematics, statistics and science units of study to compensate for the reduction in the maximum annual student contribution amount for commencing Commonwealth supported students undertaking those units. In 2009, transitional loading was also supplied to compensate providers for any transitional costs associated with the phase out of domestic undergraduate full fee-paying places.

During 2009–10:

» Providers were funded for 443 957 Commonwealth supported places to be delivered in 2009 and for 452 025 places to be delivered in 2010 as specified in their funding agreements (funding is subject to adjustment for under-enrolment or over-enrolment).

» Over 780 new commencing Commonwealth supported places were allocated as a result of 2008–09 Budget measures. The places are for commencement in 2010 and 2011. A further 220 places are available for allocation for commencement in 2011.

» Funding agreements were negotiated with all higher education providers in receipt of Commonwealth supported places.

» Regional loading provided funding of $31.2 million for 2009 and $31.8 million for 2010.

Commonwealth supported domestic undergraduate enrolments increased by 5.9 per cent between 2008 and 2009 to 443 797 equivalent full-time student load (EFTSL).

Commonwealth supported domestic postgraduate enrolments increased by 23.2 per cent between 2008 and 2009 to 25 289 EFTSL.

Performance funding

In December 2009, the department released a discussion paper, An Indicator Framework for Higher Education Performance Funding, proposing a series of performance indicators for measuring quality and equity in Australian public universities for use in the new performance funding system. Over 60 submissions were received in response to the discussion paper. The department will consider feedback received from the higher education sector in developing draft performance funding guidelines. The guidelines are expected to be released later in 2010.

Higher Education Equity Programs

A range of programs provide funding to support access and retention in higher education and increasing opportunities for participation in higher education. In 2009, as part of its response to recommendations from the Bradley Review, the government set a target for the proportion of all undergraduate enrolments to be filled by people from low SES backgrounds—20 per cent by 2020. In support of that aim, the government is providing $512.09 million over four years (2010–2013) to the Higher Education Participation and Partnership Program.

In response to calls from the higher education sector to revise the methods to measure low SES, in 2009 the government released a discussion paper, *Measuring the Socio-economic Status of Higher Education Students.* The government developed a more robust interim indicator of low SES which uses a combination of census-level socioeconomic index at Census Collection District level and data from Centrelink. The interim low SES indicator improves on the current postcode measure, as it incorporates four dimensions of socioeconomic status: education, occupation, income and community. This interim indicator will be used to distribute some of the new funding in 2010.

Higher Education Participation and Partnership Program

The Higher Education Participation and Partnership Program began operations in 2010 with a budget for that year of $56.4 million. The program supports the government's goal of having people from a low SES background fill 20 per cent of higher education enrolments at undergraduate level by 2020. The program has two components: a participation component and a partnership component. The participation component gives universities a financial incentive to expand their enrolments of students from low SES backgrounds and to provide the intensive

support needed to improve their completion and retention rates. The partnership component, which aims to encourage more students from those backgrounds to aspire to higher education, involves universities partnering with schools, vocational education and training providers, state and territory governments, community groups and other stakeholders. The Higher Education Participation and Partnership Program replaces the Higher Education Equity Support Program, which allocated approximately $11.71 million to eligible higher education providers during 2009.

Higher Education Equity Support Program

The Higher Education Equity Support Program provided funding to eligible higher education providers to implement strategies that will assist in removing barriers to access for students from disadvantaged backgrounds. This may include students from low SES backgrounds, students from regional and remote areas, students with disability and students from non-English speaking backgrounds. Approximately $11.47 million was allocated to eligible providers during 2009.

Higher Education Disability Support Program

Approximately $6.1 million was available in 2009 through the Higher Education Disability Support Program. This funding assists eligible higher education providers in meeting the educational support and equipment costs of students with disability. The program also aims to encourage providers to develop strategies to facilitate the access, participation, retention and success of students with disability.

Commonwealth Scholarships

The Commonwealth Scholarships program provides students from low SES backgrounds, including Indigenous students and students from regional and remote areas, with financial assistance for the costs associated with higher education. The program has two key components: Commonwealth Education Costs Scholarships, which assist students with general education costs, and Commonwealth Accommodation Scholarships, which assist students from regional and remote areas with their accommodation costs if they have to move to undertake higher education. The Indigenous Access Scholarship, which encourages access to higher education by Indigenous students, particularly those who need to relocate from regional and remote areas, was valued at $4166 in 2009.

In 2009, the Commonwealth Scholarships program was expanded to introduce two new scholarships. There are 3000 National Priority Scholarships, valued at $2207 (indexed annually), to assist students who are studying in national priority areas and 1500 National Accommodation Scholarships to assist students who need to travel more than 100 kilometres to study a specialist course not available near their home location. A National Accommodation Scholarship was valued at $4415 (indexed annually).

The government allocates funding annually for Commonwealth Scholarships to eligible higher education providers who determine their application and selection processes in line with broad government guidelines.

All Commonwealth Scholarships are indexed annually and are not treated as income for Social Security pensions and allowances or for ABSTUDY.

Approximately $137 million was allocated to eligible providers for Commonwealth Scholarships in 2009.

Indigenous Support Program

The Indigenous Support Program provides funding to publicly funded universities to assist them in meeting the needs of Indigenous students and to advance the goals of the National Aboriginal and Torres Strait Islander Education Policy. The funding is based on performance in three areas: Indigenous student enrolments, student progress rates and award course completion rates. The

allocations are adjusted each year based on data from the Higher Education Student Statistical Collection. Funding is indexed annually.

In 2009–10, the program provided funds to eligible higher education providers to enable them to improve the participation, opportunities and outcomes of Indigenous students and staff. A wide variety of approaches were adopted, including the following strategies:

» intensive Indigenous orientation programs for students entering higher education through non-mainstream avenues

» on-campus residential programs for Indigenous high school students

» academic and social support, including resourcing computer labs and tutoring rooms and reserving them for Indigenous students within Indigenous Education Units

» employment of full-time Indigenous Student Support Officers

» Indigenous mentoring programs for students in need

» alternative entry provisions for Indigenous students

» culturally appropriate student recruitment processes.

In 2009, $34.7 million was allocated to eligible higher education providers.

Indigenous Higher Education Advisory Council

The appointment of the third Indigenous Higher Education Advisory Council (IHEAC) was jointly announced by the Minister for Education and the Minister for Innovation, Industry, Science and Research on 5 November 2009, concurrently with the first council meeting.

The third IHEAC was established to provide policy advice to the ministers on enhancing participation and outcomes for Indigenous students and staff in study, research, research training and employment in higher education.

The new council met for the second time on 22–23 February 2010 and endorsed the IHEAC Strategic Plan for 2009–2012 which was delivered to the ministers. A third council meeting was held on 17–18 June 2010.

Capital Development Pool

The Australian Government assists with capital development requirements in the higher education sector, providing annual funding on a competitive basis through the Capital Development Pool program.

In 2009–10, funding was awarded for capital development projects that enhance teaching and learning and that provide graduates with skills in areas of workforce need. This included support for campuses in regional centres and urban growth corridors, areas of national importance such as nursing, teaching, and health and science related fields, as well as IT-related projects that enhance educational delivery. Projects supported include:

» a new building for The University of Western Australia's Community Clinical School at Joondalup Health Campus, to improve teaching and learning facilities for undergraduate students from medical and allied professions

» a new building for the innovative science precinct at the University of Western Sydney's Parramatta campus, to allow better laboratory teaching for science and nursing students

» a student services precinct on James Cook University's Douglas campus, to better accommodate core student support services

» the creation of a simulation learning facility at the Clinical Education and Training Centre on the University of South Australia's City East campus

» a dedicated, high-capacity network fibre connection for the Australian Research and Education Network at the University of New England, to ensure reliable access to global teaching and research networks

» a new building for the University of Sydney's Camden campus, to support education and evidence-based teaching in global change biology, sustainable ecosystems and sustainable agriculture.

Tertiary Education Quality and Standards Agency

In the 2009–10 Budget, the Australian Government included in its package of higher education reforms in response to the Bradley Review (*Transforming Australia's Higher Education System*) an allocation of $57 million over four years to establish a new national body for regulation and quality assurance, the Tertiary Education Quality and Standards Agency (TEQSA) and to develop a new quality assurance framework.

The government envisages that TEQSA will:

» be an independent body operating at arms length from government
» oversee the development of strengthened quality assurance arrangements and protect the overall quality of the Australian higher education system
» have powers to regulate university and nonuniversity higher education providers, monitor quality and set standards
» work with the tertiary education sector to lift standards, address underperformance and drive improvements in the quality of Australia's institutions
» provide assurance to students that they will receive a high-quality qualification at any of Australia's higher education providers.

The Minister for Education has established interim advisory arrangements for the transition to TEQSA, which apply from July 2010 and which will guide the establishment of the agency prior to the enactment of statutory powers for TEQSA.

Diversity and Structural Adjustment Fund

The Diversity and Structural Adjustment Fund (DASA) aimed to promote structural reform by publicly funded universities. Projects funded through DASA aimed to increase specialisation among providers, increase diversity in the higher education sector and increase responsiveness to labour markets operating in the local or national interest. Over $200 million was allocated to the sector through DASA over 2008–2011. The full list of DASA projects is available from the department's website <www.deewr.gov.au/dsa>. Funding for these projects continues until the end of 2011.

In addition, $3.7 million was allocated through DASA to assist publicly funded universities with implementation of the Australian Higher Education Graduation Statement. The statement aims to describe a higher education qualification in an easily understandable way. A total of 36 universities have received grants of $100 000 each to assist with the implementation of the statement.

In 2009, the Collaboration and Structural Reform (CASR) Fund was subsumed by DASA. In 2010, in response to recommendations from the Bradley Review, DASA was subsumed by the Structural Adjustment Fund and $64 million in uncommitted DASA funds was redirected to it. In 2009–10, 64 CASR/DASA projects received $47 million in funding. A number of projects were completed in the 2009–10 financial year.

Structural Adjustment Fund

The Structural Adjustment Fund was announced as part of the 2009–10 Budget. The fund will provide $400 million over four years to assist universities that need to make significant structural adjustments in preparing for the new operational requirements of a demand-driven funding system with new quality measures in place. The fund comprises $200 million provided under the *Higher Education Support Act 2003* and $200 million from the Education Investment Fund which has been earmarked for capital investment. Structural adjustments will improve the sustainability of institutions and contribute to high-quality teaching and learning, particularly in regional and outer metropolitan areas. Program guidelines were developed in 2010 in consultation with the higher education sector and other key stakeholders.

Higher Education Special Projects

Higher Education Special Projects provide funding to raise the profile of a number of significant areas of interest across the broader education sector. These may be funded through endowments or program appropriations.

Small business incentives for regional campuses

The Support for Small Businesses on Regional University Campuses Program was part of the transitional arrangements in response to the introduction of voluntary student unionism. The program assists higher education providers to encourage and support small businesses to establish operations on regional campuses to provide services for students. The types of business services that have been supported under the program include health, accommodation, child care, food and beverage supplies and textbook and educational supplies.

Total funding of $4.4 million was allocated under the program to 20 projects across nine universities. Final payments were made in 2009–10.

National Centre of Excellence for Islamic Studies

The National Centre of Excellence for Islamic Studies (NCEIS) was established in 2007 in response to the Australian Government's National Action Plan to Build on Social Cohesion, Harmony and Security. The NCEIS is hosted by the University of Melbourne. The purpose of the NCEIS is to meet the needs of Australians, including the Islamic community, for higher education Islamic studies, to meet the learning needs of aspiring and existing religious leaders, teachers and other professionals who work in the Islamic community and to ensure that Australians across the country will be able to access Islamic studies courses from NCEIS. The NCEIS is also expected to achieve an international profile among academics, Islamic scholars and overseas students.

The NCEIS appoints members to a national consultative committee whose membership comprises academics, young people, representatives from the Islamic community, women's organisations and the department. The committee assists and advises the NCEIS on a range of community issues, including teaching and research activities, strategic direction and the needs of the Islamic community.

Australian Government funding included a payment of $595 000 to assist NCEIS with the establishment and maintenance of a sustainable partnership with the community, a payment of $4 million for physical and academic infrastructure and funding to support a number of Commonwealth supported places each year for students enrolled in Islamic studies.

In 2009, the number of commencing students enrolled in Commonwealth supported places increased to 107. Students interested in Islamic studies subjects as part of their undergraduate studies were enrolled at the University of Melbourne and its partner universities, Griffith University and the University of Western Sydney.

National Centre for Student Equity in Higher Education

The National Centre for Student Equity in Higher Education (NCSEHE) was established in July 2008 and is hosted by the University of South Australia. Its purpose is to inform student equity policy and practice in Australian higher education and to provide leadership in researching student equity issues in the Australian context.

The NCSEHE has an advisory board consisting of equity practitioners, academics, representatives from the higher education, vocational, education and training and schools sectors and the department. The board provides advice to the NCSEHE on its strategic direction, goals and activities.

The Australian Government currently provides $590 000 annually towards the operational costs of the NCSEHE.

Centre for Social Impact

The Centre for Social Impact was established in June 2008 with an endowment of $12.5 million from the Australian Government to the University of New South Wales. The purpose of the centre is to build the capacity and effectiveness of the not-for-profit sector by engaging in world-class teaching, to produce high-quality research and to work with strategic partners to help develop and deliver better options for and to the not-for-profit sector.

The centre has three advisory councils consisting of senior members of the not-for-profit, corporate and government sectors. The councils provide advice to the centre on teaching and research priorities, stakeholder relationships and public policy issues.

The centre is required to obtain 'matched-funding' of $12.5 million from non-Australian Government sources, including philanthropic sources.

Larry Knight Memorial Scholarship

In 2006, the government established the Larry Knight Memorial Scholarship to fund an annual scholarship to assist with education costs for a student from a low SES background enrolled in mining-related undergraduate courses at the University of Tasmania. The government provided an endowment of $1 million to the university for establishment of the scholarship. Interest from the endowment may be invested by the university to finance the scholarship on an ongoing basis. Scholarships were awarded in 2007, 2008, 2009 and 2010.

Chair of Australian Literature

In 2008, the government, with an endowment of $1.5 million, established the Winthrop Chair in Australian Literature at the University of Western Australia, to reinvigorate the study of Australian literature at university, in schools and throughout the community.

The Winthrop Chair in Australian Literature encourages the study and appreciation of Australia's creative writers and their work at the national and international levels. The chair conducts and guides new research and promotes reading and interest in Australian literature throughout the education sector and the broader community. In 2009, Professor Philip Mead was appointed inaugural chair. During 2009–10, three research projects were initiated. A project on investigating the teaching of Australian literature in universities and senior secondary schools was completed and a number of other research projects are currently underway.

Education Investment Fund

The EIF subsumed the Higher Education Endowment Fund. It is a major component of the government's Education Revolution and is also one of the three nation-building funds established to stimulate economic activity in the short term and expand growth potential in the medium to long term. By supporting world-leading, strategic infrastructure investments, the EIF aims to build a modern, productive, internationally competitive Australian economy that will transform Australian tertiary education and research.

The EIF provides funding for projects that create or develop significant infrastructure in higher education institutions, research institutions and VET providers. Projects within the higher education and VET sector are managed by DEEWR, while the research sector projects are managed by the Department of Innovation, Industry, Science and Research.

In 2010, the government announced 19 successful projects from the EIF Round 3 and Sustainability Round. Projects included:

» Swinburne University of Technology Advanced Manufacturing Centre—Factory of the Future—$40 million. The project will provide collaborative learning spaces with commercial scale equipment, enabling an increase in project-based and industry-based learning in engineering and manufacturing.

» University of South Australia—Participate@UniSA—$30 million. The project addresses national higher education priorities by increasing low SES enrolments in allied health areas such as nursing, podiatry and dietetics.

» University of Technology Sydney—Building for the Future: a Unique Interactive Learning Environment—$50 million. The project will create a world-leading learning facility in the fields of information technology and engineering.

» Pilbara TAFE—Pundulmurra Campus Upgrade—$12.19 million. The project will involve a mix of new and refurbished classrooms and training workshops, horticulture and outdoor training facilities. Participation and attainment rates by Indigenous students will be boosted, with the design of the new facilities ensuring a best practice Indigenous teaching and learning environment.

» Civil Contractors Federation (Civil Train SA)—Civil Train Highway to Skilling the Industry—$8.2 million. The project will generate environmental and financial benefits by using carbon-free simulators rather than real carbon-emitting plant equipment for civil infrastructure industry training and the green skilling of civil infrastructure industry workers.

University of Queensland—School of Veterinary Science at Gatton Campus

In 2009, the University of Queensland received funding of $47.2 million through the Education Investment Fund to support the $95.8 million relocation of its School of Veterinary Science from the Brisbane metropolitan area to its Gatton Campus, 90 kilometres west of Brisbane. The relocation involved the construction of three new buildings to house research laboratories and a teaching hospital.

Collaborations with CSIRO, the Queensland Department of Primary Industries and Fisheries and leading national and international scientists resulted in the formation of a leading animal science and health facility in Australia. The facility is dedicated to protecting the health and welfare of animals, to enhancing the productivity of the Australian livestock industries and to improving the nation's biosecurity. The project was completed in May 2010.

Construction of the Veterinary Hospital for the School of Veterinary Science.

Teaching and Learning Capital Fund for Higher Education

The Teaching and Learning Capital Fund for Higher Education was announced by the Prime Minister in December 2008 as part of the $4.7 billion Nation Building Package. It was a one-off $500 million capital injection to higher education institutions, funded through the EIF. Funding was allocated among all Table A and Table B higher education institutions listed under the Higher Education Support Act 2003 for projects focused on the development of teaching and learning spaces in Australia's universities that are physically and technologically appropriate for 21st century approaches to tertiary education. There are 117 projects under this initiative, and all components are expected to be completed by the due date of 30 June 2012.

National Institutes Program

In 2009–10, funding under the National Institutes Program was provided to the Australian National University, the Batchelor Institute of Indigenous Tertiary Education and the University of Tasmania (for the Australian Maritime College) in recognition of their national role in their respective areas of higher education.

Transitional Costs Program

The Transitional Costs Program was introduced in 2008 to assist higher education providers with the transitional costs associated with changes to the maximum student contribution amount for Commonwealth supported students undertaking accounting and related disciplines. The Transitional Costs Program provided funding of $32 million in 2009 and $15 million in 2010. The program will cease at the end of 2012.

Superannuation program

The government provides supplementary funding to eligible higher education providers to cover certain superannuation expenses incurred for staff who are members of identified state government emerging cost superannuation schemes. A proportion of the funding is recovered from the relevant states under cost-share arrangements. In 2009–10, $124.8 million in funding was provided to 18 universities and $26.9 million was recovered from state governments.

Effectiveness indicators

Table 3.2		
Effectiveness indicators for Program 3.1		
Performance indicator	**Estimate**	**Actual**
Trend in number of domestic enrolments (full-time equivalents)	555 000	574 084
Trend in number of domestic postgraduate enrolments (full-time equivalents)	94 000	94 348
Trend in number of undergraduate completions	170 000	169 678
Trend in number of postgraduate coursework completions	104 000	96 319
Percentage of higher education graduates in full-time employment within four months of completion of degree, of those available for work	85.8%	79.2%
Trend in graduate starting salaries as a proportion of male average weekly earnings	80.9%	83%
Trend in number of all Indigenous students by selected higher education course level categories[a]	9600	10 465

a   All Indigenous students in higher education.

Trend in number of domestic enrolments (full-time equivalents)

Domestic enrolments increased by 5.8 per cent between 2008 and 2009, to 574 084 equivalent full-time student load (EFTSL). This growth is higher than estimated.

Trend in number of domestic postgraduate enrolments (full-time equivalents)

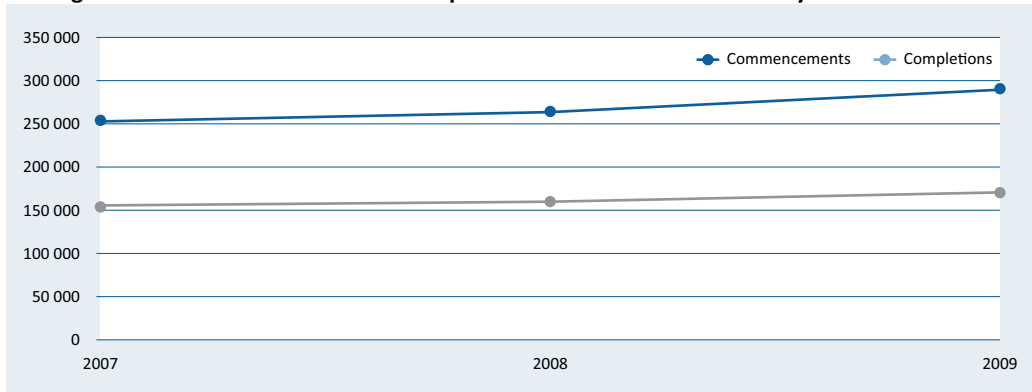Domestic postgraduate enrolments increased by 7.5 per cent between 2008 and 2009, to 94 348 EFTSL. This growth was slightly higher than estimated.

Trend in number of undergraduate completions

Undergraduate completions increased by 3.7 per cent between 2008 and 2009, to 169 678.

Chart 3.1

Undergraduate commencements and completions for 2007–2009 calendar years

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Trend in number of post-graduate coursework completions

Postgraduate coursework completions increased by 4.1 per cent between 2008 and 2009, to 96 319.

Percentage of higher education graduates in full-time employment within four months of completion of degree, of those available for work

In 2009, 79.2 per cent of bachelor degree graduates seeking full-time employment were in full-time employment within four months of completing their degrees. This is a decrease from 85.2 per cent in 2008, which is associated with the global recession and lower employment opportunities.

Trend in graduate starting salaries as a proportion of male average weekly earnings

In 2009, the median annual starting salary for new bachelor degree graduates aged less than 25 and in their first full-time employment was $48 000 (up from $45 000 in 2008). As a result, in 2009, graduate starting salaries were 83 per cent of male average weekly earnings.

Trend in number of all Indigenous students by selected higher education course level categories

Indigenous enrolments increased by 9.8 per cent between 2008 and 2009, to 10 465 students.

Program 3.2 Higher Education Loan Program

Program objective

HELP supports access to higher education and vocational education and training for eligible domestic students through the provision of discounts and loans for tuition fees. Support is also provided for the costs associated with overseas study that contributes to an Australian higher education undergraduate award.

HELP is an income-contingent loan program. The repayment arrangements under HELP ensure that only those people whose income level is above the minimum repayment threshold are required to make compulsory repayments. HELP debts are indexed. There is no interest charged on the loans. The government bears the deferral costs of the loans and the cost of loans that are never repaid due to low income.

Performance against this objective is measured by the proportion of eligible domestic higher education and VET students receiving support under HECS-HELP, FEE-HELP and VET FEE-HELP, as well as by the number of OSHELP loans.

In 2009–10, the government extended the measure to reduce the compulsory HELP repayment for particular graduates through a HECS-HELP benefit to education and nursing graduates. Students who graduate from an education or nursing course of study that is required for initial entry to work as a teacher or nurse from second semester 2009 onwards will be eligible for the HECS-HELP benefit, which will reduce their compulsory HELP debt repayments (with a matching reduction in the debt balance) if they go on to work as a teacher or nurse. The maximum reduction will be $1558.50 for the 2009–10 income year (indexed in later years). A person will be able to receive the benefit for up to a lifetime maximum of 260 weeks (five years) of eligible employment.

The HECS-HELP benefit already applied to mathematics and science graduates (who graduate from second semester 2008 onwards) if they take up related occupations and to eligible early childhood education teachers who work in an area of particular need.

Table 3.3		
Key performance indicators for Program 3.2		
Performance indicator	**Estimate**	**Actual**
HECS-HELP[a]		
Domestic higher education students (equivalent full-time student load) enrolled in award courses in receipt of HECS-HELP	340 000	368 679
FEE-HELP		
Domestic higher education students (equivalent full-time student load) enrolled in award courses in receipt of FEE-HELP[b]	50 000	55 369
OS-HELP		
Number of OS-HELP loans to assist students to undertake some of their course overseas	2800[c]	2651
SA-HELP[d]		
Number of SA-HELP loans to assist students to pay their services and amenities fee (subject to passage of legislation)	–	–
VET FEE-HELP		
Equivalent full-time students assisted to study diploma and above qualifications under the VET FEE-HELP Scheme	25 650	3498

a   Does not include students receiving HECS-HELP discounts for upfront payments.

b   Includes students enrolled at Open Universities Australia.

c   This estimate was published in the 2009–10 Portfolio Additional Estimates Statements.

d   Pending legislation.

HECS-HELP

HECS-HELP, for students in Commonwealth supported places, provides a loan for student contributions or a 20 per cent discount for upfront payments of $500 or more.

FEE-HELP

FEE-HELP loans are available for domestic fee-paying students enrolled at universities, approved higher education providers or Open Universities Australia, up to a lifetime FEE-HELP limit of $106 328 for medicine, dentistry and veterinary science courses, and $85 062 for all other courses (2009 limits, indexed annually). A 20 per cent loan fee applies to undergraduate courses of study. From 1 January 2009 undergraduate fee-paying places for domestic students at public universities began to be phased out.

OS-HELP

OS-HELP loans (maximum per loan in 2010 is $5523) are for undergraduate Commonwealth supported students to undertake part of the study towards their Australian courses at an overseas institution. Students have access to two loans over a lifetime. In 2009–10, a 20 per cent loan fee applied to OS-HELP loans. From 1 January 2010, OS-HELP loans no longer have a loan fee.

VET FEE-HELP

The VET FEE-HELP Assistance Scheme is an extension of FEE-HELP. It assists eligible students undertaking certain VET courses of study (diploma, advanced diploma, graduate certificate and graduate diploma courses) with an approved VET provider to pay for all or part of their tuition costs.

Eligible students can borrow up to the FEE-HELP limit over their lifetime. A loan fee of 20 per cent applies to all VET FEE-HELP loans for all full fee-paying students. From 1 July 2009, in jurisdictions that agreed to undertake reform of their VET system, certain state government subsidised students enrolled in diplomas or advanced diplomas became eligible for VET FEE-HELP loans. These students are not required to pay the 20 per cent loan fee.

In its initial full year of implementation, calendar year 2009, 3498 students were assisted by VET FEE-HELP. This figure is lower than initial estimates based on data available at the time from the National Centre for Vocational Education Research. However, indications are that for the remainder of the 2009–10 period there was a marked increase in the uptake rate for VET FEE-HELP loans.

Effectiveness indicators

Table 3.4		
Effectiveness indicators for Program 3.2		
Performance indicator	**Estimate**	**Actual**
Percentage of the relevant full-time higher education student population[a] receiving support under:		
» HECS-HELP	88%	88%
» FEE-HELP	4.2%	4.2%

a   Undergraduate and postgraduate students attending Table A higher education providers.

HECS-HELP

In 2009, 88 per cent of full-time students received HECS-HELP, compared with 88.1 per cent in 2008.

FEE-HELP

In 2009, 4.2 per cent of full-time students received FEE-HELP, the same proportion as in 2008.

Program 3.3 Tertiary Student Assistance

Program objective

The government is committed to increasing the proportion of Australians with qualifications and through COAG has set targets in order to secure Australia's long-term economic prosperity. It acknowledges the financial difficulties that some students and their families may experience in undertaking higher education and vocational education and training. Measures to encourage and assist young people to remain in education and training are an important part of the government's strategy in achieving its targets. Student income support is provided through programs such as Youth Allowance, Austudy and ABSTUDY.

Consistent with its goals of ensuring that students from low SES backgrounds will make up 20 per cent of undergraduate enrolments by 2020 and that 40 per cent of all 25–34-year-olds

will have a qualification at bachelor degree or higher by 2025, the government introduced a number of new student income support measures, which took effect on 1 April 2010. The measures form the first stage of the government's package of student income support reforms in response to the Bradley Review.

The reforms included the introduction of a Student Start-up Scholarship as an entitlement to all higher education students in receipt of a student income support payment. Eligible recipients may receive two half-yearly scholarship payments of $650 in 2010.

The Relocation Scholarship is paid to full-time dependent students receiving Youth Allowance or ABSTUDY who have to live away from home to study a higher education or preparatory course at a higher education institution. It is also available to young independent higher education students who are unable to live in the family home due to extenuating circumstances. The Relocation Scholarship provides $4000 to eligible students in the first year of study and $1000 in each subsequent year.

Other initiatives include reducing the age of independence from 25 years to 22 years, in a phased implementation. The age of independence was lowered to 24 years from 1 April 2010 and it will reach 22 years in 2012.

In addition, from 1 January 2010, equity and merit-based scholarships were exempted from being treated as assessable income for means testing, up to the equivalent combined value of the Commonwealth Education Costs Scholarship and the Commonwealth Accommodation Scholarship, valued at $6762 in 2010. Scholarship amounts in excess of this value will continue to be subject to means testing.

Table 3.5		
Key performance indicators for Program 3.3		
Performance indicator	**Estimate**	**Actual**
ABSTUDY—Tertiary and VET		
Number of higher education students in receipt of ABSTUDY at end June	5500	3486
Number of Australian Apprentices and students attending a TAFE college or private training institution in receipt of ABSTUDY at end June	5500	5181
Total number of tertiary and VET students in receipt of ABSTUDY at end June	11 000	8667
Austudy—Tertiary and VET		
Number of higher education students in receipt of Austudy at end June	18 000	21 456
Number of Australian Apprentices and students attending a TAFE college or private training institution in receipt of Austudy at end June	12 500	10 404
Total number of tertiary and VET students in receipt of Austudy at end June	30 500	31 860
Youth Allowance—Tertiary and VET		
Number of higher education students in receipt of Youth Allowance at end June	141 000	138 739
Number of Australian Apprentices and students attending a TAFE college or private training institution in receipt of Youth Allowance at end June	39 000	38 240
Total number of tertiary and VET students in receipt of Youth Allowance at end June	180 000	176 979

ABSTUDY—Tertiary and VET

From their introduction on 1 April 2010, 149 718 recipients of student payments received the Student Startup Scholarship in 2009–10. The Relocation Scholarship was paid to 19 116 students.

The number of higher education students, VET students and Australian Apprentices receiving ABSTUDY increased by 10.1 per cent to 8667 in June 2010 from 7871 in June 2009.

Austudy—Tertiary and VET

In June 2010, 31 860 higher education students, VET students and Australian Apprentices were in receipt of Austudy, reflecting a 4.2 per cent decrease since June 2009 when there were 33 208 recipients.

Youth Allowance—Tertiary and VET

There was little change in the number of higher education students, VET students and Australian Apprentices in receipt of Youth Allowance (student), increasing to 176 979 recipients in June 2010 from 176 645 recipients in June 2009.

In June 2010, the number of Australian Apprentices receiving income support included in these figures was 4479, which is a 10.2 per cent increase on the number of apprentices since June 2009 when there were 4064 recipients.

Program 3.4 Vocational Education and Training

Program objective

Outcomes in VET are achieved in partnership with external stakeholders, particularly state and territory governments and industry. Under the National Agreement for Skills and Workforce Development, the government contributes around one-third of funding for the public VET system with states and territories contributing the remainder.

Developed through COAG processes, the agreement forms part of the new arrangements for federal financial relations which began at the start of 2009 and which aim to facilitate the improvement of the quality and effectiveness of government services.

The agreement sets out the commitment between the Australian Government and states and territories to work towards increasing the skill levels of all Australians, including Indigenous Australians. As part of the agreement, states and territories have committed to ensuring the effective operation of the training system.

Under the agreement, the government is providing an estimated $6.7 billion over four years from 1 January 2009, with specific targets for increasing the qualifications of the working age population. States have greater flexibility to target funding to address individual state needs and to achieve agreed VET outcomes. In particular, states and territories now have full responsibility for the maintenance and support of public training infrastructure and the VET workforce in their jurisdictions.

The agreement incorporates the following agreed COAG effectiveness key performance indicators:

» proportion of the working age population at literacy level 1, 2 and 3 (the lowest of five levels)
» proportion of 20–64-year-olds who do not have a qualification at or above Certificate III
» proportion of graduates employed after completing training, by previous employment status
» percentage of graduates with improved employment status after training
» number of hard-to-fill vacancies
» proportion of people employed at or above the level of their qualification, by field of study.

Targets specified in the agreement to be achieved through the training system between 2009 and 2020 include:

» doubling the completions of higher VET qualifications (diploma and advanced diploma)
» halving the proportion of Australians aged 20–64 years who do not have qualifications at or above Certificate III.

The COAG Reform Council was established as part of the new arrangements for federal financial relations to assist in driving the reform agenda. The council aims to strengthen accountability for the achievement of results through independent and evidenced-based monitoring, assessment and reporting of the performance of all governments.

Table 3.6		
Key performance indicators for Program 3.4		
Performance indicator	**Estimate**	**Actual**
This program is being delivered through National Partnerships with the states and territories. Indicators will be available as part of the COAG reporting arrangements		

Actual agreed KPIs will be available through the COAG Reform Council as part of the COAG reporting arrangements.

Effectiveness indicators

Table 3.7		
Effectiveness indicators for Program 3.4		
Performance indicator	**Estimate**	**Actual**
Total number of students enrolled in publicly funded VET system	1.84 m	1.71 m[a]

a   This figure, the latest available, is for the number of students enrolled in 2009.

Students enrolled in public VET system

The National Centre for Vocational Education Research (NCVER) publication *Australian Vocational Education and Training Statistics: Students and Courses 2009* was released on 30 June 2010 and provides the latest information available on VET students.

This publication shows that 1.71 million students were enrolled in publicly funded VET during the 2009 calendar year. Although growth was smaller than in the previous year, there is a progressive increase in the number of students.

Program 3.5 VET National Support

Program objective

As Australia emerges from the global recession, the government has provided national leadership to ensure that the training system is flexible and responsive to the demand of industry to overcome and address skills shortfalls.

VET is a core sector of Australia's post-school education and training system. It contributes to national productivity by supporting growth in skills and qualifications to better enable Australians to enter the workforce for the first time, to re-enter the workforce, to retrain for a new job and to upgrade from an existing job. This reflects the government's priority of lifting the skills base through encouraging Australian workers to undertake VET qualifications, including high-level qualifications.

Through this program, the government provides substantial funding to encourage take-up of apprentices by employers and greater participation in training and to address persistent disadvantage.

The government's skills policy will help drive and deliver the jobs of the future, which will promote increased workforce participation rates and productivity outcomes.

In order to achieve this policy, the government has:

» increased training places through the Productivity Places Program
» provided significant funding to modernise infrastructure for TAFEs and community education providers
» built stronger partnerships with industry and made the apprenticeship system more responsive to the changing needs of business and apprentices

» strengthened the transition from school to work so that more young people complete Year 12 and get the right vocational training in and alongside the school system

» improved the literacy and numeracy skills of disadvantaged job seekers.

A priority for the government is to better link sustainable employment outcomes with a full range of training that assists individuals with the skills they need for sustainable and productive employment. Improved interaction and information sharing between the sectors will lead to a number of improvements in the effectiveness and efficiency of state funded and Commonwealth funded activities, including maximising the opportunities for skills development and training focused on employment outcomes and workforce development.

Australian Apprenticeship arrangements develop a more skilled Australian workforce that delivers long-term benefits for the nation and our international competitiveness. The government provides financial incentives to employers who employ and train an Australian Apprentice (apprentice or trainee) and encourages employers to open up genuine opportunities for skills-based training of their employees. The government also funds a range of personal benefits for individual apprentices to encourage them to complete their Australian Apprenticeship.

Pre-vocational training and support programs address barriers for vulnerable job seekers who have expressed an interest in but cannot access an Australian Apprenticeship. These programs provide early intervention to encourage vulnerable job seekers to pursue their apprenticeship goal.

Funding for workforce development activities aims to meet industry's skills development needs through a range of activities, including liaison with employers, industry organisations and industry skills councils. The funding also supports the implementation of Australian Government, COAG and state and territory initiatives related to meeting industry's skills development needs.

Workforce Innovation Program—SkillGAP—an online workforce tool for businesses

SkillGAP helps enterprises to analyse their skills requirements and identify labour and skills gaps that need action.

Produced under the Workforce Innovation Program, the SkillGAP workforce analysis tool was developed by a consortium of industry skills councils to support them in their workforce development role and to inform their work in helping enterprises to develop training, work systems and retention plans. The tool has significantly enhanced the level of service provided by the councils and has enabled enterprises to innovatively align their workforce and business development plans, increasing productivity and performance.

The Workforce Innovation Program supports innovative pilot projects that address workforce skill needs in order to improve the productivity, performance and sustainability of industry sectors or regions. Other projects that have been funded have trialled workforce development processes and illustrated the returns to enterprises on investing in skills.

Growth funding to support additional training opportunities for job seekers and existing workers in priority areas is provided through the National Partnership Agreement on Productivity Places Program, which contributes to meeting the objectives and outcomes identified in the National Agreement for Skills and Workforce Development. Funding was provided to support a target of an additional 150 000 training places during 2009–10.

The government continues to fund programs and activities that seek to improve training and employment access and outcomes for disadvantaged groups, including Indigenous Australians, Australians with disability and Australians with poor LLN skills.

In improvements to regulation of the VET sector, from 2011, all RTOs that operate in Queensland, New South Wales, South Australia, Tasmania, the Australian Capital Territory and the Northern Territory and all RTOs that operate in multiple jurisdictions or enrol international students will

be regulated by the new national VET Regulator. Western Australia and Victoria will continue to regulate providers that only operate in their states and do not have international students and will enact legislation that mirrors the new Commonwealth legislation.

Amendments to the Australian Quality Training Framework were endorsed by COAG in December 2009 to strengthen regulatory requirements for the VET sector. They will strengthen standards for initial registration and conditions for continuing registration for providers.

The overall aim of Program 3.5 is to achieve an increasing trend in the numbers of apprenticeship commencements and completions, including an increasing trend in Indigenous completions, as the program supports government initiatives to halve the gap in employment between Indigenous and non-Indigenous Australians. Government initiatives to improve LLN in the workplace aim to have recipients of LLN support move on to further training or employment. The effectiveness indicators for the program reflect these.

Table 3.8		
Key performance indicators for Program 3.5		
Performance indicator	**Estimate**	**Actual**
Australian Apprenticeship Centres		
Number of organisations contracted to provide services	28	28
Support for Australian Apprenticeships		
Total number of employers assisted nationally	93 717	99 395
Total number of Australian Apprentices assisted nationally through personal benefits	141 389	139 973
Australian Apprenticeship Workforce Skills Development		
Productivity Places Program		
Total number of job seekers assisted	61 800[a]	74 782
Total number of existing workers assisted	88 200[a]	50 855
Group Training in the Trades Program		
Number of pre-vocational places supported in trade areas	–	888
Targeted Initiatives Program		
Number of group training organisations (GTOs) supported	27	25
Number of apprentices through GTOs:		
» commencements	386	571
» completions	1285	376
Australian Apprenticeship Access Program		
Number of eligible job seekers assisted	15 000[a]	13 112
Workplace English Language and Literacy		
Number of individuals assisted	15 200[b]	12 887
Language, Literacy and Numeracy		
Number of individuals assisted	19 900	17 534[c]
Incentives for Higher Technical Skills		
Number of employment-based training places created for vocational diploma or above	191	331
National Disability Coordination Officers		
Number of National Disability Coordination Officers funded	31	31
National Programs		
Joint Group Training Program		
Number of Australian Apprentice commencements in state/territory group training sub-programs	18 000[b]	18 250

a   Revised in accordance with the Portfolio Budget Statements 2010–11, Budget Related Paper No. 1.6, Education, Employment and Workplace Relations Portfolio.

b   This estimate was published in the 2009–10 Portfolio Additional Estimates Statements.

c   Number of clients commenced by 9 June 2010 (latest data available).

Australian Apprenticeships Centres

Australian Apprenticeships Centres are contracted by the Australian Government to deliver Australian Apprenticeships support services, which include providing information and assistance to employers, Australian Apprentices and others, marketing Australian Apprenticeships and administering government incentive payments to employers and allowances for Australian Apprentices.

Support for Australian Apprenticeships

Support for Australian Apprenticeships funds the Australian Apprenticeships Incentives Program, which provides financial incentives to employers to encourage them to take on apprentices, and provides some personal assistance to individual apprentices to help them to undertake their apprenticeship. The program also provides a number of additional incentives that support Australian Apprenticeships in trade occupations experiencing a national skills shortage in recognition of the importance of maintaining the flow of fully qualified tradespeople to support economic growth as the economy emerges from the global recession.

Included under the Australian Apprenticeships Incentives Program was the time-limited Apprentice Kickstart Bonus to encourage employers to restore trade apprentice commencement to pre-global recession levels. The bonus tripled incentive payments in the first year for employers of young people beginning a trade apprenticeship between 1 December 2009 and 28 February 2010.

The success of the program is demonstrated by the fact that, despite the global recession, the number of employers assisted increased 4.3 per cent from 2008–09, only slightly less than the 5.7 per cent growth recorded from 2007–08 to 2008–09. The total number of Australian Apprentices assisted also grew marginally from 2008–09 to 2009–10.

To build on the success of the initial Apprentice Kickstart program, which saw 24 400 young apprentices employed over the summer of 2009–10, the government announced, as part of the recent Budget, the Apprentice Kickstart Extension.

Australian Apprenticeship Workforce Skills Development

Productivity Places Program

During 2008–09, the Australian Government was responsible for delivery arrangements for the program, which in that year focused on job seekers, who received over 90 per cent of all training delivered under this program.

Since the program's inception in April 2008 to 30 June 2010 there have been over 235 000 new commencements in training and it is estimated that more than 80 000 Australians have completed training. All training is targeted at qualifications that are in demand.

In 2009–10, under the National Partnership Agreement on Productivity Places Program, states and territories became responsible for delivering training to both job seekers and existing workers. To meet the demand for job seeker training and to ensure a smooth transition to state and territory responsibility, the initial focus of state and territory effort was job seekers; the focus of effort in future years is expected to be on existing workers.

In the Enterprise-Based Productivity Places Program, a sub-program of the PPP, additional funding of $50 million was provided in 2009–10 by the Australian Government for existing workers. The program aims to meet the training needs of workers in priority occupations, which will also help to increase the productivity of their enterprises. Using industry contributions in addition to government funding, the program will support almost 14 000 additional training places at Certificate III to Advanced Diploma levels. The program is a partnership between enterprises, industry skills councils and the Australian Government.

Group Training in the Trades Program

The Group Training in the Trades Program (GTTP) terminated after 2008–09 with no places supported in 2009–10. However, it was decided to continue the prevocational element of the GTTP as a new program, the Group Training in the Trades Prevocational Program (GTTPP). Contracts with the GTTP brokers were extended for purposes of the GTTPP and the program is still gaining momentum, with 888 places being supported in 2009–10.

2009 Australian Training Awards

DEEWR promotes excellence in achievement through its management of the high-profile national Australian Training Awards. Awards are presented in a variety of categories to learners, training providers and employers.

Two winners in the 2009 awards were Blake McCarthy and the Department of Corrective Services, Western Australia.

Australian Apprentice of the Year, Blake McCarthy, is a firm believer in lifelong learning who already holds more than 10 certificates and qualifications. While employed by a group training organisation, Blake undertook not only his electrical apprenticeship but also an extra Certificate IV qualification in instrumentation and control, so when he finished his apprenticeship—six months ahead of schedule—he was a dual trade instrumentation electrician.

Blake then went on to be one of only 20 out of almost 1000 applicants to gain a coveted traineeship in process plant operations, and the youngest ever to be successful. The traineeship includes study at TAFE and work at onshore and offshore oil and gas facilities.

Blake says, 'The best thing about learning and training is going to work and putting it into practice. It all comes together and you understand. I get a lot of job satisfaction out of that. Without my apprenticeship, I wouldn't be where I am today.'

The winner of the Australian Training Initiative Award was the Department of Corrective Services, Western Australia. Its training arm has had considerable success in achieving ongoing employment outcomes for prisoners on their release from jail, after giving them both vocational and life skills while they were inmates.

In 2009, more than 1500 adult prisoners from across Western Australia were enrolled in training for 11 different industries, including construction, hospitality, mining and horticulture.

Many success stories have flowed from the department's innovative program, which aims for better integration of prisoners back into the community. In the past two years, more than 140 ex-prisoners in the metropolitan area alone have been successfully placed in jobs, and 90 per cent of them were still in stable employment six months out of prison. They include five female apprentice chefs who were placed in a high-end hospitality establishment and who, two years later, are all still employed, and one male who completed a work readiness program while in prison who is now a supervisor, nine months after gaining employment in the mining industry.

Winning the Australian Training Initiative Award has given the model national recognition, and generated a great deal of interest in possible extensions to other industries.

Group Training Australian Apprenticeships Targeted Initiatives Program

The Group Training Australian Apprenticeships Targeted Initiatives Program (TIP) funds group training organisations to encourage innovation and growth in Australian Apprenticeships in priority areas where neither would happen without intervention. The program has been slowing down as current projects conclude: most were expected to end in 2009–10, and no new projects began during the year. There are three reasons for the lower than expected completions under TIP in the reporting period:

» Some people who began later in the program had not yet completed their apprenticeships.

» Some of the projects that were expected to conclude in 2009–10 ran over time, resulting in people in those projects remaining in training rather than completing as expected.

» The impact of the global recession on some employers meant that not all those individuals who began an Australian Apprenticeship under TIP were able to complete it.

Fast-Track Apprenticeships program

The Fast-Track Apprenticeships program provided grant funding to registered training organisations to develop training delivery models to shorten apprenticeship training while still meeting the skill requirements of employers and industry. This program ceased on 11 May 2010, and no new projects were approved under the program after that date.

A review of project activity funded through the program demonstrates that the program achieved viable accelerated training for individuals at a local level with the support of project funding. Over the life of the program, 183 projects were funded.

Australian Apprenticeship Access Program

The Australian Apprenticeship Access Program assists 9500 job seekers each year by providing nationally recognised pre-vocational training, training in basic work and life skills, pastoral care, advocacy, and intensive job search and post-placement support. In 2009–10, 5500 additional positions were allocated. Of those, 3650 places were to support vulnerable young job seekers aged 19–24 years and 1850 places were made available to support workers aged 25 years and over made redundant due to the global recession.

Slower than expected implementation of new Access Program Broker contracts in early 2009–10 resulted in slightly lower numbers of job seekers being assisted in 2009–10 than expected.

However, the additional allocation of places resulted in an 18 per cent increase in the number of participants supported in 2009–10 compared with the previous year.

Workplace English Language and Literacy Program

During 2009–10, the Workplace English Language and Literacy Program received additional funding to deliver 3000 additional places to support pre-employment Indigenous Employment Program participants and workers aged 25 years and over who were at risk of redundancy as a result of the global recession.

The number of individuals assisted through the program in 2009–10 was lower than expected (see Table 3.9). This was partly due to the global recession, which caused some enterprises to withdraw from training projects because they were unable to pay the compulsory employer contribution, release employees for training, or both.

However, the available data, based on completions, is unlikely to represent all 2009–10 places because very few of the additional places in projects that began in 2009–10 had completed by 30 June (projects run for an average of 12 months). Despite these constraints, the program still achieved a 6 per cent growth in participants from the previous year.

Language, Literacy and Numeracy Program

The Language, Literacy and Numeracy Program (LLNP) provides language, literacy and numeracy training for eligible job seekers whose skills are below the level considered necessary to secure sustainable employment or pursue further education or training. Because the program contracts were due to expire on 30 June 2010, a request for tender for LLNP services was publicly released on 18 November 2009, closing on 23 December 2009. The successful tenderers were announced on 26 May 2010.

The program continues to have good geographical coverage, with a distance provider continuing to provide services in areas where there is low demand. Clients are now remaining in program training for an additional 55 hours on average, a 25 per cent increase on the previous average of 225 hours. At the same time, they are achieving substantially improved LLN skills gains.

As part of the Building the Basics compact, the program continues to upskill, re-skill and equip retrenched workers aged 25 and over to be competitive in the labour market. In 2009–10, 856 retrenched workers were referred to the LLNP to receive assistance; of those, 554 began training.

The take-up of the additional program places provided in the Northern Territory as part of the emergency response (NTER) exceeded expectations.

The level of engagement in LLNP training under the NTER has significantly increased since July 2009. Indigenous engagement in the program is now around 32 per cent of client engagement under the NTER, compared with 18 per cent during the years from 2006 to 2009.

Lessons learned in the Northern Territory

Difficulties in engaging Indigenous communities in the initial rollout of the LLNP have been used to inform the development of a community-based model. The rate of referrals over the six months to 30 June 2010 indicates that the groundwork on engagement is coming to fruition.

At 30 April 2010, the total number of referrals to the LLNP (under NTER) was 322. Of those referrals, 106 eligible job seekers had begun training and 14 participants had completed LLNP training.

The government provided funding of $3 million over three years from 2009–10 for an additional 162 LLNP places for Indigenous Australians across nine Indigenous communities.

Incentives for Higher Technical Skills

Incentives for Higher Technical Skills (IHTS) supports training towards VET qualifications at diploma level and above, outside apprenticeship arrangements, to address industry needs for higher level skills. It also encourages articulation between VET and higher education.

The trend over 2009–10 showed increased employment-based training places under the Alternative Pathways component of IHTS non-Australian Apprenticeships. Future trends are highly uncertain due to a planned review of IHTS non-Australian Apprenticeships in 2010–11.

National Disability Coordination Officers Program

The Australian Government's National Disability Coordination Officers Program targets the barriers that people with disability face in accessing and completing post-school education and training and subsequently finding employment. A national network of disability coordination officers operates in 31 regions across Australia to improve the coordination and delivery of support services by improving transitions, increasing participation and establishing better links between the education sector and disability providers.

National programs

Joint Group Training Program

The Joint Group Training Program provides funding for group training organisations develop strategies and initiatives which encourage and improve the commencements and completions in Australian Apprenticeships in specific industry, regional and equity target areas that meet state and national priorities. The program is managed by the states and territories and includes an annual matched funding arrangement between the Australian Government and the states and territories.

Effectiveness indicators

Table 3.9		
Effectiveness indicators for Program 3.5		
Performance indicator	**Estimate**	**Actual**
Trend in Australian Apprenticeship commencements	290 920	271 443
Trend in Australian Apprenticeship completions	141 800	159 447
Trend in number of Indigenous Australian Apprenticeship completions	3890	4489
Increase in the percentage of the Language, Literacy and Numeracy Program participants who complete at least one block of training and go on to further training or employment	60%	60%

Trend in Australian Apprenticeship commencements and completions

From 2007 to 2009:

» commencements in Australian Apprenticeships fell by 4401 (1.6 per cent)

» commencements in Certificate III fell by 19 233 (9.8 per cent)

» commencements at Certificate IV or above continued to increase strongly, rising by 55.1 per cent

» the proportion of total commencements at

– Certificate IV or above rose from 13.7 per cent to 21.5 per cent of total

– Certificate I–II commencements fell from 15.3 per cent to 13.4 per cent of the total

» Australian Apprenticeship completions rose by 12 624 (8.6 per cent)

» completions at Certificate III level increased by 6884 (6.5 per cent)

» the proportion of total completions at

– Certificate IV or above rose from 12.7 per cent to 15.2 per cent of total

– Certificate I–II completions fell from 15.0 per cent to 14.0 per cent of the total.

A drop in Australian Apprenticeship commencements during an economic downturn is to be expected but, as these figures show, the severity of the impact of the global recession was mitigated by time-limited government interventions such as the Apprentice Kickstart Bonus. It is also usual to see completion levels for Australian Apprenticeships increase during times of economic uncertainty; however, the extent of the increase reflected in these figures can also be attributed to tailored government interventions such as the Securing Australian Apprenticeships Completion Bonus, payable under the Support for Australian Apprenticeships Program.

Chart 3.2

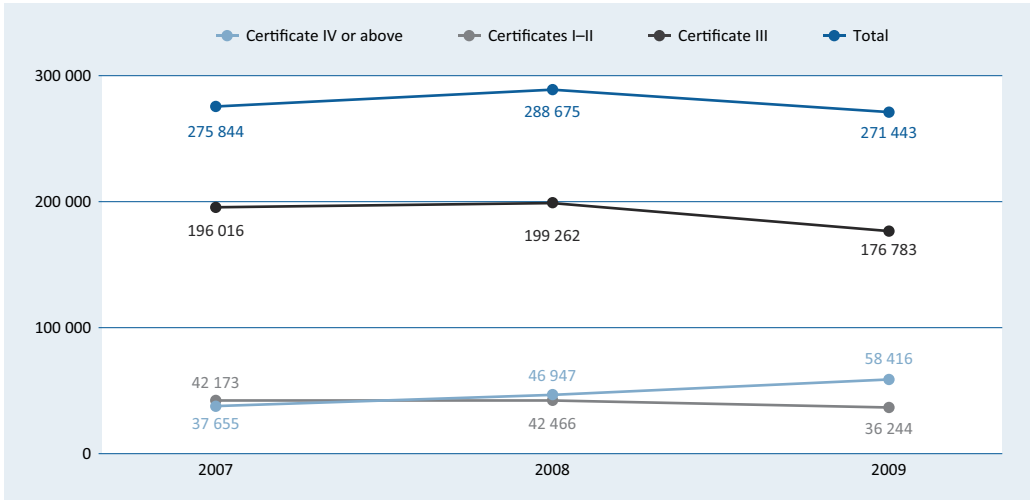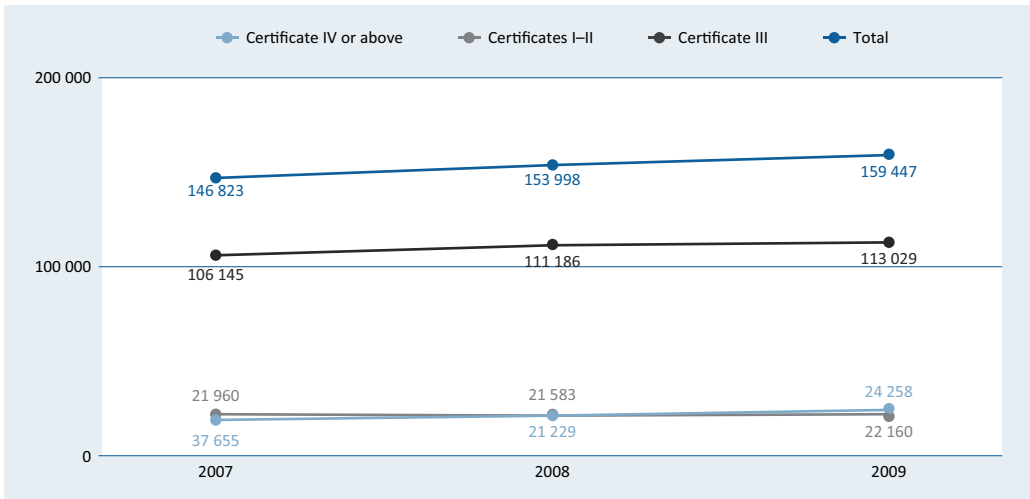**Australian Apprenticeships commencements, 2007–2009 calendar years**

Legend: Certificate IV or above · Certificates I–II · Certificate III · Total

Year	Total	Certificate III	Certificate IV or above	Certificates I–II
2007	275 844	196 016	37 655	42 173
2008	288 675	199 262	46 947	42 466
2009	271 443	176 783	58 416	36 244

Chart 3.3

Australian Apprenticeships completions, 2007–2009 calendar years

Legend: Certificate IV or above · Certificates I–II · Certificate III · Total

Year	Total	Certificate III	Certificate IV or above	Certificates I–II
2007	146 823	106 145	37 655	21 960
2008	153 998	111 186	21 229	21 583
2009	159 447	113 029	24 258	22 160

Trend in number of Indigenous Australian apprenticeship completions

The number of Indigenous students completing Australian apprenticeships has increased by 18.8 per cent since 2007. In 2009, higher level qualification completions increased by 38.3 per cent from 2007, and Certificate III completions increased by 15.8 per cent.

Over the same period, non-Indigenous completions increased by 8.3 per cent, higher qualification completions increased by 29.5 per cent and Certificate III completions increased by 6.3 per cent from 2007 levels. In 2009, the gap between Indigenous and non-Indigenous completions at Certificate III level increased from 11.4 percentage points in 2007 to 11.6 percentage points. Certificate IV level increased from 5.9 percentage points to 7.3 percentage points (that is, by 23.2 per cent).

The non-Indigenous group includes those who did not self-identify as Indigenous.

Language, Literacy and Numeracy Program participants progressing to training or employment

At May 2010 (latest data available), the number of participants in the LLNP completing one block of training and progressing to further training or employment had increased from 58 per cent in 2008–09 to 60 per cent.

Program 3.6 International Education Support

Program objective

Over 2009–10, during a time of substantial change, the international arm of the department, Australian Education International (AEI), worked to promote the sustainable development of Australia's international education and training sector, to ensure that it continues to be recognised as world-class and globally connected.

AEI worked to achieve these objectives through strengthening regional and government-to-government links, supporting student and academic mobility through scholarships, fellowships and exchange programs, developing professional qualifications and skills recognition, and increasing the profile of Australia's international education sector. In late 2009, AEI continued promotion and sector development activities under the Study In Australia 2010 initiative, including professional development seminars for education agents, research into students' experiences of studying in Australia and a program to support visits by international journalists.

More recently, a number of factors have affected the delivery of international education, including the changing value of the Australian dollar, the global recession, changes to Australia's skilled migration program and strengthened quality requirements for providers.

AEI worked in close collaboration with other Australian Government agencies, all state and territory governments and key stakeholders across the international education sector to put in place a range of initiatives to improve the wellbeing and welfare of international students. Those initiatives included bringing forward a review of the *Education Services for Overseas Students (ESOS) Act 2000* and the development of COAG's International Students Strategy for Australia.

In addition, during 2009–10, the government decided to transfer responsibility for the marketing and promotion of international education from AEI to Austrade from 1 July 2010.

AEI used these changes as an opportunity to refocus its core role in international education to government-to-government relationships and policy development. In preparation for its new role, in late 2009, AEI began consulting stakeholders across the sector under the banner of *Re:New AEI*. The *Re:New AEI* process will culminate in the development of a new five-year strategic plan for AEI with a greater focus on leading strategic policy development, regulation and governmenttogovernment engagement to support Australia's international education sector.

Table 3.10		
Key performance indicators for Program 3.6		
Performance indicator	**Estimate**	**Actual**
International Education and Training		
Number of funding recipients supported by the Professional Services Development Program	12	7
Number of projects and/or activities funded by Regional Links	20	15
Number of projects and/or activities funded by the Increased Profile of Australian International Education Sector program	10	10
Number of international scholarships, fellowships and exchange opportunities supported (Endeavour program)	1625	1806
Assessment Fee Subsidy for Overseas Trained Australian Residents		
Number of eligible clients supported	500	519

International education and training

Professional Services Development Program

The Professional Services Development Program facilitates international mobility for professionals. In 2009–10, AEI funded seven projects, which were fewer but larger than in previous years, and contributed a total of $380 000 for work by Australian organisations towards the international recognition of Australian professional qualifications and skills and the recognition in Australia of professional qualifications and skills gained overseas.

Regional Links Program

The Regional Links Program develops and strengthens relationships, particularly in the Asia–Pacific region, for the benefit of the Australian education and training industry. This was achieved in 2009–10 through the funding of 15 projects in research, education and training, as well as bilateral and multilateral activities to foster government-to-government, institution-to-institution and people-to-people links.

Increasing the Profile of Australia's International Education Sector program

In 2009–10, $1.385 million was allocated to the Increasing the Profile of Australia's International Education Sector program, which supports projects to meet the objectives of enhancing cooperation in education between Australia and the European Union and to increase student mobility between Australia and Europe, including the development of joint and double degree programs between Australian and European education providers.

International scholarships, fellowships and exchange opportunities

Endeavour Awards

The Endeavour Awards are Australia's only global, merit-based scholarship program for both outgoing and incoming students, researchers and professionals. The awards build enduring regional links and foster closer educational, professional and research ties between Australia and participating countries. The Endeavour Awards consist of Endeavour Executive Awards, Endeavour Research Fellowships, Endeavour Research Fellowships for Indigenous Australians, Endeavour Australia Cheung Kong Research Fellowships, Endeavour Postgraduate Awards, Endeavour Vocational Education and Training Awards and Endeavour Europe Awards.

The awards aim to provide opportunities for high-achieving individuals to increase their skills and enhance their global awareness. There were 538 award recipients, including 132 Australians who undertook study, research or professional development internationally as part of the Endeavour Awards in 2009–10. Table 3.11 identifies award recipients by type for 2009–10.

The Endeavour Awards are a part of the Australia Awards initiative, which was announced by the government in November 2009.

Table 3.11			
2009–10 Endeavour Awards			
Award type	**Australian recipients**	**International recipients**	**Total**
Endeavour Executive Awards	37	100	137
Endeavour Research Fellowships	89	133	222
Endeavour Research Fellowships for Indigenous Australians	1	n/a	1
Endeavour Australia Cheung Kong Research Fellowships	5	5	10
Endeavour Postgraduate Awards	n/a	93	93
Endeavour Vocational Education & Training Awards	n/a	60	60
Endeavour Europe Awards	n/a	15	15
Total	**132**	**406**	**538**

Prime Minister's Australia Asia Awards

In 2009–10, $14.9 million was committed over four years to create a prestigious international scholarship initiative that will provide an opportunity for high-calibre scholars from Australia and Asia to gain international study, research and industry experience.

The Prime Minister's Australia Asia Awards aim to build deep and enduring education and professional networks between Australia and Asia and provide an opportunity for Australian universities and the Australian Government to work in partnership to identify and reward high-calibre scholars.

The program's inaugural round funded a total of 50 university-level applicants. Of the awardees, 19 were undergraduate Australians, 21 were postgraduate Australians and 10 were international PhD scholars.

Prime Minister's Australia Asia Award

Study and an internship in China will form Patrick Mayoh's program as one of 20 Australian undergraduate recipients of the inaugural Prime Minister's Australia Asia Awards.

Patrick, who is studying for Bachelors of Law and Asia–Pacific Studies (Chinese) at the Australian National University (ANU) and is president of the ANU chapter of the Australia–China Youth Association, has an extensive involvement with China. A past scholarship recipient with the Australia–China Council Alumni, he worked in Beijing during the 2008 Olympic Games and came third in the international 'Chinese Bridge' Chinese language competition.

Patrick will travel to China as a visiting student at Peking University, Beijing, where he will study international relations, foreign affairs, domestic and international law and Chinese politics. His study will focus on China's development progress and how that progress affects international relations. He will also study to further enhance his proficiency in the Chinese language.

At the completion of his study, Patrick will then undertake an internship in China.

Of his award experience to date, Patrick said, 'Not only is the award incredibly generous on paper, the support offered has been outstanding.'

Australia Awards

The Australia Awards were announced by the government in November 2009. The awards have been established to maximise the benefit to Australia from our extensive scholarship programs, and to support enduring ties between Australia and our neighbours.

The Australia Awards will bring together the international development awards administered by the Australian Agency for International Development (AusAID) and the DEEWR Endeavour Awards under a single recognisable brand. The Australia Awards are being progressively phased in, beginning in the 2010 academic year.

International Student Exchange

In 2009–10, the Australian Government allocated $6 million to three international student exchange programs: University Mobility in Asia and the Pacific; the Endeavour Student Exchange Program; and the Endeavour Cheung Kong Student Exchange Program. The programs support the government's objective of building international linkages between Australian and overseas institutions and enrich the educational experience of the participating students.

In 2009–10, the programs enabled 1104 students to participate in student exchange in Australia and overseas. The program also included funding to support 98 staff visits overseas.

VET Outbound Mobility Program

The VET Outbound Mobility Program aims to increase the mobility of Australian VET students and increase the level of partnership activity between Australian education and training providers and/ or industry and their international counterparts. In 2009–10, the program provided $466 193 to fund 16 projects valued at up to $35 000 per project.

Assessment Subsidy for Overseas Trained Australian Residents

The Assessment Subsidy for Overseas Trained Professionals program addresses Australian skills shortages and facilitates labour market mobility through the effective integration of unemployed or underemployed individuals with professional skills gained overseas. It provides assistance to eligible overseas-trained professionals for the cost of approved examinations that must be passed to qualify for employment in certain professions in Australia. In 2009–10, $759 000 was provided to cover examination fees. The department administers the program in cooperation with Centrelink.

International government-to-government and multilateral engagement

Free trade agreements

The department continued work on eliminating barriers to trade in education and training through the education service components of the Australian Government's free trade agreement (FTA) negotiating agenda.

FTA negotiations towards a Trans Pacific Partnership (TPP) Agreement began in March 2010. The TPP will expand on the current Trans-Pacific Strategic Economic Partnership Agreement between Brunei Darussalam, Chile, New Zealand and Singapore, which entered into force in 2006. The United States, Peru and Vietnam will also participate in the TPP negotiations.

The ASEAN–Australia–New Zealand Free Trade Agreement entered into force on 1 January 2010. The department has submitted an activity proposal relating to education and training governance under the FTA's Economic Cooperation Work Program.

FTA negotiations, from which positive outcomes are expected, continued with Korea, China, Japan, Malaysia and the Gulf Cooperation Council. The department also supported Australia's engagement with the World Trade Organization's Doha round of multilateral trade negotiations and participated in preparatory scoping studies for FTA negotiations with India and Indonesia.

Asia–Pacific Economic Cooperation

The department represented the Australian Government at the 32nd meeting of the Asia–Pacific Economic Cooperation (APEC) Human Resources Development Working Group, which convened in Hiroshima, Japan, in February 2010. The department reported on its completed APEC projects and current project activities.

Within the working group, the department is currently managing and funding the Higher Education Diploma Supplement Project through the Regional Links Program, supported by six other APEC economies. The project, which is 80 per cent funded by APEC, aims to raise awareness of diploma supplements, canvass support for the development of a model Asia–Pacific Diploma Supplement, and identify economies' capacity-building needs for implementation.

East Asia Summit

The East Asia Summit (EAS) has five key priority areas, one of which is education. In 2009, at the 4th EAS leaders meeting, Australia offered to work with the Association of Southeast Asian Nations (ASEAN) Secretariat on the formation of a taskforce of senior education officials, and the convening of two workshops in Jakarta and elsewhere in the region in 2010, in order to progress education cooperation activities in the EAS.

Using funding sourced from AusAID, the department provided assistance for the first of the two workshops, which was held on 10–12 May 2010 at the offices of the ASEAN Secretariat in Jakarta, Indonesia. Twenty-two country representatives from across the EAS region participated in the workshop, which was highly successful. The taskforce reaffirmed the importance of regional cooperation on education and exploring areas of common and complementary interest.

Southeast Asian Ministers of Education Organization

Australia is an associate member of Southeast Asian Ministers of Education Organization (SEAMEO) and was represented at the 2010 SEAMEO Council Meeting in Cebu, the Philippines. This was a unique opportunity to engage directly with SEAMEO education ministers. With assistance from the department's Regional Links Program, the 10th Australia–SEAMEO Press Award was awarded at the 2010 council meeting. The awards are valued at up to $10 000 and provide for travel to and support in Australia for awardees to undertake a journalism internships for up to three weeks.

United Nations Educational, Scientific and Cultural Organization

The department's involvement with the education work of the United Nations Educational, Scientific and Cultural Organization (UNESCO) is focused regionally on information sharing and qualifications recognition under the Regional Convention on the Recognition of Studies, Diplomas and Degrees in Higher Education in Asia and the Pacific. UNESCO is a key player in regional work on the recognition of qualifications and efforts towards harmonisation of qualifications.

In support of UNESCO's efforts to promote cross-border provision of education, the department provided funding through the Regional Links Program for dissemination and promotion activities relating to the UNESCO–OECD *Guidelines on Quality Provision in Cross-Border Higher Education.*

Latin America

The department, through its involvement in the Education Action Group of the Council on Australia Latin America Relations, supported an education delegation to Latin America in March 2010. The delegation focused on Mexico, Colombia and Brazil and was led by Professor Margaret Gardner, chair of the Education Action Group and Vice Chancellor and President of RMIT University.

Government-to-government activities

Japan

The second Australia–Japan High Level Education Policy Dialogue was held in Canberra on 12 October 2009. Funded through the Regional Links Program, the dialogue between DEEWR and the Japanese Ministry of Education, Culture, Sports, Science and Technology focused on higher education quality assurance, education learning outcomes and student mobility.

Republic of Korea

The first Australia–Korea Joint Committee Policy Dialogue on Education was held in Canberra on 12 March 2010, funded through the Regional Links Program. A range of topics were discussed, and both governments committed to continuing dialogue.

Americas

In October 2009, the Hon Julia Gillard MP, then Deputy Prime Minister, visited the United States and participated in a range of government-to-government activities. Minister Gillard met with key figures in the United States Administration, including Secretary of State Hillary Clinton and Secretary of Education Arne Duncan. The education relationship between Australia and the United States was strengthened by the signing of an agreement of collaboration during Minister Gillard's visit.

In April 2010, the Minister for Employment Participation, Senator the Hon Mark Arbib, visited Washington DC and New York to attend the G20 Labour and Employment Ministers Meeting. The Minister met with Secretary of Labor Hilda Solis and with other senior government, business and industry representatives to discuss employment, labour standards, green skills and workforce training.

Kingdom of Saudi Arabia

His Excellency Dr Khalid Al Ankary, Minister for Higher Education for Saudi Arabia, visited Australia to sign a Memorandum of Higher Education Cooperation between Australia and Saudi Arabia with the Hon Julia Gillard MP, the former Minister for Education, on 27 May 2010.

China

China and Australia strengthened their engagement in international education through the jointly held 2nd China–Australia Workshop for International Student Management and Services. The workshop, which was held in Canberra, explored best practices in the management and care of international students. Participants included more than 40 representatives from government agencies, education institutions and Chinese students currently studying in Australia.

India

The Hon Kapil Sibal, India's Minister for Human Resource Development, was in Australia from 6 to 9 April 2010, visiting Perth, Melbourne and Sydney. The Hon Julia Gillard MP, former Minister for Education, and Minister Sibal signed a joint ministerial statement on 8 April 2010 expanding existing exchange programs between Australia and India to include greater cooperation across all education sectors. The statement also includes the development of a new Australia–India Education Council.

Australia–India bilateral cooperation on education and training

During a visit to Australia in April 2010, India's Minister for Human Resource Development, the Hon Kapil Sibal, and the former Minister for Education, the Hon Julia Gillard, signed a joint ministerial statement reaffirming a commitment to include greater cooperation across all education sectors. The ministers also agreed to the establishment of an Australia–India Education Council, the first bi-national body of its kind to be established between India and another country. Minister Sibal confirmed India's interest in creating its own National Qualifications Framework.

Both Australia and India recognise the valuable contribution that education, particularly VET, plays in improving skills that help increase productivity, enhance employability and strengthen competitiveness. In February 2010, the department hosted an Australia–India VET Mission. The mission was the first high-level delegation of Indian Government officials and industry representatives to Australia to pursue collaboration within the VET sector.

Areas of interest that were identified by delegates included VET teacher training, industry skills councils, Australia's Qualifications Framework, quality assurance arrangements and opportunities for government exchanges and professional development. The mission achieved its goal of increasing understanding of Australia's VET system and identifying practical opportunities for India–Australia VET collaboration.

The Australia–India bilateral education relationship is supported by a memorandum of understanding on education cooperation. A successful joint working group of senior officials was conducted in late 2009, which included the establishment of the Bureau of Vocational Education and Training Collaboration to guide and facilitate continuing collaboration in vocational education and training between Australia and India. The bureau will focus on developing links between governments, institutions and industry. The next working group is scheduled for late 2010 in Australia.

Education Services for Overseas Students legislative framework

The department administers the Education Services for Overseas Students (ESOS) legislative framework, which includes the *National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students (the National Code) 2007*. The ESOS legislation and related instruments set out the responsibilities and standards for the conduct of providers delivering education and training to international students. They also provide a tuition protection framework for international students.

During 2009–10, the Australian Government brought forward the planned review of the ESOS legislative framework and commissioned the Hon Bruce Baird AM to undertake the review. Mr Baird's report, *Stronger, simpler, smarter ESOS: Supporting international students*, was released on 9 March 2010 by the former Minister for Education, the Hon Julia Gillard MP. In releasing the report, the Minister indicated a staged approach to the government's response to the recommendations. The first set of legislative changes addressing a number of the review recommendations was introduced to Parliament in June 2010. Consideration of the remainder of the recommendations is to follow consultation with stakeholders.

In addition to the review of the ESOS legislative framework, the government also responded to concerns about the quality of education delivery by strengthening the provider registration requirements of the ESOS Act. Amendments to the ESOS Act, enacted in March 2010, required all providers delivering education and training to international students to be reregistered under the strengthened conditions by 31 December 2010. Amendments to the Act also required greater transparency in providers' use of education agents.

Protecting international students

A key aim of the ESOS legislative framework is to protect the rights of international students who are in Australia on student visas. The rapid increase in the size of the international education sector over previous years gave rise to a number of concerns during 2009–10, including increasing concern about the welfare of international students. The Australian Government responded to these emerging issues through a number of different initiatives. In addition to implementing the reregistration of providers and the government's response to the Baird Review of the ESOS Act, the department also participated in the development of the International Student Strategy for Australia by COAG.

Consumer protection played a large role in the department's activities during 2009–10. Students were offered assistance under the various levels of the consumer protection framework to allow them to continue to receive a quality education in Australia.

Information brochures were produced for providers listed on the Register of Institutions and Courses for Overseas Students (CRICOS) and for overseas students, with useful suggestions on what to consider when using education agents.

Policy development on emerging issues, strategic research and promotional activities

International Student Strategy for Australia

The department contributed to the development of the International Student Strategy for Australia, an initiative of COAG, to enhance the quality of the student experience in Australia and thereby support the sustainability of Australia's international education sector.

International Students Roundtable

Convened in September 2009, the International Students Roundtable brought together 31 international students from across Australia to discuss matters affecting their study experience in Australia, such as accommodation, welfare and safety. The outcomes from the roundtable informed the development of COAG's International Students Strategy for Australia and the Baird Review of ESOS.

Effectiveness indicators

| Table 3.12		
Effectiveness indicators for Program 3.6		
Performance indicator	**Estimate**	**Actual**
Trends in the number of international student enrolments with Australian institutions	542 936	631 935
Trends in the number of international student enrolments for higher level qualifications	80 985	89 098

Trends in the number of international student enrolments with Australian institutions

Enrolments from international students on student visas in Australia reached 631 935 during the 2009 calendar year—a 16.8 per cent increase from the previous year. This included a 10 per cent increase in enrolments in higher level (postgraduate) qualifications.

The largest numbers of enrolments were in the VET sector (see Chart 3.4), which experienced growth of 33.3 per cent in 2009—the highest growth rate of any sector. The second largest sector was higher education, which increased by 12.1 per cent from the previous year. The English Language Intensive Courses for Overseas Students sector experienced significant growth of 7.5 per cent in 2009. Enrolments in the schools sector fell by 2.9 per cent.

Chart 3.4

International student enrolments, 2006 to 2009, by sector
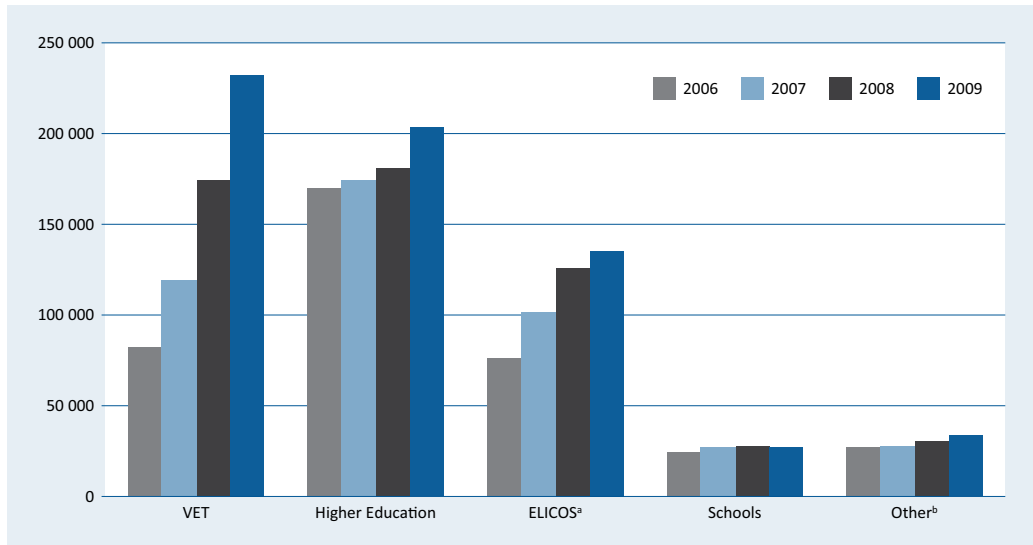
Data source: AEI Pivot All Detailed (December 2009 data).

a   ELICOS = English language intensive courses for overseas students

b   Other = courses not classified in the Australian Qualifications Framework

Trends in the number of international students studying for higher level qualifications

There has been growth in enrolments for higher level (postgraduate) qualifications over the past four years. Between 2008 and 2009, bachelor degree courses recorded the greatest increase in the number of enrolments. However, postgraduate research courses showed the highest percentage growth in enrolments.

Table 3.13								
International students studying for higher level qualifications, 2006 to 2009								
	Enrolment numbers				**% growth on previous year**			
Level of study	**2006**	**2007**	**2008**	**2009**	**2006**	**2007**	**2008**	**2009**
Bachelor degree	97 156	97 783	100 679	114 213	2.0	0.6	3.0	13.4
Postgraduate coursework	64 481	67 725	70 913	77 520	7.5	5.0	4.7	9.3
Postgraduate research	7987	8782	9832	11 591	7.5	10.0	12.0	17.9
Total	**169 624**	**174 290**	**181 424**	**203 324**	**4.3**	**2.8**	**4.1**	**12.1**

National Economic Benefit

According to the Australian Bureau of Statistics, in 2009 the international education and training sector was Australia's third largest export industry behind coal and iron ore, contributing $18.6 billion in education exports to the Australian economy.

Departmental outputs for Outcome 3

Table 3.14

Departmental outputs performance information

Performance indicator	Estimate	Actual
Program management		
Payments are made in accordance with approved timelines	All programs to meet relevant administrative targets set by quality assurance processes in DEEWR	All payments are made in accordance with administrative targets set by quality assurance processes
Payments made are based on calculations which are accurate and in accordance with approved guidelines	All programs to meet relevant administrative targets set by quality assurance processes in DEEWR	Payments made by all programs were accurate and met relevant administrative targets
Higher Education Equity Programs: Payments made are based on calculations which are accurate and in accordance with approved guidelines	Payments made to 38 Table A universities in 2009 2010 estimate is 38	Payments made to all eligible higher education providers.
High-quality secretariat support is provided to the Indigenous Higher Education Advisory Council (IHEAC) as it delivers high quality policy advice to the Deputy Prime Minister and to DEEWR. Support is measured through the satisfaction of the Council	Three meetings of IHEAC are held annually	Three meetings held Provision of IHEAC policy advice facilitated
Timeliness of Parliamentary reports (including interim responses where appropriate) provided to Parliament and its Committees	At least 90% meet deadline	Satisfied
High-quality Ministerial replies as measured by the level of satisfaction of Ministers and Parliamentary Secretaries with the quality and timeliness of the replies	Qualitative evaluation of satisfaction using feedback from the Ministers and Parliamentary Secretaries to the Secretary	Satisfied[a]
Annual National Report of the Australian Vocational and Technical Education System is tabled in the Australian Parliament	Annual National Report for 2008 is tabled in the Australian Parliament by October 2009	The Annual National Report was tabled in the Australian Parliament in December 2009
Services provided by Australian Government agencies (e.g. Centrelink) satisfy performance requirements	DEEWR requirements met	Centrelink satisfied the majority of the key performance measures in the Bilateral Management Arrangement (see section below)
Number of subscribers to the AEI Market Information Package	Monthly average: 160 organisation subscribers	147
Number of subscribers to the AEI e-newsletter	15 000	8381
Number of visits to the AEI Study in Australia website	Monthly average number of visits: 300 000	160 024
Timely and relevant information provided by AEI websites and publications	Content on AEI Online and Study In Australia Website updated at least once a year, or as required Country Education Profiles Online updated as planned	12 new Country Education Profiles were published and 38 other Country Education Profiles were updated in 2009–10
Client satisfaction		
High-quality delivery of Australian Apprenticeships Support Services, Australian Apprenticeships Centres as measured by satisfaction surveys undertaken in 2008	At least 85% satisfaction by employers and Australian Apprentices	At the national level, overall employer satisfaction was 90.5% and Australian Apprentices satisfaction was 93.2%
Satisfaction with bilateral, regional, multilateral and stakeholder relationships which augment Australia's international engagement in education and training	More than 80% client satisfaction rating	Targets met
Satisfaction with AEI Industry Seminars	More than 80% satisfaction rating by participants	Not held
Satisfaction with AEI information in publications and websites	More than 80% client satisfaction with AEI information	Targets met

Table 3.14		
Departmental outputs performance information		
Performance indicator	**Estimate**	**Actual**
Policy services		
High-quality policy advice as measured by the level of satisfaction of Ministers and Parliamentary Secretaries with the quality and timeliness of policy advice	Qualitative evaluation of satisfaction using feedback from the Ministers and Parliamentary Secretaries to the Secretary	Satisfied[a]
High-quality research and evaluation reports as measured by the level of satisfaction of Ministers and Parliamentary Secretaries with the quality and timeliness of the reports	Qualitative evaluation of satisfaction using feedback to the Secretary from Ministers and Parliamentary Secretaries	Satisfied[a]
Research activities are completed according to plan	At least 90% completed to plan	Satisfied

a   During the year, ministers, parliamentary secretaries and their staff provide feedback on the level of satisfaction with departmental advice during regular meetings with the department. Overall feedback from their offices is that they recognise the significant efforts made by departmental staff to meet their requirements. The volume of written material provided to the ministers and parliamentary secretaries remained steady over 2009–10. The department provided training to staff and monitored the quality of ministerial correspondence and briefings.

Bilateral management arrangement

The bilateral management arrangement between Centrelink, the Department of Human Services and DEEWR provides a framework for all three agencies to deliver outcomes in employment, education and child care. The arrangement contains a confidence framework developed to monitor the strength and success of the relationship between agencies and to assure the parties that policy and program outcomes are being achieved. Overall, Centrelink's performance against the confidence framework was satisfactory during 2009–10.

New claims for Youth Allowance (student), Austudy and ABSTUDY were processed within agreed timeframes. Payment accuracy for Youth Allowance (student), Austudy and ABSTUDY, assessed through the Random Sample Survey Program, was lower than 95 per cent, reflecting the particular characteristics of those payments. The rate of growth of the income support debt base for current and former student payment recipients increased from the previous year.

Referral number targets for the Language, Literacy and Numeracy Program (LLNP) were met for the financial year. Centrelink made more than 26 800 referrals to the LLNP during 2009–10, exceeding the estimate of 24 296 for the year. The department will continue to monitor and work with Centrelink to improve the conversion of referrals to the LLNP into placements. Less than half of all referrals have been placed into the program. This aspect of performance showed an improvement over the fourth quarter of 2009–10. Centrelink has implemented information technology changes to ensure that only eligible candidates are referred, and this will improve placement rates.

During the year, policy for the Australian Apprenticeships Access Program was reviewed and a new target was agreed. Centrelink's performance in relation to the program is below the required revised estimate. Performance may have been affected by a number of elements, including the new Access Program broker contracts that began in January 2010 and a new geographic coverage model, which will see the Access Program delivered in some locations for the first time. DEEWR and Centrelink are working together to improve Centrelink's referral rates.

Performance indicator	**Estimate**	**Actual**
Referrals		
Number of Centrelink referrals to Literacy, Language and Numeracy Program	24 296	26 882
Number of Centrelink referrals to the Access Program	6000	7967

Random Sample Survey Program

The Random Sample Survey Program provides assurance about the accuracy of student income support payments. For the purposes of the program, Outcome 2 and Outcome 3 reviews are reported together.

Recipients are randomly selected for a review from the population for each payment type. The program is a point-in-time assessment of recipient circumstances and is designed to establish the value of total outlays accurately paid and to provide reasons for any debt, error or change in the payment rate. The program provides benchmark data on the level of inaccurate payments.

The 2009–10 Random Sample Survey Program conducted approximately 3750 reviews (see Table 3.15).

Table 3.15	
Level of payment accuracy determined from random sample surveys for student income support payments, 2009–10	
Payment type	**Rate of accuracy (%)**
ABSTUDY	84.2
Austudy	89.5
Youth Allowance (student)	91.7
Total	**91.1** **(+ 1.0%)**

Source: DEEWR random sample surveys.

Note: Figures are based on a statistical estimation of the level of accuracy of payments. Student payments are surveyed over two periods throughout the financial year; 1 July to 31 October and 1 March to 30 June. The reported results are based on preliminary data from the two survey periods and are subject to revision.

Reviews of recipients' compliance

Information obtained from Centrelink's Integrated Review System shows that 142 123 student payment reviews were completed in 2009–10. As a result of those reviews, 17 504 recipients had their payments reduced or cancelled, 4492 had their payments increased, and 28 209 debts with an estimated value of $57.6 million were raised.

Data matching

Centrelink data is interrogated to identify inconsistent recipient circumstances, including incorrect earnings, multiple identities, incorrect rental information and incorrect information about dependants in care. Data is matched with that from other government agencies, including the Australian Taxation Office, the Department of Immigration and Citizenship, Defence Housing Australia, ComSuper, AUSTRAC and state and territory registers of births, deaths and marriages. There were 36 081 data-matching reviews in 2009–10.

Student income support payment debts raised and recovered

In 2009–10, approximately 140 000 new student payment debts, with a value of almost $131 million, were raised; $90.4 million of debt was recovered by Centrelink and its contracted mercantile agents, and $9.2 million was waived under provisions of the *Social Security Act 1991*, the *Financial Management and Accountability Act 1997* or the *Student Assistance Act 1973*.

REPORT ON PERFORMANCE

2

OUTCOME 4

Enhanced employability and acquisition of labour market skills and knowledge and participation in society through direct financial support and funding of employment and training services

OUTCOME 4

Enhanced employability and acquisition of labour market skills and knowledge and participation in society through direct financial support and funding of employment and training services

Maximising employment participation is essential to enhance the nation's productivity. The Outcome 4 objective is to help individuals, especially those who are disadvantaged, to develop skills and to assist them in obtaining employment and participating economically and socially in the community.

Major vehicles for achieving these objectives are the department's employment programs, Job Services Australia, Disability Employment Services and the reformed Indigenous Employment Program.

Employment services and programs are underpinned by the income support system and job seeker compliance framework, which encourage and support job seekers to gain employment.

The labour market challenges caused by the global recession were a critical priority in 2009–10. The department responded by ensuring that those most affected had access to appropriate services and support. Australians who were made redundant as a result of the economic downturn received immediate employment services through Jobs Services Australia and Disability Employment Services, and local employment strategies were put in place. The department continues to develop and refine employment services policy to meet the needs of job seekers and employers.

Support for Indigenous Australians was provided through the Indigenous Employment Program and other initiatives, such as the Indigenous Economic Strategy, with a view to achieving COAG's national target of halving the gap between Indigenous employment (48 per cent) and non-Indigenous employment (72 per cent) within a decade. This means ensuring that an additional 100 000 Indigenous Australians are employed within the decade.

A number of initiatives were implemented in 2009–10 to assist specific groups at risk, such as early school leavers (Earn or Learn Policy) and mature age job seekers (Productive Ageing Package, Career Transition) to ensure that individuals have the right skills, training and opportunities to contribute to the economy.

The work of Outcome 4 is informed by an evidence base of labour market research and evaluations of programs, which enable the department to provide labour market and employment policy and related advice. This includes advice on skilled migration, sustainable population, and industry and regional labour market issues.

Key priorities

The key priorities for 2009–10 were to:

» transition, implement and administer the new employment services programs, ensuring service to both job seekers and employers, and to develop policy on income support measures and manage the portfolio's social security legislation, including the provision of advice on the Pension Review and Australia's Future Tax System Review

» implement new job seeker compliance arrangements from 1 July 2009 to support Job Services Australia and the new employment services

» work with employment service providers to implement policies to increase the participation of disadvantaged Australians, including

   – young people (aged 12–24 years), particularly those who are early school leavers, in further education or employment

   – homeless people and those at risk of homelessness

   – jobless families and parents on income support

- – mature age Australians
- – redundant workers, by facilitating access to training and tailored employment services in accordance with the Compact with Retrenched Workers
» develop and implement Indigenous-specific economic and employment policies to support closing the gap and increase the wellbeing of Indigenous Australians by supporting greater economic participation and self-reliance
» develop and implement policies to improve local economies and labour markets, especially those most affected by the global downturn.

Key achievements

In 2009–10:
» Job Services Australia was transitioned and implemented; this included Stream services (including Work Experience), the New Enterprise Incentive Scheme, Harvest Labour Services, the National Harvest Labour Information Service, the Innovation Fund and Employer Brokers.
» Disability Employment Services, which includes Disability Management Service and Employment Support Service, was developed, transitioned and implemented.
» The reformed Indigenous Employment Program was introduced and, to assist in the delivery of services, two panels were established: the IEP Employment Panel and the IEP Economic Development and Business Support Panel.
» The draft Indigenous Economic Development Strategy 2010–2018 and Action Plan 2010–2012 were developed and released.
» The Indigenous Opportunities Policy was introduced to maximise employment and business opportunities for Indigenous Australians through government procurement.
» Changes were introduced to Youth Allowance from 1 July 2010 to support the Youth Compact and the National Youth Participation Requirements agreed by COAG in April 2009.
» The National Green Jobs Corps, which provides up to 10 000 young Australians with work experience and training opportunities in environmental projects, was implemented.
» The $43 million Productive Ageing Package, which includes a range of new services to support mature age job seekers and workers, was introduced.
» The Compact with Local Communities was implemented, focusing on the priority employment areas. This included the development of regional employment policy plans in priority employment areas supported by the local employment coordinators. The plans implemented the recommendations of the *Keep Australia Working* report.
» Providing support to redundant workers and those who lost their jobs during the global recession under the Compact with Retrenched Workers. At 30 June 2010, 216 985 workers identified as losing their jobs due to the global recession had been referred to employment services through Centrelink since the early access to employment services initiative began on 24 February 2009. The Insulation Workers Adjustment Package provided $41.2 million in support for workers and businesses affected by the cessation of the Home Insulation Program.
» The new job seeker compliance framework was introduced to maximise job seeker participation in employment and engagement with employment services and to undertake appropriate activities and programs of assistance.
» The Training Supplement of $41.60 per fortnight was introduced from 1 July 2009 to support low-skilled unemployed people receiving Newstart Allowance and Parenting Payment (for example, people without Year 12 or an equivalent qualification) undertaking approved education and training.
» At a cost of $31 million under the Productivity Placement Program, 8581 people started in a New Enterprise Incentive Scheme funded training course. The scheme is a program driven by Outcome 4; Productivity Placement Program funding comes from Outcome 3.

» Funding was provided to support
  – the Jobs Fund ($171 million to 225 projects to support and create jobs and skills development through projects that build and support community and social infrastructure)
  – the Innovation Fund (46 innovative projects aimed at assisting disadvantaged job seekers in a diverse range of geographical locations throughout Australia)
  – the Employer Broker program (20 activities that match the needs of job seekers with the labour requirements of employers).
» The department responded to employers' needs for workers in skills shortages occupations and industries through
  – implementing the Pacific Seasonal Workers' Pilot Scheme, including labour-sending mechanisms in the participating countries
  – contributing to the development of the new Skilled Occupation List through the provision of labour market information for around 100 occupational groups to Skills Australia.
» The first Survey of Employers' Recruitment Experiences in the six state capital cities was conducted in order to understand skills shortages by providing direct comparisons of the impact of recruitment difficulties between state capitals.

Program 4.1 Employment Services

Program objectives

Workforce participation is a driver of long-term economic growth. The employment services objectives include:

» investing in the skills of unemployed Australians to help them find and keep a job
» ensuring that government assistance supports workforce participation and economic and social inclusion.

On 1 July 2009, the department implemented Job Services Australia, which was designed to increase employment participation and play a greater role in assisting employers to address skills shortages. Job Services Australia is a streamlined employment assistance model devised to provide the right mix of training, work experience and other interventions to job seekers, commensurate with their needs, to help them get and retain jobs.

Table 4.1		
Key performance indicators for Program 4.1		
Performance indicator	**Estimate**	**Actual**
Job Services Australia		
Total job placements achieved[a]	450 000	369 575

a   Outcomes relate to nine months of the period. For the first three months of Job Services Australia, commencing 1 July 2009, outcomes measured relate to outcomes achieved under the Job Network system as part of agreed transition arrangements.

There are a number of complexities associated with reporting on the program effectiveness measures for the second half of 2009. Post-assistance outcomes for job seekers placed into jobs through Job Network, such as 13-week and 26-week outcome payments, continued to occur during this period, and many job seekers who began receiving assistance from Job Services Australia had insufficient time in the employment services for outcomes to be recorded. The post-assistance outcomes achieved by Job Services Australia included in the measures in Table 4.1 in 2009–10 therefore relate to a smaller proportion of the population than in future years.

Job Services Australia

Job Services Australia includes the following employment services components.

Stream services

Since commencement, more than 369 500 job seekers have been placed in jobs. Over 33 per cent (124 880) of those placements were job seekers in streams 3 or 4 (that is, those job seekers with the greatest barriers to employment). The target of 450 000 job placements was set before the global recession, and performance should be measured in the context of tighter economic and labour market conditions.

Employer Brokers

The Employer Broker panel's objective is to connect with employers in skill or labour shortage industries, or specific locations, to broker solutions that meet employers' needs, and to coordinate and target the efforts of employment service providers to match the needs of job seekers with the labour requirements of employers. The government has provided $6 million over three years (2009–10 to 2011–12) to fund Employer Broker activities.

There are currently 20 activities valued at just over $2.5 million. In Round One, 14 activities were approved in June 2009 to assist more than 900 participants and create more than 630 jobs. Another six activities have been funded, with a focus on the National Skills Needs List and the employment of older workers, providing assistance for up to an additional 500 participants and creating approximately 535 more jobs.

Expansion of the panel was announced in July 2009. It includes organisations specifically skilled in servicing national employers with workforces dispersed throughout Australia to manage their recruitment, particularly through a strong focus on increasing their Indigenous workforces.

Innovation Fund

The Innovation Fund is a competitive grants program designed to address the needs of the most disadvantaged job seekers through funding projects that foster innovative solutions to overcome their barriers to employment. The government has provided $41 million over three years to fund these projects.

Two rounds of the fund were announced during 2009–10. Funding of approximately $19.4 million for 33 Round One projects was announced on 10 June 2009. These projects will assist up to 7742 disadvantaged job seekers and will create jobs and work experience placements as well as training and mentoring opportunities. In Round Two, successful projects were announced on 7 December 2009; 13 innovative projects are being funded for approximately $5.2 million. These are expected to assist up to 3550 disadvantaged job seekers to access jobs, work experience placements, training placements and mentoring opportunities.

New Enterprise Incentive Scheme

The New Enterprise Incentive Scheme (NEIS) assists eligible job seekers who are interested in starting and running a small business. The scheme provides accredited small business training, business advice and mentoring for eligible job seekers, as well as ongoing income support, for up to 52 weeks. This includes NEIS training to complete either a Certificate III in Micro-Business Operation or a Certificate IV in Small Business Management. The scheme assists up to 6300 job seekers each year through a network of 53 NEIS panel members. In 2009–10, there were 6118 business start-ups under the scheme (97 per cent of the scheme's cap of 6300 start-ups per annum).

Harvest Labour Services

DEEWR provides two seasonal worker programs:

» Harvest Labour Services (HLS) has 11 providers operating from 33 sites which provide out-of-area workers for areas where the local labour pool is insufficient to meet growers' needs. During 2009–10, HLS filled more than 15 200 harvest labour positions in 19 harvest areas Australia wide.

» The National Harvest Labour Information Service coordinates harvest-related information nationally as well as producing a hard-copy *Harvest Guide*, coordinating the Harvest Trail website and providing a free seven-day harvest-related telephone information service.

Jobs Fund

The Jobs Fund initiative supports job creation and skills development through community and social infrastructure projects. The fund is part of the government's Jobs and Training Compact and was announced on 5 April 2009. It was established to support families and communities most affected by the global recession.

Two rounds of funding were announced during 2009–10. For Round One, $132 million in funding was announced in September 2009 for 172 projects across Australia under the Local Jobs and Get Communities Working streams. Funding for these projects was in the form of one-off grants of up to $2 million. Many of the projects are in regions that experienced high levels of disadvantage and job loss. Round One projects will create more than 6000 jobs, more than 1800 traineeships or apprenticeships and around 3600 work experience positions.

In addition, $11 million in funding was provided to 37 not-for-profit organisations across Australia under the Temporary Financial Assistance component of the Get Communities Working stream to provide support during the economic downturn.

Under this initiative, Local Employment Coordinators were appointed in 20 identified Priority Employment Areas across Australia to coordinate and drive local responses to job losses and declining economic demand in targeted areas. The coordinators work closely with local councils, businesses and communities to ensure that regions most affected by the economic downturn receive timely and coordinated access to the government's jobs and stimulus packages.

Round Two of the fund was retargeted to include a number of broader initiatives and to align with the recommendations from the final *Keep Australia Working* report, released on 16 October 2009. The Local Jobs stream focused on green jobs and training outcomes, and the Get Communities Working stream focused on effective intermediate labour market models.

In late March 2010, $39 million was announced for 53 Round Two projects across Australia under the Local Jobs stream and Get Communities Working stream of the Jobs Fund. Round Two projects will create approximately 1620 jobs, around 400 traineeships/apprenticeships and more than 1140 work experience positions.

The range of Round Two projects includes support for social enterprises to provide training and employment opportunities to people from disadvantaged backgrounds, initiatives that will focus on repairing and improving community facilities, and projects with environmental benefits, including green skills for the future.

The Jobs Fund will conclude on 30 June 2011.

Job Capacity Assessment

The Job Capacity Assessment program delivers work capacity assessments for people with disability and other barriers to work. Job capacity assessors refer people to appropriate employment services and provide reports that inform Centrelink decisions on income support, such as Disability Support Pension (DSP) entitlements.

New job capacity assessor qualification requirements were successfully negotiated with contracted providers to enable improved assessment of people making claims for the DSP as announced in the 2009–10 Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) Better and Fairer Assessments measure. These new requirements will be implemented from 1 July 2010 and will ensure that DSP assessments are conducted by suitably qualified and experienced allied health and health professionals (for example, psychologists and rehabilitation counsellors).

On 30 June 2011, the contracted job capacity assessment service will cease to operate. Future assessments will be completed by Centrelink with assistance from the government service provider, CRS Australia. In line with the current job capacity assessments, the new assessments of disadvantaged job seekers will be conducted by allied health professionals.

The new assessments will be tailored to the needs of the individual. People with disability, injury or ill-health will undergo detailed assessments. Those with potentially serious 'non-medical' barriers, for example vulnerable young people, will undertake streamlined assessments to suit their needs.

Job seekers referred by assessors to Job Services Australia streams 1 to 3 may also be referred for psychological counselling, pain management or other interventions during the initial months of their Job Services Australia participation.

On 1 July 2011, management of DSP assessments will transfer from DEEWR to FaHCSIA.

Effectiveness indicators

Table 4.2		
Effectiveness indicators for Program 4.1		
Performance indicator	**Estimate**	**Actual**
Job Services Australia		
Cost per employment outcome[a] for Employment Services delivered by Job Services Australia:		
» Streams 1–3	$4000	$2079
» Stream 4	$17 300	$11 442
Proportion of job seekers in employment 3 months following participation in Employment Services:		
» Stream 1	55%	52.6%
» Stream 2	38%	52.7%
» Stream 3	25%	31.4%
» Stream 4	13%	14.8%
Proportion of job seekers in education/training 3 months following participation in Employment Services:		
» Stream 1	10%	18.2%
» Stream 2	10%	16.6%
» Stream 3	12%	20.2%
» Stream 4	12%	15%
Proportion of job seekers off benefit 3 months following participation in Employment Services:		
» Stream 1	55%	54.8%
» Stream 2	40%	49.4%
» Stream 3	35%	36.9%
» Stream 4	15%	31.8%
Proportion of job seekers off benefit 12 months following participation in Employment Services:		
» Stream 1	–	n/a
» Stream 2	–	n/a
» Stream 3	–	n/a
» Stream 4	–	n/a
Proportion of Stream 4 commencements that obtain a social outcome	–	n/a

a   Cost per employment outcome for Employment Services delivered by Job Services Australia is calculated as the sum of the unit cost of job seekers assisted divided by the number of job seekers employed (as measured through the department's Post Program Monitoring survey) in the reporting period. The costs per employment outcome relate only to Job Service Australia costs (i.e. post 1 July 2009). The cost is lower than expected due to the transition to the new model and does not include servicing costs incurred for job seekers who may have also received assistance from former Job Network members.

Labour market assistance effectiveness

A further measure of effectiveness is provided through broader indicators that can be influenced by a range of factors, including the impacts of Outcome 4 programs:

» trend in the average duration (in weeks) of unemployment relative to labour market performance

» comparative labour market experience (measured as average duration in weeks on full rate unemployment allowance) and proportion of job seekers off benefit three months following participation in Employment Services for each of the following groups

  – long-term unemployed

  – very long-term unemployed

  – mature aged

  – people of culturally and linguistically diverse backgrounds

  – young people

  – Indigenous people

  – people with disability

  – sole parents

» proportion of population of workforce age on working age income support payment

  – full rate

  – part rate.

Labour force participation rate and employment-to-population ratio for persons aged 15–64 years

The labour force participation rate is the proportion of the working age population that is either employed or looking for work. It is used to determine whether an increasing proportion of the population is working or looking for work and is a good indicator of the total supply of labour. However, it does not include those who are marginally attached to the labour force. The employment-to-population ratio is the proportion of the working age population that is employed. This ratio is influenced by both labour demand and effective labour supply factors. It is also a good summary indicator for measuring labour market performance relative to comparable countries, particularly those in the Organisation for Economic Cooperation and Development.

Reflecting the impact of the government stimulus packages in response to the global recession on the Australian economy and the strengthening of the labour market since late 2009, the employment-to-population ratio for persons aged 15–64 years increased by 0.5 percentage points to 72.2 per cent over the year to June 2010. Australia's workforce-age participation rate decreased by 0.1 percentage points over the same period, and was 76.1 per cent in June 2010.

Chart 4.1

Labour force participation rate and employment-to-population ratio: persons aged 15–64 years: trend data, June 1978 to June 2010
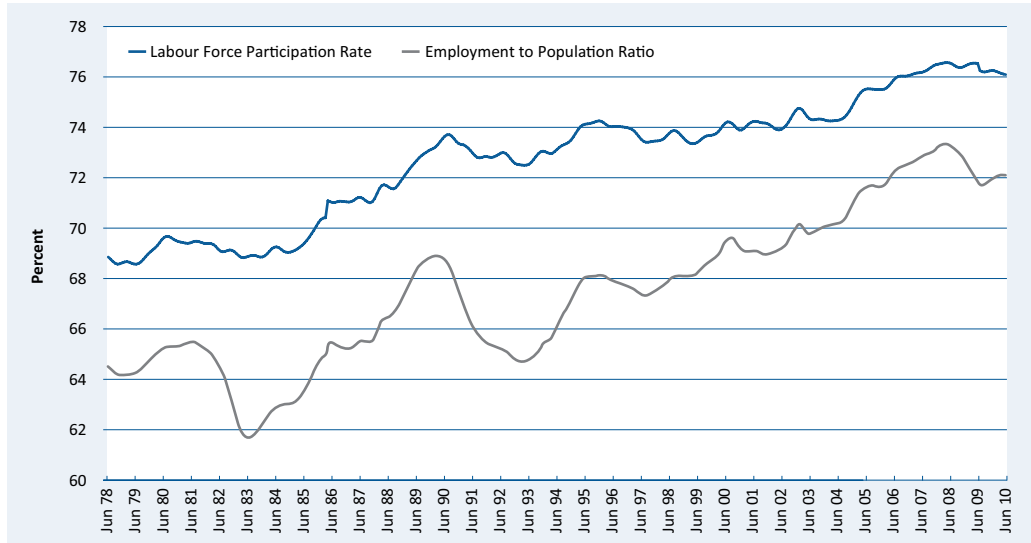
Source: ABS, *Labour Force, Australia, June 2010*, ABS cat. no. 6202.0, Table 18.

Proportion of the civilian population aged 15–64 years on working age income support payments

Working age income support payment types, both full and part rate, include:

» Newstart Allowance
» Youth Allowance
» Parenting Payment (Single and Partnered)
» Disability Support Pension
» Sickness Allowance
» Widow Allowance
» Mature Age Allowance
» Partner Allowance
» Other payments—the Age Pension (women aged 63½ years (applies to June 2009 figures only) and 64 years (applies to June 2009 and June 2010 figures) are eligible for the Age Pension although they are still of workforce age); Carer Payment; Special Benefit; Youth Allowance (full-time students and Australian Apprentices); Austudy; ABSTUDY Living Allowance; Widow B Pension; Wife Pension (Age and Disability Support Pension); Bereavement Allowance; and Sickness Allowance.

Table 4.3			
Proportion of the workforce-age population on income support payments, full and part rate			
Payment type by rate	**June 2009**	**June 2010**	**Percentage point change**
Part rate[a]	4.2	4.2	0.0
Full rate	12.6	12.6	0.0
Total	**16.8**	**16.8**	**0.0**

a   This includes part rate payment, manual-rate payment, Disability Support Pension suspended, undetermined and zero-rate payments.
Source: DEEWR extract of Centrelink administrative data.

The proportion of civilians aged 15–64 years on workforce-age income-support payments remained unchanged between June 2009 and June 2010, both overall and by part rate/full rate status. There was also little change in the proportions of the workforce-age population on each of the payment types.

Economic conditions and employment

While the global economic recovery is uneven, Australia's economic growth is robust and the unemployment rate is lower than in comparable advanced economies. In seasonally adjusted terms, economic growth in Australia was 1.9 per cent between the June quarter 2009 and the March quarter 2010 (the latest available data), compared with the flat growth rate of 0.1 per cent recorded over the same period in the previous financial year. The largest contribution to economic growth over the past three quarters was from public investment (1.9 percentage points), while net exports subtracted from growth. Broken down, between the June quarter 2009 and the March quarter 2010 all the states and territories recorded positive growth in economic activity (as measured by real State Final Demand). New South Wales and Victoria grew substantially, while Queensland, Tasmania and the Northern Territory expanded marginally over the period.

In line with stronger economic growth, labour market conditions improved appreciably in 2009–10. Employment increased by 353 200 (or 3.3 per cent) over the year, to stand at 11 100 700 in June 2010, compared with a fall of 28 500 (0.3 per cent) over the previous financial year. The rise in employment in 2009–10 was due to an increase in both full-time (up by 201 600 or 2.7 per cent to 7 794 700) and part-time employment (up by 151 600 or 4.8 per cent to 3 306 000). This is an indication that many employers are gaining confidence during the economic recovery and are choosing to hire more workers. Significant job gains were recorded in a number of industries over the year to May 2010 (the latest available data), including mining (up by 214 500); electricity, gas, water and waste services (up by 259 100); information, media and telecommunications (up by 161 300); rental, hiring and real estate services (up by 180 100); and arts and recreation services (up by 199 500).

The unemployment rate fell by 0.7 percentage points over 2009–10, to stand at 5.1 per cent in June 2010. The level of unemployment fell gradually over the period by 63 900 (or 9.6 per cent) to 598 400 in June 2010. However, long-term unemployment rose over 2009–10 by 6700 (or 6.3 per cent) to 112 500 in June 2010. Similarly, long-term unemployment incidence (the proportion of unemployed persons who were long-term unemployed) rose by 2.8 percentage points over the period to 18.8 per cent.

Changes in the average duration of unemployment per labour force member indicate the ability of unemployed people to find work. Chart 4.2 provides a time series for this measure for the past 25 years. In the 12 months to June 2010, the average duration of unemployment per labour force member fell by 5.3 per cent to just under two weeks.

Chart 4.2

Average duration of unemployment per labour force member, June 1985 to June 2010
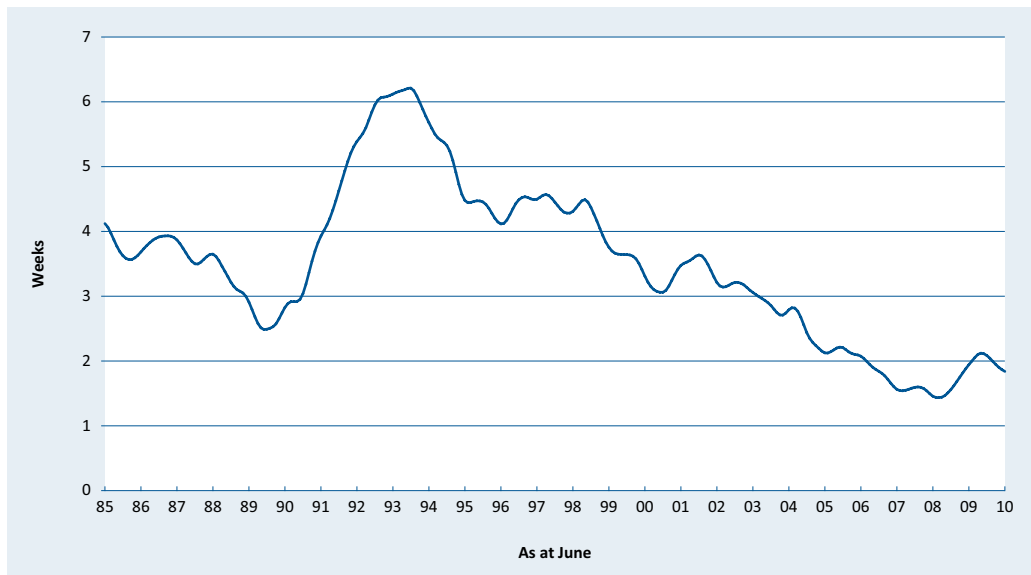
Source: Based on data from ABS (2010), *Labour Force, Australia, Detailed—electronic delivery*, June 2010, ABS cat. no. 6291.0.55.001, and ABS SuperTABLE UM1, seasonally adjusted and trended in DEEWR.

Consistent with expectations, the average duration of full rate unemployment allowance increased from the level reported in June 2009 (see Table 4.4). This reflects the large inflow of new unemployment allowance recipients in 2009–10 and its effect of reducing the average duration. During the recovery stage, new inflows generally find jobs more quickly, leading to increasing durations for those receiving allowance recipients at the start of the period.

Table 4.4

Average duration on full rate unemployment allowance, June 2005 to June 2010 (weeks)

Measure	2005	2006	2007	2008	2009	2010	Trend
Average duration on full rate unemployment allowance	41.0	39.4	37.0	35.3	33.7	34.3	Increase

Note: Table shows the average duration on full rate Newstart or Youth Allowance (other) at the end of June each year.
Source: DEEWR administrative data.

Across disadvantaged groups, the average durations on full rate unemployment allowance for 2009–10 were comparable to those achieved in 2008–09. The small decreases experienced by a number of disadvantaged groups reflected the proportionally larger inflows into those groups (for example, long-term unemployed, single parents) relative to the overall population. Increased instances of earnings from employment (for example, single parents) compared to 2008–09 also contributed to declines in the average duration. These factors outweighed the conditions that led to the increase in the average duration for all recipients.

Table 4.5

Average duration on full rate unemployment allowance, by disadvantaged groups, June 2005 to June 2010 (weeks)

Measure	2005	2006	2007	2008	2009	2010	2009–10 % change	Trend
Very long-term unemployed	239.1	237.1	233.9	234.5	226.1	216.3	−4.3	Decrease
Long-term unemployed	164.6	161.7	162.0	163.4	148.9	133.0	−10.7	Decrease
Indigenous Australians	50.5	47.6	44.4	42.2	44.6	46.0	3.1	Increase
Mature age[a]	59.3	56.5	51.4	48.5	43.4	41.5	−4.3	Decrease
Culturally and linguistically diverse background[b]	42.8	40.6	37.7	35.6	33.4	32.8	−2.0	Decrease
Sole parents	49.0	49.1	23.3	18.7	20.2	19.0	−5.7	Decrease
People with disability	80.0	67.4	65.1	61.9	57.1	51.2	−10.3	Decrease
Young people[c]	14.4	14.1	14.0	12.7	15.6	18.7	20.4	Increase
All client groups	41.0	39.4	37.0	35.3	33.7	34.3	1.8	Increase

a   Aged 45 or more.
b   Other than people from main English-speaking countries.
c   15 to 20 years old.
Note: Table shows the average duration on full rate Newstart or Youth Allowance (other) at the end of June each year.

Program 4.2 Indigenous Employment

Indigenous Employment Program

The Indigenous Employment Program (IEP) aims to increase Indigenous Australians' employment outcomes and participation in economic activities, contributing to the government's commitment to halving the gap between Indigenous and non-Indigenous employment outcomes within a decade. The IEP has contributed to this commitment by working alongside other employment services, such as Job Services Australia, which is the largest provider of employment services for Indigenous people.

The reformed IEP began on 1 July 2009. The reformed program offers tailored solutions to assist employers to recruit, train and provide sustainable employment for Indigenous Australians. The program also supports Indigenous Australians to pursue self-employment and business development opportunities. The reforms introduced a stronger emphasis on regional and place-based strategies, work experience placements, expanding career guidance and aspiration building programs, as well as support for adult Indigenous job seekers and their families to relocate for better opportunities. There is also a stronger commitment to working in partnership with Indigenous communities, individuals, employers and providers to drive performance and ensure continuous improvement of the program.

To assist in the delivery of services, two panels were established on 1 July 2009 following a competitive tender exercise. The IEP Employment Panel helps to equip employers with the skills, knowledge and expertise necessary to provide sustainable employment opportunities for Indigenous Australians and prepare Indigenous Australians to take up employment opportunities, stay in jobs and enhance their future employment prospects.

The IEP Economic Development and Business Support Panel supports enterprises along the entire business pathway, including through strategies or services for building economic and business development opportunities for Indigenous Australians.

Table 4.6		
Key performance indicators for Program 4.2		
Performance indicator	**Estimate**	**Actual**
Indigenous Employment		
Number of total commencements in Indigenous employment programs (includes commencements in employment, training and other assistance)	25 000	22 935
Number of employment commencements in Indigenous employment programs	12 500	10 933

Trend analysis

IEP commencement targets for 2009–10 were significantly higher than in previous years (66 per cent higher than the 2008–09 total target of 15 000). The total actual IEP commencements were 22 935, a shortfall of 2065 commencements against the target, and the IEP employment commencement figure was 10 933, a shortfall of 1567 employment commencements against the target. These shortfalls were the result of the time taken to bed down the IEP reforms and an emphasis on developing quality projects that would deliver sustainable outcomes with good retention.

Indigenous Employment Program project, Queensland—'Caring for Country'

The Indigenous Employment Program funds a number of projects across Australia supporting training, employment and enterprise development in natural resource management and landcare. One example of a successful project is the Quandamooka Land Council Ranger Employment Project, which placed 11 Indigenous trainees into training for a Certificate II in Conservation and Land Management. Trainees were engaged in a variety of activities, including environmental rehabilitation and maintenance on North Stradbroke and Moreton islands and adjacent mainland sites within Redlands City Council boundaries, and assisted with cultural heritage management.

A special feature of this project was that all participants were traditional owners of the land they were rehabilitating. The project has had a profound effect on the community and continues to generate ongoing benefits in North Stradbroke Island, which, although close to Brisbane, is deemed remote and is affected by social problems such as drug and alcohol abuse. All participants and the entire Dunwich community have been touched by this project, and the Moreton Bay oil spill that occurred during the project provided an unexpected opportunity for participants to demonstrate their skills and commitment. Importantly for the community, the project has enabled participants to develop careers that are in harmony with their responsibilities as traditional owners of North Stradbroke Island. All participants who completed the project have gone on to further employment with local councils and with mining companies located on the island. One participant has since enrolled in marine science at university, and will start in 2011.

Effectiveness indicators

Table 4.7		
Effectiveness indicators for Program 4.2		
Performance indicator	**Estimate**	**Actual**
Proportion of job seekers in employment and/or education/training (positive outcomes) 3 months following participation in Indigenous Employment programs[a]	60%	71.5%

a   Outcomes measured three months after job seeker ceased a period of employment-related assistance under the IEP and reformed IEP between 1 April 2009 and 31 March 2010. The Post-Program Monitoring Survey is the source of the data.

Post-assistance outcomes for IEP participants were strong in 2009–10: outcomes for retention in employment, education and training after three months significantly exceeded the target.

Indigenous Economic Development Strategy

The aim of the Indigenous Economic Development Strategy is to increase the wellbeing of Indigenous Australians by supporting greater economic participation and self-reliance. This strategy has set directions that aim to increase the participation of Indigenous Australians in all aspects of the Australian economy. This is being achieved through new partnerships between Indigenous Australians, the private sector, governments and the community.

To support the objectives of the strategy, key major reforms are already in place (including to the Community Development Employment Projects program, Job Services Australia and the IEP), a new procurement policy, and the Learn Earn Legend! initiative. New opportunities have been created for direct engagement with business leaders and community organisations through the Business Action Agenda and the Indigenous Employment and Enterprise Network.

The Learn Earn Legend! initiative has been designed to promote high personal achievement and positive role models for Indigenous youth to encourage them to attend and achieve at school as a pathway to further education, training and employment. On 31 January 2010, the partnership with the National Rugby League to promote the message of Learn Earn Legend! was announced. In June 2010, 100 Indigenous Australian students from urban, regional and remote areas of Australia participated in two days of work experience in a parliamentarian's office and one day in an Australian Public Service agency as part of the Learn Earn Legend! Work Experience in Government initiative.

Indigenous Employment Program project, Queensland—'Caring for Country'

The department has been working with Indigenous Environmental Services and the Murdi Paaki Regional Assembly since May 2009 to develop a 10-year project framework, Green Futures, proposed by Mr Sam Jeffries, Chair of the regional assembly. Green Futures aims to improve access to information and education about climate change issues for Indigenous communities and to scope the risks and potential economic opportunities for Indigenous communities from climate change and carbon pollution reduction strategies. Green Futures includes a focus on information, education and career advice; regional risk and opportunity assessment; assessment of the feasibility of new enterprises in green sectors, including food and water security, natural resource management, renewable energy, energy efficiency and emissions trading; and the development of strategies to maximise the employment of local Indigenous people in emerging green industries.

DEEWR has been working with FaHCSIA, the Department of Climate Change, the Department of the Environment, Water, Heritage and the Arts, the New South Wales Department of Education and Training, and Aboriginal Affairs NSW to ensure a coordinated approach to the initiative. Green Futures aims to develop information and resources for all remote Indigenous communities through an initial pilot in the Murdi Paaki region in far western New South Wales. An important direction is alignment with the prioritisation of investment in Wilcannia and Walgett under the National Partnership Agreement on Remote Service Delivery.

Two Green Futures projects began in 2009–10. The Climate Change and Green Skills Taskforce is supporting a research project to fully scope Green Futures, including mapping skills needs and available resources. The Workforce Innovation Program has allocated funding to employ a project officer for two years to develop and implement an Indigenous workforce development plan for the construction industry in Murdi Paaki, with a focus on green skills. It particularly seeks to identify pathways for local Indigenous workers and businesses to take advantage of significant investment in the region through the National Partnership Agreement on Remote Indigenous Housing, which offer opportunities for Indigenous Australians in energy and water efficient housing construction.

Program 4.3 Disability Employment Services

As part of the social inclusion and skills agenda, a review of employment programs for people with disability was undertaken in close consultation with consumers, peak bodies, employers and employment services providers. The objectives of the review were to streamline services, reduce red tape and tailor services to the individual needs of job seekers.

As a result of the review, Disability Employment Services began on 1 March 2010, replacing the Disability Employment Network and Vocational Rehabilitation Services. The government will invest more than $1.7 billion in Disability Employment Services over the period from 1 March 2010 to 30 June 2012.

Disability Employment Network

Until 28 February 2010, the Disability Employment Network (DEN) provided specialist assistance to job seekers with disability who required ongoing support to find and maintain employment. Services included individual employment planning, training, job search activities, work experience, and post-placement or ongoing support.

Vocational Rehabilitation Services

Until 28 February 2010, Vocational Rehabilitation Services (VRS) provided specialist employment assistance, combined with vocational rehabilitation, to help people with disability, injury or a health condition to find and retain safe and sustainable employment in the open labour market. VRS assisted job seekers to understand, compensate for and manage their injury or disability by building work capacity, developing new work strategies to avoid re-injury, or both.

The Employer Incentives Scheme

The Employer Incentives Scheme includes a range of programs that support the employment of people with disability, including:

» the National Disability Recruitment Coordinator service, which offers a single point of contact for large private-sector employers seeking to recruit employees with disability

» the Supported Wage System, which provides productivity-based wage assessments for people who are not able to work at full capacity due to the impact of their disability

» the Wage Subsidy Scheme, which provides a financial incentive to employers to increase the competitiveness of job seekers with disability seeking employment in the open labour market

» the Workplace Modifications Scheme and the Auslan for Employment program, which were replaced by the Employment Assistance Fund on 1 March 2010 (the Workplace Modifications Scheme reimbursed employers for the cost of workplace modifications and equipment for workers with disability; Auslan for Employment assistance included access to Auslan interpreting services for work-related activities).

Disability Employment Services

Disability Employment Services (DES) began on 1 March 2010 and provides specialist assistance to job seekers with disability, injury or a health condition to find or maintain sustainable employment in the open labour market. Job seekers are assisted through individual employment planning assistance that may include vocational assessment and counselling, training, job search activities, injury management, workplace modifications, work experience, and post-placement or ongoing support in the workplace.

DES offers two distinct programs to help people with disability, injury or a health condition to find employment:

» DES—Disability Management Service provides services to job seekers with a temporary or permanent disability, injury or health condition who require the assistance of a disability employment service and who may require flexible ongoing support but are not expected to need regular, long-term support in the workplace.

» DES—Employment Support Service is available to those job seekers with a permanent disability who are assessed as needing regular long-term ongoing support in the workplace. Within the Employment Support Service there are two funding levels a participant may attract, depending on their assessed level of need.

Table 4.8		
Key performance indicators for Program 4.3		
Performance indicator	**Estimate**	**Actual**
Employment Assistance and Other Services—Disability Employment Network[a]		
Utilisation of program capacity		
Disability Employment Network		
» Capped	13 333	16 689
» Uncapped	8667	12 491
Other Disability Employment including Assistance and services—Employer Incentives Strategy of Wage Subsidy Scheme, Supported Wage System, Workplace Modifications Scheme, Auslan for Employment Program (instances)	7333	7633
National Disability Recruitment Coordinator	467	412
Vocational Rehabilitation Services		
Number of actual commencements	23 500	27 053
Quality		
Proportion of job seekers referred to demand driven Vocational Rehabilitation Services (VRS) who commence	85%	85%
Proportion of job seekers referred to fixed place VRS who commence	70%	74%

a   The 2009–10 key performance indicators are based on eight months to the end of February 2010.

Disability Employment Network and Vocational Rehabilitation Services

The DEN capped stream had a fixed capacity of approximately 39 270 places. In 2009–10, 195 organisations delivered the capped stream from 394 sites, assisting approximately 52 900 clients to 28 February 2010. The demand-driven DEN uncapped stream was delivered by 107 organisations from 530 sites, assisting 30 119 clients to 28 February 2010.

Commencements for both the DEN capped and uncapped streams were higher than expected in 2009–10.

A similar trend was seen in commencements to VRS, which assisted approximately 74 000 clients in 2009–10 (up to 28 February 2010).

Trend analysis

The proportion of DEN capped job seekers that achieved a sustainable employment outcome (measured by 26-week outcomes) declined slightly from late 2008 onwards, which coincided with changes in the broader economic environment.

Disability Employment Services

On 1 March 2010, clients from the DEN and VRS programs were transitioned to the new Disability Employment Services.

From 1 March 2010 to 30 June 2010, there were 14 145 commencements in DES—Employment Support Service and 15 598 commencements in DES—Disability Management Service.

Other disability employment

Applications for the Employment Incentives Scheme, particularly for the Wage Subsidy Scheme and Workplace Modifications Scheme, increased during 2009–10.

The National Disability Recruitment Coordinator provided support to five new employers and achieved 412 eligible employment placements for people with disability.

The number of applications submitted for the Workplace Modifications Scheme in 2009–10 increased to more than 2000. The Auslan for Employment Program assisted 960 deaf workers in 2009–10, and the Wage Subsidy Scheme assisted approximately 5900 employment placements.

The Supported Wage System supported approximately 4800 productivity-based wage assessments.

Trend analysis

The total number of job placements for the National Disability Recruitment Coordinator was below target due to the service receiving fewer job vacancies from employers than in 2008–09. The use of wage subsidies and the number of people applying for the Workplace Modifications Scheme increased steadily during 2009–10.

Table 4.9		
Effectiveness indicators for Program 4.3		
Performance indicator	**Estimate**	**Actual**
The proportion of DEN job seekers who received assistance during 2008–09 that achieve a sustainable employment outcome in:		
» the capped stream	37%	34.2%
» the uncapped stream	25%	23.9%
Proportion of job seekers in VRS, in jobs, who go on to achieve a 13-week employment outcome	70%	63%
Proportion of job seekers in employment 3 months following participation in VRS	32%[a]	30%

a The target has been reduced to reflect expected lower employment outcomes associated with the economic slowdown and experience from previous economic downturns.

Disability Employment Network and Vocational Rehabilitation Services

The proportion of DEN capped job seekers who had achieved a sustainable employment outcome 18 months after commencing assistance in the program was 34.2 per cent. The proportion of DEN uncapped job seekers who achieved a sustainable employment outcome two years after commencing was 23.9 per cent. Performance declined slightly in both streams from late 2008, coinciding, in part, with the changes in the economic environment.

Three months after participating in VRS, 30 per cent of job seekers were in employment.

Disability Employment Services

There were 4143 clients in DES—Employment Support Service and 4869 clients in DES—Disability Management Service placed in employment during the first four months of the program to 30 June 2010.

Employment assistance—helping people with disability

The Employment Assistance Fund began on 1 March 2010 after an extensive review of Disability Employment Services. In the first four months, the fund provided 400 workplace modifications assessments by qualified independent assessors from the department's National Panel of Assessors. Graham Templeman is one of the approved assessors and is employed by Vision Australia.

Graham said that his work as a Vision Australia adaptive technology consultant really makes a big difference to helping people with vision impairment. 'As a workplace modifications assessor, I visit people with disability in their workplaces, analyse their job requirements and discuss the options available to enable them to be fully productive workers. Providing adaptive technology and modifications as quickly as possible enables people with disability to work independently and confidently.

'My experience in assisting clients through the Employment Assistance Fund is extremely positive and working with the government's JobAccess service has always been positive and straightforward.

'Another satisfying part of being an adaptive technology consultant is that my work helps demystify disability for managers and work colleagues who may find that for the first time in their lives they have a team member who is blind and they don't know what to do. I think that the assistance that is available from the fund and being able to discuss any disability employment matter with the JobAccess service is definitely an enabler for both people with disability and employers.'

Program 4.4 Working Age Payments

Program objective

Working age payments support people to improve their prospects of gaining employment, acquire labour market skills and knowledge, and participate in society. Financial assistance has been provided to people who are unemployed, looking for work, undertaking employment preparation programs, have parenting responsibilities, or have a partial capacity to work due to disability.

The data in this section refer to recipients of all ages.

Newstart Allowance

Newstart Allowance provides income support for eligible job seekers aged 21 years or over and under Age Pension age. Recipients must satisfy the activity test by seeking and accepting suitable work and participating in activities designed to improve their employment prospects.

At June 2010, there were 553 893 Newstart Allowance recipients, a 6.5 per cent increase since June 2009, when there were 520 194 recipients.

Youth Allowance (other)

Youth Allowance (other) is a means-tested income support payment available to eligible young people aged 16–20 years who are seeking or preparing for paid employment or are temporarily unable to work. Certain 15-year-olds, including those who are homeless, may also receive assistance. From 1 July 2009, new claimants for Youth Allowance are expected to undertake study or training in combination with other approved activities until they attain Year 12 or an equivalent

Certificate II qualification. In June 2010, there were 88 459 recipients of Youth Allowance (other), a 6.7 per cent increase since June 2009, when there were 82 907 recipients.

Parenting Payment (Partnered and Single)

Parenting Payment is the main income support payment for the principal carer parent with sole or primary responsibility for the care of a young child. Single parents may be eligible for Parenting Payment (Single) until their youngest child turns eight. Partnered parents may be eligible for Parenting Payment (Partnered) until their youngest child turns six. Principal carer parent recipients granted payment on or after 1 July 2006 are required to look for part-time work of at least 15 hours per week when their youngest child turns six. For recipients of Parenting Payment who were receiving the payment immediately prior to 1 July 2006, compulsory participation requirements began on 1 July 2007 or when the youngest child turns seven, whichever is the later. At June 2010, there were 333 512 Parenting Payment (Single) recipients, a 3.1 per cent decrease since June 2009, when there were 344 096 recipients.

At June 2010, there were 124 910 Parenting Payment (Partnered) recipients, a 3.4 per cent decrease since June 2009, when there were 129 365 recipients.

Mobility Allowance

Mobility Allowance is a fortnightly payment designed to assist people with disability who are undertaking approved activities and are unable to use public transport without substantial assistance. Mobility Allowance is not subject to the income and assets tests.

Mobility Allowance is payable at a standard rate of $80.50 and a higher rate of $112.70.

To qualify for the standard rate of Mobility Allowance, recipients must be undertaking approved activities such as job seeking or any combination of paid employment, voluntary work, vocational training, independent living, life skills training or vocational rehabilitation for at least 32 hours every four weeks.

The higher rate of Mobility Allowance may be payable to eligible Parenting Payment, Disability Support Pension, Newstart Allowance and Youth Allowance (other) recipients who are working 15 hours or more a week in the open labour market for wages, or who are looking for such work under an agreement with an employment services provider.

At June 2010, 91.2 per cent of recipients received the standard rate and 8.8 per cent the higher rate.

At June 2010, there were 57 349 Mobility Allowance recipients, a 2.3 per cent increase since June 2009, when there were 56 080 recipients.

Sickness Allowance

Sickness Allowance is a means-tested income support payment for people who are temporarily incapacitated for work, or study (and on Austudy or ABSTUDY payment), as a result of an illness or injury, are unable to work or study, and have a job or course of study to return to. In June 2010, there were 6703 recipients of Sickness Allowance, a 3.8 per cent decrease since June 2009, when there were 6968 recipients.

Partner Allowance

Partner Allowance provides assistance to mature age people who are partners of income support recipients and who face difficulty gaining employment due to a lack of recent workforce experience. Partner Allowance was closed to new claimants on 20 September 2003, and people who would previously have been eligible for Partner Allowance can now apply for Newstart Allowance. Numbers have declined in recent years as a result. In June 2010, there were 24 054 recipients of Partner Allowance, an 18.1 per cent decrease since June 2009, when there were 29 369 recipients.

Widow Allowance

Widow Allowance provides income support for older working age women who become single after turning 40 years of age and have no recent workforce experience. Widow Allowance is being phased out. From 1 July 2005, new grants have been made only to women who were born on or before 1 July 1955. In June 2010, there were 33 886 recipients of Widow Allowance, a 6.1 per cent decrease since June 2009, when there were 36 086 recipients.

Ex Gratia Payment (Widow Allowance)

Ex Gratia Payments mirroring Widow Allowance provided income support for a number of older working age women who were incorrectly granted Widow Allowance as a result of a Centrelink system configuration error. Since February 2010, there have been no recipients of the Ex Gratia Payment.

Supplementary payments

Education Entry Payment

The Education Entry Payment is a lump-sum payment of $208, payable once annually, to assist with the costs associated with beginning approved study. It is also available to people who qualify for the Pensioner Education Supplement. As part of the Nation Building—Economic Stimulus Plan, from 1 January 2009 until 30 June 2010 the qualification period for eligible recipients was reduced from 12 months continuous receipt of an income support payment to four weeks, and eligibility was extended to Youth Allowance (other) recipients. In addition to receiving the Education Entry Payment, recipients also received a temporary training and learning supplement of $950. In 2009–10, 155 172 recipients of DEEWR income support payments received an Education Entry Payment.

Training and Learning Bonus

The Training and Learning Bonus was a one-off payment of $950 under the Nation Building—Economic Stimulus Plan for eligible income support recipients to assist with the costs of the 2009 academic year. To receive this bonus, people must have been eligible for payment on 3 February 2009. The bonus was paid to most recipients in 2008–09. In 2009–10, 697 recipients of DEEWR income support payments received the bonus.

Language, Literacy and Numeracy Supplement

The Language, Literacy and Numeracy Supplement is a fortnightly supplement of $20.80 to assist people on eligible income support payments with the costs associated with participating in the Language, Literacy and Numeracy Program. In 2009–10, 24 091 recipients of DEEWR income support payments received the supplement.

National Green Jobs Corps Supplement

The National Green Jobs Corps Supplement is a fortnightly payment of $41.60 to recipients of DEEWR income support payments to assist them with the cost of participating in this program of work experience, skill development and accredited training. From 1 January 2010, when the program started, the supplement has been paid to 2247 participants.

Pensioner Education Supplement

The Pensioner Education Supplement is a fortnightly income supplement of up to $62.40 payable to certain income support recipients, such as single parents or people with disability, who are undertaking approved full- or part-time study. In 2009–10, 30 084 recipients of DEEWR income support payments received the Pensioner Education Supplement.

Training Supplement

The Training Supplement is a temporary additional payment of $41.60 per fortnight for new and existing recipients of Newstart Allowance and Parenting Payment who have not completed Year 12 or equivalent, or who have a trade or vocational qualification which could be upgraded to better equip them to find future employment. The supplement is paid to eligible job seekers who fully meet their participation requirements by commencing an approved Certificate II to Certificate IV course between 1 July 2009 and 30 June 2011. In 2009–10, 18 045 recipients of income support payments received the Training Supplement.

Utilities Allowance

The Utilities Allowance is a supplement paid to older Australians in receipt of income support to assist with their household bills, such as energy, rates and water bills. Eligible households can receive the Utilities Allowance payment of up to $530.00 per year, paid in quarterly instalments. From 20 September 2009, the Pension Supplement replaced the Utilities Allowance, Pharmaceutical Allowance and Telephone Allowance for recipients over Age Pension age. In 2009–10, 69 160 income support recipients received the Utilities Allowance. The Pension Supplement was paid to 4178 recipients of DEEWR income support payments.

Approved Program of Work Supplement

The Approved Program of Work Supplement is a fortnightly payment of $20.80 to assist job seekers with the cost of participating in an approved activity such as Work for the Dole, Droughtforce or Green Corps. In 2009–10, 36 072 income support payment recipients received the Approved Program of Work Supplement.

Community Development Employment Projects Participant Supplement

The Community Development Employment Projects Participant Supplement is a fortnightly payment of $20.80 to assist with the cost of participating in a Community Development Employment Project. In 2009–10, 14 042 recipients of DEEWR income support payments received the supplement.

Program performance

The performance of the Working Age Payments program is measured by monitoring and analysing payment trends to assess the average duration on income support.

The global recession resulted in an increase in newly unemployed people on income support payments, including Newstart Allowance. As the economy strengthened in 2009–10, the number of short-term recipients of income support payments decreased, with concurrent growth in the number of long-term recipients. As a consequence, the average duration on Newstart Allowance increased over the year to 165 weeks from 160 weeks in 2008–09, having reduced from 199 weeks in 2007–08. The average duration on income support for Youth Allowance (other) recipients followed a similar pattern, increasing to 78 weeks in 2009–10 from 69 weeks in 2008–09, having been 75 weeks in 2007–08.

Also reflecting the impact of the Welfare to Work changes from 1 July 2006, with new claimants eligible until their youngest child turns eight years of age and a reducing 'grandfathered' population, the average duration on income support for Parenting Payment (Single) recipients increased to 356 weeks in 2009–10 from 354 weeks in 2008–09 and 349 weeks in 2007–08.

Exits within three months of grant of Newstart Allowance increased to 33 per cent, 3 percentage points higher than in 2008–09, reflecting the steady recovery of the economy and the impact on the labour market. The result for Youth Allowance (other) of 31 per cent in 2009–10 was the same as in 2008–09, but 7 percentage points lower than in 2007–08, reflecting the barriers in the labour market faced by younger unemployed people and the increased emphasis on training and study for young job seekers.

The proportion of income support recipients who exited within 12 months of grant was lower than in previous years, reflecting the increased average duration on income support. Changes as a result of the recovery from the global recession will take longer to flow through to the results for this measure. In 2009–10, 69 per cent of recipients exited Newstart Allowance within 12 months, less than in 2008–09 (75 per cent) and 2007–08 (79 per cent). Similarly for Youth Allowance (other), exits within 12 months of grant were lower (71 per cent) than in 2008–09 (76 per cent) and 2007–08 (80 per cent).

Table 4.10		
Effectiveness indicators for Program 4.4		
Performance indicator	**Estimate[a]**	**Actual**
Average (mean) duration on income support by current income support payment (weeks):		
» Newstart Allowance	n/a	165
» Youth Allowance (other)	n/a	78
» Parenting Payment Single	n/a	356
Percentage of income support recipients who exit income support within 3 months of grant:		
» Newstart Allowance	n/a	33
» Youth Allowance (other)	n/a	31
Percentage of income support recipients who exit income support within 12 months of grant:		
» Newstart Allowance	n/a	69
» Youth Allowance (other)	n/a	71

a   Estimates based on historical trend analysis were unavailable due to the change in the recipient population in 2008–09.

Reviews of recipients' compliance

Information obtained from Centrelink's Integrated Review System shows that approximately 1.9 million working age payment reviews were completed in 2009–10. As a result of those reviews, 268 680 recipients had their payments reduced or cancelled, 56 767 had their payments increased, and 278 453 debts were raised, with an estimated value of $319.5 million.

Data matching

Centrelink data is interrogated to identify inconsistent recipient circumstances, including incorrect earnings, multiple identities, incorrect rental information and incorrect information about dependants in care. Data is matched with that from other government agencies, including the Australian Taxation Office, the Department of Immigration and Citizenship, Defence Housing Australia, ComSuper, AUSTRAC and state and territory registers of births, deaths and marriages. There were 422 628 data matching reviews in 2009–10.

Working age income support payments debts raised and recovered

In 2009–10, approximately 720 100 new working age payment debts, with a value of approximately $523 million, were raised, $350.9 million of debt was recovered by Centrelink and its contracted mercantile agents, and $15.7 million was waived under provisions of the *Social Security Act 1991* or the *Financial Management and Accountability Act 1997*.

The Youth Allowance components of these figures are estimates because the debt data include both student (the responsibility of the department's Outcomes 2 and 3) and other Youth Allowance debts.

Centrelink service delivery performance—working age payments

The bilateral management arrangement between Centrelink, the Department of Human Services and DEEWR provides a framework for all three agencies to deliver outcomes (including payments) in relation to employment, education and child care. The agreement contains a confidence framework developed to monitor the strength and success of the relationship between agencies and assure the parties that policy and program outcomes are being achieved. Overall, Centrelink's performance against the framework was satisfactory during 2009–10.

New and continuation claims for working age payments were processed within agreed timeframes, as were job seeker participation reports. Payment accuracy for working age payments was satisfactory. While the rate of growth of the debt base for current payment recipients reduced in 2009–10, the growth of the debt base for former recipients of working age payments increased.

Random Sample Survey Program

The Random Sample Survey Program provides assurance about the accuracy of working age income support payments. Recipients are randomly selected for a review from the population for each payment type. The program is a point-in-time assessment of recipient circumstances and is designed to establish the value of total outlays accurately paid and to provide reasons for any debt, error or change in payment rate. The program provides benchmark data on the level of inaccurate payments.

The 2009–10 program conducted approximately 14 250 reviews.

Table 4.11	
Level of payment accuracy determined from random sample surveys for the major working age income support payments, 1 July 2009 to 30 June 2010	
Payment type	**Rate of accuracy[a] (%)**
Newstart	92.7
Parenting Payment Single	97.5
Parenting Payment Partnered	93.5
Youth Allowance (other)	91.5
Total	**94.4)** **(± 0.5%)**

a   Figures are based on a statistical estimation of the level of accuracy of payments. The residual methodology used assumes that certain payment inaccuracies will be identified in other reviews. Working age income support payments are surveyed over three periods throughout the financial year: 1 July to 31 October, 1 November to 28 February, and 1 March to 30 June. All results are based on preliminary data from the three survey periods and are subject to revision.

Source: DEEWR Random Sample Survey Program.

Debt management

The bilateral management arrangement includes a new method of measuring debt that will encourage the reduction in the rate of growth of the debt base. However, data reflecting performance for 2009–10 to the end of April 2010 indicate that, while there has been a reduction in the growth of debt for current recipients, there has been an increase in the rate of growth of the debt base for non-current recipients of support payments.

	Change in $ April 2008 to April 2009 (%)	Change in $ April 2009 to April 2010 (%)	Change in rate of growth
Non-current recipients	1.6	4.3	Increase
Current recipients	18.1	15.5	Decrease

Customer service and quality

The Employment Services Code of Practice and relevant service guarantees cover all providers of Australian Government employment services holding contracts with the department. The code describes how providers must deliver services to clients, and the service guarantees specify the types of service that clients can expect to receive.

Complaints handling and client feedback

The nationwide customer service line (free call from landlines) is available for clients to make enquiries and complaints, raise concerns, and provide suggestions for improvement. If a participant has an issue that they are unable to resolve directly with their provider, a departmental customer service officer will work with them to resolve their concerns. If the participant has not raised their concerns with their provider before calling the customer service line, they are encouraged to try to resolve their complaint with their provider directly before the department intervenes.

Clients of Disability Employment Services are able to contact the Complaints Resolution and Referral Service, a free independent complaint-handling body, directly or through the department's customer service line. In addition, clients can access translating and interpreting services and telephone typewriter facilities through the National Relay Service. Feedback from clients is also collected from departmental websites, letters, feedback forms and the Post-Program Monitoring Survey.

Report on performance

Since 1 July 2009, the department received 12 164 complaints relating to employment and related services out of a total 1 139 698 individual job seekers who began in employment services during 2008–09. This included complaints received via telephone, letters, feedback forms and surveys. Of the complaints:

» 2687 (22.09 per cent) were for Job Services Australia Stream 1 services, out of a total of 523 754 job seekers who began in Stream 1 services

» 2503 (20.58 per cent) were for Job Services Australia Stream 2 services, out of a total of 390 426 job seekers who began in Stream 2 services

» 2249 (18.49 per cent) were for Job Services Australia Stream 3 services, out of a total of 251 115 job seekers who began in Stream 3 services

» 1238 (10.18 per cent) were for Job Services Australia Stream 4 services, out of a total of 139 236 job seekers who began in Stream 4 services.

The department received 24 478 calls from clients to the customer service line, of which 10 750 were complaints. The remainder of the calls included requests for information, suggestions and compliments relating to services received. The Complaints Resolution and Referral Service received 3790 calls from Disability Employment Services clients, of which 1177 were complaints.

In addition, more than 408 164 calls were received by the Employment Services Information Line from job seekers asking for information about employment and related services.

Departmental outputs for Outcome 4

Table 4.12		
Departmental outputs performance information		
Performance indicator	**Estimate**	**Actual**
Program management		
Payments are made in accordance with approved timelines	All programs to meet relevant administrative targets set by quality assurance processes in DEEWR	All payments were made in accordance with administrative targets set by quality assurance processes
Payments made are based on calculations which are accurate and in accordance with approved guidelines	All programs to meet relevant administrative targets set by quality assurance processes in DEEWR	Payments made by all programs were accurate and met relevant administrative targets
Employment IT applications: defect density for important defect types measured by the mean defect from the International Software Benchmarking Standards Group (ISBSG) repository of major defects	Benchmark: Mean defect density (major severity) = 15 defects/1000 function points (to be measured 4 weeks after software release)	3 defects/1000 This is an internally created benchmark based on previous performance and international comparisons. A function point is an internationally recognised measure of software size
High-quality ministerial replies as measured by the level of satisfaction of Ministers and the Parliamentary Secretaries with the quality and timeliness of the replies	Qualitative evaluation of satisfaction using feedback to the Secretary from the Ministers and Parliamentary Secretaries	Satisfied[a]
Provision of employment outcome results through the Post-Program Monitoring Survey	Results available within a satisfactory timeframe	Results from the Post-Program Monitoring Survey were made available within a satisfactory timeframe
Proportion of DEN organisations achieving quality assurance certification within required timeframes	100%	100%
Services provided by Australian Government agencies (e.g. Centrelink) satisfy performance requirements	DEEWR requirements met	Satisfied
Quantity		
Employment IT applications services—construction and redevelopment of internally developed software	Cost benchmark is $1250 per function point Target is $1250 or less	$1091
Employment IT applications availability	Target is 99.5%	99%
Client satisfaction		
Level of satisfaction of service providers with contracted information and support	80% satisfied	97.4% satisfied
Policy services		
High-quality policy advice to Ministers, senior officers of the department and other key stakeholders	Qualitative evaluation of satisfaction and timeliness using feedback to the Secretary from the Ministers and Parliamentary Secretaries	Satisfied[a]
Level of satisfaction of Ministers with the provision of research and evaluation	Satisfactory or above	Satisfied[a]

a   During the year, ministers, parliamentary secretaries and their staff provide feedback on the level of satisfaction with departmental advice during regular meetings with the department. Overall feedback from their offices is that they recognise the significant efforts made by departmental staff to meet their requirements. The volume of written material provided to the ministers and parliamentary secretaries remained steady over 2009–10. The department provided training to staff and monitored the quality of ministerial correspondence and briefings.

Research and evaluation

In 2009–10, continual evaluation and research provided the evidence base to support policy development and program delivery across the full range of the employment and labour skills policy agenda. Activities included formal evaluation of major policy reforms and programs and measurement of post-assistance outcomes and service quality. Those activities were supported by an extensive survey program and administrative databases.

The department's major evaluation activities in 2009–10 included:

» design and implementation of a strategy to evaluate Job Services Australia

» successful revision of the Post-Program Monitoring Survey for the new employment services programs, which measures clients' employment outcomes after they participate in labour market programs

» preparation and implementation of a strategy to evaluate the Jobs and Training Compact

» design and implementation of quarterly monitoring reports on the Jobs and Training Compact

» development of a plan for evaluation of the Indigenous Employment Program

» development of an in-house evaluation of Disability Employment Services

» the provision of analyses and advice on appropriate evaluation frameworks and activities for the department and contracted consultants (including an analysis of job seeker exits from employment services, used by the Taskforce for Strengthening Government Service Delivery for Job Seekers, and an evaluation of the three Smarter Schools National Partnership Agreements).

REPORT ON PERFORMANCE

2

OUTCOME 5

Safer, fairer and more productive workplaces for employers and employees by promoting and supporting the adoption of fair and flexible workplace arrangements and safer working arrangements

OUTCOME 5

Safer, fairer and more productive workplaces for employers and employees by promoting and supporting the adoption of fair and flexible workplace arrangements and safer working arrangements

Improving Australia's productive capacity is one of the government's core economic policy objectives.

Activities underway in Outcome 5 support this objective in several ways and complement the significant investments in education, skills and training that are being progressed elsewhere within the portfolio. Collectively, these measures are directed at securing social and economic prosperity for all Australians.

During 2009–10, the government's workplace relations reforms were implemented with the commencement of the bulk of the provisions of the *Fair Work Act 2009* on 1 July 2009. The safety net components of the new workplace relations framework—the legislated National Employment Standards and modern awards—took effect on 1 January 2010.

The Fair Work Act creates the legislative and institutional framework for the new workplace relations system. Throughout 2009–10, the department provided policy advice to the government on all aspects of the implementation of the Fair Work system.

Also on 1 January 2010, the national workplace relations system for the private sector commenced. The national system was achieved by all states and territories other than Western Australia legislating to refer their workplace relations powers to the Commonwealth. A national workplace relations system for the private sector will reduce complexity for employees, employers and small businesses. This will further help improve productivity through reduced compliance costs for business.

On 11 December 2009, the Workplace Relations Ministers' Council (WRMC) agreed to the model Work Health and Safety Act. The Australian Government continues to work closely with state and territory governments to harmonise occupational health and safety (OHS) legislation. The Intergovernmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety expresses the commitment of all governments to achieve uniform laws by 2011.

The implementation of national approaches to OHS will help to increase productivity. Harmonising OHS laws will cut red tape, boost business efficiency and provide greater certainty and protection for all workplace parties.

Also during 2009–10, the department assisted in implementing the government's decision to introduce a comprehensive national paid parental leave scheme from 1 January 2011. The scheme, which is designed to complement employees' existing workplace entitlements, will promote maternal and child health and wellbeing, encourage greater workforce participation by parents and also promote gender equity and work/life balance in the community. The department will continue to assist in the implementation of the scheme.

Strategies by the department to achieve the intended result of this Outcome focus on the provision of policy advice to the Minister for Employment and Workplace Relations, program management and policy implementation activities.

Outcome 5 key priorities

The key priorities for 2009–10 were to:

» deliver evidence-based policy advice and analysis to government on all aspects of the implementation and operation of the Fair Work Act, including the application for an equal remuneration order covering workers in the social and community services sector and the first annual wage review under the Act

» consult with key stakeholders, including state and territory governments, on the implementation of the new workplace relations framework and the development of a uniform national minimum entitlement to long service leave

» provide policy and legal advice and develop legislation to create a uniform national workplace relations system for the private sector

» provide education and information to the Australian community to assist it in understanding the new workplace relations system, which began on 1 July 2009

» contribute to the development of the government's Paid Parental Leave scheme, led by the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA)

» continue to progress work on the harmonisation of OHS laws under the terms of the Intergovernmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety, including development of model OHS legislation in accordance with the decisions of the WRMC, for implementation in all jurisdictions by 2011

» consult with key stakeholders on the proposed transfer, following the harmonisation of OHS laws, of the OHS coverage of self-insured licensees under the Comcare scheme to state and territory jurisdictions

» support the government's workers compensation and OHS reforms in the Commonwealth jurisdiction, through advising on the implementation of the government's policy, legislative and administrative response to the Comcare review

» progress the government's workplace relations reforms in relation to the building and construction industry

» administer the General Employee Entitlements and Redundancy Scheme (GEERS) for the protection of employee entitlements in cases of business insolvency

» enhance engagement on international labour issues, particularly those relating to the International Labour Organization (ILO)

» develop and implement the Fair Work Principles which commenced on 1 January 2010

» provide workplace relations policy advice to all Commonwealth public sector agencies to assist their enterprise bargaining, consistent with the Australian Government Employment Bargaining Framework.

Outcome 5 key achievements

The key achievements for 2009–10 were:

» Implementation of the government's new workplace relations system. Most Fair Work Act provisions took effect from 1 July 2009, with the safety net—modern awards and legislated National Employment Standards—following on 1 January 2010.

» Implementation of a national workplace relations system for the private sector from 1 January 2010.

» Supporting the Minister in making successful submissions to Fair Work Australia to clarify the intended operation of the Fair Work Act bargaining and agreement-making framework.

» Contributing to the development of the government's Paid Parental Leave scheme, led by FaHCSIA.

» Preparation of the government's submission to the 2009–10 Annual Wage Review. The 2009–10 Annual Wage Review decision took effect from the first full pay period starting on or after 1 July 2010.

» Preparation of the report on agreement making in Australia from 2007 to 2009 under the *Workplace Relations Act 1996.*

» Supporting the former Deputy Prime Minister, the Hon Julia Gillard MP, in convening the Workplaces of the Future Forum in July 2009 and undertaking subsequent stakeholder consultations. A key aim of the forum and consultations was to determine how unions, business, government, academics and employees can work together to create fair, sustainable and productive workplaces, building on the Fair Work framework.

» Contributing to elements of the Department of Immigration and Citizenship's *Migration Legislation Amendment (Worker Protection) Act 2008* to ensure that sponsors give subclass 457 visa workers the same terms and conditions as equivalent Australian workers employed at the same workplace.

» Negotiating a five-year partnership agreement between Australia and the ILO which will see $15 million in technical assistance to countries in the Asia–Pacific region disbursed in the first two years. The Australia–ILO Partnership Agreement was signed at the G20 Labour and Employment Ministers' Meeting in Washington DC in April 2010 and most projects are due to start from July 2010.

» Participating in negotiations on labour provisions in free trade agreements.

» Working cooperatively with state and territory governments through Safe Work Australia to develop the agreed model Work Health and Safety Act. The model Act was agreed by the WRMC on 11 December 2009, for implementation in all jurisdictions by 2011.

» Implementing the government's policy, legislative and administrative response to the Comcare review, including the development of the Occupational Health and Safety and Other Legislation Amendment Bill 2009.

» Under GEERS, advancing over $154 million to 15 565 Australian workers who lost their jobs as a result of their employers' insolvency.

» Implementing, through the Office of the Federal Safety Commissioner, a mentoring initiative for small to medium enterprises.

» Completing 8340 assessments of industrial instruments under the Guidelines to the National Code of Practice for the Building and Construction Industry, with an average turnaround time of 2.05 days.

» Administering the Fresh Ideas for Work and Family Grants Program, which in Round One provided 243 grants totalling $1.62 million to small businesses to implement work and family arrangements in their workplaces.

» Administering the Fair Work Education and Information program, which provided a total of $12.9 million in grant funding to 19 selected community, employee, employer and small business organisations to help them educate and inform members of the community about the Fair Work Act and how it will affect them.

» Developing and implementing the Fair Work Principles, which took effect on 1 January 2010. From that date, the Australian Government requires potential suppliers to provide information about how they comply with the principles when submitting tenders for Australian Government work. A user guide was developed following consultation with industry, unions and community representatives.

» Completing 75 assessments of Australian Government agency collective agreements against the Australian Government Employment Bargaining Framework.

Program 5.1 Employee Assistance

Program objective

The employee assistance measures listed below are directed at either providing safety net support for employees in certain circumstances or, alternatively, supporting longstanding industry arrangements which deliver employee benefits.

Coal Mining Industry (Long Service Leave Funding) Act 1992

Under *Coal Mining Industry (Long Service Leave Funding) Act 1992* financing arrangements, the cost of portable long service leave entitlements is managed through a central fund administered by the Coal Mining Industry (Long Service Leave Funding) Corporation. Monthly levy collections are paid from the consolidated revenue fund and are subsequently transferred by the department to the central fund.

During 2009–10, the amount of payroll levy paid by employers to the fund was 2.7 per cent of eligible wages.

Employee entitlements safety net schemes

GEERS is a safety net scheme which protects the entitlements of employees who have lost their jobs as a result of the bankruptcy or liquidation of their employers. Eligible entitlements under GEERS consist of up to three months unpaid or underpaid wages for the period prior to the appointment of the insolvency practitioner (including amounts deducted from wages, such as for superannuation, but not passed on to the superannuation fund), all unpaid annual leave, all unpaid long service leave, up to a maximum of five weeks unpaid payment in lieu of notice and up to a maximum of 16 weeks unpaid redundancy entitlement. Payments made under GEERS are subject to an annually indexed income cap, which was $108 300 for 2009–10.

The following achievements in connection with the employee entitlements safety net schemes in 2009–10 were notable:

» A total of $154 058 670 was advanced under GEERS to 15 565 eligible claimants.

» Of claimants who received assistance under GEERS, 87.3 per cent were paid 100 per cent of their verified employee entitlements by GEERS.

» More than 45 632 enquiries were received by the GEERS Hotline.

» Over $18 million advanced under GEERS was recovered during 2009–10.

As part of its administration of GEERS, the department works closely with insolvency practitioners to determine employees' entitlements and to process GEERS claims quickly and accurately.

Insolvency practitioners are a key stakeholder of GEERS, and to guide the continuous improvement processes of GEERS their feedback is sought regularly through a number of avenues, including an annual stakeholder satisfaction survey. In 2009–10, 165 insolvency practitioners were surveyed. Ninety-three per cent of respondents rated the department's management of GEERS as satisfactory or above. This was an improvement from the 92 per cent achieved in 2008–09. The proportion of 'extremely satisfied' stakeholders remained constant at 30 per cent.

The information obtained through the survey will continue to assist the department to identify improvements to systems and processes to ensure better outcomes for GEERS claimants.

Unlawful Termination Assistance Scheme

The Unlawful Termination Assistance Scheme was discontinued, effective from 1 July 2009. Appropriate transitional provisions were put in place, including arrangements for those employees who believed their employment had been unlawfully terminated prior to 1 July 2009 and financial provisions to meet any outstanding commitments. During the reporting period, 12 applications were processed, of which 11 were found eligible with a total actual expenditure for 2009–10 of $62 850.

Program 5.2 Workplace Assistance

Program objective

The workplace assistance measures outlined below are intended to ensure the successful operation of the new workplace relations system, in particular through initiatives designed to demonstrate the benefit of cooperative workplace relations and/or to help employers and employees understand their rights and obligations under the system.

Fair Work Education and Information program

The Fair Work Education and Information program is a targeted education program providing grants to community, employee, employer and small business associations to deliver education and information services to the Australian community. The program is aimed at assisting the Australian community in understanding the new workplace relations system which commenced on 1 July 2009. Grants totalling $12.9 million over two years were awarded to 19 organisations following a competitive selection exercise finalised on 29 June 2009. A total of 54 057 people participated in some 3550 education activities held across Australia, and websites developed for the program reported that there were over 56 000 visits and 3500 downloads of information papers. The program also provides for the development of the Young Workers' Toolkit, which promotes fairness for young people at work and provides information to them. Work on the toolkit is continuing.

Fair Work Principles

The Fair Work Principles support the creation of quality jobs by ensuring that Australian Government procurement decisions are consistent with the Fair Work Act and its aims, including promoting fair, cooperative and productive workplaces. While the Fair Work Principles provide guidance for all industries, given the longstanding compliance problems in the cleaning services and the textile, clothing and footwear industries, additional provisions apply to procurements in those areas.

The Fair Work Principles were announced by the Minister for Finance and Deregulation and the Minister for Employment and Workplace Relations in July 2009 and came into effect on 1 January 2010.

Fresh Ideas for Work and Family Grants Program

The Fresh Ideas for Work and Family Grants Program was introduced in 2008–09 to support Australian small businesses to implement practices that help employees balance their work and family obligations, as well as to improve employee retention and productivity. The program continued for a second round in 2009–10.

The program provides grants of up to $15 000 (GST exclusive) to small businesses to help meet the set-up costs of family-friendly arrangements that suit the individual needs of the businesses. The department funded 243 businesses in the first funding round.

The second funding round opened on 25 February 2010 and closed on 31 March 2010. More than 800 applications were received from small businesses, and the assessment of the applications was ongoing at 30 June 2010.

National Workplace Education program

The National Workplace Education program provides $10 million over five years to The Union Education Foundation to develop and deliver national workplace education programs aimed at improving the skills and knowledge of employee representatives in the workplace with respect to the Fair Work system.

The program focuses on:

» providing the skills to enable employee representatives to develop and maintain cooperative workplace relations at the enterprise level

» providing skills and knowledge to assist employee representatives to conduct enterprise bargaining cooperatively and improve employment practices and workplace outcomes for both employers and employees

» enhancing fairness and representation in Australia's workplaces through an emphasis on improving understanding of effective practices and procedures in the resolution of grievances and disputes

» enhancing employee representatives' knowledge and understanding of the Fair Work system, including the National Employment Standards, modern awards, workplace rights, general protections, lawful industrial activities, compliance and enforcement activities of the Fair Work Ombudsman and the role and functions of Fair Work Australia

» providing skills and knowledge to assist employee representatives to promote awareness and the workplace use of measures available under the Fair Work system that can assist employees to balance their work and family responsibilities, including the right to request flexible working arrangements

» enhancing fairness in Australia's workplaces through an improved understanding of equity and discrimination issues in the workplace, including the principle of equal remuneration for work of equal or comparable value as embodied in the Fair Work system.

Homeworkers Code of Practice program

The Homeworkers Code of Practice program provides $4 million over four years to the Homeworkers Code Committee Incorporated to support the promotion of Ethical Clothing Australia (formerly known as the Homeworkers Code of Practice and 'No Sweat Shop' label).

The code is voluntary and encourages manufacturers, suppliers and retailers to make their production and supply chains transparent, to better understand their supply chains to minimise the potential for exploitation of outworkers, and to adopt ethical procurement policies. The code provides for accreditation of parties along the textile, clothing and footwear supply chain to help ensure that homeworkers are employed according to relevant award conditions.

During 2009–10, $1.25 million was provided to the committee, enabling it to boost the public profile of the accreditation scheme, resulting in new businesses being accredited. The committee also expanded its education and compliance activities with businesses and workers, which resulted in increased compliance with award and code obligations.

International Labour Organization

The department represented the government at ILO Governing Body meetings and at the Ninety-ninth Session of the International Labour Conference. The department was also responsible for advice on a wide range of specific matters including progress in relation to the ratification of key conventions, options for funding agreements with the ILO, and advice to the WRMC on issues relating to the ILO.

The government is a member of the ILO Governing Body and holds a number of the key posts, including the posts of Governing Body representative for the Far East Asia and Pacific subregion, government representative on the Committee on Freedom of Association, and government coordinator for the Asia and Pacific Government Group.

The government signed a new partnership agreement with the ILO to deliver sustainable employment activities in the Asia–Pacific region, aiming to achieve decent work for people in the region. Funding of $15 million over the first two years of the five-year agreement has been delivered, and implementation of projects under the partnership agreement has commenced. The projects to be funded cover a wide range of objectives, from improving the conditions of individual factory workers

in Asian countries to modernising the labour laws of countries in the Pacific. The department played a central role in the development and implementation of the partnership agreement.

Priority conventions

During the year, the government made significant progress towards ratifying the Maritime Labour Convention 2006.

Industry parties have expressed support for ratification of the convention, and all state and territory governments are working towards achieving full compliance in law and practice with a view to completing the ratification process at the earliest opportunity. It is envisaged that ratification will take place by the end of 2011.

The government has also been working towards ratification of three ILO conventions identified by the WRMC in April 2009 as priority targets for ratification. They are Convention 162, Asbestos Convention, 1986 (No. 162); Protocol 155 of 2002 to the Occupational Safety and Health Convention, 1981; and Convention 175, Part-Time Work Convention, 1994.

It is expected that the ratification process will be completed during 2010–11.

Protected Action Ballots Scheme

From 1 July 2009, under the Fair Work Act, the Commonwealth met the full cost of protected action ballots conducted by the Australian Electoral Commission. During 2009–10, the department processed 266 invoices relating to 661 ballots and paid just over $1.13 million under the scheme.

Outcome effectiveness indicators

Table 5.1		
Effectiveness indicators for Outcome 5		
Performance indicator	**June quarter 2009 (annual figures)**	**June quarter 2010 (annual figures)**
The federal workplace relations system supports improved productivity outcomes		
Productivity—GDP per hour worked in the market sector (trend terms)	1.4%	1.2%
Wage Price Index (seasonally adjusted)	3.8%	3.0%
Low incidence of industrial action (allowing for variations in the bargaining cycle)		
Working days lost per thousand employees	13.3	13.3
Working days lost in federal bargaining disputes	38 000	85 500
Collective bargaining is widely used by employers and employees to negotiate pay and conditions		
Non-managerial employees who had their pay determined by a federally registered collective agreement	2.1 million (May 2006)	2.3 million (August 2008)
Enterprise agreements approved	11 735 (June 2009)	6118 (June 2010)

The operating environment in 2009–10

Wages and earnings

The Australian Bureau of Statistics Wage Price Index (WPI) increased by 3.0 per cent (seasonally adjusted) over the year to the June quarter of 2010, down from 3.8 per cent over the year to the June quarter of 2009.

Public sector WPI growth remained relatively strong over the year to the June quarter of 2010 (4.0 per cent), while private sector WPI growth increased by just 2.8 per cent, down from 3.5 per cent a year before.

In industry terms (using original data), the highest rate of increase in the WPI over the year to the June quarter 2010 was in electricity, gas, water and waste services (4.7 per cent), while the lowest

annual increase was in wholesale trade (1.7 per cent). Mining recorded an annual increase of 3.8 per cent, down from an annual increase of 4.2 per cent in the June quarter of 2009.

Unlike other macroeconomic indicators, wages growth is not immediately affected by changes in economic conditions. This is evident in the WPI: the economic slowdown did not affect the annual WPI figures until the end of 2009 and early 2010. The annual June quarter 2010 WPI result (3.0 per cent) indicates that wages growth has stabilised, consistent with the government's economic statement forecasts (released in July 2010).

Real wages, as measured by average non-farm compensation per employee deflated by the implicit price deflator for final consumption expenditure—households from the ABS *Australian National Accounts: National Income, Expenditure and Product* publication (cat. no. 5206.0)—AusStats spreadsheets 2, 3 and 20 (seasonally adjusted), increased by 1.1 per cent (seasonally adjusted) over the year to the June quarter of 2010, up from a decrease of 2.1 per cent over the year to the June quarter of 2009. The increase in real wages was due to stronger growth in average non-farm compensation per employee (3.8 per cent) over that period compared with growth of 2.7 per cent in the implicit deflator for household final consumption expenditure over the same period. It should be noted that the average non-farm compensation series is volatile and fluctuates considerably from quarter to quarter.

On 3 June 2010, Fair Work Australia's specialist Minimum Wage Panel released its decision to set the new national minimum wage at $569.90 per week, or $15 per hour (rounded to the nearest 10 cents). This was an increase of $26 per week or 1.4 per cent in real terms since the last minimum wage rise in 2008. The increase took effect from the first full pay period on or after 1 July 2010.

Productivity

The most common measure of productivity—GDP per hour worked in the market sector—increased by 1.2 per cent over the year to the June quarter of 2010, down from 1.4 per cent over the year to the June quarter of 2009. It should be noted that short-term measures of productivity are prone to volatility and cyclical effects and should therefore be interpreted with caution.

Trends in working hours

Average hours worked over the year to May 2010 by full-time employees (in all jobs and including overtime) were 40.6 hours, up slightly from the average of 40.4 hours over the year to May 2009, reflecting the improved labour market conditions in the Australian economy over the past financial year.

Industrial disputation

Australia recorded a strike rate of 13.3 working days lost (WDL) per thousand employees over the year to the June quarter of 2010, unchanged from the previous year. In general, industrial disputation measured in this way has trended downwards over the long term despite quarterly fluctuations.

The number of WDL in federal bargaining disputes stood at 85 500 over the year to the June quarter of 2010, up from 38 000 over the year to the June quarter of 2009. However, that increase was not unexpected, given the increased number of employees in the federal jurisdiction due to the establishment of a national workplace relations system for the private sector on 1 January 2010. It should also be noted that changes in the level of industrial disputation may be affected by changes in the number of expiring enterprise agreements.

The construction industry accounted for the largest number of WDL over the year to the June quarter of 2010 (30 600) followed by the education, health and community services industries (19 900).The metal product, machinery and equipment industries (51.4) had the highest WDL per thousand workers over the year to the June quarter of 2010. (The breakdown of published data by customised industry groupings in the ABS Industrial Disputes data is based on the industries where industrial disputation is most likely to occur, as well as on the viability of releasing the data, rather than on individual ANZSIC industry classifications.)

| Table 5.2	
Industrial disputation, 1985–86 to 2009–10	
Year	**Working days lost per 1000 employees**
Average 1985–86 to 1990–91	223.5
1991–92	182.7
1992–93	159.3
1993–94	82.3
1994–95	85.0
1995–96	114.1
1996–97	90.0
1997–98	82.1
1998–99	55.8
1999–2000	105.3
2000–01	45.1
2001–02	41.9
2002–03	30.2
2003–04	66.9
2004–05	28.8
2005–06	21.6
2006–07	9.9
2007–08	17.4
2008–09	13.3
2009–10	13.3

Agreement making

A total of 6118 collective agreements were approved by Fair Work Australia or the Workplace Authority or varied and extended by the Australian Industrial Relations Commission in 2009–10 (unless otherwise noted, all data on collective agreements in this section is derived from the department's workplace agreements database). This was a significant decrease from the total of 11 735 agreements approved in 2008–09. The decrease was due to a much higher than average number of agreements approved in the June 2009 quarter and a lull in agreement making from July 2009 as the bargaining provisions of the Fair Work Act came into operation.

Of the 6118 collective agreements approved in 2009–10, 4636 were enterprise agreements made under the Fair Work Act, and 1178 were collective agreements made under the *Workplace Relations Act 1996* and lodged in 2009–10 in accordance with the provisions of the *Fair Work (Transitional and Consequential Amendments) Act 2009*. Finally, 304 were pre-reform certified agreements (that is, agreements made prior to the introduction of the Work Choices amendments to the Workplace Relations Act) that were varied and extended under the amendments to the Workplace Relations Act made by the *Workplace Relations Amendments (Transition to Forward with Fairness) Act 2008*.

The Transition to Forward with Fairness amendments to the Workplace Relations Act allowed employers using Australian Workplace Agreements (AWAs) at 1 December 2007 to offer Individual Transitional Employment Agreements (ITEAs) to new employees and employees already on AWAs during the transition to the new workplace relations system, which came into full effect on 1 January 2010. During the reporting period, 21 687 ITEAs were approved by the Workplace Authority. ITEAs have a nominal expiry date of no later than 31 December 2009.

Chart 5.1

Federal collective agreements lodged/approved, 2008–09 and 2009–10
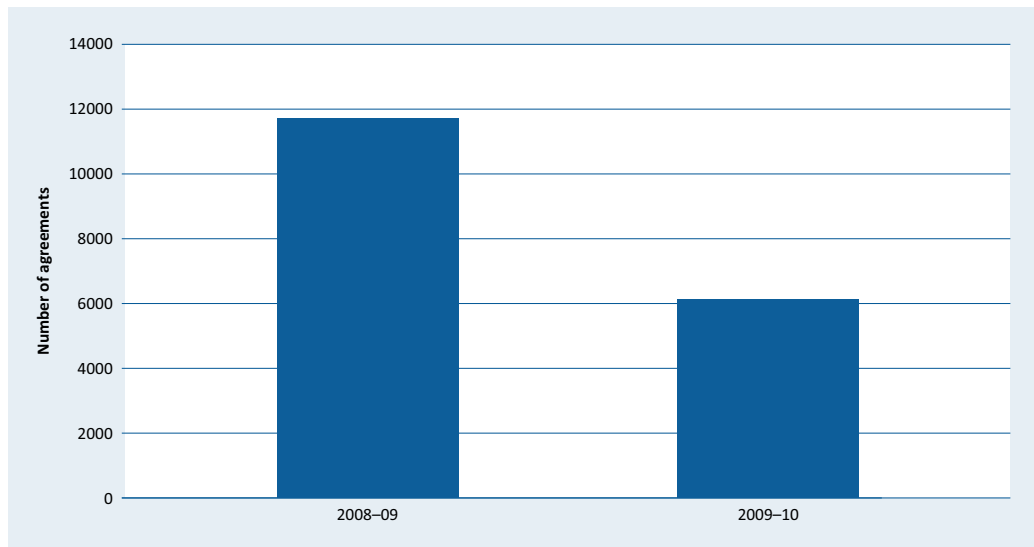
Annualised average wage increases in collective agreements lodged during 2009–10 were 3.9 per cent, down from 4.3 per cent in 2008–09. This reflects the impact of the global economic downturn.

Workplace relations policy advice

Workplace relations policy and analysis covers a number of important activities that promote greater productivity, more employment for Australians and strong and sustainable economic growth through the development of fairer and more flexible workplaces. It involves providing timely advice and analysis on policies and legislation to advance the government's national approach to workplace relations.

Commencement of the *Fair Work Act 2009*

Australia's new workplace relations system, Fair Work, commenced on 1 July 2009 and became fully operational on 1 January 2010 with the start of the safety net—modern awards and the National Employment Standards.

Award modernisation

The Australian Industrial Relations Commission completed the award modernisation process by 31 December 2009, reducing 3715 pre-existing instruments to 122 modern awards. It is estimated that at the conclusion of the award modernisation process 197 000 pages of award regulation were reduced to fewer than 6000 pages.

In the lead-up to the commencement of modern awards on 1 January 2010, the department provided timely advice to the government on a range of issues related to award modernisation.

The award modernisation process was conducted in accordance with the Minister's Award Modernisation Request, and was made under the *Workplace Relations Amendment (Transition to Forward with Fairness) Act 2008*, which came into effect on 28 March 2008. The Minister subsequently made four variations to that request (variations were made on 1 July 2009, 17 August 2009, 26 August 2009 and 9 November 2009).

The department also prepared a number of government submissions to the Australian Industrial Relations Commission as part of the award modernisation process (see Appendix 5 of this report for details).

A national workplace relations system for the private sector

The department continued to work closely with state and territory governments on the establishment of a national workplace relations system for the private sector. The national system commenced on 1 January 2010.

The Commonwealth and participating states finalised a key element of the system—the multilateral intergovernmental agreement—through the WRMC during the year. The agreement sets out the governance arrangements for the system and was signed by the Commonwealth and all states and territories except Western Australia. The multilateral intergovernmental agreement is underpinned by bilateral intergovernmental agreements with referring states. The bilateral agreements set out state-specific arrangements for service delivery, tribunal-related matters and other arrangements relevant to the referral of powers in the individual jurisdictions concerned.

The Fair Work Amendment (State Referrals and Other Measures) Bill 2009, which among other things gave effect to state referrals of power, was introduced in the Commonwealth Parliament on 21 October 2009 and passed the Senate on 2 December 2009. The *Fair Work Amendment (State Referrals and Other Measures) Act 2009* received royal assent on 9 December 2009.

All states participating in the national system passed legislation to refer their powers over workplace relations matters to the Commonwealth.

The Western Australian Government decided not to refer its workplace relations powers but publicly stated that it would continue to consider opportunities for harmonisation with the new national workplace relations system.

As a result of state referrals of power, all private sector employers and employees in referring states now have access to the same workplace laws, tribunals, minimum conditions, rights and entitlements. It is estimated that the national workplace relations system now covers approximately 96 per cent of all private sector employees. A report prepared for the department by Access Economics found that the total net benefit of moving to a single national workplace relations system is estimated to be $4.83 billion over 10 years.

Equal remuneration for social and community services workers case

The government is participating in a national pay equity case for social and community services workers. This is the first application under the new equal remuneration provisions of the Fair Work Act. The department has provided policy advice regarding the government's involvement in the case.

Paid parental leave

In the May 2009 Budget, the government announced the introduction of Australia's first Paid Parental Leave scheme, to commence on 1 January 2011. The department worked with the lead agency, the Department of Families, Housing, Community Services and Indigenous Affairs, in providing advice on the policy details of the scheme and draft legislation. The department also consulted with key stakeholders, including members of the National Workplace Relations Consultative Council and state and territory officials, on particular workplace relations aspects related to the Paid Parental Leave scheme. The *Paid Parental Leave Act 2010* was passed by parliament on 17 June 2010.

The building and construction industry

During 2009–10, the department continued to support and provide advice on the government's workplace relations policies related to the building and construction industry.

The Building and Construction Industry Improvement Amendment (Transition to Fair Work) Bill 2009, which was introduced into parliament in June 2009, honoured the government's commitment to abolish the Office of the Australian Building and Construction Commissioner and to establish a new independent body from 1 February 2010. The Bill was passed by the House of Representatives on 13 August 2009. Senate debate on the Bill had not concluded at 30 June 2010.

The department continued to assist government agencies in applying the National Code of Practice for the Construction Industry and the related Australian Government Implementation Guidelines. Presentations and seminars were delivered to government agencies and industry bodies.

The department also continued to provide advice and assessment services on the compliance of building and construction employers' industrial instruments with the code and guidelines. During 2009–10, the department completed 8340 assessments, with an average turnaround time of 2.05 days. This was an improvement on performance in 2008–09 (8380 assessments with an average turnaround time of 2.77 days).

Workplace relations legislation development

Legal and policy advice

During 2009–10, the department provided legal and policy advice to the Minister for Employment and Workplace Relations, portfolio agencies and other stakeholders about:

» the operation of the workplace relations system, including the development of and transition to the new workplace relations system

» developments arising out of court and tribunal decisions in federal, state and territory jurisdictions

» OHS, workers compensation and public sector employment matters.

In particular, the department provided legal and policy advice to the Minister on the development of a uniform national workplace relations system for the private sector.

Legislation development

Primary legislation

The following Acts were enacted in 2009–10:

» *Fair Work (State Referrals and Other Measures) Act 2010*. This Act was assented to on 9 December 2009. The Act

– enables states (other than Western Australia) to refer matters to the Commonwealth for the purpose of establishing a national workplace relations system for the private sector under the Fair Work Act

– relies on a reference of legislative power from the parliaments of referring states to establish arrangements for the transition of employees and employers covered by state workplace relations systems to the coverage of the national workplace relations system.

» *Long Service Leave Legislation Amendment (Telstra) Act 2009*. This Act was assented to on 16 November 2009. The Act amended the law relating to long service leave for employees of Telstra and made other amendments for related purposes.

» *Coal Mining Industry (Long Service Leave Funding) Amendment Act 2009*. This Act was assented to on 10 December 2009. The Act preserved the operation of existing sector-specific long service leave arrangements for the coal mining industry beyond 1 January 2010.

The Occupational Health and Safety and Other Legislation Amendment Bill 2009 was introduced into the House of Representatives on 26 November 2009 and referred to the Senate Standing Committee on Education, Employment and Workplace Relations, which reported on 25 February 2010. The Bill sought to restore workers' compensation coverage during recess breaks, enable the full

regulation of 'lifts' as 'plant', and ensure the funding of certain Comcare claims, in particular those concerning latent diseases.

In addition, the Building and Construction Industry Improvement Amendment (Transition to Fair Work) Bill 2009 was introduced into the Senate on 17 August 2009, having passed the House of Representatives on 13 August 2009. The Bill sought to abolish the Office of the Australian Building and Construction Commissioner and create a new agency, the Office of the Fair Work Building Industry Inspectorate, to regulate the building and construction industry. It also sought to remove a number of existing laws specific to the building industry and introduce a range of safeguards in relation to the use of the power to compulsorily obtain information or documents.

Regulations

The following regulations were made during 2009–10:

» The Fair Work Amendment Regulations 2009 (No. 2) amended the Fair Work Regulations 2009 relating to investigation entry regarding outworkers in the textile, clothing and footwear industry, and to OHS entry under Australian Capital Territory legislation.

» The Fair Work Amendment Regulations 2009 (No. 3) amended the Fair Work Regulations 2009 to clarify the operation of the principal Regulations relating to signature requirements for enterprise agreements; the meaning of temporary absence, illness or injury in relation to employees; and the obligations of employing authorities within the public sector. The changes included various minor and technical amendments.

» The Remuneration Tribunal (Members' Fees and Allowances) Amendment Regulations 2009 (No. 1) amended the Remuneration Tribunal (Members' Fees and Allowances) Regulations 2005 to change the amount of fees and allowances payable to members of the Remuneration Tribunal.

» The Safety, Rehabilitation and Compensation Amendment Regulations 2009 (No. 1) amended the Safety, Rehabilitation and Compensation Regulations 2002 to change fees payable to Comcare by rehabilitation providers for an initial approval or renewal application.

» The Fair Work (Transitional Provisions and Consequential Amendments) Amendment Regulations 2009 (No. 1) amended the Fair Work (Transitional Provisions and Consequential Amendment) Regulations 2009 to confer new requirements of a transitional nature on Fair Work Australia when assessing whether an employee who is covered by a modern award would be better off overall if an enterprise agreement applied to that employee.

» The Remuneration Tribunal (Miscellaneous Provisions) Amendment Regulations 2009 (No. 1) amended the Remuneration Tribunal (Miscellaneous Provisions) Regulations 1976 to remove the appointment of a person to conduct a commission of inquiry into matters relating to a significant offshore petroleum incident or a significant offshore greenhouse gas incident from the jurisdiction of the Remuneration Tribunal.

» The Fair Work Legislation Amendment Regulations 2009 (No. 1) amended the Fair Work (State Referral and Consequential and Other Amendments) Regulations 2009 and the Fair Work (Transitional Provisions and Consequential Amendments) Regulations 2009 to substitute Fair Work Australia for the Australian Industrial Relations Commission as the reviewing authority for OHS matters and make transitional provisions for public sector redundancy, unfair dismissal and the final annual reports for the Australian Industrial Relations Commission, the Australian Industrial Registry and the Workplace Authority.

» The Fair Work Legislation Amendment Regulations 2009 (No. 2) amended the Fair Work (State Referral and Consequential and Other Amendments) Regulations 2009, the Fair Work Regulations 2009 and the Fair Work (Transitional Provisions and Consequential Amendments) Regulations 2009 to clarify the application of the Fair Work Act, provide transitional provisions relating to award modernisation requests and make various minor and technical amendments.

» The Fair Work Legislation Amendment Regulations 2009 (No. 3) amended the Fair Work Regulations 2009 and the Fair Work (Transitional Provisions and Consequential Amendments) Regulations 2009 to supplement and complete the transitional arrangements as a result of the passage of the Fair Work Amendment (State Referrals and Other Measures) Act 2009.

» The Long Service Leave (Commonwealth Employees) Amendment Regulations 2010 (No. 1) amended the Long Service Leave (Commonwealth Employees) Regulations 1957 to remove gender-specific terms and replace them with gender-neutral terms.

» The Safe Work Australia (Consequential and Transitional Provisions) Regulations 2010 amended the operation of Schedule 3 to the *Safe Work Australia (Consequential and Transitional Provisions) Act 2008* in respect of the declaration of national standards and codes of practice.

» The Occupational Health and Safety (Maritime Industry) (National Standards) Amendment Regulations 2010 (No. 1) added a new part covering work in or on confined spaces, to ensure that operators, employees and contractors take all appropriate steps to minimise risks from working in confined spaces that may affect the health or safety of employees.

» The Fair Work (Transitional Provisions and Consequential Amendments) Amendment Regulations 2010 (No. 1) amended the Fair Work (Transitional Provisions and Consequential Amendments) Regulations 2009 to modify the provisions of the *Fair Work (Transitional Provisions and Consequential Amendments) Act 2009* that allow the making of take-home pay orders.

» The Fair Work Amendment Regulations 2010 (No. 1) amended the Fair Work Regulations 2009 to enable state or territory service managers of Fair Work Australia to exercise powers under delegation from the President and General Manager of Fair Work Australia.

» The Fair Work (Transitional Provisions and Consequential Amendments) Amendment Regulations 2010 (No. 2) improved the ability of employees to claim unpaid wages and monetary entitlements, and allowed breaches that started before the commencement of the Fair Work Act and have continued after that date to be dealt with by the relevant court under a single small claims procedure.

» The Occupational Health and Safety (Safety Arrangements) Amendment Regulations 2010 (No.1) amended the Occupational Health and Safety (Safety Arrangements) Regulations 1991 to prescribe the Australian Agency for International Development (AusAID), comprising the Director-General and AusAID employees, as an 'entity', and the Director-General as the principal officer, for the purposes of the *Occupational Health and Safety Act 1991*.

» The Safety, Rehabilitation and Compensation Amendment Regulations 2010 (No. 1) amended the Safety, Rehabilitation and Compensation Regulations 2002 to prescribe AusAID as an 'entity' for the purposes of the *Safety, Rehabilitation and Compensation Act 1988*.

Commonwealth involvement in proceedings before courts and tribunals

The department advised the Minister for Employment and Workplace Relations on intervention into legal proceedings under the workplace relations legislation. Appendix 5 provides details of the proceedings in which the department was involved.

Office of the Federal Safety Commissioner

In 2009–10, the Office of the Federal Safety Commissioner continued to focus on implementation of the Australian Government Building and Construction OHS Accreditation Scheme. The office worked closely with Australian Government agencies to ensure that OHS is a key factor in their building and construction procurement and project management.

The office:

» presented and participated in a range of conferences, seminars and award ceremonies

» developed improvements to injury incident and OHS outcomes reporting to allow the Federal Safety Commissioner to target initiatives to improve OHS outcomes for industry participants

» implemented a mentoring initiative for small to medium enterprises

» achieved scheme recognition in additional jurisdictions.

Small to medium enterprise initiative

In March 2010 the Office of the Federal Safety Commissioner announced a new mentoring initiative to help small and medium sized enterprises achieve accreditation under the Australian Government Building and Construction OHS Accreditation Scheme. In response to feedback that the accreditation process can appear overwhelming and daunting to smaller companies, the office established a list of accredited companies willing to share their knowledge and experience of achieving accreditation, and clarify the steps involved. As mentors in this process, company contacts act as a point of call for small and medium sized enterprises at both the application and the audit stages. The response to the initiative has been extremely positive, with many accredited companies volunteering to act as mentors since the initiative's inception.

Remuneration Tribunal

The secretariat to the Remuneration Tribunal advises and supports the tribunal, an independent statutory body established under the *Remuneration Tribunal Act 1973*, to inquire into and determine, or provide advice on, remuneration and related matters for a range of Commonwealth offices. The secretariat is staffed by departmental employees and supports the tribunal's work by researching, analysing and providing briefings on matters to be considered by the tribunal and by providing associated administrative support.

The tribunal is required by the Remuneration Tribunal Act to report annually to the Minister. Details of the work of the tribunal are provided in that report. The tribunal usually determines a general adjustment to the remuneration of offices in its jurisdiction, with effect from 1 July each year. The 2010 annual adjustment, as announced by the tribunal on 31 May 2010, will take effect from 1 August 2010.

Defence Force Remuneration Tribunal

The Defence Force Remuneration Tribunal was established in 1984 to determine the pay and allowances of members of the Australian Defence Force (ADF), considering the special nature of ADF service. The tribunal is supported by a secretariat staffed by departmental employees.

The functions of the tribunal, as set out in section 58H of the *Defence Act 1903*, are to:

» inquire into and determine the salaries and relevant allowances to be paid to members
» inquire into and make determinations in respect of prescribed matters that have been referred to the tribunal.

The tribunal's work is predominantly determined by the matters brought before it by the parties, in particular by the ADF. To deal with those matters, the tribunal sits as required. The tribunal presided over 22 matters in 2009–10 and made 21 determinations to be applied ADF-wide or to specific branches, functions and employment categories. In addition, the tribunal issued 17 determinations affecting the salaries and benefits of senior officers across the ADF.

Departmental outputs for Outcome 5

Table 5.3		
Departmental outputs performance information		
Performance indicator	**Estimate**	**Actual**
Program management		
Payments are made in accordance with approved timelines	All programs to meet relevant administrative targets set by quality assurance processes in DEEWR	All payments were made in accordance with administrative targets set by quality assurance processes
Payments made are based on calculations which are accurate and in accordance with approved guidelines	All programs to meet relevant administrative targets set by quality assurance processes in DEEWR	Payments made by all programs were accurate and met relevant administrative targets
Timeliness of processing claims for the General Employee Entitlements and Redundancy Scheme	90% processed within 16 weeks of receipt 98% processed within 4 weeks of receipt of verified entitlement data	91.7% 99.4%
Accuracy of processing claims for the General Employee Entitlements and Redundancy Scheme	Over 98% of payments not varied after appeal	99.3%
Timeliness of processing applications for the Unlawful Termination Assistance Scheme	95% processed within 5 working days	The Unlawful Termination Assistance Scheme was terminated on 30 June 2009. Residual applications—100%
Timeliness of departmental responses to client requests for assessment of industrial instruments against the Code and Guidelines	95% completed within 10 working days	98.9% of requests for assessment were actioned within 10 working days
High-quality Ministerial replies as measured by the level of satisfaction of Ministers and the Parliamentary Secretary with the quality and timeliness of the replies	Qualitative evaluation of satisfaction using feedback from the Ministers and Parliamentary Secretary to the Secretary Analysis of trends over time to monitor percentage delivered within agreed timeframes	Satisfied[a]
Level of satisfaction of the President of the Remuneration Tribunal with the quality and timeliness of the services provided by the Tribunal Secretariat	Very good or above	The President of the Tribunal reported a very high level of satisfaction with Secretariat performance
Level of satisfaction of the President of the Defence Force Remuneration Tribunal with the quality and timeliness of the services provided by the Tribunal Secretariat	Very good or above	The President of the Tribunal reported a very high level of satisfaction with Secretariat services
Satisfaction of stakeholders with the management of the General Employee Entitlements and Redundancy Scheme	Satisfied or above	93% of stakeholders rated the department's management of GEERS as 'satisfied or above'
Client satisfaction with Unlawful Termination assistance scheme and Small Business Work and Family Grants	80% of clients surveyed satisfied	100% of clients surveyed were satisfied or extremely satisfied with the small business work and family grants A client satisfaction survey was not undertaken for the Unlawful Termination Assistance Scheme, as the scheme was terminated on 30 June 2009
Level of satisfaction of clients with the provision of advice, information, education and promotion of safer workplaces on Australian Government construction sites by the Office of the Federal Safety Commissioner	Effective or above	Consultations held in Canberra, Melbourne, Hobart and Launceston received an average feedback rating of 4.1 out of 5 from participants (1 being 'poor' and 5 being 'excellent')
Level of satisfaction of the Chair of the Safe Work Australia Council with the services of Safe Work Australia	Very good or above	On 1 November 2009, Safe Work Australia began operating as an independent statutory agency This performance indicator will be reported in Safe Work Australia's annual report

Table 5.3

Departmental outputs performance information

Performance indicator	Estimate	Actual
Policy services		
High-quality policy advice as measured by the level of satisfaction of Ministers and the Parliamentary Secretary with the quality and timeliness of policy advice	Qualitative evaluation of satisfaction and timeliness using feedback from the Ministers and Parliamentary Secretary to the Secretary	Satisfied[a]
Level of satisfaction of the Minister with legislation development services	Qualitative evaluation of satisfaction and timeliness using feedback from the Ministers and Parliamentary Secretary to the Secretary	Satisfied[a]

a   During the year, ministers, parliamentary secretaries and their staff provide feedback on the level of satisfaction with departmental advice during regular meetings with the department. Overall feedback from their offices is that they recognise the significant efforts made by departmental staff to meet their requirements. The volume of written material provided to the ministers and parliamentary secretaries remained steady over 2009–10. The department provided training to staff and monitored the quality of ministerial correspondence and briefings.