

# AGENCY PERFORMANCE

## Report on Operations

### FINANCIAL TARGETS: ACTUAL PERFORMANCE COMPARED TO BUDGET TARGETS

	2008-09 TARGET <sup>(1)</sup> \$000	2008-09 ACTUAL \$000	VARIATION <sup>(2)</sup> \$000
Total cost of services (expenses limit) (sourced from Income Statement)	35,909	33,285	(2,624) <sup>(a)</sup>
Net cost of services (sourced from Income Statement)	20,095	18,603	(1,492) <sup>(b)</sup>
Total equity (sourced from Balance Sheet)	(45,899)	(44,975)	924 <sup>(c)</sup>
Net Increase / decrease in cash held (sourced from Cash Flow Statement)	(342)	2,531	2,873 <sup>(d)</sup>
Consistency between internal asset management plan and the capital works program	360	126	(234) <sup>(e)</sup>
	Number	Number	Number
Approved full-time equivalent (FTE) staff level	54	54	-

(1) As specified in the 2008-09 Budget Statements.

(2) Further explanations are also contained in the Notes to the Financial Statements (pp43-63).

- (a) The decrease occurred as a result of a reduction in interest payable to WATC, due to a reduction in interest rates during the year.
- (b) The decrease of \$1.492 million is as a result of the application of Accounting Standard AASB139, and (a) above.
- (c) The increase in equity for the year occurred as a result of a net increase in cash, caused by the reduction in interest payable.
- (d) A net increase in cash held of \$2,531 million is attributed to a lower interest subsidy payment requirement to the Western Australian Treasury Corporation in 2008-09. It should be noted that the weighted average interest rate payable on loans to WATC decreased from 7.59% in 2007-08 to 4.18% (as at 30 June 2009).
- (e) The office fit and office equipment programs were initially budgeted at \$360,000, but was reduced to \$220,000 at the Mid year review cycle point. The first floor fit-out was completed at a lower than expected amount, with other work expected to be finished in 2009-10.

## SUMMARY OF KEY PERFORMANCE INDICATORS: ACTUAL PERFORMANCE COMPARED TO BUDGET TARGETS

	2008-09 TARGET <sup>(1)</sup>	2008-09 ACTUAL	VARIATION <sup>(2)</sup>
<p><b>Outcome:</b> <i>Registered and/or accredited education and training providers comply with the appropriate legislative and/or other regulatory requirements.</i></p> <p>Key Effectiveness Indicators: <sup>(a)</sup></p> <ul style="list-style-type: none"> <li>• Percentage of non self-accrediting higher education institutions complying with accreditation and authorisation requirements of the <i>Higher Education Act 2004</i> <span style="float: right;">100.0%      100.0%      (-)</span></li> <li>• Percentage of non-government schools complying with registration requirements of the <i>School Education Act 1999</i> <span style="float: right;">99.0%      94.1%      (4.9%)</span></li> <li>• Percentage of providers of education services to full fee international students complying with registration requirements of the <i>Education Service Providers (Full Fee Overseas Students) Registration Act 1991 (WA)</i> and the <i>Education Services for Overseas Students Act 2000 (C'th)</i> <span style="float: right;">100.0%      100.0%      (-)</span></li> <li>• Percentage of Registered Training Organisations (RTOs) compliant with the Australian Quality Training Framework (AQTF) standards for RTOs <span style="float: right;">100.0%      99.8%      (0.2%)</span></li> </ul>			
<p><b>Service:</b> Regulation, Funding and Policy Advice</p> <p>Key Efficiency Indicators:</p> <ul style="list-style-type: none"> <li>• Cost of regulatory services per registered provider/institution <sup>(b)</sup> <span style="float: right;">\$5,680      \$5,165      (\$515)</span></li> <li>• Cost of funded services per funded unit <span style="float: right;">\$5.49      \$5.28      (\$0.21)</span></li> <li>• Hourly cost of providing policy advice and support <span style="float: right;">\$92.60      \$90.32      (\$2.28)</span></li> </ul>			

(1) As specified in the 2008-09 Budget Statements.

(2) Explanations for the significant variation between target and actual results are presented in pp 65-69.

(a) The reduction in the targeted percentage of schools which comply with registration requirements is due to a change in the methodology for measuring the number of schools not complying, which now includes the number of schools re-registered with conditions and the number of schools given directions to comply with a registration standard.

(b) The variation between the 2008-09 Target and Actual figures is due to the increase in the total cost of services for the department for the year (used in the calculation of the efficiency indicators) which was proportionately higher than the increase in funded units.

## Report on Operations by Program Area

The Department of Education Services has four main operational areas with key objectives through which the agency level and Government goals are achieved. These program areas form the basis of the work undertaken by the Department and provide evidence of what has been achieved during the reporting period and for what purpose.

Each program area is linked to specific Government Goals and this section details the key objectives and key achievements in attaining these goals.

PROGRAM AREA		KEY OBJECTIVE
1	Education and Training Regulation	To enhance public confidence in the quality and integrity of education and training through effective and efficient regulation.
2	Funding Services	To improve access to a world-class education system by allocating grants and subsidies to non-government schools, supporting diversity and parental choice.
3	Strategic Policy and Legislative Services	To position the education and training system to meet the needs of the State through the provision of strategic policy advice, research, planning and legislative services across relevant sectors.
4	Workforce and Organisational Capability	To ensure an innovative and effective organisation through responsive leadership and governance with a focus on developing and valuing staff.



# 1. EDUCATION AND TRAINING REGULATION

**Key Objective:** To enhance public confidence in the quality and integrity of education and training through effective and efficient regulation.

**Government Goal:**

*Outcomes-Based Service Delivery*

Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.

**Key Achievements 2008-09:**

- ▮ Ministerial approval was obtained for applications to establish 2 new non-government schools and to provide additional educational levels at 4 existing schools.
- ▮ 46 independent schools and 24 Catholic schools were inspected under the registration renewal provisions of the *School Education Act 1999*.
- ▮ 181 initial, and renewal of, vocational education and training (VET) registration applications were endorsed, 285 extensions to scope applications were endorsed, and 90 VET courses were accredited or re-accredited by the Training Accreditation Council.
- ▮ 6 non self-accrediting higher education institutions were registered and 30 new higher education courses were accredited.
- ▮ Developed and implemented a Higher Education Advisory Committee (HEAC) Chairs Forum to ensure moderation and consistency with the higher education approval process.
- ▮ 8 new education providers were registered to offer education services to international students, 12 existing providers were re-registered and 506 courses were registered for delivery to international students.
- ▮ Developed and implemented a strategy for auditing high risk international education service providers.
- ▮ Continued to review and develop risk mitigation strategies to support the integrity of the vocational education and training environment in Western Australia: as a result established a Client Qualifications Register.
- ▮ The Department played a lead role in contributing to the development of the VET legislative amendments with particular focus on areas impacting the Training Accreditation Council.

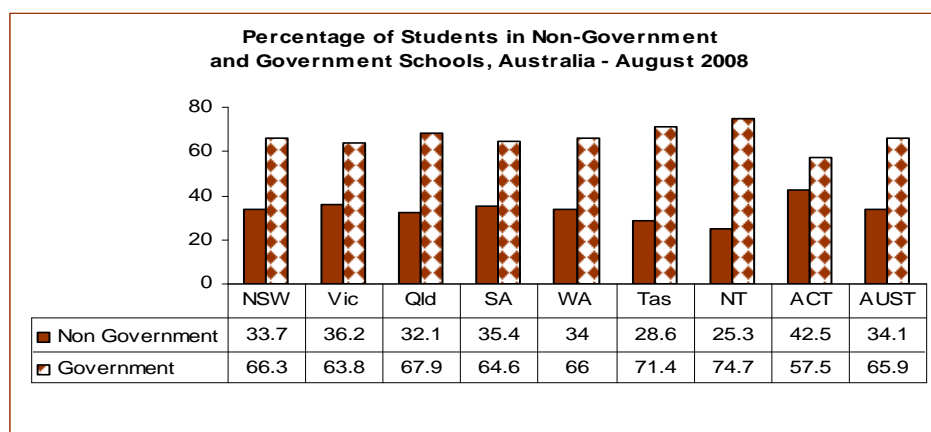
## SCHOOL EDUCATION

### Registration of Non Government Schools

**Growth of sector**

The total number of registered schools at the February 2009 census date was 311, a decrease of three since the previous year. Enrolments increased by 3.1 percent over the same period.

The percentage of all pre-primary, primary and secondary students in Western Australia who attend non-government schools increased to 34 percent in August 2008. The national figure is 34.1 percent.



Source: ABS, 2008 Schools Australia, Cat 4221.0, 2007

### **Advance determinations: Recommendations of the Non-Government Schools Planning Advisory Committee**

Three Committee meetings were held during the reporting period: 20 October 2008, 7 April 2009 and 22 June 2009. Based on the Committee's recommendations the Minister has approved the establishment of two new non-government schools; the introduction of a distance education program at an existing school, and the introduction of additional levels at two schools.

One application from an existing school to introduce upper secondary was not approved and an application to introduce lower and upper secondary was outstanding at the end of the reporting period.

The Minister approved an appeal against an earlier decision not to approve registration for lower secondary. Another appeal against a decision not to approve registration for lower secondary was outstanding at the end of the reporting period.

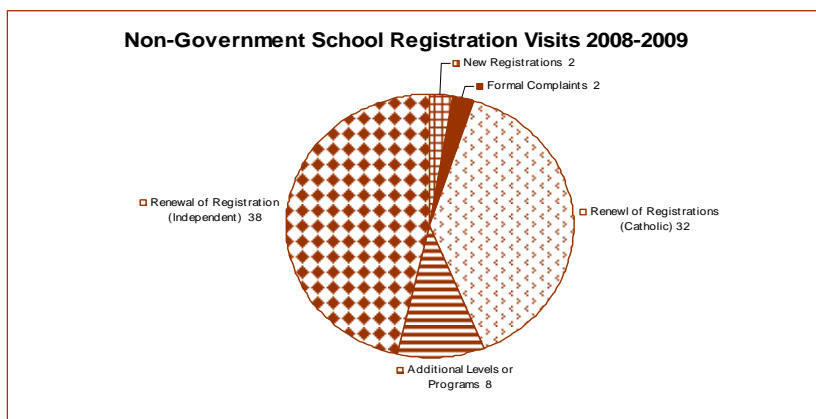
### **Registration of Non-Government Schools**

Five established independent schools were registered for additional educational levels and two schools were registered for additional campuses.

Two independent non-government schools were inspected in response to formal complaints.

Forty-six independent schools were inspected and re-registered under the registration renewal provisions of the Act. Of these, four schools were re-registered with one or more conditions applied.

The inspection and registration of Catholic schools are managed under a System Agreement between the Minister for Education and Training and the Catholic Education Office of Western Australia. Thirty five Catholic schools were audited under this arrangement in 2008.



### **Endorsement of Community Based Courses**

Community Based Courses are authorised under Sections 11B (1) (e), 11B (2) and 11B (3) of the *School Education Act 1999*. Students participate in these courses as one of the options for meeting the requirement for enrolment in compulsory education, either through an arrangement to be entered into for a student "to attend at some place other than the school at which he or she is enrolled to participate in activities that are part of an educational course of the school." (as in section 24 of the Act), or under a Notice of Arrangements (as provided for in Section 11D of the Act, which does not entail enrolment at a school. Only those Community Based Courses that have been prescribed by a Ministerial order and published in the *Government Gazette* are able to be accessed in this manner by students in their sixteenth and seventeenth year.

During 2008-09, five new providers were inspected and endorsed by the Minister. The Minister also approved new Standards and Guidelines to replace the provisional standards approved by the previous Minister during 2007-08.

## VOCATIONAL EDUCATION AND TRAINING

### Registration and Accreditation in the Vocational Education and Training Sector

#### *Training Accreditation Council (TAC)*

The Training Accreditation Council is Western Australia's State Registering and Course Accrediting Body and is responsible for quality assurance and recognition of vocational education and training services in Western Australia. The Council is committed to being the national leader in the strategic management of the recognition and quality assurance of training, including associated policies, services and standards in the vocational education and training sector and to providing practical, efficient and responsive support for government, the State Training Board, industry training providers and the community.

The Council implements a robust auditing regime to assure the quality of vocational education and training services in Western Australia. Feedback from the TAC Client Satisfaction Survey for the 2008-09 reporting period showed that 92 percent of respondents found that the audit process added value to their business, and 94 percent of respondents indicated that the pre-audit information provided by the registering body met their needs.

In addition to the ongoing survey of training organisations a broader survey focussing on the level of regulatory services provided in the VET, higher education and international education sectors was undertaken by the Department in mid 2008. The survey was sent electronically to over 540 providers and included a number of organisations operating across two or more sectors. Ninety percent of respondents indicated that the Department performed very well in the key function of 'registering providers' while 85 percent of the respondents indicated that it performed very well in the area of 'accrediting courses'. Respondents rated the level of satisfaction with the audit/authorisation processes at 84 percent. Overall a very positive response.

Amendments to the *Vocational Education and Training Act 1996* and the introduction of the *Vocational Education and Training (General) Regulations 2009 (General Regulations)* in June 2009 introduced the first substantial changes to the vocational education and training system in WA for a number of years. This is of major significance to the Council with a particular focus on its regulatory role. The new general regulations include the introduction of 'National model clauses' for the registration of training providers and accreditation of courses.

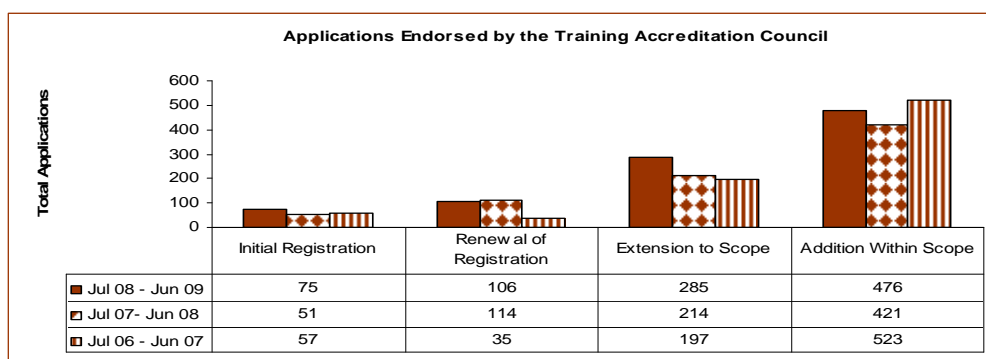
The Council, through the Department, continued to review risks associated with the closure of RTOs and as a result established a Client Qualification Register (CQR). The register is a mechanism by which a permanent record of student achievement can be maintained. The Register will ensure continued access to student records and ongoing verification of achievement from all providers regardless of whether they may have ceased to operate. RTOs are required to report student achievement twice a year at 30 June and 31 December.

#### *Registration of Training Organisations (RTOs)*

There were 1,663 training organisations registered to deliver training in Western Australia on 30 June 2009. A total of 508 of these organisations were registered with the Council and a further 1,155, registered by other States and Territories, are able to deliver in Western Australia under national recognition arrangements (not all of the latter follow through with actual delivery). Fifty two of the 508 organisations registered with the Council were also delivering vocational education and training under the AQTF 2007 in countries other than Australia. During the reporting period the total number of Western Australian registered training organisations increased from 456 in 2007-08 to 508, an increase of over 10 percent.

#### **Registration activity July 2008 – June 2009**

There were 75 initial registrations endorsed by the Council during the reporting period which represents an increase of over 40 percent on the previous period. An increase of over 30 percent was noted in the number of extension to scope applications endorsed by Council.



### Audit Strategy 2008-09

The Council has implemented a continuous audit strategy to ensure a flexible and fluid audit regime is in place with the ability to address identified issues as they arise, complement the national approach to risk management, and enable monitoring on an ongoing basis. The audit strategy includes regulatory audits such as registration audits, follow up audits and audits in response to complaints.

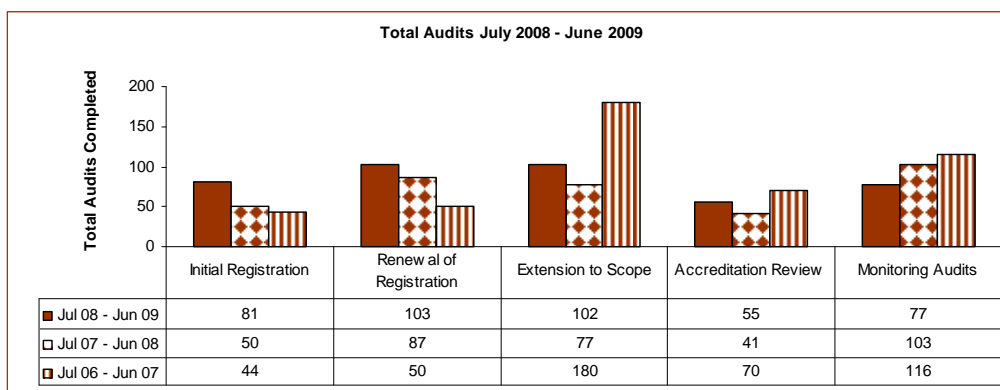
Audits conducted by the Council are in accordance with the *AQTF 2007 Standards for State and Territory Registering Bodies* and the *Audit Handbook* (a reference guide for conducting audits of training organisations against the *AQTF 2007 Essential Standards for Registration*). Non compliances identified at audit were processed in accordance with the *National Guideline for Managing Non-Compliance*.

Applications to the Training Accreditation Council from training organisations are risk assessed in line with the *National Guideline for Risk Management*. Risk indicators which focus on the performance of the RTO delivering quality skills outcomes and supplementary indicators which apply to the operational context of the RTO, determine the type, scale and scope of an audit. In August 2008, the Council agreed to incorporate specific Western Australian risk indicators in addition to the existing supplementary risk indicators.

During the 2008-09 reporting period, a total of 604 RTO risk assessments were undertaken by the Council. This represents an increase of over 55 percent when compared with 388 assessments in 2007-08. Of the 604 risk assessments undertaken, 349 did not require an audit and the remaining 255 were either audited through an external desk audit or a site visit audit.

A total of 418 audits were undertaken in the twelve months ending 30 June 2009. This represents an increase of over 15 percent from the previous year with a significant rise in audits conducted for new organisations seeking registration with the Council. Audits undertaken for re-registration increased by approximately 30 percent during the same period.

During 2008-09, the number of extension to scope audits increased by over 30 percent. The increase may be attributed to training organisations expanding their delivery to meet the needs of clients/industry. The number of accreditation reviews also increased by over 30 percent during this period.



## Recognition of Vocational Education and Training Skills and Qualifications

One of the Council's functions under the *Vocational Education and Training Act 1996* (until 9 June 2009) has been skills recognition. Council exercised this function to recognise skills leading to the issuance of a trade certificate in designated trade areas to successful applicants who have not undertaken an indentured Apprenticeship. Under this arrangement selected Industry Training Councils (ITC) and RTOs provide skills assessment services for trade qualification purposes.

From July 2008 to June 2009 there were 183 trade certificates approved for issuance by the Council to individuals assessed as competent in a range of trade areas via the trade skills recognition process. This represents an increase of over 10 percent from the previous reporting period where a total of 164 trade certificates had been issued. The increase is most likely attributed to the change in the Department of education and Training's policy for funding skills recognition services.

As at 30 June 2009, eight RTOs and seven ITCs had been endorsed by the Council as agents for trade skills recognition.

During the reporting period the Council reviewed and updated the *Trades Skills Recognition Policy* and endorsed the *Guideline on Skills Recognition* to further refine and streamline the process for training organisations seeking endorsement from the Council to deliver trade skills recognition programs.

The Council recognises that RTOs are best placed to provide trade skills recognition services and supported amendments to the VET Act for this legislative function to be transferred to RTOs.

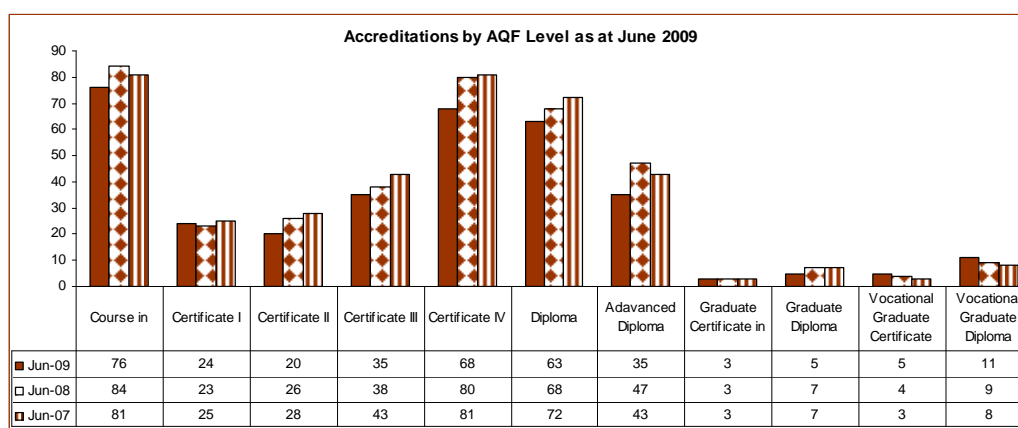
## Course Accreditation

As at 30 June 2009, there were 345 Western Australian VET accredited courses. During 2008-09 the Council approved a total of 90 courses for accreditation and re-accreditation. Accredited courses meet the training needs not addressed by Training Packages. In addition to this the Council considered 70 proposals to extend the accreditation period of existing courses. Extensions to courses are considered for a range of reasons including the expectation that a Training Package qualification may replace the course in the near future or to permit an RTO reasonable change over time from one course to another.

The following data summarise the accreditation activity undertaken in the reporting period.

Accreditation Activity July 2008 – June 2009	
Activity	Number of Courses
Courses accredited	30
Courses re-accredited	60
Courses extended	70
Courses expired	121

The following chart shows the number of accreditations by AQF qualification level has remained relatively unchanged compared with the previous reporting period.



## HIGHER EDUCATION

### Accreditation and Registration of Non Self-Accrediting Higher Education Institutions

The Department implements the *National Protocols for Higher Education Approval Processes* in Western Australia through the *Higher Education Act 2004*, the *Higher Education Regulations 2005* and the *Higher Education Guidelines for Accreditation of Higher Education Courses and Authorisation of Non-University Institutions to Provide Higher Education Courses*.

During the reporting period the Department authorised 6 non self-accrediting institutions to deliver 97 higher education awards. There were a further 4 applications covering 19 awards in that period that were still being assessed. Three other private providers made initial general enquiries to the Department regarding accreditation and authorisation.

As part of the Department's continual quality improvement model for higher education accreditation and authorisation processes, it continues to implement recommendations made by the Australian Universities Quality Agency (AUQA) in an audit in 2006. In particular, the quality assurance measures include:

- ▮ implementation of the state's higher education regulatory framework to align with the new nationally consistent approaches to annual reporting, mutual recognition and overall continuous improvement; and
- ▮ establishment and introduction of the HEAC Chairs Forum to ensure moderation and consistency with the approvals process, review of decisions, mentoring, professional development and related policy developments.

## INTERNATIONAL EDUCATION

### Regulation of International Education Providers

Western Australia's excellent reputation as an internationally recognised study destination for overseas students was maintained by ensuring that all registered institutions provide quality services to overseas students and that the standards of delivery are monitored for compliance. The benefits derived from the international education industry largely depend on the quality of the service it provides to overseas students and on public confidence in its integrity.

As of 30 June 2009, there were 4,639 courses registered for delivery across 123 international education service providers in WA. Through a heightened awareness of Australia's skilled migration pathway by potential overseas students and providers, the Department received a 20 percent increase in the number of applications for registration within the international education sector. In 2008-09, eight new institutions were registered and 12 existing institutions were re-registered. A further 19 applications for international delivery were received during the period and assessment will be finalised in the next reporting period.

The Department continued its schedule of compliance audits (including bi-lateral auditing with Department of Employment and Workplace Relations (DEEWR) officers) of institutions including Western Australia's four public universities, one private university, and one eastern state university campus. The audits included compliance assessments and risk analysis, involving evidence of financial viability, provider capacity for student delivery, non-compliance activity, commercial standing and probity as required under the State's *Education Service Providers (Full Fee Overseas Students) Registration Act 1991 (ESPRA)*, the Commonwealth's *Education Services for Overseas Students Act 2000 (ESOS)*, and *The National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students (The National Code)*.

A proactive strategy for auditing high risk international education service providers was also developed and will be progressively implemented throughout 2009-10. The strategy will enhance the quality assurance and maintain the integrity of WA's international education industry, particularly with a focus towards new and high risk providers.

## 2. FUNDING SERVICES

**Key Objective:** To improve access to a world-class education system by allocating grants and subsidies to non-government schools, supporting diversity and parental choice.

**Government Goal:**

*Outcomes-Based Service Delivery*

Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.

**Key Achievements 2008-09:**

- ▮ Total financial assistance provided to non-government schools in 2009 was 25.78 percent of the adjusted Average Government School Recurrent Cost (AGSRC) Index.
- ▮ \$250.158 million in per capita grants allocated to non-government schools.
- ▮ \$11.066 million in supplementary per capita grants allocated to students with disabilities attending non-government schools.
- ▮ \$2.861 million in funding to the Non-Government School Psychology Service.
- ▮ \$29.5 million in low interest loans advanced to non-government schools.
- ▮ \$6.4 million over four years allocated for retention of Years 11 and 12 students at non-government schools as a consequence of the higher school leaving age legislation.
- ▮ \$6.8 million over four years transferred to the Department of Education and Training for reduction of TAFE fees for part-time non-government school students who enrol part-time directly with TAFE.
- ▮ Nine Western Australian Government sponsored scholarships were awarded to higher education students.

## SCHOOL EDUCATION

### Provision of Funding Services to Non-Government Schools

**State Government financial support**

Based on principles agreed between the government and the non-government sectors in the review of the AGSRC and funding distribution model in 2003-04, funding in 2009 was such that total financial assistance was 25.78 percent of the adjusted AGSRC.

**General Per Capita and Other Funding**

\$250.158 million or 91 percent of recurrent funding was allocated on a general per capita basis to assist registered non-government schools. The increased expenditure in 2008-09 reflected the increase in non-government school enrolments and indexation of the grants. The 2009 per capita grants were indexed by 4.94 percent. The specific rates paid in 2008 and 2009 are included in Appendix 8.

\$11.066 million or 4.1 percent of recurrent funding was allocated to supplement the general per capita grants for qualifying students with disabilities attending non-government schools. The amount also included a special grant for severely disabled students with high support needs, including hearing-impaired students enrolled at the Speech and Hearing Centre.

**Non-Government School Psychology Service**

\$2.861 million was granted to the Catholic Education Office to administer the Non-Government School Psychology Service. The service employed 24.7 full time equivalent school psychologists and through them provided counselling and career guidance services to all non-government schools.

During the 2008-09 reporting period there were approximately 1,406 formal referrals made to the School Psychology Service. Overall the service had some 5,161 case contacts; of which 1,826 involved individual students. An analysis of the referrals shows that almost 66 percent are for reasons of students' learning, 19 percent for behavioural reasons and 15 per cent for social and emotional reasons. This follows a similar trend from previous years. The service also provides professional development programs for teachers on a wide

variety of topics including learning disorders and disabilities, student behaviour management, youth suicide prevention, drug education and crisis management planning.

### ***Low Interest Loans***

\$29.5 million was advanced in low interest loans for approved capital works at 41 non-government schools. This assistance was made available under the Low Interest Loan Scheme through expenditure of \$13.737 million in interest subsidies. Of the \$29.5 million, \$21.457 million was for new works and \$8.043 million was for works in progress. A complete list of schools that received low interest loans in 2008-09 is included in Appendix 10.

### ***Learning and Training Guarantee***

\$6.4 million over four years (commencing in 2005-06) was allocated to support the retention of additional Years 11 and 12 students at non-government schools as a consequence of introducing the higher school leaving age legislation. The funds are available for payment of additional per capita grants and for specialised programs developed by schools to encourage and support the retention of students in education and training.

\$6.8 million over four years (commencing in 2005-06), originally allocated to the Department under the Learning and Training Guarantee, was transferred during 2005-06 to the Department of Education and Training for payment of TAFE fees for part-time non-government school students who enrol part-time directly with TAFE for training courses.

## **HIGHER EDUCATION**

### **Government Scholarships**

#### ***WA Government Japanese Studies Scholarships***

The WA Government has sponsored for more than thirty-seven years, two Japanese Studies Scholarships for promising students to study at a university in Japan for up to twelve months. One scholarship is tenable at any university in Japan and the other at a university in Hyogo Prefecture. Each scholarship is valued at around \$40,000 - \$50,000 (Australian) depending on the exchange rate. Selection for the scholarships is based on a Japanese language proficiency test with short-listed applicants invited to discuss their proposed study program in Japan with the selection committee. Candidates are expected to have a well-developed study plan and provide some indication of how they expect their experiences in Japan will benefit the Western Australian community on their return.

#### ***WA Government/Curtin University of Technology Miri Scholarships***

As an initiative of the then Premier, the WA Government/Curtin University of Technology Miri Scholarships were established in 2003 to enable five young people a year from Miri in Sarawak to complete their undergraduate education at Curtin's Bentley campus. Twenty-five students have benefited from the scholarships to date and the Premier has recently announced an extension of the scholarship scheme for a further three-year period. Travel and accommodation costs are met by the WA Government and Curtin meets all tuition costs. Selection criteria were jointly developed by the Department and Curtin and the selection interviews are conducted by videoconference. The selection criteria include academic merit, reasons for wanting to complete the course in Perth, knowledge of areas of specialisation that might be enhanced in Perth, career knowledge and goals, perceptions about personal and professional benefits from a year in Perth and extra-curricular interests.

#### ***Curtin University Indigenous Scholarships***

An amount of \$70,000 was allocated for the Indigenous Scholarship/Fellowship Scheme to enhance the leadership and research skills of outstanding Indigenous people through postgraduate research programs at Curtin University's Centre for Aboriginal Studies. Applicants are encouraged to undertake a three-year research program but in some circumstances a one-year fellowship may be offered. Applicants must meet all university entry criteria for post-graduate research programs. Guidelines for the scholarships take into account Curtin University's guidelines for postgraduate studies. The Department of Education Services administers these scholarships on behalf of the Government and is actively involved in the selection process.

### 3. STRATEGIC POLICY AND LEGISLATIVE SERVICES

**Key Objective:** To position the education and training system to meet the needs of the State through the provision of strategic policy advice, research, planning and legislative services across relevant sectors.

**Government Goal:**

*Outcomes-Based Service Delivery*

Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.

**Key Achievements 2008-09:**

- ▮ A new financial accountability framework to strengthen non-government school accountabilities was designed and trialled in 2008 and is currently being rolled out.
- ▮ Prepared State submissions to the Commonwealth on the Review of Higher Education (“Bradley Report”).
- ▮ Provided logistic and policy support to the Minister’s delegation to China with the Vice-Chancellors to promote higher education linkages.
- ▮ Prepared drafting instructions for bills to amend the *Curriculum Council Act 2007* and the *Higher Education Act 2004*.
- ▮ Commenced a review of the *Western Australian College of Teaching Act 2004*: published a discussion paper; conducted a survey of members of the College; and researched comparable Acts in other jurisdictions.
- ▮ Negotiated new arrangements and secured funding for Government support for international education in Western Australia.
- ▮ Produced a report entitled *The Voices of Our People: Aboriginal communities across Western Australia speak out on School and Community Partnerships*, and currently working with schools and communities to develop partnership agreements.
- ▮ Commissioned a study on the National Assessment Program: Literacy and Numeracy (NAPLAN) which recommended that test literacy be explicitly taught to all primary and secondary Aboriginal students.
- ▮ Assumed a lead role for a number of national projects to support the development and ongoing implementation of AQTF 2007.

## SCHOOL EDUCATION

### Strengthening Financial Accountability of Non-Government Schools

The Department of Education Services is strengthening non-government schools’ compliance on legislated standards for governance and financial viability, and introducing an auditing regime on schools’ claims for per capita grants.

The areas planned for strengthening include:

1. **Governance:** Making improvements to governance arrangements and constitution requirements at independent non-government schools via a new standard.
2. **Financial Viability:** Closer monitoring of the financial viability of independent non-government schools by collecting and more rigorously assessing key financial information from each school is to be implemented.
3. **Funding Agreements:** The *School Education Act 1999*, provides for a funding “order” and associated funding guidelines to provide a clearer description of the purpose of the per capita grants made to schools (ie the manner in which schools may utilise the funds) and the basis for their calculation and payment. Funding agreements and acquittal statements from individual schools for receipt of grants are also being implemented.
4. **Grants Auditing Regime:** A grants auditing regime across all non-government schools is to be developed with 100 schools randomly selected each year for detailed checking of student information and grant claims. Every school will be audited at least once every five years.

5. **Risk Rating:** In conjunction with the above, a “risk rating” for each non-government school is being developed to ensure more timely monitoring of potential financial and other issues within the normal period of a school’s registration.

Work has already commenced on progressing these changes. Communication with key stakeholders, such as the Association of Independent Schools and the Catholic Education Office, has gained their support to implement these changes. Communication of the changes with schools has occurred and further advice will be provided as implementation proceeds. The Department is aware of the COAG agenda to minimise bureaucratic red tape and duplication across public services, and has entered discussions with DEEWR to collaborate on minimising duplication of similar processes.

#### **Progress to date**

- ▮ A consultant’s report has been completed providing high level advice on the initiatives.
- ▮ All standards and requirements for registration have been updated and are now being consulted upon for implementation in 2010.
- ▮ A funding order is being prepared for Gazettal before the end of 2009. It will have associated guidelines and the order will allow for funding agreements with schools. Included in each agreement will be requirements including acquittal of the funds allocated. The funding agreements will be in place for 2010 school year.
- ▮ A financial viability model has been developed and will be applied during 2010 using school data obtained via an information agreement with DEEWR. The model will analyse school data and provide a risk rating for follow up where required.
- ▮ The grant audit program is being implemented from August 2009 and includes desk top audits following each Census (Feb/Aug), targeted audits based on risk rating and random audits. All schools will be audited at least once in 5 years.
- ▮ A risk register and response framework database will be compiled during Semester 2, 2009. It will maintain information about school compliance with registration standards. The framework developed for regulatory responses will relate to different levels of risk.

## **HIGHER EDUCATION**

### **Consultation**

The Department of Education Services has worked closely with the Department of Treasury and Finance and the four public universities to develop borrowing guidelines for Western Australian public universities. The establishing Acts of the public universities outline inter alia the conditions under which the universities may borrow monies from government to support their teaching and research objectives. These conditions differ between the universities and the objective of the negotiations is to work towards ensuring universities have similar powers in their legislation and that borrowing guidelines are established to determine the criteria that the State should apply in assessing applications and to ensure that universities and the State have a clear process and timelines. Draft guidelines have been developed and trialled in regard to a borrowing application from the University of Western Australia.

### **State Submissions**

The Department of Education Services prepared the State submission to the Commonwealth in relation to the national Review of Australian Higher Education (Bradley Review) with input from the Department of Education and Training. The review was initiated by the Deputy Prime Minister, Hon Julia Gillard MP in 2008 and involved extensive national consultation and formal submissions. It is the most significant review of higher education since the Dawkins’ White Paper, *Higher Education: A Policy Statement* in 1988.

The State submission outlined the key objectives for Western Australia in regard to tertiary education and commented on the following specific issues:

- ▮ Promoting a comprehensive and responsive tertiary education system.
- ▮ Promoting diverse and effective higher education institutions.
- ▮ Improving funding arrangements for higher education.
- ▮ Addressing national and State skill shortages.
- ▮ Increasing participation in higher education with specific strategies for regional, remote and Indigenous students.

- ▮ Fostering the development of international education.
- ▮ Promoting cooperative federalism in higher education and the establishment of effective Commonwealth/State partnerships.

The Bradley Review reported to the Commonwealth Government in December 2008 and the formal Commonwealth response was outlined in *Transforming Australia's Higher Education System* which was released as part of the Commonwealth's 2009-2010 Budget papers.

*Transforming Australia's Higher Education System* outlines a phased 10 year 'reform' agenda for higher education and research. This agenda is ambitious and its implementation essentially requires a national agreement and collaboration between the Commonwealth and States and Territories.

The Deputy Prime Minister has indicated her intention to work closely with the States and Territories in implementing the Commonwealth's proposed reform agenda. The Department of Education Services will represent the State in discussions and negotiations with the Commonwealth in developing future higher education policy including the proposed establishment of the *Tertiary Education Quality and Standards Agency (TEQSA)* to be operational in the higher education sector by 2011 and, as currently proposed, in the VET sector by 2013.

### **Minister's Delegation to China**

From 18 to 26 April 2009 the Minister for Education led a university delegation representing the four Western Australian public universities to Guangzhou, Shanghai, Beijing and Hangzhou and involving tourism contacts in Hong Kong and Shanghai.

The main objectives of the delegation were:

- ▮ To strengthen important government relationships including our Sister-State relationship with Zhejiang Province and to open doors at government level to help promote access and linkages for the State's universities.
- ▮ To promote two-way research collaboration and linkages between China and Western Australian universities.
- ▮ To promote Perth as a city with high quality universities and as an educational and tourism destination and to raise the profile of Western Australian universities in China.
- ▮ Preparation for Western Australian higher education participation in the World Expo 2010 Shanghai.

In collaboration with the Department of State Development and the Universities, the Department of Education services provided logistical and planning support to the Minister for the delegation's visit to China.

## **INTERNATIONAL EDUCATION**

### **New Program of Support for International Education in Western Australia**

Based on a comprehensive market research and capability study, the Department prepared advice on future State Government support for international education in Western Australia. The study found that Western Australia had lost market share to other States in most key market areas including higher education, vocational education and training and students from China and India. It outlined a new model for State Government support that would more effectively target policy and funding to maximise the public benefit including national market share.

As part of the 2009-10 budget process a submission was made to State Cabinet for the establishment of a program of ongoing financial support to resource the funding, coordination and monitoring of the State Government's interest in international education. The new program was approved by the Minister for Education and the Minister for Training in June 2009 with an allocation of \$1.5 million per year for the 2009-10 and 2010-11 financial years. Consistent with the strategic priorities for the program, the greater part of this funding will be provided to Perth Education City for the coordination and promotion of the international education brand for Western Australia.

The strategic priorities for the program will include:

- ▮ continuing to support the Western Australian brand in the international education market;
- ▮ an increase in Western Australia's share of the sustainable international education market;
- ▮ building on Western Australia's strength in recruiting higher degree by research students;
- ▮ enhancing the experience of international students and their engagement with the Australian community and workplace; and
- ▮ enhancing international education to be a route for bona fide skilled migration.

## LEGISLATIVE SERVICES

### **Advice on Amendments to the *Higher Education Act 2004***

The *National Protocols for Higher Education Approval Processes (National Protocols)* were originally approved by the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) in March 2000. The *National Protocols* are a key element of a national quality assurance framework for Australian higher education. They have been designed to ensure consistent criteria and standards for higher education approval processes across Australia. They provide a common framework for regulating the establishment and recognition of new universities, the operation of overseas higher education institutions in Australia and the accreditation of courses offered by providers of higher education other than universities.

In July 2006, MCEETYA approved one revision of the *National Protocols* and a further revision of them in October 2007. These revisions were necessary to reflect jurisdictions' experience since 2000 and to set in place arrangements to deal with emerging challenges.

States and Territories and the Commonwealth have the responsibility to give effect to the *National Protocols* through legislation in each jurisdiction. The *Higher Education Act 2004* implements the *National Protocols* in Western Australia. Drafting instructions have been prepared for a bill to amend the Act as required to implement the revised *National Protocols*.

### **Advice on Amendments to the *Curriculum Council Act 1997***

Following the review of this Act completed by the Department, the Higher Education and Legislative Review Directorate prepared drafting instructions for a bill to amend the Act.

In summary, it is proposed that:

- ▮ the Curriculum Council be replaced by a statutory body known as School Curriculum and Standards Authority;
- ▮ the new Authority be governed by a Board that separates the regulators of school curriculum, standards and assessment from the providers of schooling so as to minimise possible conflicts of interest;
- ▮ the Authority retain some of the functions of the Curriculum Council and be given some new ones primarily related to the monitoring of standards of student achievement; and
- ▮ the new Authority be empowered to prepare reports on the standards being achieved in schools and make recommendations, where appropriate, for improvement.

### **Western Australian College of Teaching Review**

Section 90 of the *Western Australian College of Teaching Act 2004* obliges the responsible Minister to review the Act and table a report of the review in Parliament. Taking account of the provisions of section 90, the Minister for Education produced terms of reference and commissioned the Department of Education Services to undertake the review. It is anticipated that the Review report will be submitted for the Minister's consideration early in 2009-10.

The main elements of the Review are:

- ▮ the publication of a Discussion Paper. This paper, providing information and inviting comments on the terms of reference for the review, was released in February 2009.
- ▮ an examination of the legislation of comparable bodies in Australasia;
- ▮ discussions with interested stakeholder groups and organisations;
- ▮ establishment of a Review website which went live in March 2009;

- ▮ a call for submissions from interested parties; and
- ▮ a survey of a stratified random sample of registered teachers. This survey, conducted between March and May, was undertaken by a consultant on behalf of the Department of Education Services. The survey involved analysis of the responses of a sample of 974 teachers and focused on respondents' views about the operation and effectiveness of WACOT.

## ACROSS ALL SECTORS

### RESEARCH SERVICES

The Department undertakes research as required across the education and training sectors to inform advice to Government. During the reporting period the following research initiatives were undertaken:

- ▮ A study on the size and occupational composition of the WA workforce by 2022.
- ▮ A study on the supply of labour for the professions in WA. The State Government's role in the supply of labour for the professions is one of advocacy with the Commonwealth Government to secure the immigration and higher education policy settings to meet the needs of WA.
- ▮ Completed a paper providing a profile of the occupations and source countries for permanent and temporary (457) skilled migration to WA in recent years.
- ▮ A study profiling the government and non-government school sectors in WA based on parental characteristics (ie. income, religious affiliation) derived from ABS Household Census data.

### NATIONAL STANDARDS AND GUIDELINES

#### ***National Standards for Higher Education Approval Processes***

WA is represented on the Steering Committee of the Joint Committee on Higher Education (JCHE) responsible for developing the National Guidelines which implement the revised *National Protocols for Higher education Approval Processes*. The National Guidelines replace separate guidelines in each jurisdiction and are a key factor in promoting greater national consistency in standards in Australian higher education.

All jurisdictions are signatories to the revised *National Protocols*, which regulate the recognition of new universities, the operation of overseas universities in Australia, and the accreditation of courses of study offered by non-university providers of higher education. All jurisdictions have legislation to underpin the *National Protocols*. The relevant legislation in WA is the *Higher Education Act 2004* which is being amended to take into account the revised National Protocols.

#### ***National Framework for Regulation of Education Services Provision to International Students***

The Department continued to participate in multi-lateral consultations with the Commonwealth/State and Territory regulatory authorities and major stakeholders to develop the new framework and standards for the regulation of education services offered to international students. WA is also represented on the national Steering Committee of the Joint Committee on International Education (JCIE). Collaborative working groups continued to address underpinning issues, such as:

- ▮ quality assurance;
- ▮ moderation of regulatory processes and outcomes;
- ▮ consumer protection provisions including policy impacting tuition assurance schemes;
- ▮ migration policy;
- ▮ government legislation, and
- ▮ administration of multi-tiered regulatory systems.

#### ***Australian Quality Training Framework***

The Department, through the Training Accreditation Council, continues to work collaboratively with the Australian Government and all State and Territory governments in the regulation of the vocational education and training sector under the Australian Quality Training Framework. The Australian Quality Training Framework is the

national set of standards which assures nationally consistent, high quality training and assessment services for the clients of vocational education and training.

Since the implementation of the revised Australian Quality Training Framework standards in July 2007, the Department has been an active member of the National Consistency Action Group and its predecessor the National Registration and Accreditation Technical Committee. The aim of the Group is to ensure consistency in application and monitoring of the standards and outcomes based auditing across jurisdictions.

## **WESTERN AUSTRALIAN ABORIGINAL EDUCATION AND TRAINING COUNCIL**

The Western Australian Aboriginal Education and Training Council's (WAAETC) primary source of advice to Government on emerging issues in Aboriginal Education and Training is the 'grassroots' participation of ten Aboriginal community members representing nine regional areas across Western Australia. In addition a core reference group providing expertise on education and training matters forms the Ex Officio membership that comprises the heads of each of the education and training provider system or sector. The Council met on five occasions in the reporting period.

A significant role played by the WAAETC is the development and monitoring of the quadrennial Strategic Plan for Aboriginal Education and Training in Western Australia. A monitoring report is produced annually.

### *Aboriginal Education and Training Initiatives:*

Aboriginal Education and Training Initiatives for the reporting period have centred on building capacity of the Aboriginal community including enhancing their knowledge base of schools and education generally so that communities can confidently forge partnerships with their schools.

In building the capacity of Aboriginal people the WAAETC provided funds to support the attendance of two council members, two students and one parent to the World Indigenous Peoples Conference on Education which was hosted by Australia and held in Melbourne in December 2008. The WAAETC along with other Indigenous Education Consultative Bodies played a key role providing community input into the organisation of this world conference.

### *Key Achievements:*

- ▮ The WAAETC produced a report entitled *The Voices of Our People: Aboriginal communities across Western Australia speak out on School and Community Partnerships*. The WAAETC took the report back to the Aboriginal communities across the State as promised and is currently working with schools and communities to develop school and community partnership agreements.
- ▮ The WAAETC commissioned the Centre for Indigenous Australian Knowledges at Edith Cowan University to conduct a study on the Western Australian Literacy and Numeracy Assessment (WALNA) now the National Assessment Program: Literacy and Numeracy (NAPLAN). The results of the study are available on the WAAETC website at [www.aetcwa.org.au](http://www.aetcwa.org.au). A key recommendation arising from the study is that test literacy be explicitly taught to all primary and secondary Aboriginal students.

## **RURAL AND REMOTE EDUCATION ADVISORY COUNCIL**

The Rural and Remote Education Advisory Council (RREAC) was established in 1997 and restructured in 2006 with new Terms of Reference to provide the Minister for Education and Training with evidence-based, and solutions-focused, strategic advice on education and training issues and developments in rural and remote areas of the State.

The Council is made up of representatives from various community groups who are consumers of, or have a strong vested interest in, rural and remote education in Western Australia. Members use their experience, skills, attributes or qualifications to perform their advisory function. The funders and providers of educational services in Western Australia are ex-officio members of RREAC.

### *Rural and Remote Education Initiatives*

In the reporting period, the advisory role of RREAC centred on:

- ▮ A proposal for a collaborative project between DET, the Shire of Lake Grace, the Wheatbelt Development Commission (WDC) and RREAC.
- ▮ Enhancing the use of student hostels as a means to improving provision of education and training in rural and remote Western Australia.
- ▮ Improving the provision of training in rural and remote Western Australia.
- ▮ Improving professional learning opportunities for teachers in rural and remote Western Australia.

### *Other Activities*

- ▮ RREAC collaborated with the Australian College of Educators (ACE) and the Society for the Provision of Education for Rural Australia (SPERA) on a trial project to deliver professional learning to teachers in rural and remote Western Australia using Information Communication Technology (ICT).
- ▮ In the reporting period RREAC again provided support to the Bunbury Campus of Edith Cowan University by organising a lecture to pre-service teachers on the benefits and challenges of teaching in rural and remote Western Australia.
- ▮ RREAC continued to provide advice and support to the Wheatbelt South Research Project via the Reference Group established to monitor the project. The project concluded at the end of 2008 with the findings of the research being used by RREAC to formulate the advice to the Minister for Education.
- ▮ The RREAC Secretariat has played a significant role in establishing the Rural, Regional and Remote Education Network Group. The network is made up researchers interested in pursuing the need to identify evidence-based solutions to the challenge of improving educational opportunities for rural and remote students. At this stage the network has an informal structure and is currently exploring funding opportunities to carry out research in the area of pre-service teacher education. Each of the public universities has representation on the group.



## 4. WORKFORCE AND ORGANISATIONAL CAPABILITY

**Key Objective:** To ensure an innovative and effective organisation through responsive leadership and governance with a focus on developing and valuing staff.

**Government Goal:**

*Outcomes-Based Service Delivery*

Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.

**Key Achievements 2008-09:**

- ▮ Developed a Strategic Plan to guide the Department's direction for 2009-2011.
- ▮ Undertook a staff development and well-being survey.
- ▮ Initiated projects to enhance/replace two major information management systems.

### STRATEGIC PLANNING

As part of the Department's commitment to continuous improvement and to achieving the best opportunities for current and future generations in Western Australia, it has undertaken a review of its vision, mission and strategic goals. Following a comprehensive evaluation and planning process involving staff at all levels, a new strategic planning document was prepared outlining the major functions of the Department and highlighting a number of priority projects to be managed over the next three years.

The priority project areas identified are:

- ▮ **Financial Accountability Framework for Non-Government Schools**  
Strengthen compliance and accountability by establishing a comprehensive framework for the regulation of non-government schools in Western Australia.
- ▮ **Assurance Framework for Education Providers**  
Enhance effectiveness and efficiency by developing an integrated framework for the regulation of providers that spans the education and training sectors in Western Australia.
- ▮ **Supply of Professional Workforce**  
Provide analysis to enable stakeholders to prevent or ameliorate shortages in the supply of labour for the professions in Western Australia.
- ▮ **Working Smarter**
  - Technology*  
Develop an information plan that provides a framework for development and management of information projects, technology and systems needed to achieve the business strategies, goals and vision of the Department.
  - Human Resources*  
Implement a plan to develop and support staff in order to become a workplace of choice.
- ▮ **Legislative Reform**  
Timely completion of statutory reviews and the preparation of amending bills as required by the Government's legislative program for the education portfolio.

### INTERNAL AUDIT

A comprehensive internal audit and risk management charter was adopted in July 2008. The Charter sets out the internal audit process, the objectives of the internal audit, roles and responsibilities of all parties to the internal audit function and reporting protocols. The Charter also provides for an Internal Audit and Risk Management Committee. This committee meets quarterly to consider the annual audit program, internal audit plans and scope documents, and the annual evaluation of internal audit activities. The Department has also prepared an Internal Audit Manual which governs the audit activities and provides a practical framework specifying key policies, procedures, guidelines and outputs.

## **RISK MANAGEMENT**

The Department's risk management process looks at the potential for corrupt practices and other factors that impinge on its strategic planning, operational efficiency and effectiveness. The Department has a comprehensive risk register that is monitored and updated regularly. All employees are encouraged to incorporate the management of risk into their planning and work related activities. The register comprises both high level Departmental risks and other risks identified more specifically at an operational level. The register is readily available to all staff on the intranet. At 30 June 2009 all identified risks had effective risk treatments in place.

## **HUMAN RESOURCE MANAGEMENT**

In keeping with the priorities identified in its Strategic Plan the Department established a People Development Steering Group to guide the development and implementation of a range of strategies aimed at attracting and retaining suitable staff and making the Department a workforce of choice. The Steering Group coordinated an anonymous employee opinion survey that is currently being analysed with the assistance of the Psychology Department of The University of Western Australia. The results of the survey will assist in shaping policies conducive to staff development and wellbeing.

## **INFORMATION TECHNOLOGY MANAGEMENT**

The Department has embarked on the development of an overarching Information Plan that will document the status of the organisation's information management systems and technology, identifying gaps and risks. It will identify the objectives and specify the projects and activities necessary to achieve those objectives. When completed, the Plan will be the key document which will drive the Department's strategic investment in IT over the next few years. A consultant has been appointed, with the assistance of the Department of Treasury and Finance, and the plan is expected to be completed by the end of 2009.

During the reporting period the Department commenced two other major information technology projects. One involves the investigation of options for the replacement of the existing Low Interest Loans Scheme (LILS) system. The current SYBASE system, developed in 1994-95, is outdated and no longer meets the current business needs and new financial reporting requirements. The other project involves the enhancement of the State Training and Recognition System (STARS) database, currently used extensively in the VET regulation sector, to establish an integrated regulatory and funding system that covers all regulatory functions of the Department.



# SIGNIFICANT ISSUES AND TRENDS

- ▮ Recommendations of a 2008 Commonwealth Government review of higher education (the Bradley Report) are subject to the Commonwealth Government clarifying its intentions in its 2009-10 Budget. The Department will closely monitor and respond to the strategic implications of the Commonwealth Government's response as the recommendations could, if implemented, have significant consequences for the post-school education and training sectors, particularly for the Department's regulatory responsibilities.
- ▮ Continuing demand for the Department's legislative review services by the Minister has resulted in requests to review the *Western Australian College of Teaching Act 2004* and prepare bills to amend the *Higher Education Act 2004*, the *Curriculum Council Act 1997* and a bill for miscellaneous amendments to the legislation for each university. These services are responsive to the need for effective and efficient education legislation.
- ▮ The Department is developing and implementing funding agreements and a new grants auditing program across all non-government schools to ensure the highest standards of probity in the use of public funds.
- ▮ The Department is developing a financial risk assessment process as part of the revision of the registration standards for school governance and sufficiency of financial resources to strengthen the accountability and financial viability of non-government schools.
- ▮ Consistent with, and in response to, the Council of Australian Governments' *Principles of Best Practice Regulation*, the State's separate regulatory frameworks for higher education providers, registered training organisations and international education providers are being progressively integrated to maximise the efficiency of existing, new and amended regulation and to avoid unnecessary compliance costs and potential restrictions on competition, particularly for multi-sectoral providers.
- ▮ The Department is developing a range of strategies as part of the international education program to support the international education industry and to restore Western Australia's market share of overseas student enrolments.