

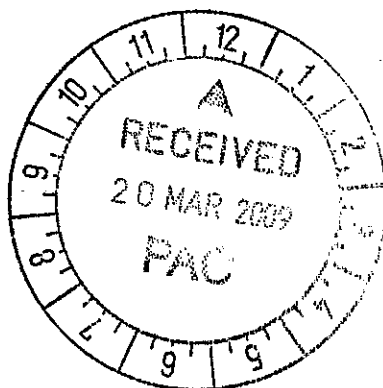
**DIRECTOR-GENERAL OF EDUCATION AND TRAINING
MANAGING DIRECTOR OF TAFE NSW**

NEW SOUTH WALES
DEPARTMENT
OF EDUCATION
AND TRAINING



Early Childhood and Primary Education
Secondary Education
Technical and Further Education
Vocational Education and Training
Higher Education
Adult and Community Education

RML 09/32
DGL 08/2669



Mr Paul McLeay
Chair
Legislative Assembly
Public Accounts Committee
Parliament of New South Wales
Macquarie Street
SYDNEY NSW 2000

Dear Mr McLeay

I write in response to your letter of 9 December 2008 regarding the Auditor-General's Report *Ageing Workforce – Teachers*. I note that you also wrote to Verity Firth, Minister for Education and Training, regarding this matter. The Minister has asked me to respond on her behalf.

Please find attached a copy of the table of recommendations and the NSW Department of Education and Training's advice as to the acceptance or otherwise of the recommendations and where applicable proposed actions.

The Department accepted the majority of recommendations and has provided an explanation where a recommendation has not been accepted.

In terms of the audit process whilst the Department was confident that it had in place effective strategies to manage the ageing teacher workforce, the audit process was a valuable opportunity to reflect on its workforce planning processes and strategies to mitigate potential teacher shortages. In addition the audit confirmed for the Department that proposed strategies, for example opportunities for increased local selection and the implementation of Phased Retirement Guidelines, were steps in the right direction.

A general comment in relation to the recommendations is that the same recommendations were made for both the TAFE and school sectors of the Department which didn't recognise the significantly different factors that drive the operations and contexts of TAFE and school teachers. In implementing the recommendations, as appropriate, the Department of course had to consider these differences.

Finally, the Department appreciated the professional and collaborative approach of the staff of the Audit Office to the conduct of this audit.

Should you wish to discuss this matter further, please do not hesitate to contact Ms Trish Kelly, General Manager, Human Resources on telephone number 9561 8523.

Yours sincerely

A handwritten signature in black ink, appearing to read 'M. Coutts-Trotter'. The signature is fluid and cursive, with a large initial 'M' and a stylized 'C'.

Michael Coutts-Trotter
DIRECTOR-GENERAL OF EDUCATION AND TRAINING
MANAGING DIRECTOR OF TAFE NSW

20 March 2009

Recommendations in the Performance Audit Ageing Workforce – Teachers

Recommendations	Accepted/rejected	Actions to be taken	Due date	Status	Responsibility
<p>We recommend that the Department including TAFE NSW develops a clearer picture of its future workforce and potential risk areas by:</p> <ul style="list-style-type: none"> improved information on retirement intentions with more frequent use of on-line retirement intentions surveys more localised impact, risk assessment and reporting, as this is where shortages will first appear 	<p>Rejected – intentions are not as effective a predictor as past performance. The Department of Education and Training currently monitors retirement trends of 55/60 age groups and will continue to do so in the context of changes to superannuation, taxation requirements and the current economic climate.</p> <p>Rejected – vacancies at the individual school level are not classified as "shortages". They are addressed as operational issues. This approach has proved successful. The Department's new staffing procedures, implemented from Term 2, 2008, and now formalised in a staffing agreement between the Department and the NSW Teachers Federation, include provision for increased local selection - this process will be monitored and will help provide additional information on</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>

Recommendations	Accepted/rejected	Actions to be taken	Due date	Status	Responsibility
<ul style="list-style-type: none"> further development of medium term (3 to 5 year) projections of the future supply and demand in critical areas of shortage. 	<p>any localised issues.</p> <p>Accepted</p>	<p>The Department will continue to develop seven year workforce planning projections for school teachers. These projections also provide projections on a 3 to 5 year basis.</p>	<p>Ongoing (i.e. every 7 years with yearly updates)</p> <p>The Workforce Plan for School Teachers for 2009 (on a 7 year projection basis) has been completed and incorporates the 3 to 5 year supply and demand projections.</p>	<p>Ongoing</p>	<p>Diane Wasson, Director, HR Policy and Planning</p>
	<p>Accepted</p>		<p>Ongoing</p>	<p>TAFE NSW Insitutes have 3 year Purchasing Agreements with the Deputy Director-General, TAFE and Community Education which detail the training to be provided. These Agreements inform work force planning and are reviewed annually.</p> <p>TAFE NSW Insitutes have workforce succession and</p>	<p>TAFE NSW</p>

Recommendations	Accepted/rejected	Actions to be taken	Due date	Status	Responsibility
<p>We recommend that the Department including TAFE NSW continues to develop new measures to enhance its workforce capability, such as by:</p> <ul style="list-style-type: none"> ▪ encouraging the retention of mature age workers; for example by facilitating a phased retirement 	Accepted.	The Department's Phased Retirement Guidelines published in July 2008.	Completed	workforce planning arrangements in place which are revised annually.	Diane Wasson, Director, HR Policy and Planning
<ul style="list-style-type: none"> ▪ targeting the recruitment of mature age workers from industry, such as by accelerated teacher training program 	Accepted.	Continued implementation of the teacher scholarship program and Teach NSW promotions. (Note: the accelerated teacher training program has been discontinued as the Department has identified that better use of the funds for this program can be obtained from the scholarship program)	Ongoing	Ongoing	Peter Johnson, Director, Staffing Services
<ul style="list-style-type: none"> ▪ increasing its focus on knowledge continuity, where critical skills are mapped and mature workers take on a mentoring role to support younger staff 	Accepted	See references to the TAFE in the 21 st century reforms.	ongoing	TAFE Institutes are each targeting the skilled staff balance needed to meet their future workforce plan.	TAFE NSW
	Accepted.	Phased Retirement Guidelines published. Mentoring forms part of structured induction programs for beginning teachers. In addition there are many mentoring processes across the Department.	Ongoing	Ongoing promotion of the guidelines and mentoring processes.	Diane Wasson, Director, HR Policy and Planning
	Accepted	The Department's Phased Retirement Guidelines are applicable in Institutes.	ongoing	Mentoring is being promoted across TAFE NSW Institutes as a part of the program of support for new	TAFE NSW

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<ul style="list-style-type: none"> keeping in touch with retired staff and drawing upon their skills, knowledge and expertise in filling short term vacancies (as proposed by the Alumni guidelines by Department of Premier and Cabinet) 	Accepted	Continue to support the process where all teachers, including principals, have the opportunity to indicate if they wish to teach on a casual basis after they leave permanent employment or retire. Investigate linkages with Department of Premier and Cabinet e-recruitment strategies.	Ongoing	Ongoing teachers.	Diane Wasson, Director, HR Policy and Planning Peter Johnson, Director, Staffing Services
<ul style="list-style-type: none"> requiring exit interviews of retiring teachers as a matter of course. 	Accepted	TAFE Institutes continue to draw on the knowledge and expertise of retired staff – they are already one source of future part-time casual teaching staff.	ongoing	TAFE NSW Institutes maintain contact with retired staff and employ many retired staff as part-time casual teachers and for special projects N/A	TAFE NSW N/A
<ul style="list-style-type: none"> We recommend that the Department including TAFE NSW strengthen its workforce planning capability by: 	Rejected - The Department has previously piloted exit interviews for teachers but the response rate was not high enough to validate full implementation. In addition research about the effectiveness and benefits of exit interviews are mixed. For example, one piece of research states, "the response rates of traditional exit interviews are exceptionally low and yield sanitised, or nearly useless information".	N/A	N/A		

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<ul style="list-style-type: none"> developing targeted workforce action plans, focusing on the medium term outlook for their most critical skill sets/areas 	Accepted.	Continued focus on workforce planning process and implementation of targeted strategies such as teacher education scholarships to address potential areas of shortfall.	Ongoing	Ongoing	Diane Wasson, Director, HR Policy and Planning Peter Johnson, Director, Staffing Services
<ul style="list-style-type: none"> subject to the establishment of a business case, targeting the participation and retention of staff for critical skill sets/areas, such as mature-age workers, through specialised strategies 	Accepted.	Proposal to establish business case to be developed.	To be confirmed.		Diane Wasson, Director, HR Policy and Planning
<p>**Note – TAFE response to above recommendation.</p> <p>We recommend that the Department including TAFE NSW strengthen its workforce planning capability by:</p> <ul style="list-style-type: none"> developing targeted workforce action plans, focusing on the medium term outlook for their most critical skill sets/areas subject to the establishment of a business case, targeting the participation and retention of staff for critical 	Accepted	<p>The document <i>TAFE NSW: Doing Business in the 21st Century Consultation Outcomes and Development of Proposals - February 2008</i> (21st Century) confirms TAFE's next steps.</p> <p>TAFE has established a Work force Capability Unit to provide strategic analysis and expert advice to TAFE Executive on the long term sustainability and capability development of the TAFE workforce.</p> <p>One of its roles is to oversight in conjunction with Institutes the TAFE NSW Workforce Development Guarantee, which also incorporates the Building our Future Leadership Program.</p>	Sem 2, 2008 ongoing	<p>The TAFE NSW Workforce Development Guarantee is targeting more than 3,500 staff per year for three years. It is funded by TAFE NSW – two tranches of \$1 million per annum to date - as an investment in building the capability of TAFE NSW staff. The program focuses professional development through further formal qualifications within the Australian Qualifications Framework. The professional</p>	TAFE NSW

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<p>skill sets/areas, such as mature-age workers, through specialised strategies</p>				<p>development is targeted to 5 capability areas identified as essential to meet the service needs of industries and communities. These are workforce development services to enterprises, interpreting and customising Training Packages, using technologies to do business, meeting the needs of diverse learners and leadership.</p> <p>As a sub set of this, the TAFE NSW Building our Future – Leadership Program is developing a talent pool of future senior executive leaders. The first group is currently undertaking a six months program in conjunction with the Macquarie Graduate School of Management.</p>	<p>Diane Wasson, Director, HR Policy and Planning</p>
<ul style="list-style-type: none"> improving workforce management information on emerging shortages, take-up of new programs, and effects of policy measures 	<p>Accepted.</p>	<p>Improvements to workforce management information are being considered as part of the Department's major system replacement program for HR and finance.</p>	<p>Ongoing</p>		<p>TAFE NSW</p>
	<p>Accepted</p>	<p>Refer above</p>		<p>Under the 3 year Workforce Development Capability Initiative, a reporting process has been developed in which</p>	

Recommendations	Accepted/rejected	Actions to be taken	Due date	Status	Responsibility
				<p>Institutes will routinely report on their enrolments and strategies.</p> <p>An evaluation strategy for the 3 year Workforce Development Capability Initiative is under development.</p> <p>TAFE NSW is undertaking an ongoing evaluation of the successes and challenges of its Building our Future – Leadership Program.</p>	
<ul style="list-style-type: none"> routinely evaluating the success of its workforce programs to ensure that successful programs are enhanced, new programs developed in timely fashion, and ineffective programs discontinued or modified 	Accepted.	Continued implementation of current review process for workforce programs including teacher education scholarships.	Ongoing	Ongoing	<p>Peter Johnson, Director, Staffing Services</p> <p>Diane Wasson, Director, HR Policy and Planning</p> <p>TAFE NSW</p>
It is also recommended that the Department continues to	Accepted	The Department continues to advise NSW and ACT universities and relevant State and Commonwealth	ongoing	ongoing	Diane Wasson, Director, HR

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<p>advise universities and relevant Commonwealth Government departments of the Department's permanent teacher demand and supply needs. In particular its view of an oversupply of primary teachers and the need for additional teacher education places in areas of shortfall.</p>		<p>Government Departments of its workforce needs.</p>			<p>Policy and Planning</p>
<p>As TAFE shortages in particular are likely to have state-wide implications, our view is that it also needs to report annually with the Public Sector Workforce Office on critical areas of need, with specific plans for addressing problem areas (that may or may not involve mature age workers).</p>	<p>Considered</p>	<p>The TAFE in the 21st Century reforms recognise that TAFE NSW Institutes will increasingly develop quite differentiated profiles. Therefore it is highly unlikely that there will be state-wide shortages in a particular common discipline area.</p>	<p>N/A</p>	<p>See actions taken comments.</p>	