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**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

**DGS05/1138**

The Hon Jan Burnswoods MLC  
Committee Chairperson  
Standing Committee on Social Issues  
Legislative Council  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000

Dear Ms Burnswoods

I refer to your invitation to respond to a series of questions related to the *Inquiry into the Recruitment and Training of Teachers* and to attend a public hearing day on 14 June 2005.

The Department's responses to those questions which include factual/statistical information are attached. Those questions are numbers 1,4,5,7,8,9,10,11,12,17 and 18.

I look forward to meeting with the members of the Standing Committee on Social Issues who are conducting the *Inquiry into the Recruitment and Training of Teachers* on 14 June, 2005.

If you would like any further information from the Department, please contact Ms Trish Kelly, General Manager of Human Resources on telephone 9561 8517.

Yours sincerely

**Andrew Cappie-Wood  
DIRECTOR-GENERAL OF EDUCATION AND TRAINING  
MANAGING DIRECTOR OF TAFE NSW**

8 June 2005

**STANDING COMMITTEE ON SOCIAL ISSUES  
INQUIRY INTO TEACHER RECRUITMENT AND TRAINING**

Hearing 14 June 2005

NSW Department of Education and Training  
Mr Andrew Cappie-Wood, Director General  
Mr Martin Bowles, Deputy Director General, Corporate Services  
Ms Trish Kelly, General Manager, Human Resources  
Dr Paul Brock, Director Learning and Development Research

**QUESTION 1**

**Please explain the point system that encourages teachers to transfer around the State, particularly to hard to staff schools.**

Vacant school teacher positions are filled through a mix of methods. In filling teacher vacancies, permanent teachers who have priority transfer status (incentive, nominated and compassionate transfers) and match the school's needs are considered initially. Where positions are not filled in this way, appointments are made from a mix of service transfers, employment from recruitment programs, (such as the Graduate Recruitment Program, the Permanent Employment Program) and from teachers seeking employment.

The transfer point system relates to positions which are filled through priority transfers, service transfers for classroom teachers and positions filled through the executive and principal mobility processes.

The transfer points system was developed by the Department in consultation with the New South Wales Teachers Federation and was introduced in the 1987/1988 staffing operation. It rewards teachers prepared to serve in less favoured locations in New South Wales.

One, two, four, six or eight transfer points per year of service are allocated to schools using a number of criteria such as isolation, access to goods and services, climate, and staffing difficulty. Transfer points are accumulated by teachers for each year of service at a school.

Teachers serving in eight, six and identified four transfer point schools accumulate transfer points at a faster rate than teachers in one and two transfer point schools. The transfer points system allows teachers to transfer based on the points they have accumulated through service in NSW public schools.

However, to attract and retain teachers in schools in rural and isolated locations in New South Wales, the Department has implemented an incentives program.

A range of incentive benefits is offered to teachers in many rural and remote locations. Benefits may include:

- transfer to a preferred location after completing the required period of service (incentive transfer);
- a retention benefit allowance of \$5,000 gross in thirty-nine hard to staff schools in remote locations;
- compassionate transfer status for teaching partners of teachers appointed to or moving from an incentive school;
- a number of locality allowances such as climatic allowance, an isolation from goods and services allowance, vacation travel expenses, reimbursement of certain expenses related to medical or dental treatment and an allowance for dependants;
- additional training and development days;
- a Teacher Housing Authority rental subsidy of ninety per cent at 8 point schools and seventy per cent at 6 point schools;
- a rental subsidy for those teachers who are unable to obtain Teacher Housing Authority accommodation and who privately rent, of ninety per cent at 8 point schools and seventy per cent at 6 point schools;
- additional personal leave; and
- one week's additional summer vacation for schools in the western division of NSW.

#### QUESTION 4

**Is the Staffing Agreement hindering the direct appointment of casuals to permanent positions?**

No.

In fact, the new Staffing Agreement is providing additional opportunities for the appointment of casual and temporary teachers to permanent positions. (Casual school teachers are school teachers engaged on a short term basis. Temporary school teachers are people employed in one engagement full time for four weeks or more or in one engagement for one to four days per week for two terms or more).

The new Agreement facilitates the appointment of casual and temporary staff to permanent positions in the following ways:

- Each year a number of permanent classroom teacher positions are advertised under the Permanent Employment Program (PEP).
- Three hundred positions each year will be filled under PEP. Any teacher with approval for permanent employment as a teacher with the Department, and not substantively employed by the Department in a permanent position, will be eligible to apply.
- In addition, schools in all regions will have the opportunity to select teachers through PEP. Previously only a small number of positions have been filled under this program, and the positions were mainly allocated to schools in hard to staff areas.

In addition, under the *Crown Employees (Teachers in Schools and TAFE and Related Employees) Salaries and Conditions Award 2004* (Clause 27.2), when a temporary school teacher has occupied a single substantive part time position for more than two years and it is expected that the position will continue, the teacher may apply for conversion to permanent part time status in that position. This is a long standing provision for temporary school teachers.

## QUESTION 5

**Can a principal select any five candidates from the employment list? If not, on what basis are the five candidates selected?**

Where a position is to be filled from the employment list the School Staffing Unit will discuss with the principal the method of filling from the list.

The principal can choose to have the School Staffing Unit appoint the teacher who matches the position to the school or can choose to be provided with up to five teachers who match the position and have the highest priority dates.

Where the principal advises that the school does not want the School Staffing Unit to appoint the top match, a selection panel will be formed. The panel will determine the requirements for the position.

The School Staffing Unit will match the position on the computerised staffing system. Up to five applicants who match the position and who have the highest priority dates will be provided to the panel and a merit selection will be made from among those five candidates.

This will enable schools to select the employment applicant who best meets their needs.

## **QUESTION 7**

**In light of the criticisms of the Accelerated Teacher Training program, what, if any, evaluations have been conducted of the program?**

Evaluations of the Accelerated Teacher Training program were undertaken in 2003 and 2004.

The Department commissions external evaluators to undertake the evaluations.

Dr Paul Whiting, formerly Associate Dean, Undergraduate Studies, Faculty of Education, The University of Sydney was commissioned to undertake the 2003 evaluation.

Mr Brent Corish, formerly Director of the Professional Development Unit, Faculty of Education, The University of Sydney, was commissioned to undertake the 2004 evaluation.

The evaluations are rigorous and provide the Department with important information which it uses to modify and improve its retraining programs.

## QUESTION 8

### **Will the evaluation of the Accelerated Teacher Training (ATT) programs be made public?**

Evaluations of the ATT program are used by the Department to improve program management. Findings of the evaluations of the ATT programs are discussed with provider universities and in forums of principals groups. The main purpose of the evaluations is to provide information for continuous improvement of the ATT program.

The Department will provide the Standing Committee with copies of the evaluations and is prepared to share the reports with other interested parties.

#### **(a) What were the results of that evaluation?**

Two evaluations of the ATT program have been conducted. The program of the first cohort, appointed to teach in January 2003, was evaluated in August 2003. The program of the second cohort, appointed to teach in January 2004, was evaluated in August 2004. Evaluations were undertaken by an external evaluator from a university who consulted with members of all interest groups including university teacher educators, graduates of the program, supervisors and mentors of graduates and principals of schools.

The findings of the first evaluation indicated that:

- The face-to-face model allowed students to interact immediately and to some extent continuously with their teachers and peers
- The distance model provided flexibility for the ATT students who had difficulty attending classes on a daily basis, however it only enabled face-to-face contact during residential schools
- All parties to the evaluation were agreed that the ATT program prepared teachers to be effective in their subject area
- Principals, supervisors, mentors and ATT graduates all considered that the newly appointed ATT graduates' adjustment to the demands of teaching was good after seven months of teaching
- Overall, the ATT program was seen as being just as effective as traditional programs in preparing teachers.

The recommendations of the first evaluation related to:

- University course organisation: small cohort size not viable; campus locations need to be appropriate to students
- University course content: greater emphasis on the senior secondary syllabus is needed; Department's TAS curriculum manager needs to clarify TAS teaching requirements in schools; classroom management needs further emphasis
- Internship: should not be held during term 4; teacher mentors should be available for all interns

- Program management: Department needs to better inform applicants of demands of distance education, financial and tax implications should be explained; the TAS curriculum manager needs to advise on specialisations; appointment process needs to be explained more clearly; the university and Department should jointly select participants
- Appointments: early advice as to nature of service commitment is required; appointments need to be made with regard to individual circumstances and the nature of the school and town; ATT graduates should not be appointed as mobiles
- Mentor support: graduates to be provided with support, particularly with classroom management.

The majority of the recommendations have been implemented though some have been partially implemented or unable to be implemented as follows:

- Small cohort sizes has led to the reduction of the number of universities offering the same courses. The University of Newcastle did not proceed with the program in 2004 as large enough cohorts could not be established for their programs. Currently CSU is offering the mathematics and TAS training via distance and UTS is providing the Science (Physics) in a face to face delivery.
- The recommendation to change the internship has not been implemented as it would have a substantial impact on the overall course structure.

Students at CSU undertake a practicum at a school in term one of their second academic semester, followed by part time internship attendance at a second school during term three and then full time internship at that school for term four. This structure allows for deepening of knowledge and involvement in the school as the year progresses.

- Early advice about the service commitment is provided via the information package and at interview through a comprehensive statement from panel coordinators, followed up by a print copy of the points discussed.

Appointments are made with consideration of the circumstances of graduates, but within the service commitment areas identified in the Deed of Agreement. ATT graduates are only appointed as mobiles in situations where no substantive vacancy can be identified.

The findings of the second evaluation indicated that:

- Participants came from a diverse range of industry backgrounds and were well qualified in their fields
- University ATT programs combined with in school support such as mentoring raised the confidence of beginning teachers under the program
- Teachers appointed following the ATT program were making a successful transition to teaching
- 82% of the ATT program graduates were described by senior staff at the school as outstanding or 'better than most'.



Recommendations following the second evaluation included:

- Support for teachers be continued through the first year of appointment
- Contact by Department officers with teachers in training to be strengthened
- Future course specifications should strengthen classroom management and programming requirements
- Further examination of the mentoring model to be undertaken.

These recommendations have been implemented.

**(b) What is the Department's response?**

The Department has acted on these recommendations. Recommendations of both evaluations have been incorporated into the management of the program.

Recommendations relating to changes in the university program have been discussed with providers and programs have been adjusted.

Communication between the Department and the trainees has been strengthened in line with recommendations.

Trainees receive fortnightly emails from the Retraining Unit during their first academic semester and again during the final term before their appointment. The emails contain a mix of information about the program, study suggestions and news about their curriculum area.

Trainees receive a copy of the *Curriculum Support* newsletter produced by Curriculum K-12 directorate each term.

Trainees are in telephone contact with the Retraining Unit whenever they have questions or concerns about their program and their future employment. In addition, they are encouraged to ring the Retraining Unit at any time during their training if they are seeking clarification of any issue.

Trainees are visited by staff from the Retraining Unit at each of their residential workshops. Presentations to the group raise issues about teaching, provide information about the appointment process, suggest strategies for successful professional experience and include suggestions from students in earlier cohorts of the program. Video footage of ATT teachers now working in schools is used to stimulate discussion on school expectations, adjusting to teaching and the benefits and challenges of working as a teacher.

Support for graduates in their first year of teaching has been enhanced through a mentoring program based on information about the needs of teachers gathered from evaluations.

ATT graduates are provided with a flexible program of relief days for mentor support. Currently this is a two day workshop which includes one planning day with their mentor and a one-day workshop of student management, followed by six relief days for individual professional development activities involving mentoring. These days are typically spent on professional discussions of programming, assessment and

teaching, or work shadowing and observation of other teachers. This support is in addition to other in school and regional based support programs provided for newly appointed teachers.

**(c) If there has not been an evaluation, will there be one (and when) and if the results are not being made public how will we be able to assess the efficacy of the program?**

As indicated above, two evaluations of the ATT program have been conducted. The third cohort of teachers will be evaluated by August 2005. An overall evaluation of the program is planned for June 2006. This evaluation will explore the retention of teachers from the program.

## QUESTION 9

**Has the Department removed the salary increments associated with industry experience that were previously offered to graduates of the ATT program?**

No.

In September 2004, the Department and the Teachers Federation agreed on a policy to guide and streamline the recognition of incremental credit for previous teaching and non teaching service, for implementation from term one, 2005.

Under this policy the Department continues to provide incremental credit for relevant non teaching service under specified, targeted recruitment strategies. The ATT program is included in such strategies.

Recognition of non-teaching service is given to teachers who have been sponsored by the Department under the ATT program on the basis of one increment for every three completed years of full-time service, up to a maximum of four incremental credits.

In January 2005, the Department wrote to all Accelerated Teacher Training students at Charles Sturt University to advise them of their eligibility for incremental credit for non-teaching service.

**What criteria are used to appoint ATT graduates to schools? Does this process take into account a graduate's preferences for certain geographic areas?**

Successful applicants in the ATT program sign a Deed of Agreement with the Department and commit to accepting a teaching appointment to a NSW public school, on completion of their training, in an area of staffing need in NSW and remaining in that teaching appointment for a minimum period of three years.

The criteria used to appoint ATT graduates include the school's curriculum needs, the teacher's subject accreditation, and location preferences nominated by the ATT trainee under the Deed of Agreement.

Geographic locations where there is a workforce need for teachers are usually western and south western Sydney and non-coastal rural NSW. Applicants for the program are required to specify the areas in which they are willing to be appointed. The Department makes every effort to appoint teachers with regard to their preferences and circumstances, and in accordance with the service commitment of their Deed of Agreement.

## QUESTION 10

### **What changes are being made to the early recruitment of graduates - how is the Department ensuring an expeditious appointment?**

The Graduate Recruitment Program has been brought forward so that it commences as early as possible in the academic year. The program is promoted early in semester one and for the 2005 and 2006 programs, the application process commenced at the beginning of March.

To further enhance the Department's capacity to attract new graduates, under the 2006 Graduate Recruitment Program which was launched on 5 March 2005, a round of interviews was conducted in April to enable early finalisation and the issuing of interim casual approvals to eligible mid-year graduates from May 2005.

The earlier interviews for mid-year graduates also enable, from May 2005, the permanent appointment of these graduates to positions which become vacant through the year. Appointments of end-of-year graduates will commence from August 2005, pending successful completion of their studies. Prior to 2003, the appointment process for graduate recruits commenced in October.

The earlier start to the Graduate Recruitment Program enables the timely entry of applicants' details onto the personnel system, the early appointment of graduates and is an important strategy in ensuring their commitment to teaching in NSW government schools.

In the 2005 Graduate Recruitment Program, for the first time, eligible graduating teachers were able to apply for casual approval from term four. The early casual approval initiative proved to be very successful for schools, graduates and universities, and had a positive impact on the supply of casual teachers. 1733 new graduates undertook casual employment in NSW public schools in term four 2004.

Prior to 2004, early casual approval was provided only to students undertaking an internship program, once the internship was completed.

Now, all graduating students may apply online for early casual approval, provided they have:

- successfully completed their personal suitability interview
- satisfied all probity checks
- completed all requirements of their teacher education program to date
- completed the professional experience component of their teacher education program
- satisfactory English language skills.

This successful strategy will be continuing for the 2006 Graduate Recruitment Program.

## QUESTION 11

### **What percentage of teachers employed by DET were trained overseas?**

As at May 2005, 4.7 per cent of teachers working with the Department have at least one qualification which was gained overseas. This qualification may be a teaching qualification, such as a Graduate Diploma in Education, or an undergraduate qualification, such as a Bachelor of Science degree, or postgraduate qualification, such as a Doctor of Philosophy.

#### **(a) How has this changed over time?**

As at May 2000, 4.5 per cent of teachers working with the Department had at least one qualification which was gained overseas.

#### **(b) Is it the Department's intention to recruit more overseas trained teachers? Considering the criticisms we have heard about some of these teachers from this program, how will the DET ensure that overseas trained teachers are prepared to teacher in NSW schools?**

The Department advertises for teachers in the UK, South Africa, New Zealand, Canada and the USA. Many overseas trained teachers are 90 day visa holders who provide valuable casual teaching service to schools. In 2004, 223 casual teaching approvals were issued to 90 day visa holders. As at 6 June, 147 casual approvals have been issued to 90 day visa holders in 2005.

The Department values the skills and experiences that overseas trained teachers can bring to NSW government schools. To assist the transition of overseas trained teachers into the NSW educational environment, the Department provides a mandatory Pre-employment Program for Overseas Trained Teachers who may be eligible for full approval i.e. those with Australian or New Zealand citizenship or Australian residency status.

To be employed, overseas trained teacher employment applicants must have:

- had their qualifications assessed as suitable by the Department;
- had a satisfactory Working with Children Check; and
- demonstrated the required standard of English language proficiency through the Professional English Language Assessment for Teachers, where applicable;
- satisfactorily completed the Pre-employment Program for Overseas Trained Teachers; and
- demonstrated personal suitability for teaching through an interview with a senior departmental officer.

The Pre-employment Program for Overseas Trained Teachers includes:

- an orientation program of 12 days, comprising: an introductory two day workshop covering the NSW curriculum, school organisation, cultural awareness, introduction to NSW classroom practice, student management and child protection; a nine day in-school placement including observation

and professional discussion, supported by a coordinating teacher; and a one day concluding workshop

The overseas trained teacher employment applicant participates in all aspects of the Orientation Program and works closely with the coordinating teacher to develop an awareness of teaching practice, effective communication strategies, student management and teacher professionalism in NSW government schools.

- in-school assessment of five days.

The overseas trained teacher employment applicant is responsible for:

- undertaking the professional responsibilities assigned by the coordinating teacher
- planning lessons and providing the lesson plans to the coordinating teacher
- responding constructively to feedback and reflecting on his or her own performance
- seeking assistance from the coordinating teacher if he or she is experiencing difficulties.

On the fifth day of the In-school Assessment, the overseas trained teacher employment applicant's performance is assessed by the principal in consultation with the coordinating teacher and documented on the Teaching Assessment proforma.

Only teachers who have appropriate teaching qualifications, have been cleared through probity checks and have demonstrated an acceptable standard of English language proficiency through the Professional English Assessment for Teachers, administered by the University of NSW, progress to the Pre-employment Program for Overseas Trained Teachers.

Following successful completion of the program and a successful personal suitability interview, applicants are approved to teach.

Since its implementation in May 2004, to the end of term one, 2005, 239 overseas trained teachers have participated in the Program and 225 have been approved to teach in NSW public schools. Participants who did not successfully complete the program have been advised to undertake additional in-school experience and assessment or advised to undertake additional teacher training, such as a Graduate Diploma in Education, at an Australian university.

Feedback on the Program from principals and overseas trained teacher participants has been very positive.

Evaluation of the Program has commenced and will be completed in the second half of 2005.

**(c) It has been suggested to the Committee that relatively large numbers of overseas trained teachers have been placed in some schools, while in other schools, the teacher group does not reflect the diversity of students. How is the Department monitoring the placement of overseas trained teachers to ensure they are most effectively utilised to meet the needs of school communities?**

Vacant teaching positions are filled through a mix of priority or service transfers, employment from recruitment programs and from teachers seeking employment. In appointing teachers to schools, every effort is made to balance the use of methods for filling positions. While vacant positions are more likely to arise in some locations than in others, the Department's priority is to ensure the appointment of an appropriately trained teacher.

Teachers seeking permanent appointment are offered positions based on their subject accreditation, the needs of the school with respect to the vacancy and the locations for which they have expressed a preference.

At the start of the school year, the Department contacts the principals of all schools at which a new teacher has been appointed to discuss any issues regarding the teacher. The new teacher is also contacted and invited to discuss any issues. Follow up contact is made in August to ascertain how new teachers are progressing in their appointments. Feedback from departmental contact officers indicates a high level of satisfaction.

The Department meets regularly with the Primary and Secondary Principals' Councils which provide regular feedback on issues relating to the appointment of overseas trained teachers.

The implementation of the Pre-employment Program for Overseas Trained Teachers from April 2004 is an important initiative which ensures that overseas trained teachers approved to teach with the Department are high quality and are well prepared for their teaching role.

## QUESTION 12

### What percentage of teachers employed by DET are Non English Speaking Background?

The Department obtains its data on EEO groups<sup>1</sup> from a survey of staff members. Data from the survey are reported annually to identify the representation of EEO group members in the workforce. The classification of occupations used for the EEO statistics includes teachers in the category of *Professionals* (professionals include classroom teachers, principals, executive teachers and other non educational professionals such as accountants, auditors, computing professionals and social welfare professionals). For the Department the professional category would be primarily teaching staff and a small number of non teaching professional staff.

The EEO statistics collected as at 30 June 2004 showed that approximately 11 per cent (6, 557 people) of the total permanent and temporary staff in the category of professionals were people whose first language spoken as a child was not English. This does not include any staff in TAFE or casual school teachers.

The Department continues to implement programs to support overseas trained teachers to qualify for employment in the Department through the *Pre-Employment Program for Overseas Trained Teachers* which provides an orientation program and an in-school assessment. A bridging course is available to those overseas trained teachers who may require additional teaching practice to meet departmental standards. As at the end of term one, 2005, 239 overseas trained teachers participated in the Program and 225 teachers received approval to teach in NSW public schools.

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<sup>1</sup> EEO groups refer to women, Aboriginal people or Torres Strait Islanders, people with a disability and people whose first language spoken as a child was not English or people from racial ethnic or ethno-religious minority groups



## QUESTION 17

### **What are the different roles of Teacher Quality Advisory Panel and the Institute of Teachers?**

The role of the Department's Teacher Qualifications Advisory Panel (TQAP) is to provide advice to the Director-General of Education and Training on teacher qualification policy issues with respect to teaching in NSW government schools. This includes advice on revising employment and qualification requirements for teaching in NSW government schools. The TQAP works as an information link between the members of TQAP, namely the Department, higher education institutions, the NSW Teachers Federation and Primary and Secondary Principals' Councils.

A significant aspect of this role is to consider for employment purposes in NSW government schools those teacher education courses submitted to it by universities.

In considering teacher education programs, the TQAP confirms:

- whether the programs provide appropriate training to enable graduates to satisfy the Department's qualification requirements for employment;
- the particular subjects/teaching areas (i.e. economics or business studies or legal studies) that graduates would be qualified to teach, based on a depth of academic study and teaching methodology in the learning area; and
- the salary status (i.e. being either four year or five year trained) that graduates of the courses would be entitled to upon employment.

In accordance with the *Institute of Teachers Act*, the Institute of Teachers has a role in endorsing teacher education programs in relation to the Professional Teaching Standards. The Institute is currently developing its policy of the endorsement of initial teacher education programs which will relate to all teacher employers across NSW.

The Institute is proposing to commence its course endorsement role from 2006 based on the extent to which a course enables graduates to demonstrate the Graduate Teacher standards. When the Institute's proposed course endorsement process is implemented, it will subsume the function of TQAP of confirming that initial teacher education programs adequately prepare graduate teachers. The TQAP will therefore cease to carry out this role after 2005.

As the Institute's role in endorsing initial teacher education programs does not fully equate with that of TQAP, the Department may still need to have a process that confirms the particular subjects/teaching areas (i.e. economics or business studies or legal studies) that graduates of various programs are qualified to teach in NSW government schools. How the Department will undertake this process is yet to be finalised.

Until the Institute's course endorsement process is finalised, Department staff are working closely with staff of the Institute to ensure there is no duplication of processes and to ensure there will be a smooth transition to the Institute adopting responsibility for course endorsement.

## QUESTION 18

In your answers to Questions taken on Notice you provide statistics for the number of scholarships awarded. Why are such a relatively small number of scholarship holders actually appointed to schools?

The Teacher Education Scholarship Program commenced in 2002. Since 2002 the Department has awarded scholarships ranging from 1 to 4 years. The number of scholarships awarded in the period 2002–2005 is set out below.

### Scholarships awarded 2002-2005

YEAR	UP TO 1 YEAR	UP TO 2 YEARS	UP TO 3 YEARS	4 YEARS	TOTAL
2002	60 (29%)	54 (26%)	32 (16%)	59 (29%)	205
2003	27 (18%)	24 (16%)	25 (17%)	74 (49%)	150
2004	29 (15%)	28 (14%)	33 (16%)	110 (55%)	200
2005	31 (16%)	19 (09%)	40 (20%)	110 (55%)	200
TOTAL	147	125	130	353	755

Given that the program has been running for a short time (since 2002) relatively few scholarship holders have yet completed their course of study. No four year scholarship holders have been appointed, and the first of the four-year scholarship holders will not be available for teaching until 2006. Four year scholarship holders comprise the largest group (46.8% of the total).

The number of students completing their approved teacher training course in any given year will vary affecting the number of scholarship holders appointed to schools.

There are 172 scholarship holders who have completed their course as at 27 May 2005 and have been appointed to schools.

**(a) How many scholarship holders completed the course and how many dropped out prior to graduation**

Of the total number of people who have commenced a scholarship program, as at 6 June 2005, 54 (7.2%) have either withdrawn from the program or failed to complete their agreed program of study for various reasons including illness or change in personal circumstances.

**(b) Is the scholarship grant money repaid to the Department if the course is not completed?**

Yes. Scholarship holders sign a Teacher Education Scholarship Program Deed of Agreement, agreeing to pay all financial assistance to the Department if the agreed course of study is not completed.

However people who are awarded a scholarship and withdraw before commencing the course (the HECS census date for withdrawal without penalty is 31 March each year) are not required to repay their scholarship HECS fees because the Department has not been liable for their payment to the university.

**(c) Were further scholarships offered to applicants who had originally been unsuccessful? If not, why not?**

The Department shortlists scholarship applicants and interviews them. Following the interviews the applicants are ranked in order of merit with the most meritorious being offered a scholarship. A reserve list is created and applicants on this list may be offered a scholarship in the event of any of the 200 scholarship recipients declining the offer prior to 31 March. This is the "census date", or the final date for students to pay their HECS fees (which the Department reimburses). Where applicants for scholarships are unsuccessful, they are advised of the availability of scholarships for the following year.

**(d) Will the Department offer more scholarships to address the drop out rate?**

On 17 February 2003, the Premier released *The Three Rs* plan – *Recruit, Retrain and Retain*. The centrepiece of this policy is 800 new teacher scholarships, up from 600. Under this plan, 200 teacher education scholarships are being offered each year from 2004 to 2007.

The scholarship program is proving effective in ensuring teacher supply in secondary shortfall areas and the more difficult to staff locations in western and south western Sydney and non coastal rural NSW.

The Department would be able to offer more scholarships if it did not have to pay Fringe Benefits Tax (FBT) on scholarships. For every dollar of NSW funding provided in HECS payments for scholarship holders and sponsorships, the NSW Government pays an additional 94.2 cents to the Commonwealth for Fringe Benefits Tax (FBT). In 2002/2003 and 2003/2004, the NSW Government allocated approximately \$7 million for teacher education scholarships in mathematics, science and technology and approximately \$7.8 million in sponsorships for relevantly-skilled workers to complete accelerated teacher training programs. Of the total \$14.8 million, over \$6.3 million was paid in HECS and fee payments, approximately \$5.9 million in FBT payments back to the Commonwealth and \$2.6 million for student training allowances, university development costs, student mentoring costs and administrative costs.

The Department is of the view that the FBT liability incurred by the Department in relation to sponsoring people to undertake teacher training programs remains a major disincentive to the Department providing scholarships and ATT programs. The NSW Treasurer recently raised the matter of FBT relief with the Commonwealth without success.