

**MINISTER FOR EDUCATION AND TRAINING,  
MINISTER FOR INDUSTRIAL RELATIONS,  
MINISTER FOR THE CENTRAL COAST,  
AND MINISTER ASSISTING THE  
MINISTER FOR FINANCE**

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**OVERVIEW**

<i>Agency</i>	<i>2007-08 Budget \$m</i>	<i>2008-09 Budget \$m</i>	<i>Variation %</i>
<b>Department of Education and Training*</b>			
Total Expenses .....	10,460.6	10,954.1	4.7
Capital Expenditure .....	617.0	732.4	18.7
<b>Office of the Board of Studies</b>			
Total Expenses .....	102.6	105.8	3.1
Capital Expenditure .....	0.5	2.6	438.2
<b>Building and Construction Industry Long Service Payments Corporation</b>			
Total Expenses .....	107.0	97.1	-9.3
Capital Expenditure .....	0.8	0.5	-33.3
<b>Motor Accidents Authority</b>			
Total Expenses .....	24.9	126.8	408.9
Capital Expenditure .....	0.1	0.4	640.0
<b>Office of the Motor Accidents Authority</b>			
Total Expenses .....	15.1	15.0	-0.5
Capital Expenditure .....	0.4	...	-100.0
<b>Workers' Compensation (Dust Diseases) Board</b>			
Total Expenses .....	102.0	104.8	2.7
Capital Expenditure .....	2.7	2.5	-7.2
<b>WorkCover Authority</b>			
Total Expenses .....	238.6	253.7	6.3
Capital Expenditure .....	10.5	14.3	36.3

\* For 2008-09, Total Expenses include Commonwealth funding of \$93.4 million and Capital Expenditure includes \$120.3 million to meet Commonwealth election commitments as agreed through the Council of Australian Governments.

<i>Agency</i>	<i>2007-08 Budget \$m</i>	<i>2008-09 Budget \$m</i>	<i>Variation %</i>
<b>Office of the WorkCover Authority</b>			
Total Expenses .....	123.7	143.5	16.0
Capital Expenditure .....	...	...	...
<b>Total, Minister for Education and Training, Minister for Industrial Relations, Minister for the Central Coast, and Minister Assisting the Minister for Finance</b>			
Total Expenses .....	<b>11,174.5</b>	<b>11,800.8</b>	<b>5.6</b>
Capital Expenditure .....	<b>632.0</b>	<b>752.7</b>	<b>19.1</b>

In addition to the agencies listed above the Minister is also supported by the Department of Commerce (Section 20) for the Industrial Relations portfolio area and the Department of Premier and Cabinet (section 2) for the Central Coast portfolio area.

## DEPARTMENT OF EDUCATION AND TRAINING

The Department of Education and Training provides schooling and vocational education services to over 1.6 million students each year through an extensive network of government schools, TAFE NSW Institutes, the Adult Migrant English Service and the National Art School. The Department also provides regulatory and quality assurance services to the vocational education and training sector and funding support for non-government schools.

The Department's major governing legislation is set out in the *Education Act 1990* and the *Technical and Further Education Act 1990*.

## RESULTS AND SERVICES

The Department of Education and Training has lead agency responsibility for coordinating with partner agencies to ensure the delivery of the following State Plan priorities:

- ◆ S4: Increasing levels of attainment for all students.
- ◆ S5: More students complete year 12 or recognised vocational training.
- ◆ P4: More people participating in education and training throughout their life.
- ◆ P7: Better access to training in rural and regional NSW to support local economies.

The Department of Education and Training is working towards the following results:

- ◆ The proportion of the NSW population aged 20-24 years who have attained a Year 12 certificate or recognised vocational education and training (VET) qualification at Australian Qualifications Framework (AQF) Certificate II or above is increased.
- ◆ The proportion of the NSW population aged 15-64 years with non-school qualifications, participating in VET and undertaking AQF Certificate III or above is increased.
- ◆ The number of 15-64 year olds participating in VET in regional areas is increased.
- ◆ The percentage of Year 3, 5 and 7 students and Aboriginal students meeting national reading and numeracy benchmarks is increased.

Key services provided by the Department of Education and Training which contribute to these results include:

- ◆ providing staff and support to 100 government-run preschools
- ◆ staffing of 2,240 government schools with quality teachers and providing administrative support
- ◆ running appropriate and well maintained schools and TAFE Institutes
- ◆ providing learning and assessment resources
- ◆ undertaking educational measurement accountability and reporting
- ◆ providing information reports to parents and community on student progress
- ◆ providing funding for non-government schools and
- ◆ staffing 10 TAFE NSW Institutes with quality teachers and administrative support.

The key services provided by the Department, and the way in which they are expected to contribute to results, are outlined in the following table:

Service Groups	2008-09 Budget Expenses  \$m	Results			
		Increased levels of attainment for all students	More students complete Year 12 or accredited vocational education	More people participating in education and training throughout their lives	Improved access to training in regional and rural New South Wales
Preschool Education Services in Government Schools	27.1	✓			
Primary Education Services in Government Schools	4,252.1	✓			
Secondary Education Services in Government Schools	3,975.4	✓	✓		
Non-Government Schools	811.8	✓	✓		
TAFE NSW and Community Education	1,730.6		✓	✓	✓
Vocational Education and Training	157.1		✓	✓	✓
<b>Total Expenses Excluding Losses</b>	<b>10,954.1</b>				

## **SCHOOL EDUCATION SERVICES**

### **RECENT ACHIEVEMENTS**

Total investment in government pre-school, primary and secondary education programs is estimated at \$8.3 billion in 2008-09, an increase of \$365 million or 4.6 per cent on the 2007-08 Budget.

During 2007-08, the Department implemented new government initiatives to meet Government priorities. These included:

- ◆ improving the effectiveness and retention rates of permanent new teachers by providing additional support in their first year of teaching
- ◆ providing additional support for students in their transition from primary to secondary school

- ◆ ensuring children from disadvantaged backgrounds are provided with priority access to government pre-schools
- ◆ providing 50 additional Reading Recovery Teachers for one-on-one literacy assistance to Year 1 students
- ◆ providing new teacher induction programs including literacy teaching skills for Year 5-9 teachers
- ◆ commencing the roll out of Best Start Literacy and Numeracy assessment for students in their first year of schooling in 434 schools
- ◆ delivery of numeracy teaching materials to support the K-6 mathematics syllabus and
- ◆ beginning the roll-out of interactive whiteboards, video conferencing capacity, enhanced bandwidth and improved security to support student learning and to help eliminate the distance barrier and provide access to expertise.

The Department also continued to implement a range of initiatives designed to improve learning outcomes for Aboriginal school students including:

- ◆ 10,000 Aboriginal students having Personalised Learning Programs and
- ◆ continuing the implementation of the Kids Excel Program in priority communities.

These strategies are directed at improving student performance and wellbeing and addressing the disparity in performance for those students with additional educational needs.

Over \$220 million was provided for school maintenance in 2007-08, to significantly increase the number of maintenance projects. These funds were applied to the improvement of school facilities through the painting of classrooms and general use areas, replacement of floor coverings, improvement of school grounds and undertaking preventative maintenance works to roofs, drains and electrical services.

## **STRATEGIC DIRECTIONS**

The following strategies reflect the NSW Government's commitment to education and training:

- ◆ strengthening teaching and learning through high quality staff, evidence based programs and innovative initiatives
- ◆ delivering education that enables students to meet or exceed literacy and numeracy benchmarks
- ◆ delivering education and training that increases the number of students completing Year 12 or recognised vocational training
- ◆ delivering training that is flexible and relevant to industry and individuals and more accessible in regional and rural New South Wales and
- ◆ implementing corporate governance that builds better links between performance, planning and use of resources.

## **2008-09 BUDGET INITIATIVES**

### **Total Expenses**

Total investment in school education services for 2008-09 is estimated at \$9.1 billion. This is an increase of \$403 million or 4.7 per cent on last year's budget. This includes over \$90 million that is estimated to be received from the Commonwealth Government to support its election commitments for the Digital Education Revolution, Trade Training Centres and Additional Training Places for Existing Workers. In 2008-09, the Government will continue key initiatives introduced in the 2007-08 Budget to implement State Plan priorities including:

- ◆ \$81.6 million over four years for the The Best Start initiative to introduce a consistent literacy and numeracy assessment to better guide the learning of all kindergarten students in public schools
- ◆ \$38.8 million (excluding depreciation) over four years for the Connected Classrooms initiative to significantly expand technology based learning in government schools
- ◆ \$22.1 million over four years for the Support for Beginning Teachers initiative to improve the effectiveness and retention of permanent new teachers

- ◆ \$11.5 million over four years for the Transition to Year 7 initiative to provide support for students' transition from primary to secondary schools and
- ◆ \$7.8 million (excluding depreciation) over four years for the School Sport initiative to promote and extend school sporting competitions and encourage students' participation in physical activity.

In 2008-09, around \$230 million will be spent on school maintenance. This includes the painting of classrooms and general use areas, replacement of floor coverings, improvement of school grounds and preventative works to roofs, drains and electrical services.

## **Capital Expenditure**

The Government will spend \$648 million on the infrastructure program during 2008-09 to meet its commitment to provide quality school facilities to give NSW students the best opportunities for their future.

Capital funding provides for the construction of new and replacement schools, construction of additional facilities at existing schools and the upgrading of buildings to modern standards. Sites for new schools, furniture and equipment and major information technology projects are also funded under this program.

In 2008-09, the Department will spend \$127 million to support the following key Government initiatives started in 2007-08:

- ◆ Building Better Schools (\$280 million over four years), which will substantially upgrade NSW government schools.
- ◆ Connected Classrooms (\$119 million over four years), aiming to significantly expand technology-based learning in government schools through the use of video-conferencing and interactive whiteboards, and tools that enable the sharing of information in interactive environments.
- ◆ School Sport (\$50 million over four years), focused on the improvement of sporting facilities in schools.
- ◆ Learn or Earn (\$18.9 million over four years), which includes the provision of an additional 15 trade schools across schools and TAFE colleges.

In 2008-09, \$40 million is to be spent on phase one of the Learning Management and Business Reform Program (\$153 million over four years), which will upgrade the Department's finance system and TAFE's human resource and payroll systems.

Around \$370 million is to be spent in 2008-09 for minor works on the construction and improvement of school facilities. This includes \$120 million that is estimated to be received from the Commonwealth Government to support its election commitments for the Digital Education Revolution and Trade Training Centres. The minor works program incorporates initiatives to upgrade toilets and other student and teacher facilities and to purchase computers in schools.

The Department continues to provide new schools in 2008-09 under the Public Private Partnership arrangement at a total cost of \$106 million. The remaining schools to be completed by 2009 include public schools at Elderslie and Middleton Grange and a high school at Rouse Hill.

This year's program also provides for:

- ◆ the commencement of 16 major new building works projects in schools at a total cost of \$148 million, including the upgrading of facilities at Cairnsfoot, Carenne and Kalinda schools for specific purposes, Casino Public School, East Hills Girls, East Hills Boys, Kempsey and Ulladulla High Schools together with a new high school at Kariong and a new public school at Wilton and
- ◆ the continuation of building work on 42 projects at schools commenced in previous years, including staged work, upgrades and redevelopments at Bowraville Central School, Floraville, Helensburgh, Tumut and Woollahra Public Schools, Coffs Harbour and Tweed River High Schools.

The Department's total capital expenditure over four years from 2007-08 will be over \$2 billion for both schools and TAFE. This represents the largest public education and training capital works program ever undertaken in New South Wales. Some of the projects in this program will attract Commonwealth Government funding.

## ***TAFE AND RELATED SERVICES***

### **RECENT ACHIEVEMENTS**

TAFE NSW continues to be the largest provider of workforce training in Australia, at a time of significant technological change and skilled labour shortages. The implementation of the TAFE NSW Institutes' Purchasing Agreements is improving efficiency and increasing responsiveness to industry and community needs. TAFE NSW has broadened the range of services it delivers to employers through providing total workforce development solutions.

To meet the skills required for a growing NSW economy, TAFE NSW is increasing the number of training places in areas of skill shortages. In 2007 TAFE NSW increased apprenticeship enrolments in the eight priority skills shortage areas identified in the NSW Vocational Education and Training Plan. Significant growth occurred in a range of industry areas including Plumbing, Electrical, Engineering, Building and Construction, Hairdressing and Automotive. Growth has also occurred in non-trade skill shortage areas including Information Technology, Child Care and Aged Care.

In addition, TAFE NSW has numerous partnerships with industry aimed at tackling business development needs. It continues to deliver a range of programs designed to help NSW businesses remain internationally competitive as well as to train skilled workers being sought after by emerging industries such as environmental sustainability.

In regional areas, TAFE NSW plays a major role in providing the skilled workforce needed to support the economic development of local communities. By increasing the use of technology, regional students have more opportunity to improve their vocational skills without having to leave their home towns.

TAFE NSW plays an essential role in meeting the State Plan priorities related to increasing participation in training, including in rural areas and providing vocational education and training to students to enable them to complete Year 12 or recognised vocational training equivalent.

Ten Trade Schools are being established in key regions of the State through new or refurbished vocational education and training facilities within schools and TAFE NSW colleges, as part of the Government's plan to address skills shortages.

## **STRATEGIC DIRECTIONS**

The TAFE NSW strategic priorities are based on improving the flexibility and responsiveness of training services and supporting the continued growth of the NSW economy.

Service improvements are being achieved through the introduction of the TAFE NSW Institutes' Purchasing Agreements. This, plus other initiatives should ensure that TAFE NSW Institutes have the capability to meet the new and emerging demands of changing patterns of work and job roles, as well as widely diverging needs of students and employers. TAFE NSW will offer greater service diversity and flexibility for learners, employers and other customers. Priorities include:

- ◆ strengthening locally customised services
- ◆ building new relationships with industry and enterprises, and extending innovative and responsive ways of operating

- ◆ implementing personalised services by tailoring services for individuals and
- ◆ investing in TAFE NSW staff and technologies.

Specific programs include:

- ◆ increasing enrolments in skill shortage areas
- ◆ helping to implement the initiative, Training our Workforce, which sets out a range of TAFE NSW measures between 2007 and 2011 that will assist more than 33,000 people to obtain skills training or have their existing skills recognised
- ◆ training young workers under the initiative, Learn or Earn, which will provide a guaranteed training place between 2007 and 2011 at TAFE NSW for 5,850 young people under 18 years of age who have not completed Year 12 and do not have a job and
- ◆ establishing trade schools to increase skill development and further broaden career opportunities for young people.

## **2008-09 BUDGET INITIATIVES**

### **Total Expenses**

In 2008-09, the total investment in TAFE NSW and related services is estimated at \$1.9 billion, an increase of \$90 million on the 2007-08 budget.

In 2008-09, the Government will continue key initiatives introduced in the 2007-08 budget to implement Government priorities including:

- ◆ \$47 million over four years for the Training our Workforce initiative to provide additional training opportunities contributing to the achievement of the State Plan target and
- ◆ \$50 million over four years for the Learn or Earn initiative to improve trade skills by increasing take up and completion of apprenticeships. This will contribute to the State Plan target to increase the proportion of population aged 15-64 participating in vocational education.

## Capital Expenditure

The TAFE capital program for 2008-09 is \$85 million. This provides for the commencement of 12 new major projects at an estimated total cost of \$60 million. These include the upgrading of facilities at Granville, Hamilton, Macquarie Fields and Temora TAFE colleges. Work will continue on 22 projects at TAFE Colleges commenced in previous years at an estimated total cost of more than \$135 million. This includes works at Blue Mountains (Katoomba), Dubbo, Ryde and Tamworth TAFE colleges.

## AGENCY RESULT INDICATORS

### *Increased levels of attainment for all students*

<b>Result Indicator</b>	<b>Units</b>	<b>2005 Actual</b>	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Forecast</b>
i) Year 3 students meeting national reading benchmarks	%	93.3	93.1	93.7	94.0
ii) Year 5 students meeting national reading benchmarks	%	89.7	90.3	90.4	90.7
iii) Year 7 students meeting national reading benchmarks	%	88.1	88.4	88.9	89.3
iv) Year 3 students meeting national numeracy benchmarks	%	95.4	95.8	95.7	95.9
v) Year 5 students meeting national numeracy benchmarks	%	91.7	92.6	92.3	92.5
vi) Year 7 students meeting national numeracy benchmarks	%	75.8	72.7	77.4	78.2

Note: These measures include students in both government and non-government schools.

**More students complete Year 12 or accredited vocational education**

Result Indicator	Units	2005 Actual	2006 Actual	2007 Actual	2008 Forecast
i) NSW population aged 20-24 years who have attained a Year 12 certificate or VET qualification at AQF Certificate II or above	%	82.7	83.5	84.0	84.7
ii) Year 10 to 12 apparent retention rates for full-time students	%	68.5	68.2	67.8	71.1
iii) TAFE NSW 15-24 year olds completions in AQF II and above	no.	New	33,526	33,790	34,656
iv) Students in all NSW schools enrolled in part-time apprenticeships and traineeships	no.	New	1,310	1,530	1,560

**More people participating in education and training throughout their lives**

Result Indicator	Units	2005 Actual	2006 Actual	2007 Actual	2008 Forecast
i) Students in all NSW schools enrolled in part-time apprenticeships and traineeships	no.	New	1,310	1,530	1,560
ii) Estimated proportion of the NSW population (aged 15-64 years) with non-school qualifications	%	54.2	54.7	55.0	55.3
iii) Estimated proportion of the NSW population (aged 15-64 years) participating in VET	%	11.7	11.9	12.4	12.8

**Improved access to training in regional and rural New South Wales**

Result Indicator	Units	2005 Actual	2006 Actual	2007 Actual	2008 Forecast
i) 15-64 year olds participating in VET in regional areas	no.	220,030	228,151	231,676	237,500

## **OFFICE OF THE BOARD OF STUDIES**

The Office of the Board of Studies supports the Minister for Education and Training and the Board of Studies in their respective functions under the *Education Act 1990*. The Board develops syllabuses and curriculum support materials from Kindergarten to Year 12; registers and accredits non-government schools; administers home schooling registration, and prepares and conducts the School Certificate (SC) tests and Higher School Certificate (HSC) examinations. The Office of the Board of Studies also encompasses the Australian Music Examinations Board (NSW) and the Aboriginal Education Consultative Group.

### **RESULTS AND SERVICES**

The Office contributes to school students fulfilling their potential by working towards the following results:

- ◆ More students in Years 3, 5, 7 and 9 achieve minimum and proficiency levels in literacy and numeracy.
- ◆ More students complete Year 12 or recognised vocational training better prepared for further study, training or employment.
- ◆ Non-government schools and home schooling families deliver higher quality educational programs based on the Board's mandatory requirements.

Key services provided by the Office to contribute to these results include:

- ◆ providing high quality syllabuses and support materials that promote high standards of primary and secondary education
- ◆ providing internationally-regarded, comprehensive, flexible and inclusive credentials that meet the needs of students and the community and
- ◆ undertaking a program of inspections and monitoring that ensures non-government schools comply with statutory registration and accreditation requirements.

The key services delivered by the Board and the way in which they are expected to contribute to results are set out in the following table:

Service Groups	2008-09 Budget Expenses  \$m	Results		
		More students in Years 3, 5,7 and 9 achieve minimum and proficiency levels in literacy and numeracy	More students complete Year 12 or recognised vocational training better prepared for further study, training or employment	Non-government schools and home schooling families deliver higher quality educational programs based on the Board's mandatory requirements
Curriculum Development and Support	10.4	✓	✓	✓
Examinations, Assessment and Credentialling	92.0		✓	✓
Registration and Accreditation	3.4	✓	✓	✓
<b>Total Expenses Excluding Losses</b>	<b>105.8</b>			

## RECENT ACHIEVEMENTS

In 2007, over 67,000 students, a record, sat for the HSC in 110 courses. Almost 31 per cent of these candidates studied one or more vocational education and training (VET) courses leading to nationally recognised employment qualifications along with their HSC.

Nearly 87,000 students in 2007 sat for School Certificate tests in English-literacy, mathematics, Australian history, Australian geography, civics and citizenship, and computing skills. Over 70 per cent of students who sat for the computing skills test did so online.

The performance of New South Wales students again compared favourably against international benchmarks such as the 2006 Program for International Student Assessment. Courses of study in New South Wales schools are based on and taught in accordance with Board syllabuses.

The Government amended the *Education Act 1990* in 2004 to increase the scope of the Board's regulatory role for the non-government school sector. The changes raised the standards expected of the more than 900 New South Wales non-government schools, including public disclosure of key financial and educational information in their annual reports. Two major changes were implemented during 2007. Firstly, annual school reports were required to include additional educational accountability indicators. Secondly, school proprietors were required to comply with enhanced corporate governance standards.

## **STRATEGIC DIRECTIONS**

The Office has strategies to address current and emerging developments, including:

- ◆ the continuing growth in HSC and School Certificate student numbers
- ◆ the need for more efficient service delivery
- ◆ the increasing use of information and communications technologies (ICT) and
- ◆ the Commonwealth Government's policies relating to national testing, student reports, annual school reporting and a nationally consistent curriculum.

## **2008-09 BUDGET INITIATIVES**

### **Total Expenses**

Total expenses for 2008-09 are estimated at \$105.8 million. Key expenditure initiatives in 2008-09 include:

- ◆ \$584,000 to support the revision of the Board's syllabuses for Stage 6 mathematics, Stage 6 legal studies and Kindergarten to Year 6 science and technology
- ◆ \$638,000 for increases in HSC candidature and
- ◆ \$400,000 to support the development of VET curriculum frameworks in the hospitality, tourism and business services industries.

## Capital Expenditure

The capital program for 2008-09 of \$2.6 million provides for \$1.5 million for the replacement of the Office's ICT infrastructure, \$891,000 to replace the Australian Music Examinations Board (NSW)'s use of leased facilities with owned facilities that meet Australian Music Examinations Board (NSW) standards, \$130,000 to fund Efficiency Improvement Plan initiatives in online services and commercial products and \$100,000 for ICT services to assist examination candidates with disabilities.

## AGENCY RESULT INDICATORS

### *More students in Years 3, 5, 7 and 9 achieve minimum and proficiency levels in literacy and numeracy*

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) NSW students demonstrating minimum/proficiency levels in PISA :					
- Reading Literacy	%	97 / 71	97 / 71	96 / 67	96 / 67
- Mathematical Literacy	%	96 / 67	96 / 67	97 / 66	97 / 66
ii) Ranking of NSW students relative to other states and territories in TIMSS					
- Mathematics (Year 8)		1st	1st	...	...
- Mathematics (Year 4)		2nd	2nd	...	...
iii) Students awarded full School Certificate credential	'000s	83	84	84	85
Notes:					
i) - ii) PISA – Program for International Student Assessment conducted by the OECD for 15 year olds every three years for Reading Literacy and Mathematical Literacy. The TIMSS - Trends in Mathematics and Science Study (for Year 4 and Year 8 students) is conducted every four years. The most recently published PISA (for 2006) and TIMSS results (for 2003) are included for information in the Table.					

**More students complete Year 12 or recognised vocational training  
better prepared for further study, training or employment**

<b>Result Indicator</b>	<b>Units</b>	<b>2005-06 Actual</b>	<b>2006-07 Actual</b>	<b>2007-08 Budget</b>	<b>2008-09 Forecast</b>
i) HSC candidates demonstrating sound achievement standards or higher.	%	67.4	66.2	67.2	68.2
ii) HSC VET credentials at AQF Certificate II level or higher	no.	14,523	14,707	14,707	14,707
iii) HSC VET credentials at AQF Certificate III level	no.	309	672	672	672
iv) NSW population aged 20-24 years with Year 12 or VET qualification at AQF Certificate II level or higher.	%	83.5	84.5	85.1	85.7
v) AMEB students credentialed at grade 8 or higher	no.	1,413	1,508	1,492	1,492
<b>Notes:</b>					
i) Percentage of students achieving Band 4 or higher, or Band E2 or Higher.					
ii) Number of VET Certificate II qualifications issued in Stage 6 by the Board of Studies, Private Providers and TAFE NSW.					
iii) Number of VET Certificate III qualifications issued in Stage 6 by the Board of Studies, Private Providers and TAFE NSW.					
iv) State Plan target of 90 per cent by 2016.					

**Non-Government schools and home schooling families deliver higher quality educational programs based on the Board's mandatory requirements**

Result Indicator	Units	2005-06 Actual	2006-07 Actual	2007-08 Budget	2008-09 Forecast
i) Non-government schools registered for maximum allowable period.	%	83	87	87	87
ii) Non-government schools accredited for the HSC.	no.	313	314	314	314
iii) Home schoolers registered for maximum requested period.	%	77.4	74.4	78.5	78.5

**Notes:**

- i) Schools do not receive the maximum period if they are new, are expanding into new years of schooling or if the Board has concerns about compliance. Registrations commencing 2005 have a maximum of 5 years. Prior to that it was six years.
- ii) Schools presenting candidates for the HSC must have a separate HSC accreditation.
- iii) Home schoolers assessed as meeting mandatory requirements unconditionally may be granted registration for up to two years.

**BUILDING AND CONSTRUCTION INDUSTRY LONG SERVICE PAYMENTS CORPORATION**

The Corporation administers the *Building and Construction Industry Long Service Payments Act 1986* which provides a portable long service scheme to building and construction workers in New South Wales.

**RESULTS AND SERVICES**

The Corporation delivers an industry based long service payments scheme for workers in the NSW building and construction industry by working towards the following results:

- ◆ Intended beneficiaries of the scheme receive their entitlements.
- ◆ Rights are observed and employer obligations are enforced.

Key services provided by the Corporation that contribute to these results include:

- ◆ maintaining records of service and the payment of entitlements
- ◆ undertaking compliance programs such as auditing employers

- ◆ promoting the scheme and
- ◆ collecting the long service leave levy and ensuring compliance.

The key services provided by the Corporation and the way in which they are expected to contribute to results are set out in the following table.

Service Groups	2008-09 Budget Expenses  \$m	Results	
		Scheme beneficiaries receive their entitlements	Scheme rights and obligations are observed and enforced
Long Service Leave Scheme Management	97.1	✓	✓
<b>Total Expenses Excluding Losses</b>	<b>97.1</b>		

## RECENT ACHIEVEMENTS

Investment income is predicted to be significantly weaker than budgeted in 2007-08 due to the drop in equity prices during the year. As a result, investment income projections and values of financial assets have been revised to incorporate these market changes.

With the implementation of a new worker registry system in 2007, the Corporation has been able to establish a new business approach for employers to notify the Corporation when new workers are taken on and to notify the days of service they have worked each financial year. This has simplified the requirements on employers.

In addition to internet functionality for employers to submit their worker related information, access for viewing records has been extended to workers.

Each year, for a number of years now, record numbers of workers have received payments. During 2007-08, 10,020 long service payments were made totalling \$50.5 million.

## STRATEGIC DIRECTIONS

The Corporation continues to examine and implement ways in which customer service and the effectiveness and efficiency of the organisation's operations may be improved. The Corporation is looking to maximise employer and worker awareness, their rights and responsibilities and to extend the adoption and use of the new online services.

Long service benefits from the scheme are required to be readily available when members decide to claim them. The Corporation cannot control the number of claims that may be made in any year, and therefore disbursements and cash flows may vary significantly from year to year and from Budget figures.

## **2008-09 BUDGET INITIATIVES**

### **Total Expenses**

Budget figures for scheme liabilities, long service payments, investment and levy income are based on the latest actuarial advice whilst current year projections take into account both actuarial advice and the latest circumstances and experience.

Total expenses are estimated to be \$97.1 million, of which \$85.6 million relates to long service payments made to beneficiaries and a long service payments liability expense, which encompasses new liabilities accumulating during the year and any changes in the accumulated liability.

Total income is estimated at \$133.7 million, of which \$86.1 million is income from the long service levy and \$47.6 million is investment earnings from funds invested through New South Wales Treasury Corporation.

This will result in an operating surplus of \$36.5 million in 2008-09.

### **Capital Expenditure**

An amount of \$500,000 has been budgeted for improvements to core operating systems and annual provisions.

## **MOTOR ACCIDENTS AUTHORITY**

The Motor Accidents Authority of New South Wales monitors and supervises the Compulsory Third Party (CTP) Scheme for motor vehicles registered in New South Wales. Competing licensed insurers sell CTP insurance (known as the 'Green Slip') to the public in New South Wales.

### **RESULTS AND SERVICES**

The Authority contributes to reducing the social costs of motor vehicle accidents by working towards the following results:

- ◆ The risk of road crash injury is reduced.
- ◆ The community can rely on a viable CTP scheme.

- ◆ All CTP scheme participants receive just and expeditious compensation.
- ◆ The health outcomes of injured people covered by the CTP scheme are improved.

Key services provided by the Authority to contribute to these results include:

- ◆ monitoring the operation of the CTP Scheme
- ◆ providing funding for the reduction of trauma as a result of motor vehicle accidents
- ◆ issuing certain guidelines to ensure compliance with the Act
- ◆ providing advice to the Minister on the efficiency and effectiveness of the Scheme
- ◆ providing support and advice to the Motor Accidents Council
- ◆ providing claims and medical dispute resolution services and an advisory service
- ◆ promoting public education and awareness of the Green Slip and various road safety initiatives and
- ◆ monitoring and reviewing legislation and policy coordination.

The Authority has statutory functions in connection with third party insurance, including its role as the Nominal Defendant, and in the licensing and supervision of insurers.

The key services provided by the Authority and the way in which they are expected to contribute to results are set out in the following table:

Service Groups	2008-09 Budget Expenses  \$m	Results			
		The risk of road crash injury is reduced	The community can rely on a viable CTP scheme	Scheme participants receive just and expeditious compensation	Scheme participants attain optimal health outcomes
Policy, Performance and Community Assistance	49.3	✓	✓	✓	✓
Motor Accidents Assessments Service	77.5			✓	✓
<b>Total Expenses Excluding Losses</b>	<b>126.8</b>				

## **RECENT ACHIEVEMENTS**

On behalf of the Crown Finance Entity, the Authority manages HIH payments to claimants and service providers through its agent Allianz Insurance Co. Ltd. The actuarial valuation of HIH claims liabilities was estimated at \$58.2 million (discounted value, net of reinsurance and including claims handling expenses) as at 30 June 2007. The Crown Finance Entity assumed the liabilities for third party motor insurance after the collapse of HIH.

## **STRATEGIC DIRECTIONS**

The Authority aims to administer its programs in an effective, efficient and economical manner, whilst ensuring compliance with all relevant statutory requirements.

The Authority is committed to maintain an affordable, fair and accessible CTP Insurance and Compensation Scheme by:

- ◆ being an effective regulator
- ◆ promoting appropriate treatment of injured persons
- ◆ providing medical and claims assessments in disputed cases
- ◆ providing advice to the Minister, Board and other stakeholders
- ◆ supporting injury prevention initiatives and
- ◆ providing services as the Nominal Defendant.

## **2008-09 BUDGET INITIATIVES**

### **Total Expenses**

The Authority's total expenses in 2008-09 are estimated to be \$126.8 million. This includes \$28.9 million in grants for road safety and rehabilitation projects.

The Authority derives income primarily from a levy on CTP insurance premiums collected by licensed insurers. For 2008-09, this levy is set at 10 per cent, consistent with the prior year. The Authority's projected revenue is \$124.9 million over the period, based on actuarial advice received in February 2008.

In 2008-09 a projected deficit of \$1.9 million will be funded from the Authority's retained earnings.

## **Capital Expenditure**

The Authority's capital expenditure program relates solely to office related equipment such as computers, office machines and furniture and is budgeted at \$370,000 for 2008-09.

## **OFFICE OF THE MOTOR ACCIDENTS AUTHORITY**

The Office of the Motor Accidents Authority was established under the *Public Sector Employment and Management Act 2002*. The Office has statutory functions in connection with the provision and management of personnel services to the Motor Accidents Authority of New South Wales and the Lifetime Care and Support Authority of New South Wales.

## **RECENT ACHIEVEMENTS**

The Office of the Motor Accidents Authority supports the Motor Accidents Authority and the Lifetime Care and Support Authority by undertaking the provision of a comprehensive range of personnel services to those Authorities under service agreements.

## **STRATEGIC DIRECTIONS**

The Office aims to implement effective, efficient and economical management and corporate service for its supported Authorities.

## **2008-09 BUDGET INITIATIVES**

### **Total Expenses**

The Office's total expenses in 2008-09 are estimated to be \$15 million comprised entirely of employee related expenditure. The Authority's income is derived from personnel and corporate support. The Office is expected to run a balanced budget position.

## **WORKERS' COMPENSATION (DUST DISEASES) BOARD**

The Workers' Compensation (Dust Diseases) Board was established under the *Workers' Compensation (Dust Diseases) Act 1942-1967*. Under the Act, the Board is required to determine eligibility and award compensation to workers and to dependants of deceased workers. The Board is also responsible for administering the Workers' Compensation (Dust Diseases) Fund. This includes payment of monies for compensation, awards, research grants, fees, salaries and all other costs of administering the Act, including the operating expenses of the Dust Diseases Tribunal.

### **RESULTS AND SERVICES**

The Board's statutory function is to administer the Act, subject to the direction of the Minister for Industrial Relations, through whom it reports annually to the New South Wales Parliament.

The Board strives to achieve this objective by working towards the following results:

- ◆ No-fault compensation and quality practical assistance and services to eligible workers and their dependants is assured.
- ◆ There is efficient administration of trust funds.
- ◆ The Board is the leading source of education and research into dust diseases thereby improving quality of medical treatment, outcomes and patients' quality of life.

Key services provided by the Board to contribute to these results include:

- ◆ administration of the no-fault compensation scheme, a major function of which includes making compensation payments to workers and their dependants
- ◆ facilitation of effective medical and occupational screening, assessment and health surveillance of applicants
- ◆ promotion of education and research into dust diseases in Australia and
- ◆ effective administration of the Board's finances to prudently maximise return on investment.

The key service provided by the Board and the way in which they are expected to contribute to results are set out in the following table:

Service Groups	2008-09 Budget Expenses  \$m	Results		
		Assurance of no-fault compensation	Efficient administration of trust funds	Leading source of education and research
Compensation and awards	84.4	✓		
Medical services	1.2	✓		
Education and research	1.3			✓
Financial management and investment	17.9	✓	✓	
<b>Total Expenses Excluding Losses</b>	<b>104.8</b>			

## RECENT ACHIEVEMENTS

Investment income is predicted to be significantly weaker than budgeted in 2007-08, due to a material drop in equity prices during the year. As such, investment income projections and values of financial assets have been revised to incorporate these negative market fluctuations.

The Board's expenses mostly comprise compensation payments made, costs associated with claims and any additional dust disease compensation liabilities recognised. The estimates for claims expenses are based on actuarial advice.

The Board estimates its liabilities on the basis of incurred but not reported claims. The Board is projecting to have total assets of \$1.6 billion as at June 2009, comprised mainly of \$757.6 million of cash and other financial assets and \$784.8 million of receivables, mainly future levy income, to offset total liabilities of \$1.6 billion.

## STRATEGIC DIRECTIONS

The Board's policy is to maintain the Dust Diseases levy rate for 2008-09 at a level sufficient to meet liabilities associated with reported claims and claims incurred but not reported over a medium to longer term.

The Board's fundamental objective is to compensate and improve the care, dignity and health of workers suffering from dust diseases. The Board also provides a mobile respiratory screening service for industry, funds numerous research programs and promotes awareness in occupational respiratory health.

## **2008-09 BUDGET INITIATIVES**

### **Total Expenses**

Total expenses in 2008-09 are estimated at \$104.8 million. These include \$72 million in compensation claims including costs of claims payable.

### **Capital Expenditure**

The Board is budgeting to acquire \$2.5 million of assets in 2008-09, comprising computer equipment, computer software and scientific equipment upgrades.

## **WORKCOVER AUTHORITY**

WorkCover Authority (WorkCover) is a statutory authority and its primary function is to work in partnership with the NSW community to achieve safe productive workplaces and effective recovery, return to work and security for injured workers. WorkCover:

- ◆ promotes the prevention of injuries and diseases at the workplace and the development of healthy and safe workplaces
- ◆ promotes the prompt, efficient and effective management of the return to work of persons injured at work and
- ◆ regulates the operation of workers compensation insurance arrangements.

WorkCover's main statutory functions are to ensure compliance with the following legislation: *Occupational Health and Safety Act 2000, Workers Compensation Act 1987, Workplace Injury Management and Workers Compensation Act 1998, Workers Compensation (Bush Fire, Emergency & Rescue Services) Act 1987, Explosives Act 2003, Workers Compensation (Dust Diseases) Act 1942, Sporting Injuries Insurance Act 1978, Rural Workers Accommodation Act 1969* and their associated regulations and codes of practice.

From 1 July 2005, the Nominal Insurer became the insurer for the New South Wales Workers Compensation Scheme (the Scheme). The Nominal Insurer is responsible for issuing workers compensation policies, managing claims and managing the Workers Compensation Insurance Fund. WorkCover exercises the powers of the Nominal Insurer and acts on its behalf.

WorkCover's budget has been funded by levies on the premium income of the Nominal Insurer and specialised insurers and deemed premium income of self-insurers. Other funding sources include licensing fees, investment income and other miscellaneous sources.

From 1 July 2008, this model of funding will change so that WorkCover will be able to access the Workers Compensation Insurance Fund for funding its net operating budget, after deducting estimated revenue from other sources. WorkCover's existing power to impose a levy on the premium income of the Nominal Insurer will be removed, but it will still retain power to impose a levy on the specialised insurers and the self-insurers.

In 2007-08, WorkCover expects to transfer any accumulated cash surplus to the Workers Compensation Insurance Fund.

## **RECENT DEVELOPMENTS**

The financial position of the WorkCover Scheme continues to improve. The Scheme surplus has increased by \$727 million to \$812 million over the past 12 months.

The improvement in the Scheme's performance since 2005 has resulted in New South Wales employers benefiting from an average 30 per cent reduction in premium rates. This represents a saving of \$785 million per annum.

## **STRATEGIC DIRECTIONS**

WorkCover is committed to ensuring safe, secure and productive workplaces by working in partnership with the NSW community. New South Wales is experiencing its lowest rates of workplace injuries since the Scheme commenced in 1987. Work-related fatalities have also more than halved in that time.

In line with Government priorities, WorkCover is supporting a strong and growing small business sector by improving compliance with workplace safety and workers compensation obligations through a number of initiatives:

- ◆ It is providing help to small businesses via a three-year Small Business Safety Program including:
  - \$500 rebates for small businesses that install safety equipment or make safety modifications to their workplace
  - the expansion of WorkCover's Mentoring Program to give small and medium sized businesses the benefit of safety expertise of large companies and
  - the employment of additional Business Advisory Officers.

- ◆ It is providing 1,500 free safety workshops and seminars across New South Wales during 2008-09, in both metropolitan and regional areas, to provide information and advice on workplace safety and workers compensation obligations.

## **2008-09 BUDGET INITIATIVES**

### **Total Expenses**

Total expenses for 2008-09 are estimated at \$253.7 million, including:

- ◆ \$74.3 million for the safety inspectorate and the prevention of injuries and diseases at workplaces
- ◆ \$31.4 million for the resolution of disputes including the funding of the Workers' Compensation Commission and
- ◆ \$23.3 million for the oversight and regulation of workers' compensation insurance arrangements, including the support of employers and employees with injury management and return to work programs.

### **Capital Expenditure**

The capital program of \$14.3 million in 2008-09 includes:

- ◆ \$5.9 million for infrastructure solutions to improve the technology platform on which the core business activities of WorkCover are based
- ◆ \$3.1 million for the ongoing upgrade of regional office accommodations including Wollongong and Gosford
- ◆ \$4.6 million for a range of software applications to facilitate Scheme reform and related occupational health and safety initiatives and
- ◆ \$743,000 for the purchase of minor technical and computer equipment.

## **OFFICE OF THE WORKCOVER AUTHORITY**

The Office of the WorkCover Authority was established under the *Public Sector Employment and Management Act 2002* as part of the State's WorkChoices insulation legislation. The Office provides personnel services to:

- ◆ WorkCover Authority
- ◆ Building and Construction Industry Long Service Payments Corporation
- ◆ Workers' Compensation (Dust Diseases) Board
- ◆ Workers' Compensation Commission and
- ◆ Sporting Injuries Committee.

## **STRATEGIC DIRECTIONS**

The Office aims to implement effective, efficient and economical personnel services to the recipient agencies.

## **2008-09 BUDGET INITIATIVES**

### **Total Expenses**

Total expenses in 2008-09 are estimated to be \$143.5 million, as the cost of providing personnel services to the recipient agencies. The Office has no operating surplus as it only receives funding from the recipient agencies equal to the value of the personnel services it provides to them.