
3 School education

This chapter focuses on performance information — effectiveness and efficiency — for government funded school education in Australia. Reporting relates to government funding only, not to the full cost to the community of providing school education. Descriptive information and performance indicators are generally available for:

- government primary and secondary schools;
- non-government primary and secondary schools; and
- school education as a whole (government and non-government primary and secondary schools).

Schooling aims to provide education for all young people. The main purposes of school education are to assist students in:

- attaining knowledge, skills and understanding in key learning areas;
- developing their talents, capacities, self-confidence, self-esteem and respect for others; and
- developing their capacity to contribute to Australia’s social, cultural and economic development.

This year, the Report has been enhanced by the inclusion of nationally comparable learning outcomes for:

- numeracy for years 3 and 5; and
- reading, mathematical and scientific literacy for 15 year olds.

Reporting on outcomes for Indigenous students has also been improved.

Following a discussion of the profile of school education in Australia in section 3.1, recent policy developments are discussed in section 3.2. These two sections provide the context for the assessment of performance indicators in the subsequent sections. Section 3.3 includes the framework of performance indicators for school education and section 3.4 presents and discusses the available data relating to this framework. In section 3.5, future directions in the development and reporting of performance indicators for school education are discussed. The chapter concludes with jurisdictions’ comments in section 3.6 and definitions of terms in section 3.7.

Supporting tables

Supporting tables for chapter 3 are provided on the CD-ROM enclosed with the Report. The files are provided in Microsoft Excel 97 format as \Publications\Reports\2003\Attach3A.xls and in Adobe PDF format as \Publications\Reports\2003\Attach3A.pdf.

Supporting tables are identified in references throughout this chapter by an 'A' suffix (for example, table 3A.3 is table 3 in the electronic files). These files can be found on the Review web page (www.pc.gov.au/gsp). Users without Internet access can contact the Secretariat to obtain these tables (see details inside the front cover of the Report).

3.1 Profile of school education

Service overview

Schools are the institutions within which organised school education takes place. They are differentiated by the type and level of education they provide, their ownership and management, and the characteristics of their student body.

The formal statistical definition of schools used for this chapter is:

... an establishment that satisfies all of the following criteria:

- its major activity is the provision of full time day primary, secondary or special school education or primary or secondary distance education;
- it is headed by a principal (or equivalent) responsible for its internal operation; and
- it is possible for students to enrol and be active in a course of study for a minimum of four continuous weeks (excluding breaks for school vacations) (ABS 2002a).

Student performance can be affected by factors that may be partly or totally outside the influence of the school system, such as student commitment, family environment (including wealth, parents' educational attainment and support for the child) and the proximity of the school to other educational facilities. It is beyond the scope of this Report to consider the effect of all factors, but this section provides some contextual background for the performance information presented later in the chapter. Further information is provided in appendix A.

Roles and responsibilities

The State and Territory governments have constitutional responsibility to ensure the delivery of schooling to all children of school age. They determine curricula, regulate school activities and provide most of the funding. State and Territory governments are directly responsible for the administration of government schools, for which they provide the majority of government expenditure. Non-government schools operate under conditions determined by State and Territory government registration authorities and receive significant Commonwealth, State and Territory government funding.

The Commonwealth funds government and non-government schools through specific purpose payments. The Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) — comprising Commonwealth, State and Territory Education Ministers — is the principal forum for developing national priorities and strategies for schooling.

Funding

Commonwealth, State and Territory government expenditure on school education in 2000-01 was \$21.9 billion (table 3.1). Expenditure on government schools was \$17.3 billion, or 78.6 per cent of the total. Government schools account for most of the expenditure by State and Territory governments, but these governments also contribute to the funding of non-government schools and provide services used by both government and non-government schools. More information, including on Commonwealth spending on Indigenous-specific programs, can be found in tables 3A.5 and 3A.6.

Nationally, State and Territory governments provided 89.1 per cent of total government expenditure on government schools in 2000-01, and the Commonwealth Government provided 10.9 per cent. In contrast, government expenditure on non-government schools in that year was mainly provided by the Commonwealth (71.8 per cent), with States and Territories providing 28.2 per cent (table 3.1). The expenditure figures for this Report are based on accrual accounting and are not comparable with expenditure figures included in reports up to and including the 2001 Report (which were based on cash accounting).

Some data are presented on government funding of non-government schools. Caution needs to be taken in examining data on the efficiency of government and non-government schools because governments provide only part of the funding for non-government schools. Governments provided 57 per cent of non-government

school funding in 2000, with the remaining 43 per cent sourced from private fees and fundraising (MCEETYA 2002a).

Table 3.1 Government expenditure on school education, 2000-01 (\$ million)^{a, b}

	<i>NSW</i>	<i>Vic</i>	<i>Qld</i>	<i>WA</i>	<i>SA</i>	<i>Tas</i>	<i>ACT</i>	<i>NT</i>	<i>Aust</i>
Government schools									
Commonwealth	629	431	351	186	155	54	32	34	1 872
States and Territories	4 836	3 677	3 056	1 458	1 275	444	305	328	15 379
Total	5 465	4 108	3 407	1 644	1 430	498	337	362	17 251
Non-government schools									
Commonwealth	1 121	886	613	339	252	64	69	30	3 373
States and Territories	480	270	258	152	82	29	27	24	1 322
Total	1 600	1 156	871	491	333	93	96	54	4 695
All schools									
Commonwealth	1 750	1 316	964	525	407	118	101	64	5 245
States and Territories	5 316	3 947	3 314	1 610	1 357	473	331	352	16 701
Total	7 065	5 264	4 279	2 135	1 764	591	433	416	21 946

^a See notes to table 3A.8 for definitions and data caveats. ^b Based on accrual accounting.

Source: MCEETYA 2002b (unpublished); Commonwealth, State and Territory governments (unpublished); table 3A.8.

Size and scope

Descriptive information on the numbers of students, staff and schools can be found in tables 3A.1–3A.4.

Structure

The structure of school education varies across States and Territories. These differences can influence the interpretation of data presented under common classifications. Formal schooling begins with six to seven years of primary school education followed by five to six years of secondary school education, depending on the State or Territory (figure 3.1). All States and Territories divide school education into compulsory and noncompulsory components based on age, not grade. School education is compulsory in all States and Territories for people between 6 and 15 years of age (and to 16 years of age in Tasmania).

Figure 3.1 Structure of primary and secondary schooling, 2001

<i>Level</i>	<i>NSW, Vic, Tas, ACT</i>	<i>SA, NT</i>	<i>WA, Qld</i>
Year 12	SECONDARY	SECONDARY	SECONDARY
Year 11			
Year 10			
Year 9			
Year 8			
Year 7			
Year 6	PRIMARY	PRIMARY	PRIMARY
Year 5			
Year 4			
Year 3			
Year 2			
Year 1			
Pre-year 1 ^a	Kindergarten (NSW, ACT) Preparatory (Vic, Tas)	Reception (SA) Transition (NT)	

^a Pre-year 1 is not included in the pattern of study in Queensland. Pre-year 1 is called 'pre-primary' in WA (where students attended on a four-day week basis in 2001). From 2002, pre-primary students in WA will be attending five days a week, at which time students and staff will be included within the scope of MCEETYA's National School Statistics Collection.

Source: MCEETYA (2001).

Schools

At the beginning of August 2001, there were 9596 schools in Australia. The majority of schools were government owned and managed (72.3 per cent) (table 3.2).

Settlement patterns (population dispersion), the age distribution of the population, and educational policy influence the distribution of schools by size and level in different jurisdictions. For school education as a whole in 2001, the NT had the highest proportion of very small primary schools (those having 20 or fewer students) at 14.7 per cent and the highest proportion of secondary schools with 300 or fewer students, at 25.0 per cent. Nationally, 61.3 per cent of all secondary schools enrolled over 600 students (table 3A.11). A breakdown of primary and secondary schools by size for government, non-government and all schools is reported in tables 3A.9, 3A.10 and 3A.11 respectively.

Table 3.2 Summary of school characteristics, August 2001

	<i>NSW</i>	<i>Vic</i>	<i>Qld</i>	<i>WA</i>	<i>SA</i>	<i>Tas</i>	<i>ACT</i>	<i>NT</i>	<i>Aust</i>
Government schools (no.)									
Primary	1648	1233	981	516	441	141	66	94	5120
Combined ^a	64	49	76	89	77	26	3	40	424
Secondary	394	264	187	96	73	39	22	10	1085
Special schools ^b	80	79	49	68	20	8	4	5	313
Total	2186	1625	1293	769	611	214	95	149	6942
Non-government schools (no.)									
Primary	531	448	238	157	119	32	27	15	1567
Combined ^a	200	129	112	84	56	27	8	11	627
Secondary	144	103	76	40	22	7	6	6	404
Special schools ^b	31	16	2	2	3	1	1	0	56
Total	906	696	428	283	200	67	42	32	2654
All schools (no.)									
Primary	2179	1681	1219	673	560	173	93	109	6687
Combined ^a	264	178	188	173	133	53	11	51	1051
Secondary	538	367	263	136	95	46	28	16	1489
Special schools ^b	111	95	51	70	23	9	5	5	369
Total	3092	2321	1721	1052	811	281	137	181	9596
Proportion of schools that are government schools (%)									
Primary	75.6	73.3	80.5	76.7	78.8	81.5	71.0	86.2	76.6
Combined ^a	24.2	27.5	40.4	51.4	57.9	49.1	27.3	78.4	40.3
Secondary	73.2	71.9	71.1	70.6	76.8	84.8	78.6	62.5	72.9
Special schools ^b	72.1	83.2	96.1	97.1	87.0	88.9	80.0	100.0	84.8
All schools	70.7	70.0	75.1	73.1	75.3	76.2	69.3	82.3	72.3
Proportion of primary schools (%)									
Government	75.4	75.9	75.9	67.1	72.2	65.9	69.5	63.1	73.8
Non-government	58.6	64.4	55.6	55.5	59.5	47.8	64.3	46.9	59.0
All schools	70.5	72.4	70.8	64.0	69.1	61.6	67.9	60.2	69.7

^a Combined primary and secondary schools. ^b Special schools provide special instruction for students with physical or intellectual disabilities and students with social problems.

Source: Australian Bureau of Statistics (ABS) (2002a).

Student body

There were 3.3 million full time equivalent student enrolments in primary and secondary schools in August 2001 (table 3.3). The proportion of students enrolled in government schools was greater in primary schools (72.4 per cent) than in secondary schools (64.0 per cent). The proportion of students in government schools was highest in the NT (77.4 per cent) and lowest in the ACT (62.6 per cent).

Differences in schooling structures influence enrolment patterns. Primary school education in SA and the NT, for example, involves an additional year of schooling.

As a result, the proportion of students enrolled in primary school education would be expected to be higher in these jurisdictions than in others (table 3.3).

Total full time equivalent student enrolments in schools in Australia were relatively stable over the five years to 2001 — up by about 0.8 per cent each year between August 1997 and August 2001. Enrolments in individual jurisdictions grew at different rates, with total enrolments increasing by 1.5 per cent each year in Queensland and declining by 0.2 per cent each year in Tasmania and the ACT (table 3A.13).

Table 3.3 Full time equivalent student enrolments, August 2001^a

	<i>NSW</i>	<i>Vic</i>	<i>Qld</i>	<i>WA</i>	<i>SA</i>	<i>Tas</i>	<i>ACT</i>	<i>NT</i>	<i>Aust</i>
Total full time equivalent student enrolments at level of education ('000)									
Primary schools	630.4	454.1	372.6	191.6	159.5	46.9	32.6	25.7	1913.5
Secondary schools	470.6	357.1	240.1	128.7	93.6	37.5	28.2	11.7	1367.4
All schools	1101.0	811.2	612.7	320.3	253.1	84.4	60.8	37.4	3280.9
Proportion of full time equivalent students who were enrolled in government schools (%)									
Primary schools	71.8	69.4	75.8	74.4	71.7	77.7	66.0	80.2	72.4
Secondary schools	64.6	61.3	64.4	64.6	66.2	72.2	58.7	71.3	64.0
All schools	68.7	65.8	71.3	70.4	69.6	75.2	62.6	77.4	68.9
Proportion of full time equivalent students who were female (all schools) (%)									
Primary schools	48.7	48.6	48.7	48.6	48.5	48.7	48.9	48.7	48.7
Secondary schools	49.7	50.0	49.5	49.6	50.1	50.8	49.3	49.8	49.8
All schools	49.1	49.2	49.0	49.0	49.1	49.6	49.1	49.0	49.1
Proportion of full time equivalent students who were enrolled in primary education (%)									
Government schools	59.8	59.0	64.6	63.2	64.9	57.4	56.5	71.1	61.3
Non-government schools	51.6	50.1	51.3	51.9	58.8	50.2	48.9	60.3	51.7
All schools	57.3	56.0	60.8	59.8	63.0	55.6	53.7	68.7	58.3

^a Students enrolled in special schools are included in this table, with special school students of primary school age included in the primary figures and those of secondary school age included in the secondary figures.

Source: ABS (2002a).

The proportion of students enrolled in non-government schools increased between 1997 and 2001 in all States and Territories except Tasmania. Total non-government school enrolments expanded by an average of 2.1 per cent each year, while the expansion in government school enrolments was 0.2 per cent each year (table 3A.13). The expansion of enrolments in non-government schools, however, is from a lower base than that for government schools.

Part time secondary students form a significant proportion of enrolments in some jurisdictions. Part time courses are available to secondary students, including mature-age students attending colleges and those studying year 11 or year 12 short courses (lasting 5–22 weeks).

The proportion of secondary school students who were part time in 2001 varied considerably across jurisdictions, partly because each education authority had different policy and organisational arrangements for part time study. The number of part time courses available also varied considerably across jurisdictions. The NT, South Australia and Tasmania had the highest proportions of part time government secondary school students in 2001 (table 3.4).

Table 3.4 Part time secondary school students in government schools

	<i>NSW</i>	<i>Vic</i>	<i>Qld</i>	<i>WA</i>	<i>SA</i>	<i>Tas</i>	<i>ACT</i>	<i>NT</i>	<i>Aust</i>
Part time secondary school students in government schools (no.) ^a									
1997	2 204	2 185	6 911	4 447	6 054	2 824	3	663	25 291
1998	3 029	2 044	4 276	4 157	5 909	2 607	10	961	22 993
1999	3 323	2 495	4 063	4 199	6 545	3 203	6	1 032	24 866
2000	3 638	2 489	3 868	4 154	7 015	3 538	7	977	25 686
2001	2 809	2 827	3 930	4 948	6 932	2 853	3	1 006	25 308
Proportion of secondary school students in government schools who were part time students (%)									
1997	0.7	1.0	4.7	5.2	9.5	9.4	–	7.7	2.8
1998	1.0	0.9	2.8	4.8	9.2	8.7	0.1	10.9	2.6
1999	1.1	1.1	2.6	4.8	9.9	10.7	–	11.6	2.8
2000	1.2	1.1	2.5	4.8	10.7	12.0	–	10.9	2.9
2001	0.9	1.3	2.5	5.7	10.6	10.0	–	11.3	2.8

^a Absolute number of part time secondary students (not full time equivalent). – Nil or rounded to zero.

Source: ABS (2002a).

Special needs groups

Certain groups of students have been identified as having special needs in school education. These special needs groups include:

- Indigenous students;
- students from language backgrounds other than English (LBOTE);
- students with disabilities;
- geographically remote students; and
- students from families of low socioeconomic status.

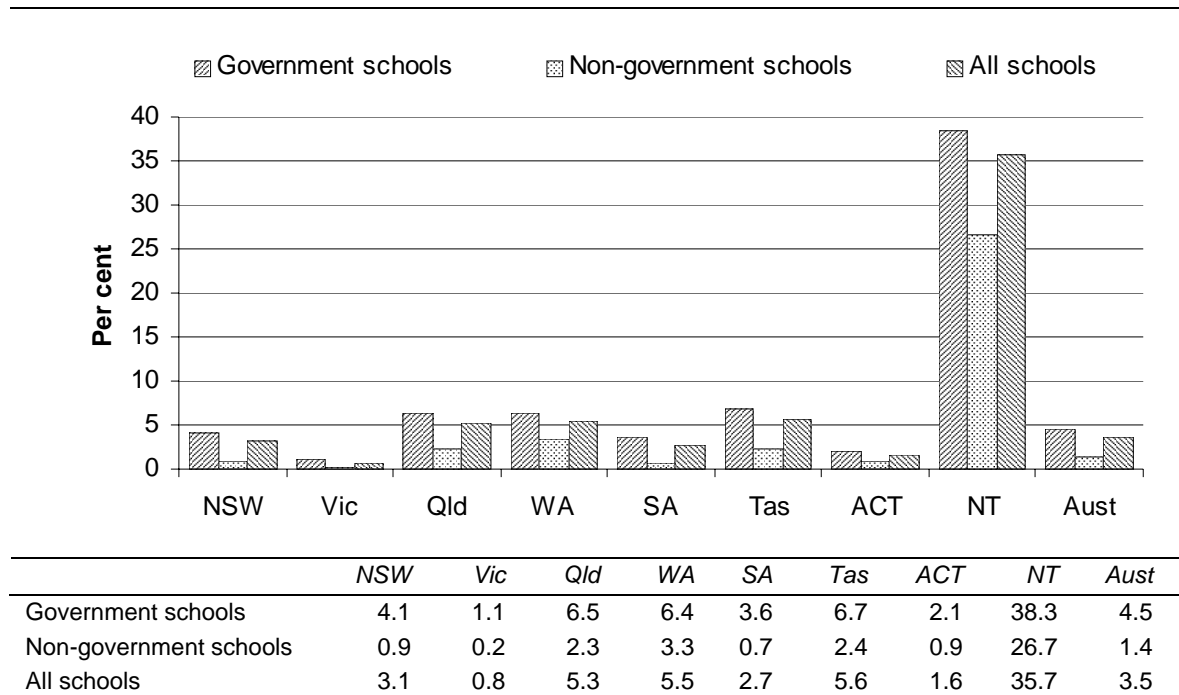
Government schools provide education for a high proportion of students from special needs groups. Around 88 per cent of Indigenous students and 82 per cent of students with disabilities, for example, attended government schools in 2001 (table 3A.14 and table 3A.16). This chapter reports on the proportions of Indigenous students, students from a language background other than English, students with disabilities and students who are geographically remote. Care needs to be taken in

interpreting this information because some definitions for groups of ‘special needs’ students differ across States and Territories.

Indigenous students

The proportion of Indigenous students in NT schools was 35.7 per cent in 2001 — far higher than the proportion in any other jurisdiction. The jurisdictions with the next highest proportions of Indigenous students were Tasmania and WA (5.6 per cent and 5.5 per cent respectively) (figure 3.2). In absolute terms, NSW (33 910) and Queensland (32 147) had the largest numbers of Indigenous students, together accounting for 57.2 per cent of all Indigenous students enrolled in Australian schools. To assist the interpretation of figure 3.2, the underlying data are presented below the figure. Table 3A.14 provides additional information on Indigenous enrolments.

Figure 3.2 Indigenous students as a proportion of all students, 2001^a



^a Full time students.

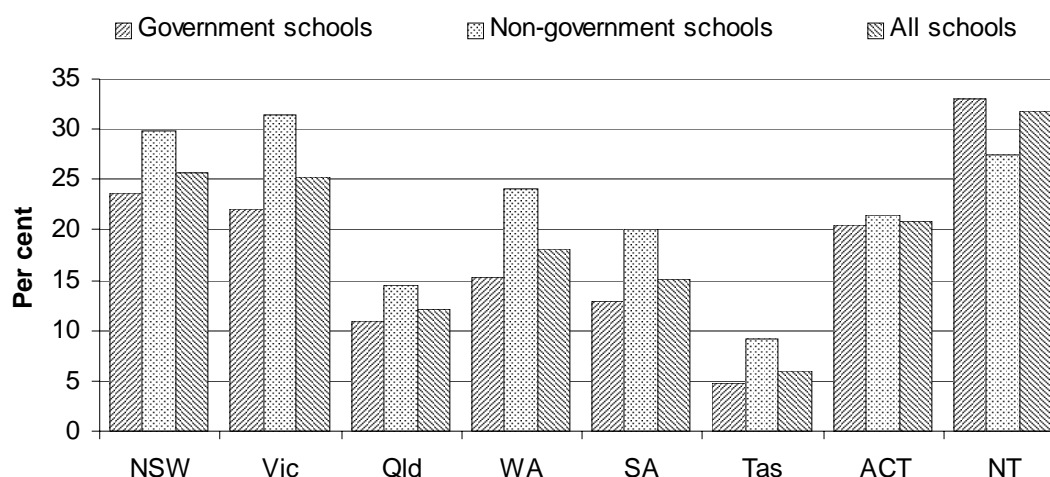
Source: ABS (2002a); table 3A.14.

In all jurisdictions, the proportion of Indigenous students was higher in government schools than in non-government schools. Nationally, the proportion of Indigenous students was 4.5 per cent for government schools and 1.4 per cent for non-government schools.

LBOTE students

Figure 3.3 shows proportions of LBOTE students based on data from the 2001 Census. In figure 3.3, students are counted as having a language background other than English if their home language is not English or if they or at least one parent was born in a non-English speaking country. Across school education as a whole, the NT had the highest proportion of LBOTE students (31.8 per cent) in 2001 (which may reflect the inclusion of Indigenous students whose home language is not English in the definition of LBOTE students). New South Wales and Victoria also had relatively high proportions of LBOTE students (25.6 per cent and 25.3 per cent respectively), while Tasmania had the lowest proportion (5.9 per cent) (figure 3.3).

Figure 3.3 Students from a language background other than English as a proportion of all students, 2001



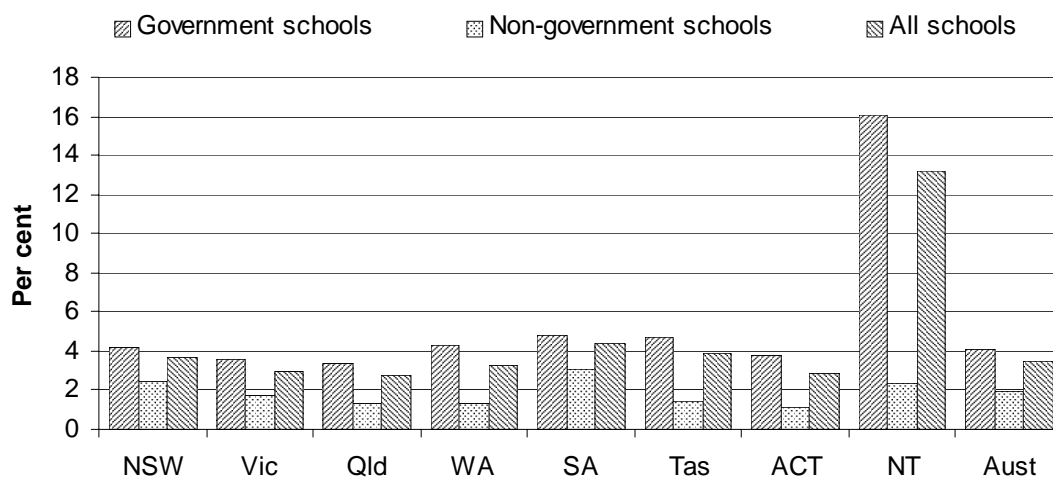
Source: Department of Education, Science and Training (DEST) (unpublished) based on the ABS 2001 Census of Population and Housing; table 3A.15.

Students with disabilities

Students with disabilities are educated in both mainstream and special schools. In figure 3.4, students with disabilities were those that satisfied the criteria for enrolment in special education services provided in the State or Territory in which they resided. These criteria vary across jurisdictions. Criteria relating to social or emotional impairment, for example, exist in some jurisdictions (including NSW) but not others (including the ACT). The NT had the highest proportion (13.2 per cent) of students with disabilities in 2001, while Queensland and the ACT had the lowest proportion (2.8 per cent) (figure 3.4). Nationally, the proportion of

students with disabilities was around twice as high in government schools compared with non-government schools.

Figure 3.4 **Students with disabilities as a proportion of all students, 2001**



Source: DEST (unpublished); table 3A.16.

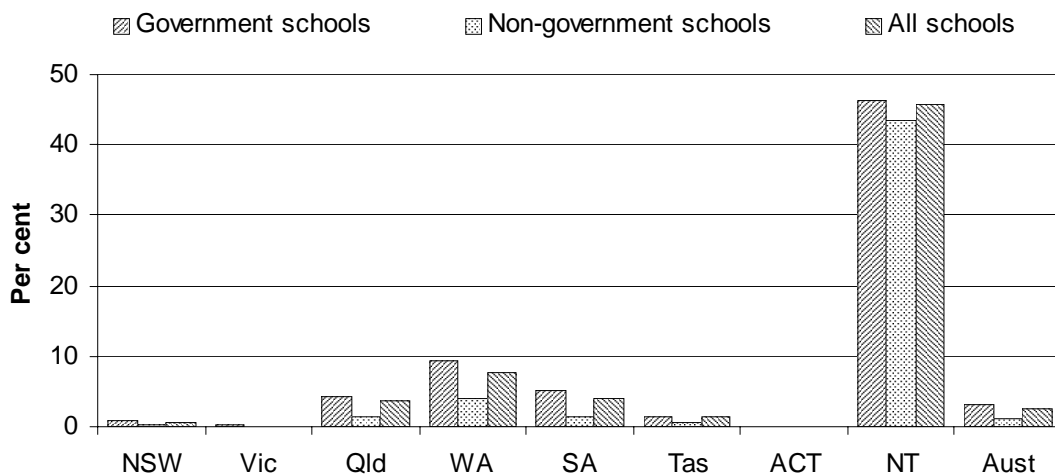
Geographically remote students¹

Data on geographically remote students are included in this chapter for the first time this year. The classification structure used is consistent with that agreed in principle by Education Ministers for the purposes of nationally comparable reporting of the outcomes of schooling.

The NT had by far the highest proportion (45.7 per cent) of students attending schools in remote areas in 2001, while WA had the next highest proportion (7.8 per cent) for all schools. The ACT had no remote students and Victoria had the next lowest proportion (0.1 per cent) for all schools (figure 3.5). Nationally, the proportion of remote students was more than twice as high in government schools compared with non-government schools. To assist the interpretation of figure 3.5, the underlying data are presented below the figure. Table 3A.17 includes data relating to metropolitan and provincial areas as well as remote areas (see section 3.7 for definitions of remoteness and other geographic classifications).

¹ To investigate the possibility that these data understated the proportion of students in remote areas as a result of relying on school location, rather than students' home location, the data were compared with data derived from the 2001 Census. The two data sets were found to be very similar, with the exception that Tasmania had about one-third more remote area students in the Census data.

Figure 3.5 **Students attending schools in remote areas as a proportion of all students, 2001**



	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Aust
Government schools	0.8	0.2	4.4	9.4	5.2	1.5	..	46.4	3.2
Non-government schools	0.4	–	1.4	3.9	1.4	0.6	..	43.4	1.2
All schools	0.7	0.1	3.6	7.8	4.0	1.3	..	45.7	2.6

– Nil or rounded to zero. .. Not applicable.

Source: DEST (unpublished); table 3A.17.

3.2 Policy developments in school education

Agreed framework of principles for funding schools

Education Ministers have endorsed a framework of principles for funding school education. The five principles contained in the framework are as follows.

- The total level of resources available for schooling is adequate so that achievement of the National Goals for Schooling is a realistic objective for all students.
- Public funding across different schools and sectors is distributed fairly and equitably through a consistent approach to assessing student needs and through having regard to the total level of resources available for students.
- The total level of funding for government schooling is adequate to ensure access to high quality government schooling for all, and all governments' funding policies recognise this as a national priority.

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- Public funding for schooling supports the right of families to choose non-government schooling and supports non-government schools on the basis of need, within the context of promoting a socially and culturally cohesive society and the effective use of public funds.
 - Resourcing for all students is adequate for meeting the National Goals for Schooling, notwithstanding the school or school sector they attend.

3.3 Framework of performance indicators

This chapter provides comparable indicators on the effectiveness and efficiency of government expenditure for all schools in Australia. It does not compare the efficiency of government and non-government schools.

Governments own and operate government schools and have a direct interest in the efficiency and effectiveness of their operation. In addition, governments are committed to providing access to education for all students. Box 3.1 shows the national goals for schooling, as endorsed by MCEETYA.

Box 3.1 National goals for schooling in the twenty-first century

The Ministerial Council on Education, Employment, Training and Youth Affairs endorsed in April 1999 the following set of national goals for school education.

Preamble

Australia's future depends upon each citizen having the necessary knowledge, understanding, skills and values for a productive and rewarding life in an educated, just and open society. High quality schooling is central to achieving this vision.

This statement of national goals for schooling provides broad directions to guide schools and education authorities in securing these outcomes for students.

It acknowledges the capacity of all young people to learn, and the role of schooling in developing that capacity. It also acknowledges the role of parents as the first educators of their children and the central role of teachers in the learning process.

Schooling provides a foundation for young Australians' intellectual, physical, social, moral, spiritual and aesthetic development. By providing a supportive and nurturing environment, schooling contributes to the development of students' sense of self-worth, enthusiasm for learning and optimism for the future.

Governments set the public policies that foster the pursuit of excellence, enable a diverse range of educational choices and aspirations, safeguard the entitlement of all young people to high quality schooling, promote the economic use of public resources, and uphold the contribution of schooling to a socially cohesive and culturally rich society.

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Box 3.1 (Continued)

Common and agreed goals for schooling establish a foundation for action among State and Territory governments with their constitutional responsibility for schooling, the Commonwealth, non-government school authorities and all those who seek the best possible educational outcomes for young Australians, to improve the quality of schooling nationally.

The achievement of these common and agreed national goals entails a commitment to collaboration for the purposes of:

- further strengthening schools as learning communities where teachers, students and their families work in partnership with business, industry and the wider community;
- enhancing the status and quality of the teaching profession;
- continuing to develop curriculum and related systems of assessment, accreditation and credentialling that promote quality and are nationally recognised and valued;
- increasing public confidence in school education through explicit and defensible standards that guide improvement in students' levels of educational achievement and through which the effectiveness, efficiency and equity of schooling can be measured and evaluated.

These national goals provide a basis for investment in schooling to enable all young people to engage effectively with an increasingly complex world. This world will be characterised by advances in information and communication technologies, population diversity arising from international mobility and migration, and complex environmental and social challenges.

The achievement of the national goals for schooling will assist young people to contribute to Australia's social, cultural and economic development in local and global contexts. Their achievement will also assist young people to develop a disposition towards learning throughout their lives so that they can exercise their rights and responsibilities as citizens of Australia.

Goals

1. Schooling should develop fully the talents and capacities of all students. In particular, when students leave schools they should:

- 1.1 have the capacity for, and skills in, analysis and problem solving and the ability to communicate ideas and information, to plan and organise activities and to collaborate with others;
- 1.2 have qualities of self-confidence, optimism, high self-esteem, and a commitment to personal excellence as a basis for their potential life roles as family, community and workforce members;
- 1.3 have the capacity to exercise judgment and responsibility in matters of morality, ethics and social justice, and the capacity to make sense of their world, to think about how things got to be the way they are, to make rational and informed decisions about their own lives and to accept responsibility for their own actions;

(Continued on next page)

Box 3.1 (Continued)

1.4 be active and informed citizens with an understanding and appreciation of Australia's system of government and civic life;

1.5 have employment related skills and an understanding of the work environment, career options and pathways as a foundation for, and positive attitudes towards, vocational education and training, further education, employment and life-long learning;

1.6 be confident, creative and productive users of new technologies, particularly information and communication technologies, and understand the impact of those technologies on society;

1.7 have an understanding of, and concern for, stewardship of the natural environment, and the knowledge and skills to contribute to ecologically sustainable development; and

1.8 have the knowledge, skills and attitudes necessary to establish and maintain a healthy lifestyle, and for the creative and satisfying use of leisure time.

2. In terms of curriculum, students should have:

2.1 attained high standards of knowledge, skills and understanding through a comprehensive and balanced curriculum in the compulsory years of schooling encompassing the agreed eight key learning areas:

- the arts
- English
- health and physical education
- languages other than English
- mathematics
- science
- studies of society and environment
- technology

and the interrelationships between them;

2.2 attained the skills of numeracy and English literacy, such that every student should be numerate, able to read, write, spell and communicate at an appropriate level;

2.3 participated in programs of vocational learning during the compulsory years and have had access to vocational education and training programs as part of their senior secondary studies; and

2.4 participated in programs and activities which foster and develop enterprise skills, including those skills which will allow them maximum flexibility and adaptability in the future.

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Box 3.1 (Continued)

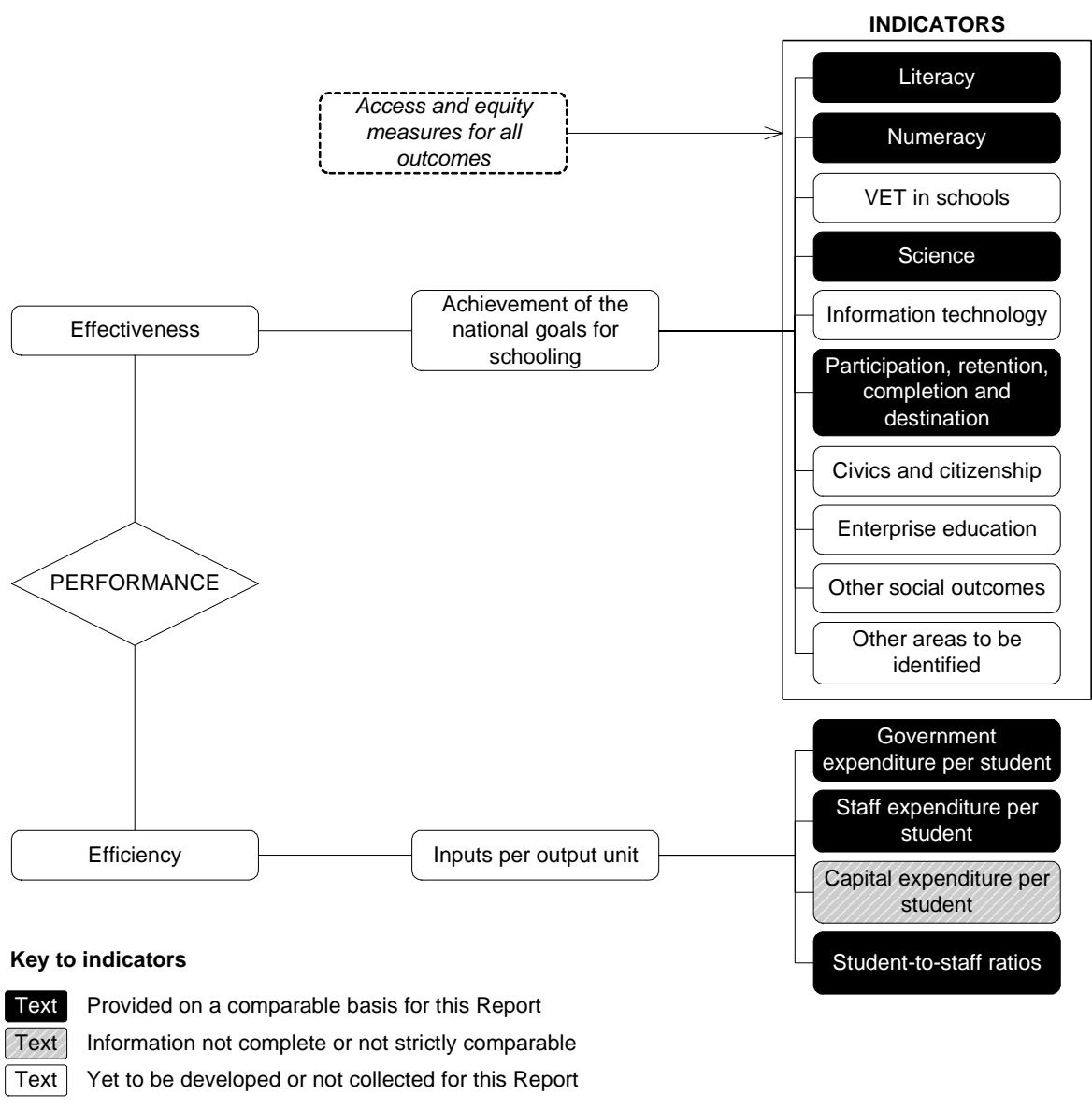
3. Schooling should be socially just, so that:

- 3.1 students' outcomes from schooling are free from the effects of negative forms of discrimination based on sex, language, culture and ethnicity, religion or disability; and of differences arising from students' socioeconomic background or geographic location;
- 3.2 the learning outcomes of educationally disadvantaged students improve and, over time, match those of other students;
- 3.3 Aboriginal and Torres Strait Islander students have equitable access to, and opportunities in, schooling so that their learning outcomes improve and, over time, match those of other students;
- 3.4 all students understand and acknowledge the value of Aboriginal and Torres Strait Islander cultures to Australian society and possess the knowledge, skills and understanding to contribute to, and benefit from, reconciliation between Indigenous and non-Indigenous Australians;
- 3.5 all students understand and acknowledge the value of cultural and linguistic diversity, and possess the knowledge, skills and understanding to contribute to, and benefit from, such diversity in the Australian community and internationally; and
- 3.6 all students have access to the high quality education necessary to enable the completion of school education to year 12 or its vocational equivalent and that provides clear and recognised pathways to employment and further education and training.

Source: MCEETYA (1999).

The performance of school education is reported against the indicator framework in figure 3.6. This framework is consistent with the national goals for schooling (box 3.1)

Figure 3.6 Performance indicators for all schools



3.4 Key performance indicator results

Different delivery contexts and locations influence the effectiveness and efficiency of school education services. Appendix A contains short statistical profiles on each State and Territory, which may help in interpreting the performance indicators presented in this chapter.

The performance indicator framework shows which data are comparable in the 2003 Report (figure 3.6). For data that are not considered strictly comparable, the text

includes relevant caveats and supporting commentary. Chapter 1 discusses data comparability from a Report wide perspective (section 1.6).

Effectiveness

The effectiveness indicators for school education in this chapter are based on the achievement of the national goals for schooling.

Access and equity

Access and equity objectives of school education can be assessed by comparing outcomes for special needs groups, such as Indigenous and LBOTE students, to those for all students through indicators such as literacy, numeracy, completion rates, apparent retention rates and age participation rates. Outcomes are compared for special needs groups for available indicators where possible. Learning outcomes for special needs groups are also reported for NSW, Victoria, Queensland, WA and the NT in tables 3A.45, 3A.55–3A.58, 3A.69, 3A.79, 3A.81 and 3A.131.

State and Territory specific learning outcomes

The reporting of test result data by jurisdiction may help an understanding of trends within jurisdictions over time, but the general noncomparability of data across States and Territories limits the usefulness of this information. Where jurisdictions provided updated information on jurisdiction-specific learning outcomes, that information is reported in attachment 3A.

Nationally comparable learning outcomes

This Report includes nationally comparable learning outcomes data for literacy, numeracy and science. Data for years 3 and 5 relate to agreed national benchmarks developed to assess student performance at these year levels. Data for 15 year olds have been sourced from the Program for International Student Assessment (PISA). All of the nationally comparable learning outcomes data are for the year 2000, no data for 2001 were available for inclusion in this Report.

In July 1996, the Commonwealth, State and Territory Education Ministers agreed to develop national benchmarks for use in reporting years 3, 5 and 7 students' performance. Benchmarks have been developed for reading, writing, spelling and numeracy. These benchmarks describe the nationally agreed minimum acceptable standard in the aforementioned areas of study, at a particular year level — that is, the standard without which a student will have difficulty making sufficient progress

at school. Given that the benchmarks represent *minimum* acceptable standards, Education Ministers have determined that the national goal is that all students achieve at least the benchmark level of performance.

PISA is an initiative of the Organisation for Economic Cooperation and Development (OECD). PISA focuses on students' ability to apply their knowledge and skills to real-life problems and situations, rather than on how much curriculum-based knowledge they possess. In 2000, PISA conducted a survey of the reading, mathematical and scientific literacy of 15 year olds across 32 countries. Reading literacy was the major domain, accounting for almost 70 per cent of total assessment time. Almost 6200 students from 231 Australian schools participated in the survey (Lokan et al. 2001). The main sample of Australian students represented approximately 2.3 per cent of 15 year old secondary school students in Australia. PISA operates on a three-year assessment cycle, with the next survey planned for 2003. Mathematical literacy will be the major domain in 2003.

Care should be taken in interpreting the learning outcomes data presented in this chapter, because differences in student achievement may sometimes be the result of sampling or measurement error. To assist with interpretation, 95 per cent confidence intervals are presented, indicating the likely size of these errors. A result of 80 with a confidence interval of ± 2 , for example, means there is a 95 per cent chance that, if all students were tested, the result would be between 78 and 82. The result for a State, therefore, can be thought of in terms of a range. If one State's range is 78 to 82 and another's is 77 to 81, then it is not possible to say that one clearly out scored the other (because there is no statistically significant difference). Where ranges do not overlap, there is a high likelihood that there is a statistically significant difference.

In the commentary accompanying the learning outcomes data in this chapter, comparisons are made between the results for particular jurisdictions and the overall national result, and attention is drawn to cases where there is no overlap between confidence intervals (that is, where there is a high likelihood that there is a statistically significant difference). To say that there is a statistically significant difference means there is a high probability that there is an actual difference; it does not imply that the difference is necessarily large or important.

Literacy

An indicator of performance is the proportion of students who reach a benchmark standard. Table 3.5 shows the percentage of assessed year 3 students who achieved the reading benchmark in 2000, reported by gender, Indigenous status and LBOTE

status. (For further information and caveats to table 3.5, see tables 3A.18, 3A.19 and 3A.20.)

The proportion of students who achieved the year 3 reading benchmark in WA (95.8 per cent) was demonstrably higher than the national proportion (92.5 per cent), in 2000. The results for the NT (65.3 per cent) and SA (86.8 per cent) were demonstrably lower than the national proportion (table 3.5). Taking confidence intervals into account, the results for the other five jurisdictions were not demonstrably different from the national proportion. The proportion of Indigenous students who achieved the year 3 reading benchmark was lower than the proportion for all students in all States and Territories. Results for LBOTE students were generally similar to those for all students. The main exception was in the NT, where a substantial proportion of LBOTE students are Indigenous.

The proportions of students who achieved the year 5 reading benchmark in the ACT (94.0 per cent), WA (93.6 per cent) and Victoria (92.1 per cent) were demonstrably higher than the national proportion (87.4 per cent) in 2000. The results for the NT (71.2 per cent), Queensland (78.5 per cent) and Tasmania (81.4 per cent) were demonstrably lower than the national proportion (table 3.6). In 2000, the gap between the reading benchmark results of Indigenous students and those of all students was generally greater at year 5 than at year 3 (tables 3.5 and 3.6). A higher proportion of female students than of males achieved the benchmark standard in all jurisdictions at both year levels.

Table 3.5 Proportion of year 3 students who achieved the reading benchmark, 2000 (per cent)^a

<i>State/Territory</i>					
<i>1. Average age^b</i>	<i>All</i>	<i>Male</i>	<i>Female</i>	<i>Indigenous</i>	<i>LBOTE</i>
<i>2. Years of schooling^c</i>	<i>students</i>	<i>students</i>	<i>students</i>	<i>students^d</i>	<i>students^d</i>
NSW	93.1	91.5	94.8	83.1	92.8
1. 8yrs, 9mths	± 1.9	± 2.3	± 1.5	± 4.9	± 2.1
2. 3yrs, 7mths					
Victoria	93.0	91.1	95.1	78.4	90.9
1. 8yrs, 11mths	± 1.9	± 2.3	± 1.5	± 6.1	± 2.5
2. 3yrs, 7mths					
Queensland ^e	92.6	90.8	94.4	81.0	92.2
1. 8yrs, 4mths	± 3.5	± 4.4	± 3.2	± 10.1	± 6.0
2. 2yrs, 8mths					
WA	95.8	95.2	96.5	86.6	95.1
1. 8yrs, 2mths	± 1.1	± 1.3	± 0.9	± 3.3	± 1.3
2. 2yrs, 7mths					
SA	86.8	84.4	89.3	59.2	82.4
1. 8yrs, 6mths	± 2.6	± 3.0	± 1.7	± 4.2	± 3.1
2. 3yrs, 3mths					
Tasmania	91.2	88.7	93.6	82.5	89.8
1. 9yrs, 1mths	± 2.3	± 2.9	± 2.0	± 5.5	± 5.1
2. 3yrs, 8mths					
ACT	95.1	94.0	96.2	87.5	82.5
1. 8yrs, 8mths	± 1.2	± 2.0	± 1.5	± 9.6	± 10.6
2. 3yrs, 6mths					
NT	65.3	62.2	68.6	25.6	39.7
1. 8yrs, 8mths	± 3.2	± 3.8	± 3.7	± 4.0	± 3.9
2. 3yrs, 3mths					
Australia	92.5	90.9	94.3	76.9	90.8
	± 2.2	± 2.7	± 1.8	± 6.5	± 2.6

^a The achievement percentages reported in this table include 95 per cent confidence intervals (for example, 80.0 per cent ± 2.7 per cent). Table 3A.19 contains details of test populations in all States and Territories.

^b The typical average age of students at the time of testing (expressed in years and months). Table 3A.18 contains more information. ^c The typical average time that students had spent in schooling at the time of testing (expressed in years and months). Table 3A.18 contains more information. ^d The methods used to identify Indigenous students and LBOTE students varied across jurisdictions. The two categories are not mutually exclusive. Definitions can be found at section 3.7. Table 3A.20 contains more information. ^e Data from Queensland are based on a representative sample of approximately 10 per cent of students from government and non-government schools.

Source: MCEETYA (2002a).

Table 3.6 Proportion of year 5 students who achieved the reading benchmark, 2000 (per cent)^a

<i>State/Territory</i>					
<i>1. Average age^b</i>	<i>All</i>	<i>Male</i>	<i>Female</i>	<i>Indigenous</i>	<i>LBOTE</i>
<i>2. Years of schooling^c</i>	<i>students</i>	<i>students</i>	<i>students</i>	<i>students^d</i>	<i>students^d</i>
NSW	89.1	87.1	91.2	70.9	86.7
1. 10yrs, 9mths	± 1.7	± 1.9	± 1.5	± 3.9	± 2.2
2. 5yrs, 7mths					
Victoria	92.1	90.6	93.7	75.1	89.0
1. 10yrs, 11mths	± 1.9	± 2.2	± 1.7	± 7.5	± 2.8
2. 5yrs, 7mths					
Queensland	78.5	75.1	81.7	54.4	74.4
1. 10yrs, 4mths	± 3.6	± 3.9	± 3.5	± 6.1	± 4.9
2. 4yrs, 8mths					
WA	93.6	92.4	94.9	70.9	89.6
1. 10yrs, 2mths	± 1.0	± 1.2	± 0.8	± 3.4	± 1.4
2. 4yrs, 7mths					
SA	84.4	82.2	86.7	55.9	81.9
1. 10yrs, 6mths	± 1.4	± 1.5	± 1.4	± 3.1	± 1.5
2. 5yrs, 3mths					
Tasmania	81.4	78.7	84.3	66.1	78.6
1. 11yrs, 0mths	± 2.9	± 3.3	± 2.8	± 7.8	± 9.2
2. 5yrs, 8mths					
ACT	94.0	93.0	98.7	83.7	81.4
1. 10yrs, 8mths	± 1.3	± 2.3	± 2.5	± 12.1	± 15.2
2. 5yrs, 6mths					
NT	71.2	69.3	73.1	34.2	46.0
1. 10yrs, 8mths	± 2.8	± 3.4	± 3.3	± 4.1	± 4.1
2. 5yrs, 3mths					
Australia	87.4	85.2	89.6	62.0	84.9
	± 2.1	± 2.3	± 1.9	± 4.8	± 2.6

^a The achievement percentages reported in this table include 95 per cent confidence intervals (for example, 80.0 per cent ± 2.7 per cent). Table 3A.19 contains details of test populations in all States and Territories.

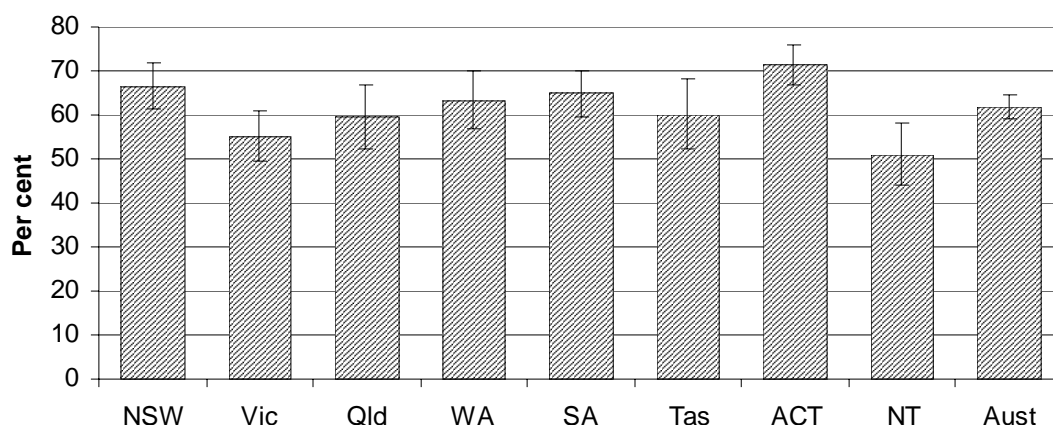
^b The typical average age of students at the time of testing (expressed in years and months). Table 3A.18 contains more information. ^c The typical average time that students had spent in schooling at the time of testing (expressed in years and months). Table 3A.18 contains more information. ^d The methods used to identify Indigenous students and LBOTE students varied across jurisdictions. The two categories are not mutually exclusive. Definitions can be found at section 3.7. Table 3A.20 contains more information.

Source: MCEETYA (2002a).

In this chapter, PISA survey assessment results are reported in terms of the proportion of Australian students who achieved at or above the mean score for the 27 OECD countries for which data are available. These proportions were generally well above 50 per cent, indicating that Australian students performed at a high level relative to most other OECD countries. The Education preface includes further information on Australia's performance relative to other countries.

In 2000, the proportion of 15 year old students in the ACT (71.4 per cent) who achieved at or above the OECD mean for reading literacy was statistically significantly higher than the Australian proportion (61.8 per cent). The results for the NT (51.0 per cent) were statistically significantly lower than the national proportion (figure 3.7). Female students outperformed males in all States and Territories. Nationally, the proportion of females who achieved at or above the OECD mean was 13.6 percentage points higher than the proportion of males (table 3A.24). The national proportions for Indigenous students (30.7 per cent), geographically remote students (44.3 per cent) and students from low socioeconomic status families (45.5 per cent) were all below the proportion for all students (although the difference was not statistically significant for geographically remote students). Individual State and Territory data for males, females and students from low socioeconomic status families are shown in table 3A.24.

Figure 3.7 **Reading literacy of 15 year olds — proportion of students who achieved at or above the OECD mean, 2000^{a, b}**



^a PISA assessed students reading literacy in three subcategories: retrieving information, interpreting texts, and reflecting on and evaluating texts. This chapter reports on combined results across these subcategories.

^b 95 per cent confidence intervals are shown on the bars in this figure.

Source: Australian Council for Educational Research (ACER) (unpublished); table 3A.24.

Numeracy

Table 3.7 shows the percentage of assessed year 3 students who achieved the numeracy benchmark in 2000 reported by gender, Indigenous status and LBOTE status. (For further information and caveats to table 3.7, see tables 3A.21, 3A.22 and 3A.23.)

The proportion of students who achieved the year 3 numeracy benchmark in Victoria (96.5 per cent) was demonstrably higher than the national proportion (92.7 per cent) in 2000. The results for the NT (81.4 per cent) and SA (85.3 per cent) were demonstrably lower than the national proportion (table 3.7). The proportion of Indigenous students who achieved the year 3 numeracy benchmark was lower than the proportion for all students in all States and Territories.

The proportion of students who achieved the year 5 numeracy benchmark in Victoria (94.3 per cent) was demonstrably higher than the national proportion (89.6 per cent) in 2000. The results for the NT (74.1 per cent) and SA (83.0 per cent) were demonstrably lower than the national proportion (table 3.8). Nationally, the proportion of Indigenous students who achieved the numeracy benchmark was below the proportion for all students by 19.0 percentage points at year 3 and 26.8 percentage points at year 5 (tables 3.7 and 3.8).

Table 3.7 Proportion of year 3 students who achieved the numeracy benchmark, 2000 (per cent)^a

<i>State/Territory</i>					
<i>1. Average age^b</i>	<i>All</i>	<i>Male</i>	<i>Female</i>	<i>Indigenous</i>	<i>LBOTE</i>
<i>2. Years of schooling^c</i>	<i>students</i>	<i>students</i>	<i>students</i>	<i>students^d</i>	<i>students^d</i>
NSW	93.2	93.1	93.3	83.4	91.9
1. 8yrs, 9mths	± 1.7	± 1.7	± 1.7	± 4.2	± 2.1
2. 3yrs, 7mths					
Victoria	96.5	96.7	96.1	89.1	94.9
1. 8yrs, 11mths	± 1.3	± 1.3	± 1.5	± 5.7	± 1.7
2. 3yrs, 7mths					
Queensland ^e	91.4	91.5	91.8	71.0	88.0
1. 8yrs, 4mths	± 3.2	± 3.6	± 3.4	± 12.4	± 7.4
2. 2yrs, 8mths					
WA	90.5	90.2	90.8	69.4	88.1
1. 8yrs, 2mths	± 2.2	± 2.2	± 2.3	± 5.3	± 2.6
2. 2yrs, 7mths					
SA	85.3	84.9	85.8	56.8	80.0
1. 8yrs, 6mths	± 2.3	± 2.3	± 2.4	± 5.0	± 3.0
2. 3yrs, 3mths					
Tasmania	92.8	92.3	93.2	85.6	85.8
1. 9yrs, 1mths	± 1.7	± 2.0	± 1.9	± 4.7	± 5.7
2. 3yrs, 8mths					
ACT	95.7	95.2	96.3	88.1	84.5
1. 8yrs, 8mths	± 1.1	± 2.1	± 2.3	± 9.9	± 10.6
2. 3yrs, 6mths					
NT	81.4	80.6	82.4	48.1	56.8
1. 8yrs, 8mths	± 2.0	± 2.5	± 2.6	± 4.5	± 3.9
2. 3yrs, 3mths					
Australia	92.7	92.7	92.8	73.7	90.3
	± 2.0	± 2.1	± 2.1	± 7.1	± 2.7

^a The achievement percentages reported in this table include 95 per cent confidence intervals (for example, 80.0 per cent ± 2.7 per cent). Table 3A.22 contains details of test populations in all States and Territories.

^b The typical average age of students at the time of testing (expressed in years and months). Table 3A.21 contains more information. ^c The typical average time that students had spent in schooling at the time of testing (expressed in years and months). Table 3A.21 contains more information. ^d The methods used to identify Indigenous students and LBOTE students varied across jurisdictions. The two categories are not mutually exclusive. Definitions can be found at section 3.7. Table 3A.23 contains more information. ^e Data from Queensland are based on a representative sample of approximately 10 per cent of students from government and non-government schools.

Source: MCEETYA (2002a).

Table 3.8 Proportion of year 5 students who achieved the numeracy benchmark, 2000 (per cent)^a

<i>State/Territory</i>					
<i>1. Average age^b</i>	<i>All</i>	<i>Male</i>	<i>Female</i>	<i>Indigenous</i>	<i>LBOTE</i>
<i>2. Years of schooling^c</i>	<i>students</i>	<i>students</i>	<i>students</i>	<i>students^d</i>	<i>students^d</i>
NSW	91.1	90.8	91.5	73.5	89.7
1. 10yrs, 9mths	± 1.4	± 1.4	± 1.4	± 3.5	± 1.6
2. 5yrs, 7mths					
Victoria	94.3	94.1	94.4	82.2	92.4
1. 10yrs, 11mths	± 1.4	± 1.4	± 1.4	± 6.2	± 1.8
2. 5yrs, 7mths					
Queensland	86.2	86.0	87.0	58.9	82.1
1. 10yrs, 4mths	± 2.2	± 2.4	± 2.4	± 5.2	± 3.5
2. 4yrs, 8mths					
WA	87.5	87.5	87.5	57.2	82.6
1. 10yrs, 2mths	± 2.1	± 1.1	± 2.2	± 4.0	± 2.2
2. 4yrs, 7mths					
SA	83.0	83.1	82.7	50.4	80.2
1. 10yrs, 6mths	± 2.3	± 2.2	± 2.6	± 4.2	± 2.8
2. 5yrs, 3mths					
Tasmania	87.6	87.9	87.2	76.6	84.1
1. 11yrs, 0mths	± 1.8	± 2.1	± 2.1	± 6.9	± 7.5
2. 5yrs, 8mths					
ACT	91.3	91.0	91.6	79.5	74.9
1. 10yrs, 8mths	± 1.7	± 2.5	± 2.5	± 13.7	± 6.8
2. 5yrs, 6mths					
NT	74.1	74.5	73.7	37.0	50.4
1. 10yrs, 8mths	± 2.5	± 3.0	± 3.4	± 4.2	± 3.9
2. 5yrs, 3mths					
Australia	89.6	89.4	89.8	62.8	87.1
	± 1.7	± 1.7	± 1.8	± 4.5	± 2.1

^a The achievement percentages reported in this table include 95 per cent confidence intervals (for example, 80.0 per cent ± 2.7 per cent). Table 3A.22 contains details of test populations in all States and Territories.

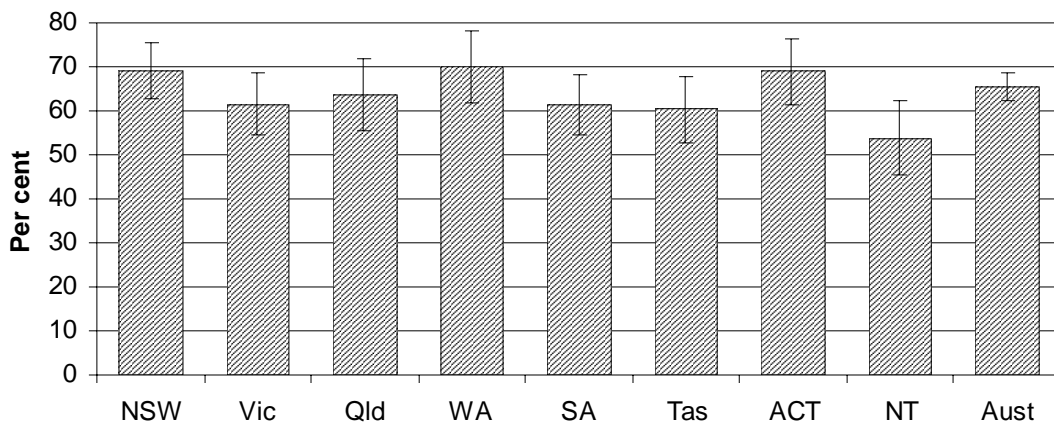
^b The typical average age of students at the time of testing (expressed in years and months). Table 3A.21 contains more information. ^c The typical average time that students had spent in schooling at the time of testing (expressed in years and months). Table 3A.21 contains more information. ^d The methods used to identify Indigenous students and LBOTE students varied across jurisdictions. The two categories are not mutually exclusive. Definitions can be found at section 3.7. Table 3A.23 contains more information.

Source: MCEETYA (2002a).

For the PISA 2000 assessment of the mathematical literacy of 15 year old students, the proportion of NT students (53.8 per cent) who achieved at or above the OECD mean was statistically significantly lower than the Australian proportion (65.4 per cent) (figure 3.8). Male students outperformed females in all jurisdictions except Queensland and Tasmania, although the differences were not statistically significant (table 3A.25). The national proportions for Indigenous students

(26.2 per cent) and students from low socioeconomic status families (48.4 per cent) were below the proportion for all students. Individual state and territory data for males, females and students from low socioeconomic status families are shown in table 3A.25.

Figure 3.8 **Mathematical literacy of 15 year olds — proportion of students achieving at or above the OECD mean, 2000^a**



^a 95 per cent confidence intervals are shown on the bars in this figure.

Source: ACER (unpublished); table 3A.25.

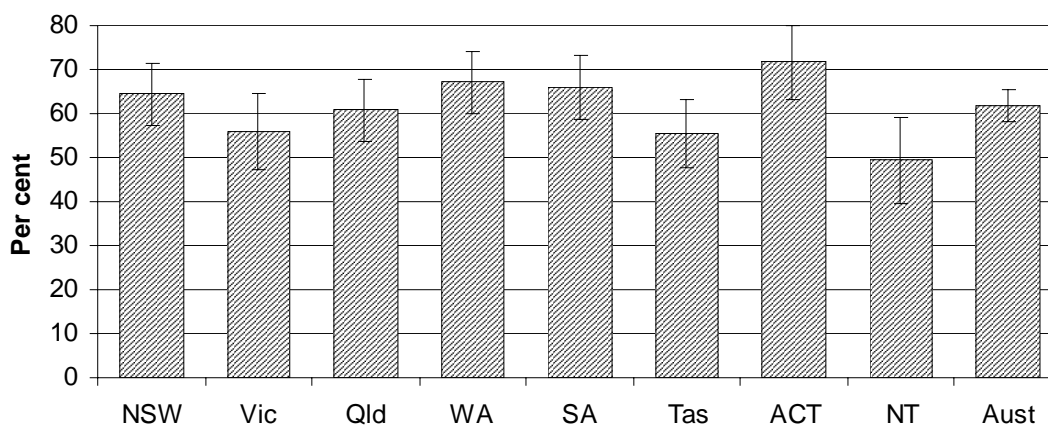
Vocational Education and Training (VET) in schools

Indicators for VET in schools are being developed, see section 3.5 for details.

Science

For the PISA 2000 assessment of the scientific literacy of 15 year old students, there were few statistically significant differences between jurisdictions (figure 3.9). Results for male and female students were generally similar (table 3A.26). The national proportions of Indigenous students (29.1 per cent), students from low socioeconomic status families (49.0 per cent) and geographically remote students (51.2) who achieved at or above the OECD mean were below the proportion for all students (although the difference was not statistically significant for geographically remote students). Individual State and Territory data for males, females and students from low socioeconomic status families are shown in table 3A.26.

Figure 3.9 **Scientific literacy of 15 year olds — proportion of students achieving at or above the OECD mean, 2000^a**



^a 95 per cent confidence intervals are shown on the bars in this figure.

Source: ACER (unpublished); table 3A.26.

Information technology

Indicators for information and communications technology are being developed — see section 3.5 for details.

Participation, retention, completion and school leaver destination

Participation rates

The participation rate of 15–19 year olds (for whom school attendance is no longer compulsory) measures the number of full time school students in that age group, as a proportion of the estimated resident population of the same age. Care needs be taken in interpreting participation rates in school education because rates are influenced by jurisdictional differences in:

- year and age/grade structures;
- other options for delivering post-compulsory education and training — for example, work-based training and enrolment in technical and further education (TAFE) delivered programs; and
- the extent of part time enrolment in schools (see table 3.4 for part time student enrolments).

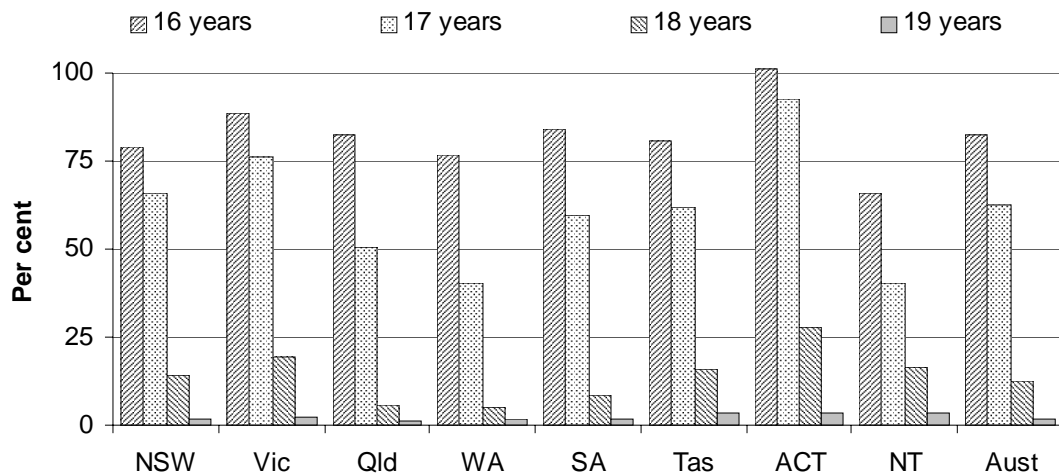
The participation rate may understate the extent of participation in post-compulsory schooling for these reasons. Work to develop an alternative participation indicator that accounts for some of these factors is discussed in section 3.5.

Nationally, 49.9 per cent of 15–19 year olds were enrolled in schools in 2001 (table 3A.27). Actual participation rates varied by jurisdiction, age and gender.

- The ACT had the highest overall participation rate of 15–19 year olds (62.8 per cent) and the NT had the lowest rate (40.8 per cent).
- Participation rates for females were typically 2–4 percentage points higher than those for males in all jurisdictions.
- Participation rates declined significantly as students exceeded the maximum compulsory school age (16 years for Tasmania and 15 years for other jurisdictions) (figure 3.10).

Participation rates in the ACT in 2001, as in the past, were higher than those in other jurisdictions for all ages (exceeding 100 per cent for 16 year olds). This is partly a result of the enrolment in the ACT of NSW residents from surrounding areas.

Figure 3.10 **School participation rates, by age of students, all schools, 2001^{a, b}**



^a Proportion of the population who were not of compulsory school age but were enrolled as full time students in August 2001. ^b School is compulsory for 16 year olds in Tasmania.

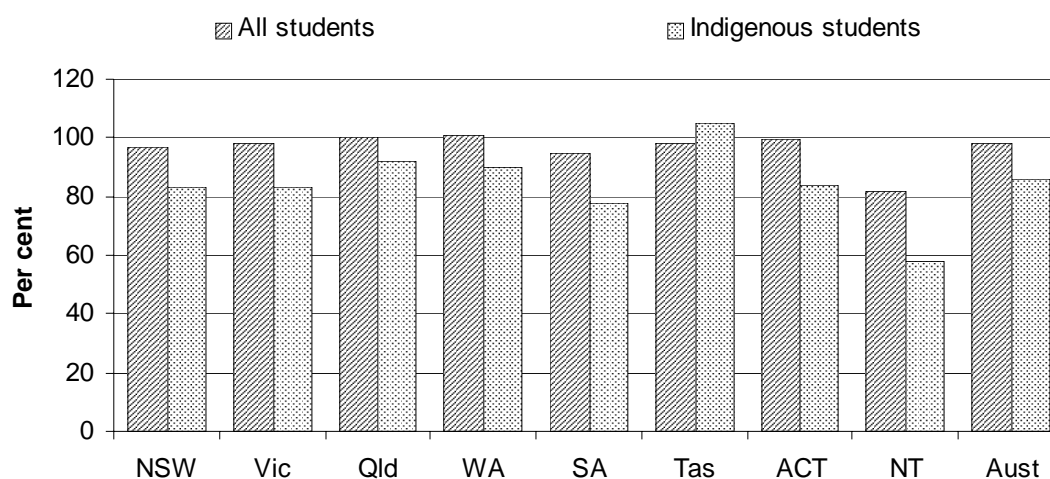
Source: ABS (2002a); table 3A.27.

Apparent retention rates

Apparent retention rates estimate the percentage of full time students that continue from a specified year level to a higher year level. The term ‘apparent’ is used because no adjustments are made for migration, student movements between jurisdictions or students repeating year levels. Apparent retention rates from the commencement of secondary school to year 10 and from year 10 to year 12 are shown in figures 3.11 and 3.12 respectively.

Apparent retention rates from the commencement of secondary school to year 10 provide one measure of the equity of outcomes for Indigenous students. Apparent retention rates for all students were most commonly between 95 and 100 per cent in 2001, with a national proportion of 98.1 (figure 3.11). High rates are to be expected as, with normal year level progression, students in year 10 are generally of an age where schooling is compulsory. Rates for Indigenous students, however, are considerably lower than for all students in all jurisdictions except Tasmania. The national retention rate for Indigenous students was 85.7 per cent, or 12.4 percentage points lower than for all students.

Figure 3.11 **Apparent retention rates of full time secondary students to year 10, all schools, 2001^{a, b, c}**



^a Retention rates are affected by factors that vary across jurisdictions. For this reason, variations in apparent retention rates over time within jurisdictions may be more useful than comparisons across jurisdictions. Retention rates can exceed 100 per cent for a variety of reasons, including student transfers between jurisdictions after the base year. ^b The exclusion of part time students from standard apparent retention rate calculations has particular implications for the interpretation of results for SA. ^c Ungraded students are not included in the calculation of apparent retention rates. This has particular implications for the NT, where around 50 per cent of Indigenous secondary students are ungraded (compared with an average of around 4 per cent for the rest of Australia). As a result, Indigenous apparent retention rates may misrepresent the actual retention of students in secondary schooling in the NT.

Source: ABS (2002a); DEST (unpublished); table 3A.28.

The apparent retention rate from year 10 to year 12 has been derived by expressing the number of full time school students enrolled in year 12 in 2001 as a proportion of the number of full time school students enrolled in year 10 in 1999. Progression to final years of schooling is influenced by a wide range of factors, including student perceptions of the benefits of schooling, the availability of employment and further educational alternatives, socioeconomic status and population movements. Apparent retention to year 12 is a long standing measure which is presented as an indicator of the extent to which students progress to their final year of schooling. It has been consistently reported over time, but it does not reflect factors such as:

- students repeating a year of education or returning to education after a period of absence and hence being included in the year 10 cohort in 1999 but not in the year 12 cohort in 2001;
- differing enrolment policies across jurisdictions (which contribute to different age/grade structures);
- students enrolled in year 12 on a part time basis (see table 3.4 for the proportions of part time students in government schools in each jurisdiction);
- interstate movement of students;
- movement from the government school sector to non-government school sector;
- impacts of migration and full-fee paying overseas students; and
- varying enrolment patterns in which students choose to complete their secondary schooling in TAFE institutes.

All these factors can combine to result in a year 12 cohort that is significantly different in composition from the corresponding year 10 cohort — for example:

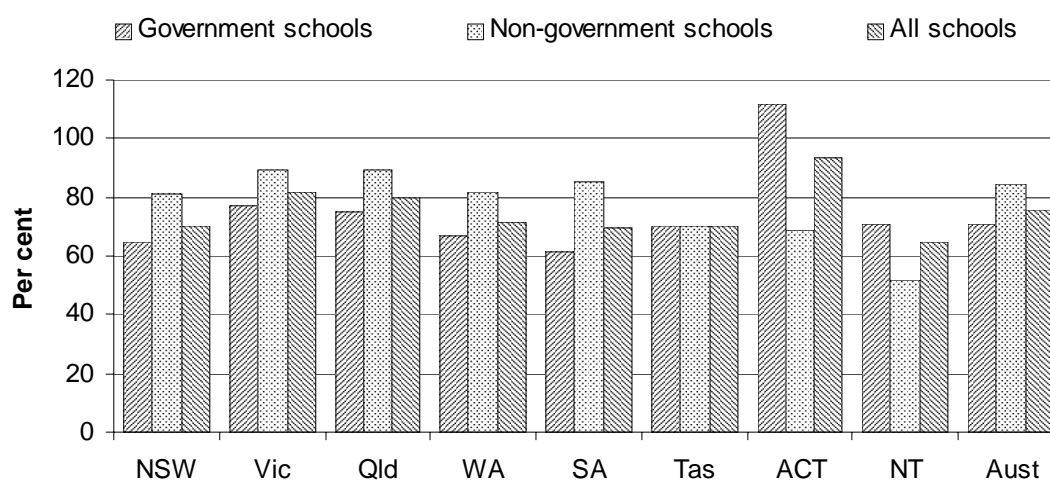
- in SA in 2001, 84.9 per cent of all students, including part time students, had continued their schooling from year 10 to year 12, compared with 69.6 per cent for full time students only (ABS 2000, 2002a); and
- in NSW, a significant number of students use the TAFE system to complete their post-compulsory schooling in preference to enrolling in years 11 and 12 in the school system. In 2001, 4646 students aged 15–19 years who undertook Higher School Certificate studies or other tertiary preparation studies in NSW did so through TAFE institutes.

Work being undertaken to improve this measure is discussed in section 3.5.

Apparent retention rates from year 10 to year 12 in all schools ranged from 93.3 per cent in the ACT to 64.9 per cent in the NT in 2001. The apparent retention rates for government schools ranged from 112.1 per cent in the ACT to 61.7 per cent in SA (figure 3.12). One reason for the ACT rate for government schools exceeding 100 per cent is that a number of non-government schools do not enrol students beyond year 10 and students need to change schools to continue to years 11 and 12. This has the effect of reducing the retention rate for non-government schools and increasing the retention rate for government schools.

For all schools, apparent retention rates from year 10 to year 12 for Indigenous students in 2001 ranged from 59.1 per cent in Queensland to 26.9 per cent in WA (figure 3.13). In interpreting this indicator, note that about 10–20 per cent of Indigenous students leave school before year 10 (figure 3.11) and, therefore, are not included in the base year for apparent retention from year 10 to year 12. Nationally, Indigenous retention from year 10 to year 12 for all schools in 2001 was 43.6 per cent (figure 3.13), or 31.8 percentage points lower than for all students.

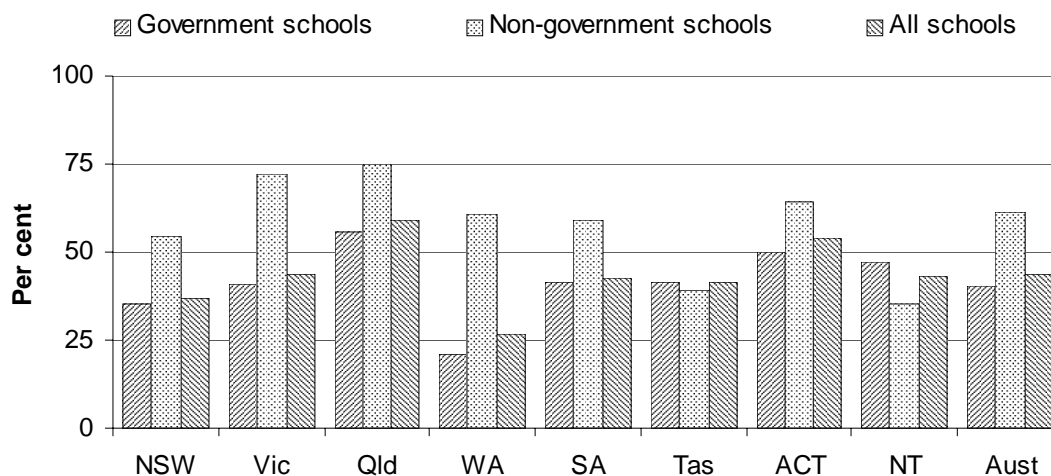
Figure 3.12 Apparent retention rates of full time secondary students from year 10 to year 12, 2001^{a, b}



a Retention rates are affected by factors that vary across jurisdictions. For this reason, variations in apparent retention rates over time within jurisdictions may be more useful than comparisons across jurisdictions. Retention rates can exceed 100 per cent for a variety of reasons, including student transfers between government and non-government schools after the base year. **b** The exclusion of part time students from standard apparent retention rate calculations has particular implications for the interpretation of results for SA.

Source: ABS (2002a); DEST (unpublished); table 3A.29.

Figure 3.13 **Apparent retention rates of Indigenous full time secondary students from year 10 to year 12, 2001^{a, b, c}**



a Retention rates are affected by factors that vary across jurisdictions. For this reason, variations in apparent retention rates over time within jurisdictions may be more useful than comparisons across jurisdictions. **b** The exclusion of part time students from standard apparent retention rate calculations has particular implications for the interpretation of results for SA. **c** Ungraded students are not included in the calculation of apparent retention rates. This has particular implications for the NT, where around 50 per cent of Indigenous students are ungraded (compared with an average of around 4 per cent for the rest of Australia). As a result, Indigenous apparent retention rates may misrepresent the actual retention of students in secondary schooling in the NT.

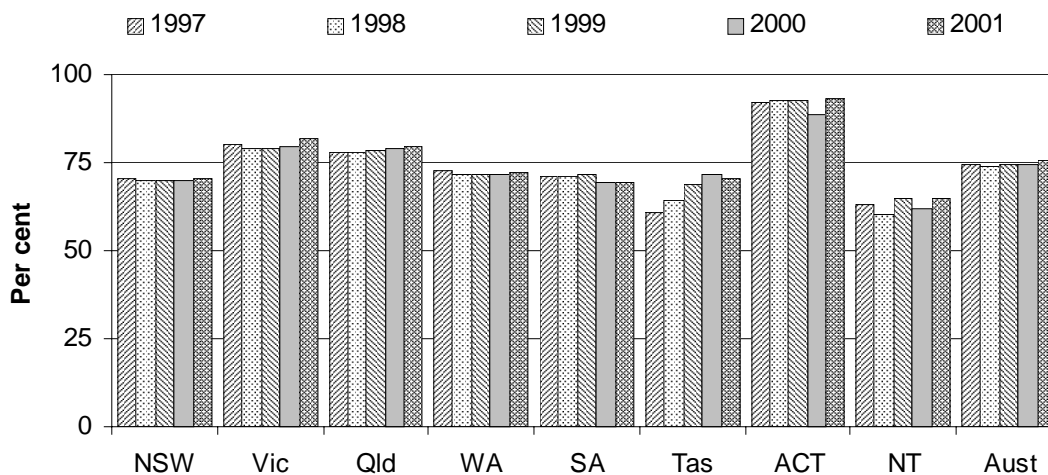
Source: ABS (2002a); DEST (unpublished); table 3A.29.

Between 1997 and 2001, apparent retention rates from year 10 to year 12 in all schools increased in Tasmania and remained fairly steady in all other jurisdictions (figure 3.14).

Completion of secondary schooling

The Commonwealth Government has developed a method for estimating the proportion of young Australians who complete year 12, disaggregated by locality, socioeconomic background and gender. Completion rates are estimated by expressing the number of students who obtain a year 12 certificate as a percentage of the potential year 12 population. (For the definition of the potential year 12 population, see section 3.7.)

Figure 3.14 Apparent retention rates of full time secondary students from year 10 to year 12, all schools



Source: ABS (2002a); tables 3A.38, 3A.50, 3A.63, 3A.74, 3A.87, 3A.101, 3A.112 and 3A.124.

The Commonwealth develops completion rates because information on participation and retention rates is generally not available by socioeconomic background or geographic location. Completion rates are primarily used as indicators of trends. Comparisons across jurisdictions need to be made with care as:

- assessment, reporting and requirements for obtaining year 12 certificates vary across States and Territories;
- small changes in population or completions can affect completion rates quite significantly, particularly for smaller States and the Territories; and
- students completing their secondary education in TAFE institutes are not included, and the proportion of these students varies across jurisdictions.

Geographic isolation is determined using the method developed by the former Department of Primary Industries and Energy. Socioeconomic status is determined according to the Index of Relative Socioeconomic Disadvantage developed by the Australian Bureau of Statistics (ABS). Low socioeconomic status is the average of the three lowest deciles and high socioeconomic status is the average of the three highest deciles. The aggregation of all postcode locations into three categories — high, medium and low — means there may be significant variation within the categories. Low deciles, for example, will include locations ranging from those of extreme disadvantage to those of moderate disadvantage.

Year 12 completion rates in 2001 by socioeconomic background, location and gender are provided in tables 3.9 and 3.10. Table 3.9 highlights differences in completion rates on the basis of socioeconomic background. Completion rates for students from a low socioeconomic background were 15 percentage points below those for students from a high socioeconomic background in 2001. The completion rates in both socioeconomic categories were higher for female students; the female completion rate in the low socioeconomic category was only 5 percentage points behind the male rate in the high socioeconomic category in 2001.

Table 3.9 also indicates that the 2001 completion rates varied substantially across jurisdictions. Rates in the low socioeconomic status deciles ranged from 70 per cent in Queensland to 10 per cent in the NT. Rates for the high socioeconomic status deciles (for jurisdictions with available data) ranged from 88 per cent in Tasmania to 73 per cent in NSW.

Table 3.9 Year 12 estimated completion rates, by socioeconomic status and gender, 2001 (per cent)^a

	NSW	Vic	Qld	WA	SA	Tas	ACT ^b	NT ^c	Aust
Low socioeconomic status deciles									
Male	56	58	65	44	49	59	..	8	56
Female	69	70	76	54	68	72	..	13	68
All students	62	64	70	49	58	65	..	10	62
High socioeconomic status deciles									
Male	69	73	76	74	78	88	74	na	73
Female	77	85	78	83	92	88	81	na	82
All students	73	79	77	79	85	88	77	na	77
Total									
Male	59	64	68	58	59	67	73	22	62
Female	70	78	76	68	78	78	78	34	74
All students	64	71	72	63	68	73	75	28	68

^a The ABS Index of Relative Socioeconomic Disadvantage has been used to calculate socioeconomic status on the basis of students' home addresses. Low socioeconomic status is the average of the three lowest deciles and high socioeconomic status is the average of the three highest deciles. ^b On the basis of this index, the ACT has only medium and high socioeconomic status deciles. ^c Small increases in the estimated resident population can cause significant fluctuations in the data. As a result, high socioeconomic status rates for the NT are unreliable and have been excluded. **na** Not available. **..** Not applicable.

Source: DEST (unpublished).

In 2001, completion rates were generally higher in capital cities than other areas. Gender differences are also evident in table 3.10. In other rural and remote areas, female completion rates were 21 percentage points higher than male completion rates. In capital cities, there was a 10 percentage point gender difference. Time series data on completion rates are shown in tables 3A.30 and 3A.31.

Table 3.10 Year 12 estimated completion rates by locality and gender, 2001 (per cent)

	NSW	Vic	Qld	WA ^a	SA ^a	Tas ^a	ACT ^b	NT ^c	Aust
Capital city									
Male	62	66	69	60	63	78	73	35	64
Female	72	77	76	69	78	82	78	50	74
All students	67	72	72	64	70	80	75	43	69
Other metropolitan									
Male	52	60	63	..	..	..	..	..	57
Female	63	75	66	..	..	..	..	..	65
All students	57	67	65	..	..	..	..	..	61
Rural centres									
Male	53	58	71	47	46	61	..	..	59
Female	65	74	75	64	69	70	..	..	70
All students	59	66	73	55	57	65	..	..	65
Other rural and remote areas									
Male	56	60	67	53	48	55	..	13	57
Female	77	87	83	68	82	82	..	22	78
All students	66	73	75	60	64	68	..	17	67
All areas									
Male	59	64	68	58	59	67	73	22	62
Female	70	78	76	68	78	78	78	34	74
All students	64	71	72	63	68	73	75	28	68

^a There are no Other Metropolitan Areas in this jurisdiction. ^b All of the ACT is defined as a Capital City. ^c There are no Other Metropolitan or Rural Centres in the NT. .. Not applicable.

Source: DEST (unpublished).

School leaver destinations

The Education preface of this Report discusses the destinations of year 12 leavers and early school leavers in 2001 at the national level, and examines the proportions of male and female students attending other educational institutions in 2001 after leaving school in the previous year (table B.4).

Civics and citizenship

Indicators for civics and citizenship are under development — see section 3.5 for details.

Enterprise education

Indicators for enterprise education are under development — see section 3.5 for details.

Social objectives of schooling

In 1996, the Commonwealth Department of Education, Training and Youth Affairs, on behalf of MCEETYA, commissioned an investigation ‘to define and describe aspects of the social objectives of schooling’. The purpose of this investigation was to obtain baseline data on achievements against the selected social objectives and to investigate the role and influence of schools in this regard (Ainley *et al.* 1998, p. xiii). The 1999 Report includes a summary of these results.

Efficiency

Governments have an interest in achieving the best results from their expenditure on schooling, both as owners and operators of government schools, and as the major providers of funds to the non-government school sector. An objective for the Review is to publish comparable estimates of costs. Ideally, such comparison includes the full range of costs to government. Where the full costs cannot be measured, cost is best estimated on a consistent basis.

Significant effort has been made to improve the comparability of expenditure data across States and Territories. Table 3.11 shows information on the comparability of the source expenditure data used for this chapter. The main areas of non-comparability for 2000-01 were:

- the NT used cash accounting (supplemented by selected accrual information), while all other jurisdictions used accrual accounting;
- WA and the ACT are the only jurisdictions that were not subject to payroll tax; and
- Victoria, Queensland and the ACT were the only jurisdictions that included a capital charge.

For the efficiency indicators included in this chapter, however, adjustments were made to improve comparability with respect to payroll tax and capital charges. These adjustments involved including an estimate of payroll tax for WA and the ACT, and excluding capital charges for those jurisdictions to which they apply. This chapter deals with capital costs separately by reporting the user cost of capital for all jurisdictions (table 3A.8).

Table 3.11 Comparability of expenditure — items included, 2000-01

	NSW	Vic	Qld	WA ^a	SA	Tas	ACT ^a	NT
Superannuation	✓	✓	✓	✓	✓	✓	✓	✓
<i>Basis of estimate</i>	Accrual	Accrual	Accrual	Accrual	Accrual	Accrual	Accrual	Cash
Workers compensation	✓	✓	✓	✓	✓	✓	✓	✓
Payroll tax ^b	✓	✓	✓	✗	✓	✓	✗	✓
<i>Basis of estimate</i>	Accrual	Accrual	Accrual	..	Accrual	Accrual	..	Cash
Termination and long service leave	✓	✓	✓	✓	✓	✓	✓	✓
<i>Basis of estimate</i>	Accrual	Accrual	Accrual	Accrual	Accrual	Accrual	Accrual	Cash
Sick leave	✓	✓	✓	✓	✓	✓	✓	✓
Depreciation	✓	✓	✓	✓	✓	✓	✓	✗
Rent	✓	✓	✓	✓	✓	✓	✓	na
<i>Basis of estimate</i>	Accrual	Accrual	Accrual	Accrual	Accrual	Accrual	Accrual	na
Utilities	✓	✓	✓	✓	✓	✓	✓	✓
<i>Basis of estimate</i>	Accrual	Accrual	Accrual	Accrual	Accrual	Accrual	Accrual	Cash
Umbrella department costs	✓	✓	✓	✓	✓	✓	✓	✓
<i>Basis of apportionment^c</i>	Formula	Formula	Formula	Formula	Per student	Per FTE student	Formula	Per student
Capital charge ^b	✗	✓	✓	✗	✗	✗	✓	✗

^a Education departments in WA and the ACT are exempt from payroll tax. ^b Differences for payroll tax and capital charges are adjusted for efficiency indicators included in this chapter. ^c Umbrella department costs are apportioned according to: departmental program structure in NSW; use (including enrolment) in Victoria; and activity-based costing in the ACT. **na** Not available. **..** Not applicable. **✓** Included. **✗** Excluded. FTE = full time equivalent.

Source: State and Territory governments.

Government recurrent expenditure per student

A number of factors may influence government recurrent expenditure per student (box 3.2).

Box 3.2 Factors that may influence the level of expenditure per student

Differences in the costs of educating students can be driven by:

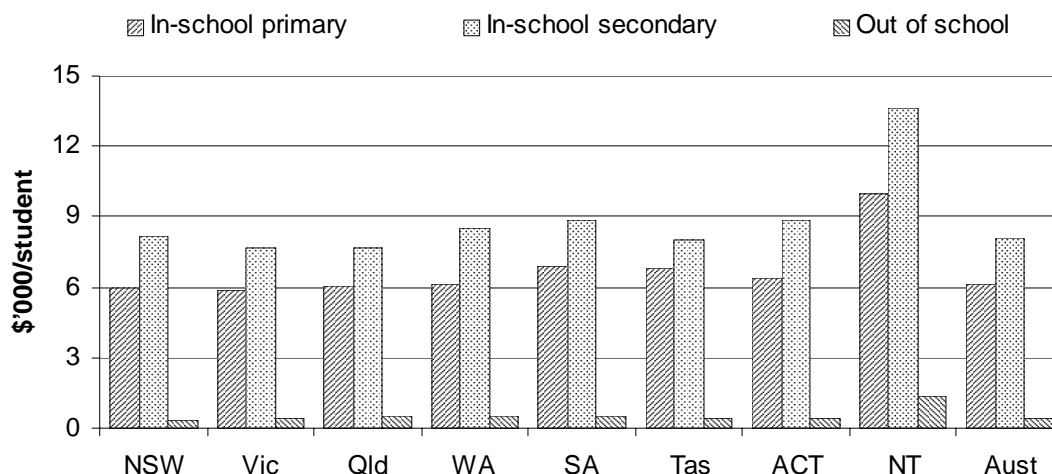
- influences beyond the control of governments, such as a high proportion of geographically remote students and/or a dispersed population;
- policy changes in education, such as tradeoffs between reducing costs and improving the quality of education, or between reducing costs and increasing the accessibility of education; and
- how well the education department and schools manage resources.

The Commonwealth Grants Commission, when calculating relativities between States and Territories to distribute Commonwealth general purpose grants, accounts for influences beyond a jurisdiction's control (called disabilities) that affect its cost of providing services and its capacity to raise revenue. In relation to education, the assessment includes 'service delivery scale' disability factors. These factors allow for the effects on relative cost differences among jurisdictions that have to service small and remote schools because they have a small and dispersed population. This Report does not, however, make any cost adjustments based on any of the above factors. These factors may need to be considered when examining each jurisdiction's expenditure per student.

A proxy indicator of efficiency is the level of government inputs per unit of output (unit cost). In-school government expenditure per full time equivalent student in government primary schools ranged from \$9975 in the NT to \$5862 in Victoria in 2000-01. In-school government expenditure per full time equivalent student in government secondary schools ranged from \$13 667 in the NT to \$7683 in Victoria. Out-of-school departmental overheads per full time equivalent student in government schools ranged from \$1370 in the NT to \$324 in NSW (figure 3.15).

Figure 3.16 shows that government expenditure per full time equivalent student in government schools increased (in real terms) between 1998-99 and 2000-01 in all jurisdictions except the ACT. Nationally, the average real increase over this period was 1.1 per cent per year.

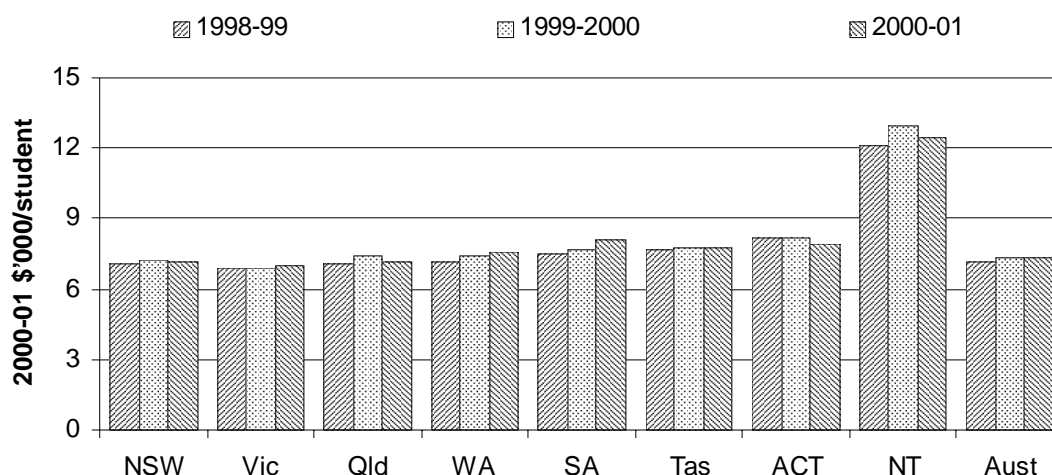
Figure 3.15 Government recurrent expenditure per full time equivalent student, government schools, 2000-01^{a, b, c}



^a See notes to tables 3A.6 and 3A.7 for definitions and data caveats. ^b Excludes capital charges for comparability reasons. ^c Includes payroll tax estimates for WA and the ACT for comparability reasons.

Source: MCEETYA (2002b); ABS (2002a); table 3A.7.

Figure 3.16 Real government recurrent expenditure per full time equivalent student, government schools^{a, b, c, d}



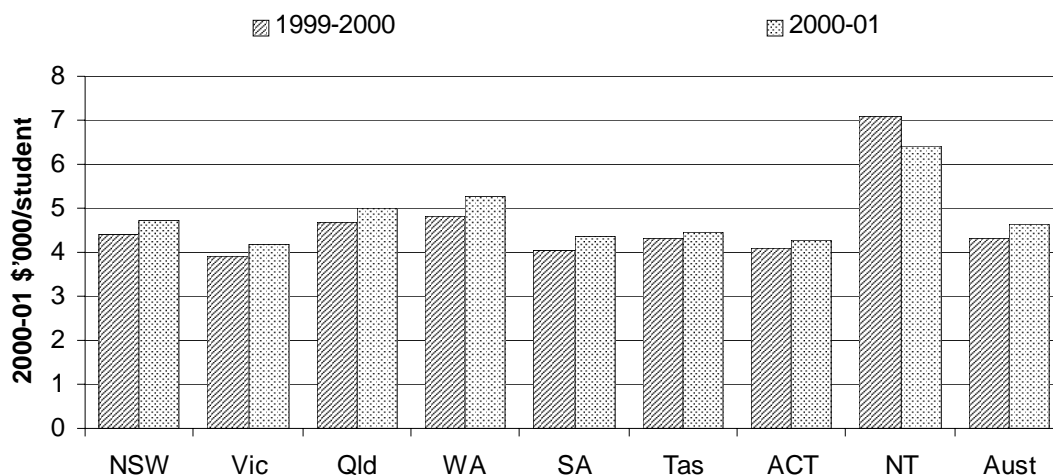
^a See notes to table 3A.6 for definitions and data caveats. ^b Data for 1998-99 and 1999-2000 have been adjusted to 2000-01 dollars using the gross domestic product (GDP) price deflator. ^c Capital charges have been excluded for comparability reasons. ^d Payroll tax estimates have been included for WA and the ACT for comparability reasons.

Source: MCEETYA (2002b); ABS (2002a); table 3A.8.

In 2000-01, government expenditure per full time equivalent student in non-government schools ranged from \$6422 in the NT to \$4196 in Victoria

(figure 3.17). Figure 3.17 shows that government expenditure per full time equivalent student in non-government schools increased (in real terms) between 1999-2000 and 2000-01 in all jurisdictions except the NT.

Figure 3.17 Real government recurrent expenditure per full time equivalent student, non-government schools^a



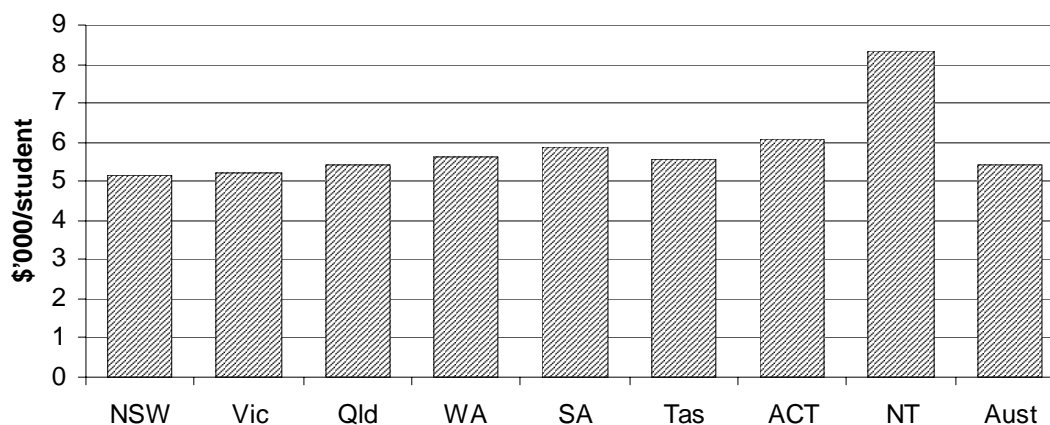
^a The sum of Commonwealth specific purpose payments for non-government schools, and State and Territory payments to non-government schools. Data on State and Territory payments to non-government schools are not fully comparable across jurisdictions.

Source: DEST (unpublished); State and Territory governments (unpublished); table 3A.8.

Staff expenditure per student

Expenditure on staff is the major component of government recurrent expenditure on government schools, accounting for 70.2 per cent of the total in 2000-01. Of this expenditure on staff, 80.2 per cent was expenditure on in-school teachers (table 3A.6). Government expenditure on staff per full time equivalent student ranged from \$8347 in the NT to \$5155 in NSW (figure 3.18).

Figure 3.18 **Government recurrent expenditure on staff per full time equivalent student, government schools, 2000-01**



Source: MCEETYA (2002b); ABS (2002a); table 3A.7.

User cost of capital of school education

The user cost of capital for government services is the cost of funds tied up in capital used to produce services (for example, land and buildings owned by government schools). The user cost of capital makes explicit the opportunity cost of using the funds to provide services rather than investing elsewhere or retiring debt.

When comparing the costs of government services, it is important to account for the user cost of capital because:

- it is often a significant component of the cost of services; and
- it is often treated inconsistently (that is, it is included in the costs of services delivered by most non-government service providers, but effectively costed at zero for many government service providers).

An indicative user cost of capital for government schools in 2000-01 was calculated for all jurisdictions. This was done by applying a nominal cost of capital rate of 8 per cent to the value of government assets used in the delivery of education in government schools. The indicative user cost of capital per full time equivalent government school student in 2000-01 averaged \$1288 nationally. It was highest in NSW (\$1805) and lowest in SA (\$636) (table 3A.8).

The Steering Committee accepts that the asset valuation data, from which the user cost of capital has been calculated, are not fully comparable across jurisdictions

(table 3A.32). It also recognises, however, that the treatment of costs has not fully recognised the cost of public capital used by departments to deliver services — that is, capital has generally been considered ‘free’. This can lead to significant underestimation of costs for those services for which government capital is a major input. Using an imperfect costing is thus preferable to not costing government capital and also provides an incentive to improve data over time. Work is planned to improve the comparability of capital costs for future reports (section 3.5).

Student-to-staff ratios

The student-to-teacher ratio presents the number of students per person classified as a teacher² in a way that can be compared across jurisdictions. A low ratio means that there are a small number of students per teacher. (The ratio is not a measure of class size.) Table 3A.33 contains student-to-staff ratios for 2001.

The ratio needs to be interpreted with care because it can be affected by a number of factors, including:

- the proportion of small rural schools. A large proportion of small rural schools, for example, can significantly lower the overall average student-to-teacher ratio. Conversely, a large proportion of students in metropolitan schools can raise the ratio;
- the proportions of special needs students. For example, special schools catering for students with disabilities generally have significantly lower student-to-teacher ratios than those of mainstream schools;
- the degree to which administrative work is undertaken by people classified as teachers (such as principals, deputy principals and senior teachers); and
- other inputs to school education (for example, non-teaching staff, computers, books and laboratory equipment).

Interpretation of student-to-teacher ratios is usually accompanied by assumptions about efficiency and quality.

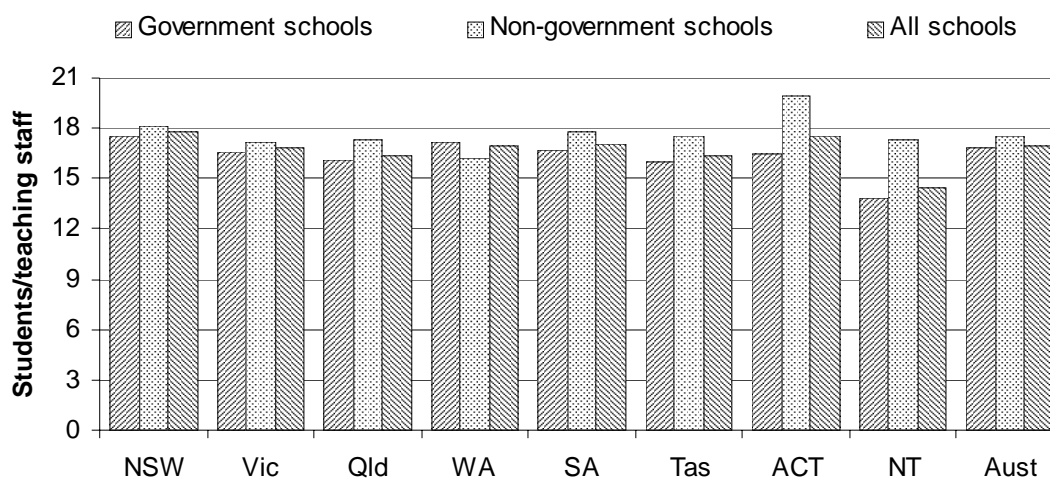
² Teaching staff have teaching duties (that is, they are engaged to impart the school curriculum) and spend the majority of their time in contact with students. They support students, either by direct class contact or on an individual basis. Teaching staff include principals, deputy principals and senior teachers mainly involved in administrative duties, but not specialist support staff (who may spend the majority of their time in contact with students but are not engaged to impart the school curriculum).

- A high ratio could indicate an efficient school system, because desired outputs are produced with a small number of inputs. This indicates efficiency, however, only when output quality and outcomes are the same as (or higher than) those in the other systems being compared.
- A low ratio could indicate a higher quality education system, if it is assumed that teachers have more time for each student and that this results in better student outcomes. There is, however, no clear agreement in international literature that smaller class sizes necessarily improve outcomes.

Interpretation of student-to-teacher ratios would be enhanced by more comprehensive student outcome data, as well as information on teacher quality, experience and qualifications. The ratio is an aggregate across all subjects and year levels, so it does not reflect the fact that a lower ratio may be more important for certain subjects and year levels.

For primary schools in both government and non-government sectors combined, NSW had the highest (17.7) student-to-teacher ratio and the NT had the lowest (14.4) in 2001 (figure 3.19).

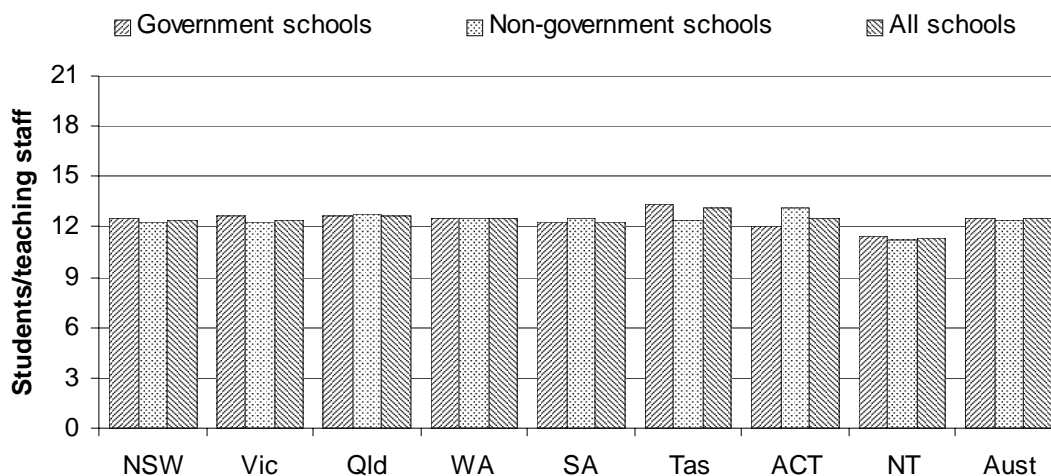
Figure 3.19 Ratio of full time equivalent students to full time equivalent teaching staff, primary schools, 2001



Source: ABS (2002a); table 3A.33.

For secondary schools in both government and non-government sectors combined, Tasmania had the most students per teacher (13.1) and the NT had the least (11.4) in 2001 (figure 3.20).

Figure 3.20 **Ratio of full time equivalent students to full time equivalent teaching staff, secondary schools, 2001**



Source: ABS (2002a); table 3A.33.

The ratio of full time equivalent students to full time equivalent non-teaching³, in-school staff needs to be interpreted with care because it can be affected by:

- the amount of administrative work undertaken by staff nominally classified as teachers (such as principals, assistant principals and senior teachers);
- the proportion of administrative work undertaken outside the school (because administrative tasks such as personnel management are centralised in some jurisdictions but undertaken at the school level in others);
- the extent to which technology is applied to teaching, learning and school administration;
- the extent to which there are support staff in the classroom setting; and
- the degree to which schools contract out services.

For all schools, the ratio of students to non-teaching, in-school staff in 2001 ranged from 59.7 in NSW to 34.9 in Queensland (table 3A.33).

³ Non-teaching staff include administrative and clerical staff (teacher aides and assistants who perform functions that are of benefit to students and teaching staff, including assisting in the development of school curriculum); building operations, general maintenance and other staff; and special support staff. In-school staff include staff who spend more than half their time actively engaged in duties in one or more schools.

3.5 Future directions in performance reporting

Retention and participation rates

It is important that any measure of the extent to which students progress through the post-compulsory education system captures the impact of the significant changes that are occurring in the Australian education system. The participation and apparent retention rates reported in this Report may not reflect changes such as increased part time enrolments and moves to undertake post-compulsory schooling in TAFE institutes. During 2003, other measures will be examined.

Nationally comparable reporting of learning outcomes

The Performance Measurement and Reporting Taskforce (PMRT), established by MCEETYA, is developing performance measures to assess outcomes in a range of learning areas. This work will provide additional nationally comparable data that will align with the performance indicator framework.

VET in schools

The PMRT, in consultation with other groups, is reviewing key performance measures for VET in schools. Participation and attainment data for VET in schools are expected to be collected and reported annually from 2004.

Science

Education Ministers have agreed to an approach to measuring students' scientific literacy at year 6. The first full assessment will be undertaken in 2003, with further assessments at three-year intervals.

Information and communication technology

Education Ministers have agreed to data collection via a national assessment of students at years 6 and 10 every three years. The PMRT will develop assessment instruments and key performance measures for consideration by Ministers, with a view to a full assessment cycle taking place in 2005.

Civics and citizenship

Education Ministers have agreed to data collection via a national assessment of students at years 6 and 10 every three years. A trial assessment will be conducted in 2003, with a view to a full assessment cycle taking place in 2004.

Enterprise education

The PMRT will work with the Transition from School Taskforce on developing key performance measures for enterprise education.

Nationally consistent definitions

Collecting nationally comparable data depends on, among other factors, nationally consistent definitions of groups against which educational achievement and outcomes can be reported. To date, Education Ministers have endorsed national definitions for: sex; Indigenous status; geographic location; language background, culture and ethnicity; and components of socioeconomic status. Progress has also been made towards the development of a common definition of, and approach to, the measurement of outcomes for students with disabilities.

With most definitions agreed, the focus is shifting to implementation and reporting issues. In July 2002, for example, Education Ministers approved the adoption of ABS standard questions and coding procedures for enrolment and other forms, to support some of the above definitions.

Capital costs

The user cost of capital included in this chapter is based on asset values that are not fully comparable across jurisdictions (table 3A.32). During 2003, work will be undertaken, in consultation with the PMRT, to seek to improve comparability for future reports.

3.6 Jurisdictions' comments

This section provides comments from each jurisdiction on the services covered in this chapter. Appendix A contains data which may assist in interpreting the performance indicators presented in this chapter. These data cover a range of demographic and geographic characteristics, including age profile, geographic

distribution of the population, income levels, education levels, tenure of dwellings and cultural heritage (such as Indigenous and ethnic status).

Commonwealth Government comments

“

In 2002, in accordance with the stronger reporting and accountability requirements under the States Grants (Primary and Secondary Education Assistance) Act 2000, all States and Territories released, through MCEETYA, benchmark data from the 2000 full population testing of years 3 and 5 students in Reading and Numeracy. Benchmark data from the 1999 and 2000 testing of Writing for years 3 and 5 and the 2001 testing of years 3, 5 and 7 students in Reading, Writing, and Numeracy is scheduled to be released in late 2002 or early 2003. All States and Territories will report data on the full cohort of year 7 students from 2003 testing.

The Commonwealth Government is encouraging all States and Territories to provide parents with information about how their child is performing against national minimum standards in literacy and numeracy.

During 2002 MCEETYA approved a programme for developing, trialling and mounting national assessments in the priority areas of science, information and communication technology (ICT) and civics and citizenship education over the period 2002–09. The skills and knowledge of year 6 and year 10 students in the areas of ICT and civics and citizenship education will be measured through three-yearly sample assessments.

Australia's participation in the OECD's Programme for International Student Assessment (PISA) is a joint activity of the Commonwealth and States and Territories. Within this assessment framework PISA will provide the regular national measure of the reading and mathematical literacy of 15 year old (year 9/10) students. MCEETYA endorsed the national monitoring of student knowledge, skills and understanding in science at primary school by means of a three-yearly sample assessment of year 6 students, and approved the development of assessment instruments and key performance measures. Data from Australia's participation in PISA will provide measures of students' performance in science at the end of compulsory schooling.

On 14 November 2002, the Commonwealth Minister for Education, Science and Training, Dr Brendan Nelson, tabled a National Report to Parliament on Indigenous Education and Training. This report was the first in an annual series required under the Indigenous Education (Targeted Assistance) Act 2000 and covered educational outcomes and programme funding for the year 2001. The report provided a comprehensive 'state-of-play' of Indigenous education and training in 2001. It includes a range of data available to the Commonwealth from national data sources and some jurisdictional level data reported to the Commonwealth under the Indigenous Education Strategic Initiatives Programme.

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New South Wales Government comments

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The NSW Government's expenditure on education and training accounts for approximately one quarter of total government expenditure, amounting to more than \$7.1 billion in 2000-01. The Government's commitment to providing high quality school education services throughout NSW has been demonstrated by a 29 per cent increase in expenditure for primary and secondary schools over the five years to 2001.

The school education chapter improves the comparability of unit cost data across States and Territories by adjusting MCEETYA figures to include notional payroll taxes for WA and ACT and exclude the actual capital charges for Victoria, Queensland and WA. A notional user cost of capital based on 8 per cent of capital assets is also calculated for each jurisdiction and reported separately. The Report shows that NSW has the highest notional user cost of capital of all States and Territories of \$1805 per student. This is a reflection of the continued investment in capital works in NSW schools.

NSW Treasury recently undertook an analysis of the MCEETYA figures to further improve unit cost comparability and ensure that the States and Territories are compared on an equal basis. This was achieved by including a notional user cost of capital of 8 per cent in the calculation of unit costs. The NSW Treasury analysis confirms that NSW total expenditure per student is considerably higher than shown in the MCEETYA figures. In 2000-01, NSW spent an average of \$8571 per student, which is above the Australian average of \$8429 and more than Queensland and Victoria.

NSW also had the most efficient school administration with expenditure on out of school administration costs of \$324 compared to the national average of \$431.

The continuing high level of expenditure on schools is supported by the implementation of a number of major policy initiatives including almost \$500 million over four years for the State's Literacy and Numeracy Plan. The Basic Skills Test results in 2002 were the best ever recorded in the history of State-wide testing and the performance of NSW 15 year olds on the OECD PISA tests was among the best in the country.

The first examinations for the New Higher School Certificate were conducted in 2001. Over 58 000 students in NSW schools were awarded the New HSC. The NSW Government has provided \$21.6 million over four years for individual school to work plans for students as part of the Ready for Work Plan. This plan is designed to assist students in organising their study in a way that will help develop their career paths. In this respect, vocational courses in government schools are becoming increasingly popular with students, with more than 55 000 students in NSW schools undertaking vocational education and training courses in years 11 and 12 during 2001.

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Victorian Government comments

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The Government's vision for education is to provide all Victorians with access to quality and innovative schooling. In particular, school education is aimed at ensuring that all students leave school literate, numerate and socially skilled, and progress to further education and employment.

The priorities for Department of Education and Training include improving the standard of literacy and numeracy in primary schooling, increasing the percentage of young people who successfully complete year 12 or its equivalent, and increasing the level of participation and achievement in education and training in rural and regional Victoria and among groups where it is presently low.

The Government has allocated \$291.5m over four years to fund 925 additional teachers in its 2002-03 Budget. Employing these teachers targets reduction of class sizes in years Preparatory – year 2, early years numeracy coordination, improving literacy and numeracy in the middle years and the Statewide implementation of a new post-compulsory pathway — the Victorian Certificate of Learning (VCAL).

The overall teacher-student ratio in primary schools has been reduced to 1:16.6, which is below the national average. Significant progress has been made in improving literacy and numeracy standards. Victorian students are at or above the national average for year 3 and year 5 in both reading and numeracy. The Restart initiative was introduced in 2002 in 100 targeted secondary schools to improve the literacy standards of year 7 students.

The VCAL was launched and trialled in selected schools and TAFE institutes in 2002 in preparation for statewide implementation in 2003. This qualification provides a flexible and challenging alternative pathway to the Victorian Certificate of Education (VCE).

Victoria's apparent retention rate for the year 2001 for students from years 7 to 12 was 79.3 per cent, well above the national average of 73.4 per cent and the highest of any State or Territory (with the exception of the ACT). Similarly, participation in schooling by 15 to 19 year olds was higher than the national average and the highest of any State or Territory (with the exception of the ACT).

In this context, further progress was made in 2002 in establishing 31 Local Learning and Employment Networks (LLEN) which provide coverage across Victoria. They bring together all relevant providers and employer representatives at the local level to maximise employment and training outcomes for students.

To ensure improved outcomes for students, the Government is implementing enhanced accountability arrangements aimed at recognising and rewarding quality programs, and promoting ongoing school improvement.

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Queensland Government comments

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Education and training are at the heart of the Smart State vision and that means providing the very best learning opportunities possible for every young Queenslander regardless of their economic or social circumstances.

In July 2002, the government released Destination 2010, Education Queensland's action plan for implementing changes in State education. It identifies the outcomes we want to achieve and the measures we will use to assess performance. The action plan builds on significant activities already well advanced in schools, and links them to the achievement of student outcomes and key targets.

In November 2002 the government released Education and Training Reforms for the Future - A White Paper. This is a landmark education and training reform in which all young people should be 'learning or earning'.

The Queensland Government wants all young people to complete year 10 and then to go on to gain at least a Senior Certificate or a Certificate III vocational qualification. To achieve this we will change the compulsory school leaving requirements and we will change the law to require young people to participate in education and training after year 10.

While legislative changes will not come into effect until 2006, we will start implementing the reforms through trials in selected areas across the state from semester 2, 2003.

We are building an unprecedented partnership between parents, students, State schools, non-State schools, TAFE, training providers, the Queensland Studies Authority, community organisations, universities, and employers to trial and implement the package of reforms outlined in the White Paper.

Queensland is committed to delivering an innovative and vibrant education and training system to provide students with an excellent foundation for future successes.

Our commitment starts with better preparation for children before they enter school so they can achieve more in the early years and set the foundations for their successes in school. Planning is already well underway for 59 trials of a preparatory year in schools across the State, starting from 2003.

The government will also strengthen the middle years of schooling by focusing on students' learning needs and assisting in a smooth transition to the senior years. The Ministerial Advisory Committee for Educational Renewal will provide advice to the Minister for Education by June 2003 on a range of educational matters.

The Queensland government's education and training commitment builds on our Smart State vision of a state of prosperity and social justice with a commitment to equality of opportunity.

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Western Australian Government comments

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Following the report of a Ministerial taskforce established to review the structures that support government schools, the Department has acted to sharpen its focus on its core business of educating students through five key objectives: high standards of student achievement; motivated and engaged students; a motivated and capable work force; inclusive, safe and stimulating learning environments; and an organisational capability for school support.

There is a strong emphasis on improving literacy and numeracy standards and under the Getting it Right initiative 50 FTE specialist teachers commenced work in primary schools at the beginning of the 2002 school year.

Schools continued to move toward outcomes-based education, with full implementation expected by 2004-2005.

A new School Accountability Framework was distributed to all schools, requiring them to report annually to their community on their performance. The reports will give parents and other members of local communities a clear sense of the standards being achieved and the schools' effectiveness in reaching the objectives set out in their school plans.

Clear system requirements for schools in relation to reporting to parents are being developed. Schools will provide written reports to parents which clearly describe the standards being achieved by their children.

In the drive for higher retention and participation rates, there is a growing acceptance of the value of Vocational Education and Training pathways to many students. The Department is working to strengthen its links with the TAFE sector in supporting this trend. The report of the Post-compulsory Education Review, *Our Youth, Our Future* – which will introduce a much more flexible framework for years 11 and 12 studies – has been released and implementation will begin in 2003, with the completion of progress maps and the development of course of study outcomes.

As in most school systems, there is concern about student alienation, particularly in the lower secondary years, and a comprehensive behaviour management program is being mounted.

An eLearning program aims to increase the knowledge teachers must have if they are to use digital curriculum resources effectively to meet the needs of students. Initiatives include better access to the Internet, affordable notebook computers for teachers and remote access to a range of on-line services.

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South Australian Government comments

“ A new Education and Children’s Services department was formed following a State election in March 2002. At this time the incoming government made a commitment to making education a top priority for South Australia. This commitment was reflected in immediate budget allocations for education and children’s services. Over the next four years the increase in funds will be used to provide a raft of new and ongoing initiatives that will ensure that the 176 221 students attending South Australian government schools have access to the highest quality teaching and learning environments.

Key initiatives announced by the new Minister include:

- A renewed focus on, and increased support for, the early years of education. Class sizes in reception to year 2 will be reduced through the provision of extra teachers. Schools with a high level of social and educational disadvantage will be the major beneficiaries of this initiative.
- Extra intervention for students with learning difficulties, particularly in the early years in the areas of literacy and numeracy;
- More speech pathology and behaviour management services offered to schools, thereby reducing the impact of communication difficulties and challenging behaviours on students’ ability to learn successfully.
- The school leaving age will be raised to 16, which will be supported by funding to introduce alternative education programs and extra teachers in the senior years. Secondary schools will also benefit from funding commitments to address student absenteeism and to update computer technology in schools.

In 2001, a new index of disadvantage was introduced into the global budget to allocate funding to address the educational needs of students from low-socio-economic backgrounds. The index was developed through extensive consultation with school communities and includes measures of parental income, education and income.

Schools continued to progress successfully through the South Australian Curriculum, Standards and Accountability framework, which provides curriculum continuity and reporting against standards from birth to year 12.

Literacy and numeracy testing was extended to year 7 in 2001 and a written literacy assessment introduced for year 3 and year 5 students. This extension of literacy and numeracy testing will enable the department to measure students’ progression through the primary years and, as a consequence, more effectively target funding according to need.

Information and communication technologies continue to be part of all students’ learning. All metropolitan and country sites now have Internet access with four remote sites linked by satellite. The department has also been successful in achieving its aim of providing one computer for every five students making it one of the best computer-student ratios in the world.

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Tasmanian Government comments

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In 2001 the focus of activity for the Department of Education was the implementation of initiatives contained in *Learning Together*, the Government's vision statement and planning framework for the education, training and information system into the 21st century. This comprehensive framework underpins the implementation of new programs and improvement to existing services and programs in the Tasmanian education system.

The Department implemented an intensive literacy support program for children not achieving expected standards of literacy. A program was also established whereby the ultimate aim is to have a trained teacher with “reading recovery” skills in every primary school. This reflected continuing work on implementation of the Department's Literacy and Numeracy Plan which was developed to ensure that there is continuing improvement in each Tasmanian student's literacy and numeracy throughout the period of their school education. The plan aims to develop and explain an approach for resource allocation, management and teaching based on “strategic intervention” to meet set outcomes.

The issue of student behaviour was addressed through the establishment of a behaviour support team to further develop effective programs and strategies that help students feel safe and supported. Improved provision for students with challenging behaviours was introduced through professional learning for teachers, a wider range of alternative provision and a wider range of preventative and early intervention programs. The program also provided for projects at district level to trial approaches to behaviour support that are appropriate to the individual school and surrounding community.

The Tasmanian curriculum review process continued and the next phase implemented was the production of a curriculum framework, the New Essential Learnings statement and indicative outcomes to support the work of teachers.

The Department recognised the changing nature of the teacher workforce and the need to support the growing number of young teachers entering the profession. A new program of time release for all beginning teachers was established to enable them to have extra time to work and learn with experienced teachers and to undertake planning.

The wide range of initiatives contained in *Learning Together* provide a balanced approach to development of the Tasmanian education system recognising the need to address programs to support students, teachers and schools and the education system broadly.

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Australian Capital Territory Government comments

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The Department of Education, Youth and Family Services is responsible for the seamless provision of school and vocational education, family, youth and children's services.

One of the most significant initiatives in recent times has been the decision to lower class sizes in kindergarten to year 3 average to no more than 21 students.

Three major planning initiatives were finalised during this year: guiding ACT government school education, supporting students at risk and improving services to Indigenous people. The three plans have been launched under the overarching title *Within Reach Of Us All, 2002-2004*.

New learning support units for students with special needs have been opened at mainstream schools. Additional policy direction and support for schools in meeting the needs of students at risk of not achieving positive educational outcomes have been provided.

Improvements in student outcomes continue to be validated through the ACT Assessment Program in Literacy and Numeracy and ICT Competencies; 97 per cent of year 10 students achieved ICT competency in 2000. Baseline data for measuring improvement through schooling is now being collected through the PIPS (Performance Indicators in Primary Schools) program. This program was introduced for kindergarten students in 2001 and initial evaluation and research being undertaken confirms that PIPS data will be reliable.

Improvements in the provision of technology for teachers have continued, with a tender to replace all teachers' computers with the latest desktop or laptop models, and the launch of ACTivED, a web site that provides online ICT training, a Digital Resource Databank and examples of teaching resources and best practice. A successful pilot of enhanced broadband services for schools, carried out in 2001, will be extended to all schools, providing greater access to local and national resources for ACT students. A Centre for Teaching and Learning Technologies was established.

Finally, this Report suggests that participation rates for school education vary because of a range of different factors that can be considered policy in nature. The ACT disagrees with this, based on evidence in a report by the National Centre for Social and Economic Modelling (NATSEM, Education Participation Study, 2002) suggesting that the drivers of post-compulsory participation rates were non-policy in nature.

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Northern Territory Government comments

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2001 has seen considerable changes in the public service structure within the NT, including the development of the Department of Employment, Education and Training from three organisations to a single department. This merger enables the implementation of priorities with better coordinated resources and more targeted effort. In particular, Indigenous education outcomes, improved training in remote communities and better targeting of resources to enable youth to participate in the growth of the Territory. The new department recognises the requirement to build better pathways between schools, training and skilled jobs. The inclusion of a Work Health unit also provides a focus on a safe and skilled workforce.

Territory schools still have a higher proportion of Indigenous students than any other jurisdiction. In 2001, Indigenous students represented 38 per cent of the NT Government's total student population.

In late 2001 the Learning Lessons Implementation Steering Committee (LLISC) was established with a charter to oversee implementation of a reform program. This was based on a comprehensive response to recommendations from Learning Lessons – An Independent Review of Aboriginal Education in the Northern Territory. There are 14 members on the LLISC, 12 of whom are Indigenous leaders in their fields. Together, the members make decisions and take action aimed at improving Indigenous education outcomes based on wide Terms of Reference.

A small population sparsely dispersed across the Territory presents very significant challenges to service delivery. The ABS classification of remoteness shows that 49 per cent of the NT population live in remote (24 per cent) or very remote (25 per cent) regions. In terms of providing quality services to large numbers of geographically dispersed, isolated, small communities the Territory faces specific challenges. These disadvantages are due to diseconomies of scale, isolation and the costs of obtaining goods and services in remote areas, and additional staffing and infrastructure costs such as housing, transport, and relocation costs.

In 2001, the NT recorded 32 726 enrolments in government schools and 8692 in non-government schools. The NT continues to have one of the highest proportion of government school enrolments in Australia at 79 per cent.

For the first time in 2001, individual Territory student Multilevel Assessment Program (MAP) results and national benchmark achievements were reported to parents. NT MAP 2001 results show an overall increase of students meeting the national benchmarks in reading, writing, spelling and numeracy.

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3.7 Definitions

Table 3.12 Terms

<i>Term</i>	<i>Definition</i>
Apparent retention rates	The number of full time students in a designated year of schooling expressed as a percentage of their respective cohort group at an earlier base year — for example, the percentage of full time students who continued to year 12 in 2001 from respective cohort groups at year 10. In this example, the rate is calculated by dividing the total number of full time students in year 12 in 2001 by the total number of full time students in year 10 in 1999.
Full time equivalent student	The full time equivalent of a full time student is 1.0. The method of converting part time student numbers into full time equivalents should be based on the student's workload compared with the workload usually undertaken by a full time student. Note that the full time equivalent of part time primary students was included for the first time for 2001.
Full time student	A person who satisfies the definition of a student and undertakes a workload equivalent to, or greater than, that usually undertaken by a student of that year level. The definition of full time student varies across jurisdictions.
Geographic classification	<p>A new classification of geographic location has been adopted for nationally comparable reporting of outcomes of schooling. This classification divides Australia into three zones: metropolitan, provincial and remote. The metropolitan and provincial zones are each subdivided into two categories as outlined below.</p> <p><i>Metropolitan zone</i></p> <ol style="list-style-type: none"> 1. Mainland State Capital City regions (Statistical Divisions): Sydney, Melbourne, Brisbane, Adelaide and Perth. 2. Major urban Statistical Districts (population of 100 000 and above). <p><i>Provincial zone</i></p> <ol style="list-style-type: none"> 3. Provincial City Statistical Districts plus Darwin (population of 25 000 to 99 999). 4. Other provincial areas (Census Collection Districts with ARIA Plus score less than or equal to 5.92). <p><i>Remote zone</i></p> <ol style="list-style-type: none"> 5. Remote Zone (Census Collection Districts with ARIA Plus score greater than 5.92). <p>'ARIA Plus' refers to the Accessibility/Remoteness Index of Australia developed by the ABS (ABS 2001).</p> <p>The new classification is yet to be fully implemented and other classifications, based on individual jurisdiction's definitions, are included in this chapter.</p>

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Table 3.12 (Continued)

<i>Term</i>	<i>Definition</i>
Government recurrent expenditure per full time equivalent student	Total government recurrent expenditure divided by the total number of full time equivalent students. Expenditure is based on the National School Statistics Collection (MCEETYA 2002b), with adjustments for capital charge and payroll tax. Capital charges are excluded and payroll tax estimates are included for those jurisdictions not subject to it (WA and the ACT). Expenditure figures are in financial years and student numbers are in calendar years, so the total number of students is taken as the average of two years. When calculating the 2000-01 average expenditure per student, for example, the total expenditure figure is at 2000-01 but the total student number figure is the average of student numbers from 2000 and 2001.
Indigenous student	A student of Aboriginal or Torres Strait Islander origin who identifies as an Aboriginal or Torres Strait Islander or as being from an Aboriginal and Torres Strait Islander background. Administrative processes for determining Indigenous status varies across jurisdictions.
Language background other than English (LBOTE) student	A status that is determined by administrative processes that vary across jurisdictions.
Part time student	A student undertaking a workload that is less than that specified as being full time in their jurisdiction.
Participation rate	The number of full time school students of a particular age, expressed as a proportion of the estimated resident population of the same age at June (sourced from ABS Cat. 3201.0).
Potential year 12 population	An estimate of a single-year age group that could have participated in year 12 that year, defined as the estimated resident population aged 15–19 years divided by 5.
Real expenditure	Nominal expenditure adjusted for changes in prices, using the GDP price deflator and expressed in terms of final year prices.
Socioeconomic status	As per footnotes to tables 3.9, 3A.24, 3A.25 and 3A.26, which provide definitions specific to each table. Elsewhere in the Report, socioeconomic status data is presented that are not fully comparable across jurisdictions because administrative processes for determining socioeconomic status vary across jurisdictions.
Source of income	In this chapter, income from either the Commonwealth or State and Territory governments. Commonwealth expenditure is derived from specific purpose payments (current and capital) for schools. This funding indicates the level of monies allocated, not necessarily the level of expenditure incurred in any given financial year. The data provide, therefore, only a broad indication of the level of Commonwealth funding.
Student-to-staff ratios	The number of full time equivalent students per full time equivalent teaching and non-teaching staff. Students at special schools are allocated to primary and secondary. The full time equivalent of staff includes those who are generally active in schools and ancillary education establishments.
Student	A person who is formally (officially) enrolled or registered at a school, and who is also active in a primary, secondary or special education program at that school. Students at special schools are allocated to primary and secondary on the basis of age, unless otherwise identified.

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Table 3.12 (Continued)

<i>Term</i>	<i>Definition</i>
Student, primary	Student in primary education, which covers pre-year 1 to year 6 in NSW, Victoria, Tasmania and the ACT, pre-year 1 to year 7 in SA and the NT, and year 1 to year 7 in Queensland and WA.
Student, secondary	Student in secondary education, which commences at year 7 in NSW, Victoria, Tasmania and the ACT, and at year 8 in Queensland, SA, WA and the NT.
Students with disabilities	Students included in the annual system reports to DEST. The definitions of students with disabilities are based on individual State and Territory criteria, so data are not comparable across jurisdictions.

3.8 References

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