ACER
2005-2006
Annual Report

Improving Learning
The Australian Council for Educational Research (ACER) is an independent, not-for-profit organisation which provides state-of-the-art educational research, products and services. Established in 1930, ACER has a long history and solid reputation as a provider of non-aligned, reliable support and expertise to education policy makers and professional practitioners. It receives no direct financial support and generates its entire income through contracted research and development projects, and through products and services that it develops and distributes.

ACER is a leader in the provision of quality educational research, both within Australia and internationally. As a national, independent research body, ACER brings a high level of expertise and objectivity to its work. One of ACER’s great strengths is its people. The researchers in its seven research programs bring extensive experience and expertise in a range of disciplines and research methods to their projects. ACER also supports the work of professional practitioners through the development and provision of a range of research-based products and services, produced and managed by its five professional resources divisions.

ACER works in an increasingly international context, providing consultancy and professional development support to several countries establishing national assessment programs, as well as undertaking commissioned research and providing assessment services to a broad range of international clients.

Today, ACER is one of the world’s leading educational research centres, committed to creating and distributing research-based knowledge, products and services to improve learning across the lifespan in both formal and informal settings.
Mission
Improving learning through creating, developing, and promoting relevant research-based information, products, and services.

ACER aims to achieve this mission through research and development into six key areas: the conditions needed for successful learning, procedures for supporting quality teaching, more informative assessments of individual aptitude and progress, factors influencing successful transitions, the purposeful monitoring of educational performances, and supporting evidence-based practice.

Vision
ACER’s vision for itself is to be a vibrant, reflective, and responsive research organisation that pursues the highest standards of scholarship and quality in all that it undertakes, continually building its reputation as one of the world’s leading educational research centres with an increasingly international orientation to its work.

Values
ACER is committed to five core values which drive it towards achieving its vision.

1. Fulfilment – the belief in the importance of ongoing, lifelong learning for the fulfilment of individuals and for the well-being of society.

2. Innovation/expertise – the use of systematic investigation, evaluation and critical reflection in the search for ways to improve learning.

3. Neutrality – the provision of authoritative and non-partisan advice, consultancy, and commentary that is informed through research.

4. Responsiveness – anticipating understanding, meeting, and exceeding client and customer expectations.

5. Integrity – the belief in being ethical, honest, and trustworthy in all its relationships and interactions.

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Council & Board

ACER’s Board of Directors as at 1 January 2006

Chair
Paige Porter (from 1 January 2006)
Jillian Maling (to 31 December 2005)

Deputy Chair
Professor Brian Caldwell

Members Elected by Council
Dr Judith MacCallum (to 31 December 2005)
Ms Robyn Baker (from 1 January 2006)
Professor Brian Caldwell
Dr Brian Croke.
Dr Peter Hill (from 1 January 2006)
Mr Tony Mackay.
Professor Paige Porter
Professor Jillian Maling

Nominee of Secretary of Commonwealth Department of Education, Science and Training
Dr Evan Arthur

Nominee of Australian Education Systems Officials Committee
Mr Steve Marshall (to 31 December 2005)
Mr Andrew Cappie-Wood (from 1 January 2006)

Member Elected by ACER Staff
Dr Sheldon Rothman

Chief Executive Officer of ACER
Professor Geoff Masters
ACER has experienced a period of considerable growth in 2005-06, not just financially but also in terms of our number of staff, new office locations and the range of our work. This annual report describes the activities undertaken by ACER in the last financial year.

Some of the highlights include continued financial growth. ACER’s annual income grew by 18 per cent in the last financial year to just over $43.5 million. An operating surplus of $1.4 million was achieved, an improvement on the previous financial year. Strong growth was experienced in both the research and professional resources areas of the company.

ACER’s continued growth also led to the establishment of an office in Brisbane. The office, officially launched in March 2006, provides ACER with a presence in Queensland for the first time.

ACER purchased a building in Camberwell Victoria adjoining the current head office. The site will be redeveloped in the coming year to allow most of ACER’s Melbourne-based staff to work in the one location.

Two research highlights from the past financial year were major research projects undertaken for the Australian government. In late 2005 two national reports prepared under the direction of ACER staff were presented to the Commonwealth. The report of the National Inquiry into the Teaching of Literacy, chaired by Dr Ken Rowe, was released. The report on the investigation of options for the introduction of an Australian Certificate of Education was delivered to the Department of Education, Science and Training and released publicly in March 2006. The release of these two major reports has helped to generate much discussion of key issues in Australian education and reinforce ACER’s position as a provider of independent expertise of the highest standard. ACER has also been commissioned to undertake further work which will begin the development of curriculum and achievement standards for senior school English, mathematics, physics, chemistry and Australian History.

To ensure that ACER’s research continues to meet international standards of excellence, the Board initiated a cycle of external reviews of ACER research programs. The first of these reviews was undertaken during the last financial year and provided the Board with overwhelmingly positive feedback.

Looking towards 2007 and beyond ACER will continue to consolidate our business in traditional areas of strength as well as seeking new opportunities for research and new markets for our assessment services and professional resources. A priority will be to expand our research work in higher education.
ACER has experienced a period of unprecedented, strong financial growth in recent years, as its expertise and capabilities continue to gain recognition both in Australia and internationally.

The financial year 2005-06 was no exception, seeing robust growth in research areas and the provision of research-based materials and services for practitioners. Research income grew by 22 per cent, while total income generated by professional resources reached record levels after growing 13 per cent on the previous financial year.

Overall, ACER’s income grew by 18 per cent on 2004-05 to just over $43.5 million, including a surplus of $1.4 million. This outcome did not meet expectations, owing to a high level of investment on a range of new initiatives. Nonetheless, it was an improvement on the previous financial year.

ACER has built on some of its research strengths – particularly in educational measurement and quantitative research methods – to an extent where few organisations in the world have its depth of expertise. However, there is still room for growth and evolution. In 2005-06, ACER’s Board requested an external review of all ACER research programs to identify their strengths and areas of potential improvement and development.

The company also built on one of its greatest strengths – its people. Reflecting its successful financial performance, ACER experienced growth in its staff strength and expertise.

In February 2006, ACER was recognised for its progressive workplace policies and flexible approaches to life changes, both of which encourage personal development and work-life balance, as well as staff and expertise retention. ACER was awarded Employer of Choice for Women status by the Equal Opportunity for Women in the Workplace Agency (EOWA). The citation is an important public acknowledgement of ACER’s efforts in the area of equal opportunity for women.

ACER expanded its international scope and reach, and continued its work on large ongoing international projects.

The company developed its presence in Queensland, by establishing its Brisbane office in March 2006. This had a particular and positive impact on ACER Press’ service, which now has a representative located in that state.

The Sydney marking centre, believed to be the largest of its kind in Australia, came online this financial year, acquiring and successfully managing large marking projects commissioned by State government departments.

Another significant corporate development at ACER was the decision to acquire a second building located next to ACER’s Prospect Hill Road building in suburban Camberwell.
Information technology has played an increasingly significant role in all of ACER’s business processes in 2005-06. Apart from tailoring and providing the infrastructure support or software development requirements inherent in its research projects and professional services, ACER has been in the process of the administration and marking of its assessments online. A major redevelopment of the ACER Shop received good feedback, while the ACER Intranet successfully underwent a revamp.

ACER’s ecommerce turnover during the financial year 2005-06 almost quadrupled on 2004-05. Over $4.6 million worth of income was collected via the web, compared to $1.2 million last year.

Cunningham Library, which holds one of Australia’s most comprehensive and current collections of educational research documents, also signed a Memorandum of Understanding with EdNA Online, to link EdNA and the Library’s EdResearch Online. Educators, researchers and students stand to benefit from increased access to a wide range of educational and research resources. EdNA Online is one of the world’s largest education and training web services, providing quality online resources to Australian teachers, academics, administrators, librarians, researchers, trainers, parents and students.

Going forward, ACER will continue to enhance its solid reputation and expertise and its role as a major international provider of research-based information, products and services, guided by its overarching mission to improve learning across the lifespan.

ACER will also expand on its program of research and development in support of learning in vocational education and training and in higher education institutions while maintaining and expanding work undertaken in support of schools.

A priority for the company will be to support the professional work of practitioners, providing ready access to reliable, usable research information and research-based materials and services. With increased world-wide demand for educational research and knowledge, ACER is well-placed to provide leading edge capabilities to improve learning – at home, in school, in tertiary education institutions and the workplace.
## Highlights 2005-06 in brief

### August
ACER hosts its largest-ever Annual Research Conference, with over 700 delegates, three keynote addresses and 16 concurrent sessions held over two days.

### December
Launch of Teaching Reading, report on findings of the National Inquiry into the Teaching of Literacy, commissioned by Education Minister Dr Brendan Nelson and chaired by ACER’s Dr Ken Rowe.

### 2005

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<td>January</td>
<td>Principal for a Day comes under ACER’s professional resources portfolio, housed within the Australian Principals Centre.</td>
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<td>February</td>
<td>ACER named an Employer of Choice for Women by EOWA.</td>
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<td>March</td>
<td>Brisbane office officially launches.</td>
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<td>May</td>
<td>ACER releases report on recommendations and implications of implementing a single, national Australian Certificate of Education.</td>
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<td>June</td>
<td>ACER acquires new building on Prospect Hill Road, Camberwell.</td>
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<td>July</td>
<td>State-of-the-art online marking facility launches in Sydney office.</td>
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ACER operates in an increasingly global context, expanding its international portfolio in 2005-06. The nature of its international work is multifaceted, comprising commissioned research within and across countries, the provision of consultancy, professional development, and the provision of tailored assessment services to a broad range of international clients.

In 2005-06, three projects within ACER’s international research portfolio warrant highlighting.

First of the three was ACER’s largest international research project, the OECD Programme for International Student Assessment (PISA). The PISA ACER team visited 35 participating countries in 2005-06 to facilitate the organisation and management of PISA. Apart from coordinating the 2006 international and national PISA cycle, ACER researchers also worked on preparing to lead a new consortium in bidding for the 2009 cycle.

The second was a new addition to the ACER portfolio – the International Civics and Citizenship Study conducted for the International Association for the Evaluation of Educational Achievement (IEA). ACER led a consortium to win the project, which will assess young people’s civics and citizenship competencies and readiness to take on their roles as citizens in more than 40 countries. ACER will collaborate with the National Foundation for Educational Research in England and the LPS at Roma Tre University, Italy. The report is due in 2010.

The third project was International Student Assessment (ISA), which provides international schools and their students a means of benchmarking their performance against international standards. ISA’s numbers grew significantly in 2005-06, doubling on its uptake in the previous financial year.

Internationally, ACER also began new consultancy and professional development projects and continued to work on ongoing projects. In 2005-06, the countries in which it carried out major consultancy work included Bhutan, Pakistan, Jordan, the United Arab Emirates, Hong Kong, the Philippines, Chile, and New Zealand. Some of these projects – those in the Philippines, Jordan, and Pakistan – were won during the financial year, and contributed to the increase in ACER’s involvement in international aid-funded projects.

ACER also expanded its work in the United Kingdom, working closely with Cambridge Assessment to develop and trial the newly-developed UniTEST assessment for university entrance.

Researchers and professional services staff continued to attend international conferences both at home and abroad under the organisation’s conference-funding program.

ACER offices in Delhi and Dubai managed the GlobalAchieve assessment services to private schools and provided a valuable link with local agencies.
ACER recognises its responsibility to minimise the impact of its operations on the environment. As an office-based enterprise, it has not needed to change its core operations, but focuses on its corporate processes and practices with the biggest potential impact on its ecological footprint. This means the reduction of greenhouse gas emissions, particularly carbon dioxide, resource conservation and waste minimisation.

The Environmental Reference Group (ERG) was set up in 2003 to identify these contributors, and subsequently research, implement, and measure the progress of potential cost-effective solutions.

The Greenhouse Challenge

In the same year, ACER committed to an action plan to reduce its greenhouse gas emissions by 136.67 tonnes per annum by focusing on reducing energy use and carbon emissions, more efficient waste management, establishing a greenhouse sink, and developing management systems to measure, monitor and support relevant initiatives.

At the end of 2006, it will file its fourth report, representing 2005-06, to the Australian Greenhouse Office via The Greenhouse Challenge, an Australian Government partnership scheme which provides assistance, guidelines and incentives to participating organisations reducing their greenhouse gas emissions. The graph, which has been prepared as part of the submission, is reflected in Figure 1.

ACER significantly offset its total emissions for its Melbourne operations largely by purchasing 75 per cent Green Energy for the main electricity account of one of its two Melbourne offices where the bulk of its staff is located. Before the offset, emissions remained steady on 2004-05’s figures. 2004-05 (marked on the graph as 2005) was the first financial year in which the electricity use in both Melbourne buildings was recorded, as opposed to its main building only.

Figure 1:
ACER Melbourne’s greenhouse gas emissions track record per financial year.
Electricity contributed the most to ACER’s CO₂ footprint, and most energy consumed went to heating and cooling the building. Thus, it was decided that the air-conditioning system would be upgraded, a process which would include the installation of new baffles allowing ACER’s building at Prospect Hill Road to be cooled naturally on days when the ambient temperature outside was suitable. The baffles are operated and activated by motors and sensors. A saving of between 15 and 50 per cent of power is expected, depending on climatic conditions.

Lighting maps were placed next to each bank of light switches to enable staff to minimise lighting use where possible.

**Conserving resources and cutting waste**

ACER places an emphasis on resource conservation and waste minimisation.

It began purchasing and using 100 per cent recycled Evolved Office paper in 2005-06, sourced from School Communities Recycling All Paper Ltd (SCRAP), a not-for-profit organisation in New South Wales. The paper has high post-consumer content and is oxygen bleached. Toilet paper and hand towels in ACER’s Melbourne offices have high recycled content.

The company also continued its move to more on-line testing and marking wherever possible, which has reduced the amount of “dead-tree” testing overall.

Recently-retired computers are donated or given away, while older models and unwanted parts are taken to Byteback, a computer recycling program run by the Boroondara Council. Cartridges from printers and photocopiers are sent to appropriate recycling facilities.

Sorting and recycling of paper, paper-based products and other recyclable material is encouraged in all offices.

Members of the ERG keep abreast of environmental issues, initiatives and solutions through ongoing training. In 2005-06, they were involved in discussions with key parties concerning “green” considerations in the design of a new property purchase by ACER. The committee will continue to monitor energy use and find ways to improve environmental performance against key indicators.
From exploring the options for an Australian Certificate of Education, to shaping the education and assessment systems in developing countries through aid-funded projects, and developing high-profile international assessments and university entrance tests, the Assessment and Reporting research program handled a diverse research portfolio this past financial year.

Researching the possibility of introducing an Australian Certificate of Education (ACE) was a major project which drew on many of the Program’s strengths. In 2005-06, the Program’s researchers assessed options for and provided advice on the implementation of an ACE, exploring examples of international programs as well as analysing existing Australian senior secondary certificate arrangements.

The ACE project was completed for the Department of Education, Science and Training, and the report was released in May 2006, generating much debate.

Leveraging on ACER’s broad-based expertise through cross-Program work

Development of assessment materials and procedures— one of the Program’s core areas of expertise— forms the backbone of much of ACER’s survey-based research, leading to close collaboration with the other research programs in the organisation. The last financial year saw the Assessment and Reporting program increasingly involved in supporting cross-program research and development projects.

The team contributed significantly to National and International Surveys, Learning Processes and Contexts, Teaching and Learning, and System and School Testing programs. Major cross-program projects in 2005-06 included the OECD’s Program for International Student Assessment (PISA), civics and citizenship testing of students nationally and internationally, IEA’s Teacher Education Development Study and a national study on effective “Third Wave” Intervention Strategies for Students with Learning Difficulties in mainstream schools.
Developing assessment materials and procedures

In Western Australia, the Program worked with the Department of Education and Training on developing instruments to test and analyse performance in the subject Society and Environment at Years 7 and 10, as part of the DET’s annual Random Sample Assessment Program.

Comprehensive information about the standard of student performance in Western Australian government schools is collected, contributing to the Department’s public accountability procedures and the provision of a sound basis for initiating developments that will further improve the outcomes of education in government schools.

Other Western Australia work included the development and trialling of reading, spelling and numeracy tests for full cohort testing at Years 3, 5 and 7, and the development and trialling of reading, mathematics and science tests for Year 9.

Ongoing test development work included the ACT scaling of Year 12 school assessment, the Victorian Year 12 General Achievement Test (GAT), the Undergraduate Medicine and Health Sciences Admission Test for Australian universities and various versions of the Graduate Medical School Admissions Test (GAMSAT) for Australia, UK and Ireland.

Overseas, Program staff continued work on a World Bank project intended to develop standardised testing instruments for monitoring literacy and numeracy achievement at key grade levels in Bhutan. The project’s scope includes capacity-building, which involves increasing participants’ skills in relevant areas.

Training in Australia and internationally

Local projects featured prominently in the program’s training portfolio. The Professional Evaluation and Reflection on Learning (PEARL) program for the Association of Independent Schools of Victoria was one such project, starting in March 2006. PEARL provides schools with training and support in evaluating the outcomes of school-based professional development programs funded through the Australian Government Quality Teacher Program (AGQTP).

Assessment and Reporting began delivery of a new series of workshop meetings to learning teams from AISV schools receiving funding for the 2006-9 round of the $300 million AGQTP scheme.

Developmental work funded by AusAID included the Philippines Basic Education in Mindanao (BEAM) project. BEAM involved conducting awareness training workshops, promoting the need to
develop system-wide assessment of student learning outcomes. This was followed by working with education staff to establish education monitoring programs in science, mathematics, and reading, including determining the blueprint for assessment and the selection of appropriate items from adapted ACER instruments.

Assessment and reporting consultancy

One state-level project undertaken by Assessment and Reporting in 2005-06 involved developing guidelines for Victorian teachers on how to write clear and succinct reports that would communicate students’ progress clearly and meaningfully to parents, using the New Student Report Cards formats in 2006. The project also identified examples of good practice to illustrate how these guidelines could be implemented. This guidelines project, an aspect of the Blueprint for Government Schools, is funded by the Victorian Department of Education and Training.

Internationally, research staff continued to act in an advisory capacity to the Chilean Ministry of Education in its development of a new curriculum and assessment framework and associated assessment instruments.

Work for ACER Press

The program also worked with ACER Press on several publications. Notably, it completed the development of a set of new instruments for the Test of Reading Comprehension (TORCH) and initiated new instruments for the widely-used Progressive Achievement Tests in Reading (PAT-R). Work continued on expanding the Progressive Achievement Tests in Mathematics (PAT Maths).
Research Highlight

An Australian Certificate of Education?

What would a national Australian Certificate of Education look like? What sorts of knowledge, skills and understandings should it test, and what sorts of questions would it contain? Should it be modelled on one state’s tertiary entrance examinations – or perhaps on other nationwide or international entrance exams already established around the world?

These were some of the questions the Assessment and Reporting research Program tackled when ACER was commissioned by the Department of Education, Science, and Training in May 2005 to investigate and report on models and implementation arrangements. The report was released a year later, in May 2006.

The options considered for an ACE included a national certificate as an alternative to the existing state-based final year certificates; a certificate which evolved from the existing state-based certificates; a certificate based on a general aptitude test like the Scholastic Aptitude Test used in the United States; and a certificate modelled on the International Baccalaureate.

The report recommended the implementation of a single Australian Certificate of Education in place of the current nine state-based certificates. Such a certificate would present the opportunity for a framework enabling consistency in senior secondary arrangements without compromising on the development of local curriculum solutions.

The researchers outlined five recommendations on the implementation of the certificate, including establishing curriculum essentials and achievement standards, the development of real-world general capabilities or “generic skills” assessment alongside key academic capabilities, and a means to recognise excellence in ACE performance. They also recommended setting up a national standards body with subcommittees in the form of subject panels, which would identify curriculum essentials in each academic area and determine internationally-benchmarked achievement standards.

The report suggested that the framework should be based on national standards for syllabus content in Years 11 and 12, which in turn should be based on nationally- or internationally-defined standards of competence. National standards for expectations of the level of students’ performance should also be in place, and attaining the award should require demonstration of acceptable levels of achievement of key competencies. National agreement on these would ensure comparability of student results across Australia and nationally consistent, high standards of curriculum provision.
A major highlight in 2005-06 for the Early Childhood Education Program was the research and writing of the Australian Education Review 50. The report, which is due for release in November 2006, provides a detailed picture of the current state of early childhood education and care including that of professional standards and pedagogy. It reviews evidence that links participation in high-quality developmental programs to stronger cognitive, language, and social development outcomes for young children.

Considerable differences in the qualifications held by early childhood practitioners are also highlighted in the review, which argues that the status and quality of early childhood services will remain low unless the level of professionalism in the sector is raised to the level of other care and education professions.

It presents a number of suggestions to develop a more visionary, coordinated and integrated early childhood sector including a comprehensive national framework for preparing, credentialing, and rewarding practitioners.

The Telstra Foundation projects: Building capacity in disadvantaged communities

The Early Childhood Program also developed initiatives to facilitate the development of social competence, optimise learning and build on children’s strengths and talents in economically disadvantaged communities.

Funded by the Telstra Foundation, the projects began in 2004 and 2005, and continued in 2005-06 as a major part of the Program’s portfolio. The first was originally intended to teach early childhood educators to identify and engage the strengths and talents of gifted children who could otherwise experience boredom and psychological distress, and display disruptive classroom behaviour. It later evolved into a broader program, focusing more on identifying unique strengths and experiences to optimise learning for all children, incorporated with strategies for identifying and supporting a truly “gifted” child.

The second project sought to boost early childhood capacity in disadvantaged communities, by teaching early childhood educators to build rich, supportive and focused programs to develop children’s social and cognitive competence, optimising their adjustment to school. Mentoring also provided early childhood clusters with additional support for specific circumstances.
Early childhood education expertise in demand

In 2005-06, the Early Childhood Education Program’s Research Director Dr Alison Elliott was increasingly invited to speak at relevant conferences and forums throughout Australia. Dr Elliott was widely published in a variety of national professional journals and magazines, including high-circulation *Every Child* and *Teacher*. She accepted 10 speaking engagements in that period. She also established herself as a media expert, responding to opportunities for media comment on issues relating to early childhood education and development.

Some of the conferences at which she presented include the international Biennial Early Childhood Australia Conference in Brisbane in October 2005 on the Telstra Foundation-funded building social competence project and on strengthening professionalism in early childhood education, and the Leading Lifelong Learning International Education Conference in Hobart in July 2005. She also presented at the Academy of Social Sciences in Australia’s workshop on Childcare: A Better Policy Framework for Australia in Sydney, the National Education Forum meeting in Brisbane in June 2006 and the Transition to School forum in Melbourne in April 2006.
Research Highlight

Telstra Foundation reports

Two projects the Program undertook in 2005-06 focused on vulnerable communities in Australia. Optimising young children’s strengths and talents, and Ready for school: Building social competence and managing challenging behaviours comprised a series of workshops and mentoring programs.

Optimising young children’s strengths and talents focused on helping early childhood educators identify all children’s uniqueness and individuality, especially young gifted children, in circumstances where giftedness is more likely to be missed. It strives to equip these educators with the skill to develop and create enriching, personalised programs to support each child’s unique strengths and qualities, and build partnerships with families to support their learning.

The second project showed the critical need for professional development opportunities for early childhood practitioners in disadvantaged communities when it attracted waves of enquiries from people seeking workshops and mentoring after each round of project promotion. Workshops and professional development activities under the Ready for school: Building social competence and managing challenging behaviours project were run on-site in communities with a general lack of access to regular professional development opportunities. It assists early childhood educators to understand the causes of children’s behaviour, especially challenging behaviours, and supports them in developing and implementing targeted social and cognitive strategies. It also provided follow-up mentoring to clusters, groups, or individuals in early childhood centres.
In 2005-06, ACER’s Learning Processes and Contexts (LP&C) Research Program undertook evidence-based research and evaluation projects in six major areas of activity. These included the four priority subject areas of Indigenous education, disabilities and learning difficulties, boys’ education, and the overlap between education and health. The fifth area comprised major projects with a particular methodological approach, such as longitudinal studies.

These activities were supplemented by the sixth area of activity, the provision of a diverse range of consultancy services and products, including substantive consultancies with a particular focus on data analysis involving measurement and explanatory modelling. It also included the production and publication of literature reviews, project reports, monographs, scholarly book chapters, articles in peer-reviewed journals and in periodicals, the presentation of keynote addresses/papers at local/international academic and professional conferences/seminars, as well as strategic, in-service teacher professional development.

A seventh area of activity for Program staff involved membership contributions to peak national Steering Committees, Expert Reference Groups and Government Inquiries. This activity provided opportunities to highlight, enhance and maintain ACER’s status as Australia’s leading educational research organisation.

The teaching of reading

Literacy education was the focus of the Program’s major highlight in 2005-06 with the completion and release of Teaching Reading – the report and recommendations of the Committee for the Australian Government’s National Inquiry into the Teaching of Literacy during December 2005.

The Program’s research director Dr Ken Rowe was appointed to chair the Committee by then Australian Government Minister for Education, Science and Training, Hon Dr Brendan Nelson MP. In addition to receiving a total of 453 submissions from individuals and stakeholder agencies, the Inquiry drew on the collective experience of Committee members. It also consulted widely with stakeholders such as government and non-government education systems, unions, support agencies, and health professionals; visited a cross-section of schools; and conducted a survey of pre-service
teacher education courses at Australian higher education institutions. The Committee reviewed Australian and international experience and findings from the available evidence-based research literature, focusing particularly on the teaching of reading for students with learning difficulties.

In brief, the Committee made 20 recommendations that outlined a cohesive framework which integrated the suggested roles and responsibilities of teachers at all levels of schooling, parents, school leaders, Teaching Australia and system administrators. The Inquiry report had a special focus on the need to build teacher expertise in meeting the developmental and learning needs of all students throughout their years of schooling, whether or not students experience learning difficulties, and regardless of their socio-cultural and socioeconomic backgrounds.

In particular, it recommended that teachers, during their pre-service education and in-service professional learning, be equipped with teaching strategies based on findings from rigorous, evidence-based research that are demonstrably effective in enhancing students’ early and subsequent literacy development.

Since the publication of the Inquiry reports in December 2005, Dr Ken Rowe accepted numerous invitations throughout 2006 to present keynote addresses at major seminars and conferences, focussing on key findings and recommendations from the Inquiry.


Indigenous education takes high priority

A high priority for the LP&C Research Program has been conducting research and evaluation projects in Indigenous education. In addition to undertaking federal and state government contracted projects, ACER allocated additional funds to pursue this priority, with the aim of establishing ACER as the leader of evidence-based research in the area.

During 2005-06, Program staff worked on both new and ongoing projects of various sizes in this area, including the Longitudinal Literacy and Numeracy Study (LLANS) for Indigenous Students (an extension of the mainstream LLANS), focusing on factors affecting the literacy and numeracy achievement progress.
of Indigenous students. Students completed the eighth wave of assessments in 2005. Analyses of the data obtained by the end of 2005-06 modelled and described the developmental and achievement progress of Indigenous students during their first seven years of schooling.

A further longitudinal study in progress using the LLANS assessment materials was the three-year Evaluation of Literacy Approaches (ELA) for ESL Indigenous Students, which commenced in 2005. This project was designed to evaluate the efficacy and sustainability of literacy approaches used by the Northern Territory Department of Education, Employment and Training. The key objectives were to inform both policy development and improve literacy learning outcomes for ESL Indigenous students in the Northern Territory. The first round of assessments began in Term 1 of 2006, providing baseline data for the study.

A third key activity was a DEST-funded project on the numeracy abilities of Indigenous children. It synthesized existing research and highlighted key findings related to Indigenous students’ numeracy capabilities and experiences, focusing particularly on their spatial abilities. Contents of the discussion paper completed in October 2005, informed a working party of the Australian Education Systems Officials Committee (AESOC) which is developing a revised set of Indigenous education priorities for States and Territories.

During 2005-06, LP&C staff completed a project commissioned by the Victorian State Services Authority that explored barriers to and drivers of participation in employment for Indigenous Victorians, as part of the Victorian government’s Wurcum barra Strategy. The study’s report was completed and presented in March 2006.

**LLANS produces first major report of findings**

Ongoing projects of the LP&C Research Program include work on the Longitudinal Literacy and Numeracy Study (LLANS), which is now in its seventh year. The LLANS team collected literacy and numeracy achievement data from a national sample of 1,000 children who commenced school in 1999. From nine sets of literacy and numeracy achievement data, from 1999-2005, measurement scales for literacy and numeracy across seven years of schooling have been constructed using the LLANS assessment tasks. These scales have made it possible to track growth in literacy and numeracy achievement over time, for individual students and for groups. This work, and growth modelling of the data, is illustrated in the first major report from the study which was published as an ACER Research Monograph in October 2006, namely:

Requests have been made to use the LLANS instruments by the Northern Territory Department of Education and Training, and Edith Cowan University in a further study of students’ early and later literacy achievement progress, known as the WA Literacy Growth Study.

**National comparability of definitions for disability**

The aim of this MCEETYA-funded Disabilities Definitions Project during 2005-2006 was to develop a definition of disability, and a method of identifying students with disabilities for reporting their educational outcomes on a nationally comparable basis. The two-stage project culminated in matching reports to MCEETYA’s Performance Measurement and Reporting Taskforce (PMRT).

**Hispanic Families in Transition Project**

The Hispanic Families in Transition Project is a collaborative effort between ACER and researchers at the University of California, San Diego, investigating the impact of teen (15-18 yrs) pregnancy on families and siblings, and identifying the factors and processes that lead to repeated early pregnancies within families. ACER’s role includes the provision of psychometric support for the measurement of change, and undertaking growth curve and path modelling of longitudinal family data collected in California.

2005-06 represented the final year of this four-year project, which led to publications in a special issue of the Journal of Family Psychology (December 2005), and a chapter on longitudinal methods in The Handbook of Multimethod Measurement in Psychology published in January 2006. A manuscript on Risk and Protective Factors Predictive of Adolescent Pregnancy had also been accepted, to appear in Applied Developmental Science.

**Program snapshot**

The Learning Processes and Contexts (LP&C) Research Program is headed by Research Director Dr Ken Rowe. Currently, the Program has nine researchers and staff, and in the last financial year worked on 22 new and ongoing projects worth a total of AUD$2.2 million. Several researchers from other research programs at ACER also contribute to the work of the Program. Similarly, LP&C staff contribute consultancy advice, methodological expertise and administrative support to a variety of projects undertaken by other ACER Research Programs.

Both research and evaluation work in the Program focus on: cognitive, affective, behavioural, and contextual processes/factors affecting learning; the learning needs of special groups including Indigenous students; and those with disabilities and learning difficulties. Particular research topics include: Indigenous education; learning in the early years through to the post-compulsory years of schooling; boys’ education; and links between education and health. In response to increasing demands from local and international organisations, a growing aspect of work is methodological, requiring expertise in data analysis and explanatory modelling of large and complex datasets.
Evidence-based Teaching Practices for Students with Learning Difficulties

Two longitudinal research projects focusing on learning difficulties were conducted for the Department of Education, Science, and Training between 2004 and 2006: Effective Teaching and Learning Practices for Students with Learning Difficulties, and Effective ‘Third Wave’ Intervention Strategies for Students with Learning Difficulties who are in Mainstream Schools in Years 4, 5 and 6.

The first of these two projects was conducted among a sample of Victorian government, Catholic and independent schools, involving the identification of effective teaching and learning practices that add value to and maximise the literacy and numeracy outcomes of students with learning difficulties at Year levels P-9. It also involved the development of appropriate assessment and reporting tools and in-service professional development packages for both education and health professionals, designed to effectively meet the literacy and numeracy learning needs of students identified with ‘learning difficulties’.

It produced a coherent package of diagnostic assessment and reporting tools for students’ achievement progress in Reading and Numeracy, and the construction of developmental measurement scales for these domains linked to both national benchmarks and effective evidence-based teaching strategies. This link could now be supported by in-service professional development programs designed to build teacher capacity that met the needs of students with learning difficulties in the early and middle years of schooling. Consequently, assessment and reporting tools and the monitoring of teaching and learning strategies are better aligned.

The second project involved a national sample of such students drawn from government, Catholic and independent ‘intervention’ and ‘reference’ schools. Specific key objectives included identifying, implementing, and evaluating a range of effective school-based, ‘third wave’ intervention programs and strategies effective in improving the literacy and numeracy learning outcomes of students with learning difficulties, and reporting the findings in such a way that they are accessible and useful to classroom teachers and other educators. They also included developing, implementing and evaluating professional development programs in the area of literacy and numeracy intervention for students with learning difficulties. Researchers also created sample professional development resources and effective delivery strategies suitable for a range of contexts (e.g., metropolitan, regional and remote) that could be taken up by schools and systems.

Based on a comprehensive review of the available evidence-based research literature, a teacher professional development manual has been produced (Hoad, Munro et al., 2005). This manual highlights pedagogical practices that are demonstrably effective in maximising the learning and achievement progress of students – both with and without learning difficulties, namely: Direct Instruction and Strategy Instruction. Findings from the project indicated that the learning and achievement progress of students taught by teachers in ‘intervention’ schools via the manual was significantly greater than students in ‘trial’ schools whose teachers had not been trained in Direct Instruction and Strategy Instruction strategies. Reports of key findings from the outstanding success of this project are scheduled for release during the second half of 2006 and early in 2007.
High-profile national and international assessments continue to feature prominently in ACER’s research portfolio, reflecting its considerable and growing expertise in the area of large-scale, standardised testing.

Through its National and International Surveys Program, ACER this year carried on its work in the OECD’s Programme for International Student Assessment (PISA) and the Trends in International Mathematics and Science Study (TIMSS), two of the world’s best known international standardised assessments of student achievement across countries.

After an eventful 2004, a year which saw the release and publication of the most recent round of PISA and TIMSS results, the Program swung into preparations for the next cycle of both studies. PISA 2006 data has been collected and preparation for TIMSS 2006/07 is now underway. The team also embarked on innovative national surveys of achievement in civics and citizenship and information technology.

**ACER consortium leads PISA administration**

ACER’s National and International Surveys research program continued to be involved in PISA in 2005-06, having managed the triennial test of 15-year-old students since its inception in 2000.

In the last financial year, the Program’s researchers busied themselves with the immense task of preparing for and administering PISA 2006. This included field testing and refining, training national administrators, framework and test development, managing national data collection in 57 countries across the world, data analysis, and preparing reports.

Results of the test, whose focus in 2006 was scientific literacy, are intended for release in late 2007. One of the innovations to PISA 2006 was that items measuring student attitudes towards science were given context by embedding them within test units. Apart from the usual written test, it included a supplementary study involving three countries—the Computer-Based Assessment of Science—which will produce data contributing additional information on science literacy outcomes. ACER successfully developed and implemented the test platform, a test content management system, and a multimedia strategy that is the basis of item development.

ACER also plays the part of national administrator of PISA, with the additional tasks of reporting to Australian stakeholders and liaising with schools, commenting on the relevance of assessment materials for Australia, and producing national reports with a focus on Australia’s standing in an international context. Around 1,500 Australian students participated in the Field Trial for the 2006 PISA Assessment in May/June 2005. The main assessment for PISA 2006 will be conducted in July/August 2006 in Australia, with the participation of around 14,500 15-year-old students from 360 schools.
Preparations for TIMSS 2006/07 in full swing

Field testing for the Australian component of Trends in International Mathematics and Science Study (TIMSS) kicked off in March/April 2006 in 75 primary and secondary schools in three states. The main study will involve 6,000 Grade 6 and 6,000 Grade 8 students from 240 primary and 240 secondary schools in all states and territories. It tests the mathematical and science achievement of students at those levels.

Australia also participated in a complementary study, the TIMSS-R Video Study. It was administered by ACER, and was a cross-national study of Year 8 classroom mathematics and science teaching. In the study, classrooms in various countries were videotaped and their teaching practices analysed and compared. The study took place in 1999, involving a selection of countries which achieved highly or at an average level. Highlights of the science teaching component were released in May 2006.

Testing students’ civics and citizenship knowledge

Civics and citizenship is the subject of other major work being developed and undertaken by ACER this year.

On a national level, the Program surveyed a random sample of Year 6 and Year 10 students from about 600 schools for the Civics and Citizenship Assessment Project. Commissioned by the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA), it measured student achievement in civics and citizenship and developed a proficiency scale containing standards.

The final report has been published by the MCEETYA Performance Monitoring and Reporting Taskforce. The next national civics
and citizenship survey will be conducted by the Program in 2007, and will be linked to the 2004 Survey to allow for reporting on trends over time.

Internationally, an ACER-led consortium was commissioned in March 2006 to conduct an International Civics and Citizenship Study for the International Association for the Evaluation of Educational Achievement (IEA). The study will investigate the ways in which young people are prepared to take on their roles as citizens in a range of countries by assessing their conceptual understandings and competencies in civic and citizenship education. The study will also investigate their perceptions of and attitudes towards that education. Testing in the southern and northern hemispheres will take place in 2008 and 2009 respectively, with the report due in 2010. ACER will conduct the study, involving more than 40 countries, in collaboration with National Foundation for Educational Research in England and the LPS at Roma Tre University, Italy.

Growing up in Australia: Studying factors affecting early childhood development

Another sweeping, long-term study intended to monitor and analyse trends and plug current research gaps is the Longitudinal Study of Australian Children, to which ACER contributes as part of a consortium.

LSAC, also known as Growing up in Australia, was initiated and is funded by the Australian Government Department of Families, Community Services and Indigenous Affairs as part of its Stronger Families and Communities Strategy. The study’s structure enables researchers to determine critical periods for the provision of services and welfare support, and to identify the long-term outcomes of policy innovations.

LSAC follows the progress of two samples of 5,000 children (one sampled in their first year and one when they were four years old). ACER contributes to the development of the study and its instruments (especially through the education design team). By August 2006, preparations for Wave 2 were set to go. It involved data collection from two cohorts of 5,000 students now aged two and six years old, and their families.
Australian students ready for a technology-rich world

When PISA 2003 researchers asked the question, “Are Students Ready for a Technology-Rich World?” Australian students responded with a resounding, “yes”.

A report of that title released in January 2006 revealed that students’ access to computers in Australia both at home and in school was above the OECD average – with the entire Australian cohort reporting access to a computer at school.

Australian students were the highest users of computers for word processing, with 70 per cent of Australian respondents reporting that they used a computer frequently for this purpose, compared to the OECD average of 48 per cent. They were also among the biggest fans of the internet – 74 per cent of the Australian respondents often used the internet to look up information, with 90 per cent reporting being confident users.

However, just 10 per cent of them reported frequent use of educational software such as a mathematics program – below the OECD average of 13 per cent.

The report was a previously unpublished analysis of the data from the last PISA cycle in 2003, and based on an additional survey to the main assessment material.

To paint a more detailed picture of where Australian students stand in terms of ICT literacy, ACER conducted a national sample assessment of ICT Literacy for the Ministerial Council on Employment, Education, Training and Youth Affairs’ Performance Monitoring and Reporting Taskforce. This involved assessing the performance of a nationally-representative sample of 7,500 students from 520 schools in Years 6 and 10 in October 2005 in three main areas – “working with information”, “creating and sharing information”, and “using ICT responsibly”.

Tasks were administered by supervisors on sets of identically-configured laptops, using a computer-based instrument developed by ACER which was fine-tuned after field trials. The instrument was unique – it had to be specially designed and created from scratch to capture and
score the sorts of skills tested in the framework, as there was no existing product which could meet the researchers’ requirements. The test was believed to have been the first test of its kind, with all testing and marking done online in a wholly computer-based environment involving no pen and paper components.

Data compilation and analysis were completed and reporting standards established in relation to the assessment framework by the end of 2005-06. The draft and final reports were expected to be released in the following financial year.

Evaluating the success of ASISTM

The end of 2005-06 saw the Program start another evaluation of the level of success and progress of a major policy initiative – this time, the subject matter was mainly science and maths. The project under scrutiny was the seven-year Australian Schools Innovation in Science, Mathematics and Technology (ASISTM) scheme, intended to boost the teaching of science, technology, and mathematics in Australian schools through the funding of 500 school cluster initiatives.

ACER’s role involved developing and implementing a system of surveys, to be administered to all adult participants and a sample of students affected by the project. Additionally, it set up a web-based system designed to gather information and capture changes in beliefs about learning and teaching these three areas and to evaluate changes in teaching practice. The survey website went live in June 2006 for the first round. ACER has also been contracted to conduct ongoing analysis of the surveys, beginning with stage 1 in mid-2006. The project was commissioned by the Department of Education, Science and Training.
The TIMSS 1999 Video Study began when researchers and education policymakers, particularly in the United States, asked themselves if it was possible to identify particular teaching practices and characteristics which were common among countries whose Year 8-equivalent cohorts had scored highly on TIMSS 1995, and which perhaps were not typical of classrooms in the United States.

Four high-achieving countries took part in the Video Study – Australia, the Czech Republic, Japan, and the Netherlands. Randomly selected lessons in 100 schools in each country were recorded on video with two cameras in each classroom.

It was observed that the four high-achieving countries had different approaches to the teaching of science. Some common features of all the high-achieving countries were high content standards and expectations for learning, as well as a content-focused instructional approach– although there were varying definitions for what counted as high content standards across countries.

Of the five countries, the key characteristics of Australia’s science teaching were most similar to Japan’s. They were the only countries found to have strong conceptual links in the majority of content-focused lessons.

ACER was responsible for Australia’s involvement in the video study. Science teaching at Year 8 level in Australia was found to resemble a model of ideal science teaching derived from research and Australian curriculum documents.

Highlights from the Australian study included the finding that 90 per cent of the lessons took place in science laboratories, with students working on hands-on practical activities in three-quarters of the lessons. New content was introduced and discussed in 97 per cent of lessons, occupying 85 per cent of lesson time on average. In all countries in the study, lessons devoted entirely to the review of previous content were rare. Real-life issues and first-hand data were used to support the development of ideas in the majority of lessons, which tended to feature multiple activities likely to engage students’ interests.

However, it was concluded students would benefit from more opportunities to learn and practise higher-order inquiry skills such as designing their own investigations and taking part in class discussion of their results. In all countries, students were more likely to observe phenomena than to perform these activities.

Videotaping the lessons enabled researchers to capture, observe, monitor, and evaluate distinctive characteristics of successful lessons and teaching in a real classroom setting. An international team of specialists developed and applied codes that would capture teaching activities and behaviours observed in the videotaped lessons. The team consisted of science specialists, researchers, and representatives from each of the participating countries. Videotaping has many advantages over more traditional methods of classroom observation. The development team worked with two advisory groups consisting of national research coordinators and a steering committee of five U.S. science education researchers. It trained coders, established reliability, organized quality control measures, and managed the analysis and reporting of the data.
ACER’s System and School Testing research program launched its new computerised test marking facility by embarking on the biggest online marking exercises undertaken in Australia to date. The 180-terminal facility is capable of managing large-scale marking projects. ACER staff trained and employed markers and team leaders.

This exercise was part of development of the Program’s marking portfolio, which in 2005-06 expanded to include contracts for the marking of all the major benchmarking testing programs for the New South Wales government, including the Basic Skills Test in August 2005. The inaugural project was the marking of the South Wales Basic Skills Test Writing task. Over 300,000 scripts were marked in the initial operation.

In March 2006, two major state-wide testing programs in New South Wales – the Secondary Numeracy Assessment Program (SNAP) and the English Language & Literacy Assessment (ELLA) – were conducted simultaneously, and the facility was put to the test by this second marking exercise. SNAP and ELLA provide information to monitor numeracy and literacy skills of students in Government, Independent and Catholic schools in NSW. The centre recruited, trained and monitored over 400 markers who, by the end of the exercise, had marked over 535,000 tasks online.

SNAP and ELLA are completed by students in Years 7 and 8 across the state, and the Basic Skills Test by all Year 3 and 5 NSW students.

In all, some 860,000 student responses were marked in 2005-06.

These moves helped the Program build its system-wide test administration capacity. System-wide testing has increasingly become a part of many education systems in Australia and worldwide, and is viewed as a barometer of their success.
The last round of BST papers was marked exclusively online over a two and a half week period in August and September 2005. The scope of the project was to mark 310,000 scripts (2 per student) in a three-week period and required the recruitment of 364 markers. The requirement that the task be marked online was groundbreaking in Australia in terms of its quantity and complexity.

A new network of 182 computers was established and significant supporting infrastructure was put in place to meet the ergonomic and environmental requirements. The project was completed one day within the projected timeline, with an income exceeding $2.4m for the program.

The System and School Testing program also coordinated the marking of other state-wide assessment programs in Queensland and South Australia in 2005-06.

Involvement in testing work for the South Australian government continued. The marking of 47,000 scripts from the South Australian state-wide Literacy and Numeracy tests—developed by ACER and taken by students in Years 3, 5 and 7—was completed in 2005. In 2005-06, the researchers also prepared, trialled, and finalised the penultimate draft for the 2006 cohort’s test, and began work on the test for the 2007 cohort.

In Queensland, ACER managed the marking of the pen-and-paper writing component for the Years 3, 5 and 7 Tests in Aspects of Literacy and Numeracy, for which training and marking took place in August and September 2005. Markers completed 165,000 scripts in about 12 days. The project was worth $895,000.

Internationally, in February 2005, the Program was contracted to analyse the most recent results from the United Arab Emirates’ National Assessment of Student Achievement Project (NASAP), the country’s national testing program. The researchers spent Christmas 2005 generating cut-scores and preparing reports, finalising the review in March 2005, and subsequently presenting the report to the Higher Education Council in February 2006.

The Program expanded its international consultancy work beyond the United Arab Emirates into Jordan, and continued to investigate other work in the Middle East. It also undertook a number of projects overseas, including in New Zealand, and India.

In a project funded by the World Bank, the Program began reviewing the National Testing Strategy Assessment System for the Ministry of Education of the Hashemite Kingdom of Jordan in early 2006 and recommended improvements and implemented

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**Program Snapshot**

The System and School Testing program has 10 researchers and staff, and in the last financial year worked on 15 new and ongoing projects of various sizes, worth a total of about $8.5 million. It focuses on research and development to support the monitoring of educational outcomes through system-wide and school-level testing programs to enable schools and parents to monitor educational outcomes and identify areas of special need. It develops test materials for these purposes, and also conducts psychometric analysis and reporting, consulting, training and research.
changes to the country’s National Examinations. A discussion paper detailing policy options was prepared and presented to the Minister for Education and the Director-General in April 2006. A report and the detailed implementation plan were also presented to the Minister and DG., and all three were accepted. Work will conclude in August 2006.

By the close of 2005-06, the Program had nearly finished the implementation phase of the project. This meant training and technical assistance to develop examination questions, marking criteria, and corresponding forms and reports, along with choosing a computerised examinations database. It also involved training a cadre of trainers and teachers to develop examination questions.

Research Highlight

**Program tests potential NSW fire-fighters and corrective services personnel**

System and School Testing was contracted to conduct the recruitment testing for the New South Wales Fire Brigade and the NSW Department of Corrective Services.

ACER was contracted to test an estimated 5,000 candidates for the 2006 round of recruitment for fire fighter positions. The test was developed by Assessment Services and will be administered at ACER’s online testing centre in Sydney. It will take place over two weeks in July 2006.

Recruitment testing for the Department of Corrective Services also continued in 2005-06. New tests in Numeracy, Literacy and Writing were developed specifically for the Department for use in their recruitment drive being conducted in 2006. The client was also very interested in online testing, allowing them capacity to test at different locations around the state and immediate access to results.
The Teaching and Learning Program is a broad research program that informs policies and strategies for promoting quality teachers and teaching.

The Program has a special focus on policies and programs designed to support practitioners and improve the quality of teaching – such as those concerning recruitment and retention in the profession, initial teacher education and induction, professional learning and leadership, curriculum innovation, and working conditions in schools that support good practice.

Five related areas characterised the Program’s work in 2005-06 – teacher education, professional development for teachers and school leaders, teaching standards and teacher evaluation, evaluation of educational policy and reform programs, and working conditions for teachers.

Preparing teachers well

Teacher education has become an area of considerable interest among policymakers in recent years, both in Australia and internationally.

Research into teacher education in the Teaching and Learning Program has steadily grown over the past five years. ACER is now a major centre for large-scale research in this area in Australia. In 2006, Teaching Australia— the Australian Institute for Teaching and School Leadership—commissioned ACER to conduct a review of national and international trends and practices related to the accreditation of teacher education institutions and courses.

The Program is also the International Coordination Centre (with Michigan State University) of an international comparative study of teacher education for the International Association for the Evaluation of Educational Achievement (IEA). The study, Teacher Education Development—Mathematics (TEDS-M), is being conducted from 2005 to 2009, with support from the US National Science Foundation. As part of this study, the team is developing items for assessing various aspects of beginning mathematics teachers’ knowledge, such as knowledge of mathematics for teaching, pedagogical content knowledge, and pedagogical knowledge.

The TEDS-M project is focusing on the preparation of teachers of mathematics at the primary and lower secondary levels and is paying particular attention to the links between teacher education policies, practices and outcomes.
The Teaching and Learning team in 2005-06 conducted an evaluation of the Bachelor of Learning Management at Central Queensland University commissioned by the Australian Government Department of Education, Science and Training. The study broke new ground in the development and implementation of standards-based instruments for the observation of teacher performance. It also included a state-wide survey of beginning teachers and school principals about their perceptions of teacher education courses in Queensland. This survey was designed to analyse the relative impact of different components of teacher education courses on teacher preparedness.

The Teaching and Learning team also completed two studies of teacher education in Victoria in 2006. The first, conducted for the Victorian Institute of Teaching (VIT), evaluated the VIT’s Program for Supporting Provisionally Registered Teachers. The second, a state-wide survey of principal’s perceptions of the quality of teacher preparation courses, was commissioned by the Victorian Department of Education.
Strengthening teachers’ knowledge and keeping it up-to-date

Beyond providing solid training for beginning teachers, another fundamental aspect of building professional capacity is ongoing professional development for teachers and school leaders. In recent years, there has been increased interest in research that identifies features of effective professional learning. Considerable funds are allocated to a wide variety of professional development programs from government and other sources.

Members of the Program have had the opportunity to evaluate a number of major state and territory professional development programs funded by the Australian Government Quality Teacher Program. The paper, “Factors affecting the impact of professional development programs on teachers’ knowledge, practice, student outcomes & efficacy”, brings the results of these separate evaluations together and illustrates the potential for standards-based evaluations of professional development programs. It was published in 2005 in Education Policy Analysis Archives.

Consistent significant direct effects were found for the impact of content focused, active learning, and follow-up on knowledge and professional community. Feedback was rarely incorporated into program design. Impact on efficacy was strongly related to the perceived impact of activities on teachers’ practice and student learning outcomes.

Setting standards and reviewing performance

Researchers from the Teaching and Learning Program have been at the forefront of standards development work in Australia. For example, in 2005-06, they completed two major background papers for the Board of Teaching Australia: Standards for advanced teaching: a review of national and international developments; and Standards for school leadership: a critical review of literature.

The papers were concerned with reviewing options for the development of a national system by which the profession might provide recognition and certification to teachers and leaders who attain high standards of performance.
Evaluating educational policy and reform programs

The Teaching and Learning team completed the evaluation of a major reform initiative over two years - the Getting it Right Literacy and Numeracy Strategy in Western Australia. The strategy invested significant funds in supporting change in classroom practices in disadvantaged schools over two to three years.

The West Australian Education Department facilitated ACER access to selected schools and the team observed classrooms up to three times, with survey instruments the team developed to measure change over time in teachers’ knowledge and pedagogy. The final report was completed in late 2005. The report found the strategy was improving teaching practices in many classrooms.

Two evaluations within the Victorian Department of Education’s Innovation and Excellence in the Middle Years initiative have been conducted within the program. The report of the evaluation of the Access to Excellence initiative was completed in 2005. This initiative provided funding to employ 300 additional teachers in 118 selected schools where students in Years 7-10 were not achieving satisfactory levels in literacy, numeracy, attendance or retention. Survey and other data indicated that the initiative had improved student outcomes, and that levels of attendance and retention had improved.

The report of the ACER evaluation of the Schools for Innovation and Excellence Initiative was completed in December 2005. This initiative is a strategy for enabling primary and secondary schools to work cooperatively in clusters at the local level to improve the quality of transition and, thereby, the quality of student engagement and learning outcomes. Analyses of student achievement data indicated that the SIE Initiative seemed to make an impact in numeracy learning but not in literacy. The report recommended the adoption of a longitudinal approach to evaluating the impact of initiatives such as the Schools for Innovation and Excellence Initiative.
Assessing and improving working conditions for teachers

Teaching and Learning program researchers conducted two major studies of teacher workload for the New Zealand Ministry of Education. These studies, which focused on primary and secondary teachers respectively, have involved surveys of teachers, principals, and middle managers in representative samples of schools. It has been possible to include a strong research component to these studies in developing new measures of perceived workload and in testing theoretical models to identify the main factors affecting variation in workload.

The reports provide a clear picture of the way teachers work, and how this work is currently managed and organised in schools.

Teaching and Learning undergoes review

In early 2006, an independent review of the Teaching and Learning program was commissioned by the ACER Board. The review panel was a mix of national and international experts in the field, and identified the Program’s strengths and recommended areas of improvement.

The review panel gave the Program strong endorsement and acknowledged its substantial contribution to contemporary policy and research in Australia on topics of major concern to policymakers and practitioners, noting its use of advanced methodological techniques and practices.

With respect to areas of improvement, the reviewers felt that the Program needed to have a stronger focus on the linkages between teaching practices and student outcomes, and that a wider variety of dissemination strategies needed to be used, including publication in scholarly journals.
ACER’s Teaching and Learning Program evaluated the Bachelor of Learning Management (BLM) degree at Central Queensland University (CQU) in 2004 at the then Education Minister’s request, four years after its inception. Its report was released in November 2005.

The Program took a three-pronged approach to evaluating the BLM. Two were surveys – one of teachers who graduated from Queensland teacher education programs on the impact of their course on their readiness for the workplace, the second of all school principals in Queensland about their perceptions of the preparedness of graduates from these programs. It also conducted an observational survey of a sample of BLM and non-BLM graduates.

In summary, BLM graduates felt that they were better prepared for their first year of teaching than graduates from other Queensland universities, a view corroborated by the survey of principals and the observational study. Both found that these graduates performed at a significantly higher level on a range of teaching standards than did graduates from other universities. Three features of teacher education programs stood out as more strongly-related to perceptions of preparedness than any others – content focus, assessment of student learning, and active engagement in learning how to teach.

These factors were among five interrelated factors which the researchers observed accounted for the positive review – including training in a core model of effective pedagogy, active engagement in practical teaching situations, conscious & direct attempts to bridge the theory-practice gap, an authentic partnership between the university, schools, employing authorities, and standards-based teacher education.

Accordingly, the report’s key finding was the central importance of ensuring that teacher education programs are strong in terms of content focus. The second was to ensure that teacher education courses make clear the fundamental principles of sound pedagogy, and how these will be taught to ensure their graduates will learn to use them. The third finding was that the BLM course was based on a genuine partnership between the profession, employers and the universities, reflected both in decision-making and funding allocation for teacher education.
Young Australians progressing from school to further education and the workforce are the focus of the most well-known and widely-cited projects of the Transitions and Economics of Education research program at ACER – the Longitudinal Surveys of Australian Youth (LSAY) program.

The study tracks the progress of three national cohorts of young Australians in the transition from school to post-secondary education, work and adult life. Currently, this includes cohorts Y95 (the Year 9 class of 1995), Y98 (the Year 9 class of 1998), and Y03 (the 2003 PISA Australian sample of 15-year-olds) – and the study is growing. A fourth cohort was added to the study in 2006, comprising the 2006 Australian PISA sample of 15-year-olds. The initial collection of background and achievement data occurs in school classrooms, after which data about sample members’ experiences and views are collected through annual telephone interviews. ACER has a large program of analytical work based on the LSAY data.

In 2005-06, ACER released nine LSAY research reports – numbers 41 to 49 – which focused largely on youth pathways to work after Year 12, either through higher education or vocational education and training, and the outcomes of decisions made in and performance at Year 12. These include studies on the characteristics of those who did not win a place at university, and those who are both outside the labour force and full-time education. The reports also covered vocational education and training outcomes and the effects of variations in their provision, and studies on the life satisfaction of young Australians in terms of career and further education.

The LSAY research program is managed jointly by ACER and the Australian Government Department of Education, Science and Training.
Getting the numbers right: the economics of education

Costs, efficiency and alternative forms of financing of education and training are the other major concerns of the Transitions and Economics of Education Program. This aspect focuses on the interconnections between education and training, the labour market, and the wider society, and the ways in which economic and social developments influence education and training policies and programs.

Much of this work is conducted in conjunction with the Monash University-ACER Centre for the Economics of Education and Training (CEET), which is based at Monash University in Melbourne. CEET operates under a Memorandum of Understanding between ACER and Monash University.

CEET’s research includes occupational and skill changes in the Australian economy and their implications for education and training, participation and outcomes in education and training, and costs, efficiency and alternative forms of financing of education and training.

Projects carried out in 2005-06 explored issues such as future job openings in the knowledge economy, skills shortages, analysing occupational and skill change, employer expenditure on workplace training, private rates of return to apprenticeships, and higher education student finances.

Strengthening research into higher education

A major area of research in which ACER has begun to broaden its expertise is higher education. Dr Hamish Coates was appointed in February 2006 to lead this area of work.

Dr Coates began work on the Academic Leadership Capabilities for Australian Higher Education, in partnership with the University of Western Sydney (UWS). The project involves developing a theoretically based and empirically validated leadership capability framework for Australian higher education. The work is building on prior work in school leadership, and will produce a series of resources for developing senior academic leadership in Australian higher education.
The program also includes a study of the validity of the Graduate Australian Medical School Admissions Test (GAMSAT). GAMSAT has been in use since 1995 and is widely used by Australian and overseas universities as part of the selection process for entry to medical education courses. Its capacity to support and add value to other selection mechanisms and to predict student performance is critical, and the review is examining its performance in these regards.

A third higher education project commissioned in the last financial year was a continuation of ACER’s long-standing work for Graduate Careers Australia. This involved analyses of data from the GCA’s Course Experience Questionnaire (CEQ) and Postgraduate Research Experience Questionnaire (PREQ). These annual surveys capture the views of recent graduates and postgraduates from Australian universities on their course quality and the skills they acquired as a result of their higher education experience. Hamish Coates directed this work with assistance from John Ainley and former ACER staff member Trevor Johnson.

Program undergoes review

In 2005-06, ACER’s Board initiated an external review of the program to provide expert critique and advice on improvement to ACER’s major research programs, and the Transitions and Economics of Education area was the first to be reviewed. The review identified the strengths of the program, in particular LSAY, as well as weaknesses and areas of potential improvement.

A panel of external reviewers drawn from Australia and overseas commented that the Program’s work was of good quality – in particular, LSAY was conceptually and analytically well-developed and well-placed to monitor change in young people’s transitions from school to work and adult life. The main areas for improvement that emerged from the review revolved around the need to broaden the program beyond LSAY so that more attention could be paid to qualitative studies of transition, especially among marginal youth, and to employ a wider range of dissemination strategies to reach different audiences.
Research Highlight

Youth career pathways beyond the university route

How well do school leavers who do not go to university succeed in obtaining full-time work? That is a question tackled by an LSAY research report released in May 2006. The study tracked and analysed 5,500 young Australians who were first surveyed in 1995 when they were in Year 9, up until 2002 when their average age was 21. This group had been out of school for four to six years. They generally experienced positive employment outcomes which improved with time.

In the first year after leaving school, 61 per cent of young men and 45 per cent of young women were working full-time when the annual survey was conducted. A little over half of young male full-time workers were also studying part-time, as were just over one-third of young women. In the first year after leaving school young women were more likely than young men to be working part-time only (12 per cent and 6 per cent, respectively), or studying full-time (27 per cent and 20 per cent, respectively). About 9 per cent of both sexes were unemployed, and 2 per cent of males and 4 per cent of females were not in either the labour force or full-time education at that stage.

By the fourth year, 77 per cent of males and 64 per cent of females were working full-time. Not only did the proportion working full-time increase, but the type of work changed: higher proportions moved into professional/managerial and other skilled jobs, and earnings rose. Young people also reported generally high levels of satisfaction with their jobs.

The results from the report suggested that treating those who are not in full-time work or study in the initial period after leaving school as being the “at risk” group is simplistic. Young people not working or studying full-time are quite diverse and face markedly different circumstances, not all of which are likely to lead to problems in securing full-time employment in the future. It made sense, therefore, to develop a more targeted measure of “at risk” which takes into account a broader range of factors.

However, the study cautioned that there are still young people who experience severe difficulties in the transition from school to full-time work, especially those who are unemployed in the first year after leaving school.

The LSAY data indicate that the youth labour market is highly dynamic and that misleading impressions could be obtained from analysing single years in isolation.

The factor which linked most strongly to obtaining full-time work after school was participation in apprenticeships, which among young men strongly promoted full-time work. Traineeships also promoted full-time work, especially among young women.

ACER Press consolidates focus, sees growth in most areas

*Strong growth and a strengthened focus marks ACER Press’ 2005-06.*

It was a good year for ACER Press – albeit a challenging one.

Growth continued, with Press returning a surplus of $193,927 as well as $741,446 in overheads.

Press’ education list saw excellent growth of more than 20 per cent in sales on 2004-05. This was boosted by the publication in November 2005 of a revised version of the highly-popular Progressive Achievement Tests in Mathematics (PAT Maths) a widely-used and well-regarded test of achievement in mathematics, which generated over $500,000 in revenue by the end of the financial year.

It also increased its share in the Queensland education market with a 24 per cent growth on 2004-05, having boosted its presence in the state with the opening of the ACER Brisbane office.

The last financial year marked a change for ACER Press’ Book Publishing Program, bringing its focus back to its original core strength and purpose – the provision of resources for professionals working in and around education.

The refocus has prompted the development of new titles in literacy, numeracy, learning difficulties, thinking skills, classroom management, bullying, and educational leadership. Plans are also now in place to publish, beginning in 2007-08, a series of classroom curriculum resources for the teaching of literacy and numeracy. The result of this move is an increasing relevance and connection to the wider educational community.

Key periodicals published by ACER Press are also growing in several ways. The circulation of *Teacher* magazine, providing teachers with the latest on professional and curriculum development, educational research, and leadership and management issues, grew over the last financial year.

More initiatives are in place to accelerate that growth.

The *Australian Journal of Education* celebrated its 50th anniversary in 2006, and will grow from three to four editions per year. *Professional Educator*, published by ACER for the Australian College of Educators, has carved out a position as Australia’s premier educational quarterly magazine, and there are plans in place to expand its subscription base.

A highlight on the books front was the publication in June 2006 of *Re-Imagining Educational Leadership* by Professor Brian Caldwell, managing director of Educational Transformations, the Deputy Chair of the ACER Council, and former dean of education at the University of Melbourne.
It sets out a framework within which school leaders, educators, and other policymakers are encouraged to rethink educational leadership and the role of schools, despite the current negative perception about such leadership.

This was part of a commitment by Press to increase their stable of book publications in the near future, particularly by high profile authors, after some years of lower production. By the end of 2005-06, books by authors Phillip Hughes, Paul Brock, Jim Davies, David Loader, and John Fleming were in various stages of production or development.

Going forward, Press’ plans include marketing the new products and services that have emerged from the refocus in direction, new commitments to strengthening relationships within and outside ACER, and improving trade distribution processes for book titles.
ACER expands international assessment services

International developments were the focus of ACER’s Assessment Services in the last financial year. Most of the activity occurred in the United Arab Emirates, India, the UK and Ireland, while new projects were secured in Hong Kong, Vietnam, and Singapore. In the last financial year, the Assessment Services team managed 65 projects worth a total of $10.7 million, 35 of those significant in size.

One of Assessment Services’ international projects involved UniTEST, a university entrance assessment designed to test the thinking and reasoning skills of school leavers. It was developed in conjunction with Cambridge Assessment. Seven universities – Bristol, Cambridge, Durham, Edinburgh, Exeter, Hertfordshire and Warwick – will use UniTEST in conjunction with their GCSE and AS-level results and teachers’ predictions for final A-level grades in the year-long trial.

The trial of UniTEST, as a potential replacement of the varied and growing number of exams being set by admission tutors in different universities, added fuel to an ongoing debate. Looking at the trial candidates’ A-Levels and first-year university results will allow researchers to establish the credibility of the test as an admissions selection tool.

The UK Department of Education is currently reviewing the results of both the SAT and UniTEST trials, with a final report due out next year. One possible outcome is the introduction of UniTEST nationwide in 2008. Development of the test continues, with Cambridge University trialling the test in September 2006, after which it may be offered to universities as an alternative to the A-Levels.
GAMSAT validity to be assessed

The Graduate Australian Medical School Admissions Test is undergoing a review of its validity. The GAMSAT Consortium in Australia approved funding for two research projects with this aim in mind in 2005-06. The first is a 10-year review of statistical and technical data underpinning the test and of the constructs underlying the three sections of GAMSAT. The second, a complementary project by ACER’s Transitions and the Economics of Education program, will evaluate aspects of GAMSAT’s criterion validity, both concurrent and predictive.

GAMSAT UK and MSAT both received positive feedback from their UK users, who indicated that they were very pleased with the students selected. The number of GAMSAT UK candidates increased by 25 per cent on 2004-05 – it will be used in 11 medical schools in 2007, and taken by an anticipated 4,500 candidates, up from 1,200 in 2004-05.

In Ireland, GAMSAT was used to select applicants for entry into the graduate-entry medical degree for the first time at the medical school of University College Dublin (University of Ireland). It has previously been used for application to the College’s graduate-entry veterinary science stream. The Royal College of Surgeons in Ireland will be using GAMSAT Ireland from 2006-2007. Assessment Services staff are working on increasing the uptake of the tests in Ireland.

In Australia and New Zealand, use of the Undergraduate Medical Admissions Test (UMAT) continues to grow, with one additional medical school joining this year; bringing the total up to 13. A 17 per cent increase in candidate registrations over the previous year has been recorded.
Use of ISA doubles

Another ACER-administered assessment which has seen significant growth is the International Schools Assessment (ISA), an assessment with a broad cultural base. Its uptake doubled in 2005-06 on the previous financial year. ISA was developed to cater for international schools and the children of expatriate professionals, first administered in 2002. ISA measures student achievement and progress over time, compared against PISA project data. It is also able to provide detailed diagnostics that may be used to plan lessons.

Online Placement Instrument redeveloped

Technology-use to improve the efficiency of certain aspects of projects was another priority. Assessment Services has been exploring and trialing suitable software to streamline the marking of certain tests, particularly those which include written response. In the last financial year, computer-based assessment including an online placement instrument was been redeveloped for use in schools, which proved to be a better channel of delivery than directly into homes.

ACER tests 18,000 scholarship hopefuls

In April 2006, around 20,000 candidates took one of the ACER tests for 2007 entry into highly-coveted scholarship places in about 250 independent primary and secondary schools across Australia. Each year, Assessment Services administers tests including the Co-operative Scholarship Testing Program (CSTP), the Australian Co-operative Entry Program (ACEP), the Primary Scholarship Program (PSP) and the Scholarship Selection Test (SST). They have proven to be good indicators of scholastic achievement in later secondary years, with students awarded scholarships based on performance on ACER tests consistently making it to the top two per cent of their cohorts.
Sustaining and providing high-quality, relevant professional learning activities, and consultancy for both local and international markets ensured the continued success of the Centre for Professional Learning programs.

Over the financial year, the Centre made solid advances in the development of customised programs to both individual schools and education systems. An increasing number of teachers and school leaders have recognised the value and effectiveness of specially-tailored programs, collaboratively designed and constructed to meet teacher and student needs. The Centre saw a growth in the uptake of its customised professional learning program, which it delivered in 12 schools in 2005-06, up from four schools in 2004-05 when the program first began.

The ACER Professional Learning Calendar remains healthy, with the usual steady flow of workshops delivered. The Centre also achieved university recognition with several of its programs accredited towards a Bachelor of Education degree and is looking into accreditation as a higher education provider.

The 10th annual ACER Research Conference in August 2005, which addressed the topic of Using Data to Support Learning was attended by a record 750 delegates. The two-day conference, held in Melbourne, was a major highlight of the last financial year for the Centre for Professional Learning. Delegates included academics, policymakers, teachers, researchers, and school leaders, who came from across Australia and New Zealand, as well as Asia and South Africa. This was the largest Research Conference to date, in terms of both attendance and the number of sessions conducted – at three keynote presentations and 16 concurrent sessions. Feedback from delegates was extremely positive.

Towards the end of the financial year, the finishing touches were put on preparations for the 2006 Research Conference focusing on the topic of Boosting Science Learning – what will it take?, to be held in Canberra in August 2006.

**ACER International Institute**

The ACER International Institute undertook projects in Pakistan, the Philippines, and Indonesia during 2005-06.

In a capacity-building project funded by the World Bank and managed by the British Council, the Institute negotiated a contract to provide training to support Pakistan’s Ministry of Education, the National Education Assessment System (NEAS) and the Provincial Educational Assessment Centres (PEACEs) to introduce a national assessment system.

The training program involved the development of program content and delivery methods for a Master Trainers program, certificate programs, and short courses in Development of Assessment/
Curriculum Frameworks and Item/Test Specifications, Educational Research Methods, National Educational Assessment Systems, as well as a program of structured study tours.

These programs would be delivered at the Institute of Educational Research at the University of the Punjab in Lahore and at ACER Melbourne over the next two years to academics and NEAS practitioners. The two-year contract is worth approximately AU$200,000.

Starting in October 2005, the Institute delivered a six-week program to 30 senior education officials from the Philippines, designed to address the Monitoring and Evaluation of Secondary Education. The first and last weeks of the program were delivered in Manila, the rest in Melbourne. Presentations were also delivered in partnership with the Victorian Department of Education and Training and the Victorian Catholic Education Office.

The International Institute has also facilitated the signing of a Memorandum of Understanding between ACER and the Centre for Applied Educational Research and Training (CERT) in Dubai. The MOU involved the delivery of a series of professional learning programs for practising classroom teachers over twelve to eighteen months, designed after a training needs analysis conducted by ACER Dubai and CERT.

**New and ongoing initiatives in 2005-06**

In January 2006, the Centre introduced a Professional Learning Association to provide a forum for teachers and others who have an interest in professional learning in schools. Apart from benefits related to subscription to ACER professional magazines, library membership, purchase of ACER Press published products and workshop registration fees, members would be able to access school consultancy on design and delivery of professional learning programs and invitations to seminars and colloquia on professional learning.

Another new initiative introduced in February 2006 was ACER PLUS, a professional learning series comprising programs of two days to a full term’s duration, providing opportunities for learning which incorporates application of new practices in the classroom, reflection, feedback from peers and expert guidance. It was observed that the ACER PLUS programs that were conducted in this financial year received very positive evaluations from participants.
Responsibility for the management of Principal for a Day™ came under ACER’s Australian Principals Centre (APC) early in 2006. The program has run every August since 2001. It has international roots, originating in New York where it continues to run alongside counterpart programs in other countries such as New Zealand.

The program takes business and community executives and school leaders (in the case of an exchange situation) out of their comfort zones, exposing them to new challenges and opportunities for building connections and interaction between school and industry. Past participants have expressed surprise at the extent to which the skills required to run workplaces and those required to run schools overlap.

Principal for a Day is conducted in Victoria, New South Wales, Queensland and the Australian Capital Territory. mecu Ltd is a major sponsor. The first ACER Principal for a Day in Victoria is scheduled for 17 August 2006 and 84 matches between state schools and industry and government have been put in place.

APC also successfully delivered a Principals Conference for the Eastern Metropolitan Region of the Department of Education and Training (Vic). About 320 school leaders and 45 trade exhibitors and sponsors also attended the conference in Lorne in May–June 2006.

Keynote presenters were Professor Andy Hargreaves (Boston College), Colin Pidd, International Management Consultant with Dramatic Edge (facilitators and actors), and Dr Loretta Giocelli, a world acknowledged expert in special needs.

The conference was conducted for the Victorian Department of Education and Training, and provided additional opportunities for ACER to stay closely familiar with the evolving issues, challenges and concerns faced by principals and schools.

Concurrently, the Centre managed the successful national tour of eminent adolescent psychologist and author Michael Carr-Gregg, which included every Australian state and territory.

APC works closely with ACER’s researchers. In 2005-06, it supported the Transitions and Economics of Education and Teaching and Learning research programs in preparing a paper each for the OECD and Teaching Australia.

The first was a Country Background Report for the OECD and DEST, which explored emerging trends in school leadership in selected participating OECD countries. It is also involved in the Teacher and Leader survey project for DEST. The second, for Teaching Australia, involved the development of a paper on leadership standards and building a standards-based professional learning program for Australian school leaders. Under the project, APC conducted a national briefing on Principal Standards in most Australian capital cities.
It also worked with the Teaching and Learning and the Transitions and Economics of Education programs in the development of submissions and tenders.

APC’s Coaching for Experienced Principals in government schools for the Department of Education and Training, Victoria, is in its third year of a four-year contract. At the end of 2005-06, 300 principals have been coached and 135 experienced educationalists have been trained to deliver the program in a variety of locations across Victoria. The feedback about the program highlights its success and its significant support for practising Principals in Victorian government schools. APC provides coaching support in schools under other programs and services as well as consultancy services.
2005-06 on record

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Commissioned Projects

International

International organisations
International Association for the Evaluation of Educational Achievement (IEA)
- International Civics and Citizenship Study
- IEA with Michigan State University, USA
  - Teacher Education Development Study 2004
  - Teacher Education Development Study 2006
- Organisation for Economic Cooperation and Development (OECD)
  - OECD Programme for International Student Assessment (PISA) 2003 and 2006 - international component
  - Computer based assessment of scientific literacy
  - OECD PISA Thematic Report 8: PISA and TIMSS (in conjunction with Melbourne University)
  - PISA 2003 Thematic Report on Mathematical Literacy and Instruction

Bhutan
Ministry of Education
- Consultancy

Chile
Ministry of Education
- Development of a standards based curriculum and assessment system in Chile

Hong Kong
Education and Manpower Bureau (EMB)
- New Senior Secondary Curriculum Benchmarking

Jordan
Ministry of Education
- Jordan National Assessment Program

New Zealand
Ministry of Education
- NZ Primary Workload Research
- New Zealand Council for Educational Research
  - Consultancy to provide advice on test development
- New Zealand Qualifications Authority
  - NZ Literature Review on Variability
- New Zealand Teachers’ Council
  - Review of Literature: Professional Practice Teaching

Philippines
Basic Education for Mindanao (BEAM)
- Consultancy to educational regions of Mindanao

Thailand
International School Bangkok
- International School Bangkok Student Profile

United Arab Emirates
Ministry of Education
- Development of NASAP Reporting Application

United States
America’s Choice Inc
- Development of Literacy and Numeracy Testing for Students in Grade 6 and Grade 9

National Institute of Child Health and Human Development
- Hispanic Families Project

National

National organisations
Australian Institute of Family Studies, for the Department of Family, Community Services and Indigenous Affairs
- Longitudinal Study of Australian Children

Australian Principals’ Associations Professional Development Council
- Student Well-Being and Resilience Survey (Secondary Schools)

Australian Research Council
- Teacher Evaluation in Australia

Australian Science Teachers Association - ACER
- Portfolio Professional Development Program

Commonwealth Department of Education Science and Training (DEST)
- Australian Certificate of Education
- Australian Country Background Report
- Australian Schools Teachers and Leaders Survey
- Comparative Study of Selected Subjects Studied for the Year 12 Certificate
- Investigating Teacher Professional Development and Student Learning Outcomes
- Longitudinal Surveys of Australian Youth (LSAY)
- National Awards for Quality Schooling
- National Inquiry into the Teaching of Literacy
- OECD Programme for International Student Assessment (PISA) 2003 and 2006 National component (also funded by the state and territory education departments)
- Project Good Start (formerly Improving Numeracy Outcomes in the Early Years)
- Research on Performance Pay for Teachers
Commissioned Projects

Commonwealth Department of Family and Community Services
- The Household, Income and Labour Dynamics in Australia Survey (in a consortium led by the Melbourne Institute of Applied Economic and Social Research)

Commonwealth Department of Health and Ageing
- Specialist Medical College Exam Procedures & Pass Rates Discussion Paper

Graduate Careers Council of Australia
- Analysis and Reporting of Course Experience Questionnaire (CEQ) and the Postgraduate Research Experience Questionnaire (PREQ)

Ministerial Committee on Education, Employment, Training and Youth Affairs (MCEETYA)
- Civics Assessment Project Phase 2
- Consultancy on Advanced Standards for Teaching
- Consultancy on Standards for Leadership in Schools
- Indigenous LLANS
- Longitudinal Literacy and Numeracy Study
- Survey of ICT Literacy

Smith Family
- Study of Student Perceptions of the World of Work
- Study and Vocation

Teaching Australia (formerly National Institute for Quality Teaching and School Leadership)
- National Accreditation Review

Australian Capital Territory
- Australian Capital Territory Government
  - The Effectiveness of Funding for Schools in the ACT

ACT Board of Senior Secondary Studies
- ACT Scaling Test

New South Wales
- Department of Corrective Services
  - Correctional Officer Entrance Test

Department of Education and Training
- Basic Skills Testing Program
- Language and Literacy Assessment 2006

Northern Territory
- Evaluation of Literacy Approaches

Queensland
- Department of Education and the Arts (Education Queensland)
  - Development and Pilot of National Year 9 Literacy and Numeracy Assessment Items - Spelling
  - Evaluation of New Basics Research Program
  - Queensland years 3, 5 and 7 Literacy and Numeracy Testing

South Australia
- Department of Education and Children's Services
  - Student Well Being
  - Provision of Systemic Year 3, 5 and 7 Literacy and Numeracy Testing to SA DECS
  - I.G.N.I.T.E

Flinders University
- ASM (Australian Science & Maths School)

Tasmania
- Department of Education and Training
  - Calibration of Tasmanian Standards
  - Investigating the Natural and Constructed World

Victoria
- Association of Independent Schools in Victoria
  - Indicators of Teacher and School Effectiveness in Independent Schools
  - Professional Evaluation and Reflection on Learning Program
  - Assessment, Informing, Teaching and Learning

Catholic Education Office
- Literacy in the Middle Primary Years
- Disabilities Definition Project
- Student Exit Survey
- Leadership Standards in Catholic Schools

Department of Education and Training
- DET Verification & Accreditation Project
- Effective Teaching and Learning Practices for Students with Learning Difficulties
Evaluation of Access to Excellence
Evaluation of Phase 1 of the Schools for Innovation and Excellence Initiative
Evaluation of Restart Initiative
Evaluation of Victorian Flagship Strategy (in conjunction with Queensland University of Technology and James Cook University)
Literacy Chronology

Geelong College
Geelong College Intellectual Character Consultancy

Geography Teachers Association
Global Education Victoria Evaluation Project

Melbourne Development Institute
STRIVE

Royal Melbourne Institute of Technology
Evaluation of Middle Years Reform Program

Somers School Camp
Review of the Effectiveness of the Somers School Camp Outdoor Education Program

Victorian Curriculum and Assessment Authority (VCAA)
Development of Test items for Year 9 statewide testing of the Achievement Improvement Monitor
Development of Test items for AIM 2007
Key Competencies Curriculum & Methods of Assessment & Reporting
Trial of Assessment Materials for the English and Mathematics Years 3, 5 and 7 Statewide testing component of the Achievement Improvement Monitor (AIM)
Trial of the 2006 VCAA AIM Test Items
Victorian Essential Learning Standards - Independent Evaluation
Victorian Essential Learning Standards - Production of Support Material
Victorian General Achievement Test

Victorian Institute of Teaching
VIT Repeat Survey of First Year Teachers

Victorian Qualifications Authority
Standards for Foundation Programs

Victorian State Services Authority
Literature Review on Barriers to Employment

Western Australia
Department of Education and Training
Evaluation of the ‘Getting it Right’ Literacy and Numeracy Strategy

Western Australian Monitoring Standards in Education (WAMSE) Arts - test development and psychometrics
Western Australian Monitoring Standards in Education Social Outcomes - test development and psychometrics
Western Australian Literacy and Numeracy Assessment (WALNA) cohort testing in years 3, 5 and 7
Western Australian Monitoring Standards in Education (WAMSE) Mathematics, English and Science
Western Australian Monitoring Standards in Education Society and Environment

Edith Cowan University
WA Student Growth Study
Books and Reports


**Chapters in books**


Rowe, K. J. (2006). Getting it right for boys’ literacy-as early as possible. In D. Hartman (Ed.), Educating boys: The good news (pp. 221-246). Newcastle, NSW: The Family Action Centre, the University of Newcastle.

Journal articles


Other periodicals


The Directors of the Australian Council for Educational Research Limited present the following report together with the financial statements for the financial year ended 30 June 2006.

Directors
The names of Directors in office at any time during or since the end of the financial year are:

<table>
<thead>
<tr>
<th>Directors</th>
<th>Start date</th>
<th>Finish date</th>
<th>Board Meetings during the year</th>
<th>Audit Committee Meetings during the year</th>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Eligible to attend</td>
<td>Number attended</td>
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<tr>
<td>Evan Arthur</td>
<td>3 Nov 05</td>
<td>3</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Robyn Baker</td>
<td>1 Jan 06</td>
<td>2</td>
<td>2</td>
<td></td>
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<tr>
<td>Brian Caldwell</td>
<td></td>
<td>4</td>
<td>3</td>
<td>3</td>
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<tr>
<td>Andrew Cappie-Wood</td>
<td>1 Jan 06</td>
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<tr>
<td>Brian Croke</td>
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<td></td>
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<tr>
<td>Peter Hill</td>
<td>1 Jan 06</td>
<td>2</td>
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<tr>
<td>Anthony Mackay</td>
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<tr>
<td>Jillian Maling</td>
<td>31 Dec 05</td>
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<td>Steve Marshall</td>
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<tr>
<td>Geoffrey Masters</td>
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<tr>
<td>Judith MacCullum</td>
<td>31 Dec 05</td>
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<td></td>
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<tr>
<td>Paige Porter</td>
<td></td>
<td>4</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Sheldon Rothman</td>
<td></td>
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</tbody>
</table>

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities of the company
The principal activities of the company during the financial year were educational research and development, publication and sale of educational and psychological books, tests and materials, and the provision of assessment services. During the financial year there was no significant change in the nature of those activities.

Result for the year
The surplus for the year was $1 228 811 (2005 Surplus $661,330).
Dividends
ACER is a not for profit company and neither declares nor pays dividends. The company is prohibited from issuing dividends or options as per its constitution.

Environmental issues
The company’s operations are not regulated by any significant environmental regulation under Commonwealth, State or Territory law.

Review of operations
During the year, the company continued to engage in its principal activities, the results of which are disclosed in the attached financial statements.

Significant changes in state of affairs
During the financial year there were no significant changes in the state of affairs of the company other than those referred to in the accounts or notes thereto.

The company incorporated a branch company, ACER International Ltd in the UK on the 23 September 2005. As at 30 June 2006 the company was dormant and had not traded since incorporation.

As a result of the introduction of Australia equivalents to International Financial Reporting Standards (IFRS), the company’s financial report has been prepared in accordance with those standards. A reconciliation of adjustments arising on the transition to Australian Equivalents to IFRS is included in Note 2 to this report.

After balance date events
The Directors signed a purchase document to purchase the land and buildings adjacent to the 19 Prospect Hill Road property. This will cost the company $16,000,000 and will be financed through a bank loan. Apart from this matter, there have been no matters or circumstances since the end of the financial year, which significantly affect the operations of the company in future years.

Directors’ indemnification
During the financial year the company paid a premium to insure each of the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company.

Proceedings on behalf of company
No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of these proceedings. The company was not a party to any such proceedings during the year.
Auditors Independence
A copy of the auditors independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 4.

Signed in accordance with a resolution of the Directors.
For and on behalf of the Directors

Director: P Porter
Director: G Masters

Date: 8 September 2006
Australian Council For Educational Research Ltd

ABN 19 004 398 145

Auditor's Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2006 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Saward Dawson Chartered Accountants

Peter Shields

7 September 2006
## Income Statement (for the year ended 30 June 2006)

<table>
<thead>
<tr>
<th>Note</th>
<th>2006</th>
<th>2005</th>
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</tr>
</tbody>
</table>

Changes in inventories of finished goods and work in progress  
Raw materials and consumables used  
Employee and contractor benefits expense  
Depreciation and amortisation  
Freight and cartage expense  
Advertising  
Computer expenses  
Rent and occupancy expenses  
Consultancy expenses  
Printing and stationery expenses  
Royalty expenses  
Repairs and maintenance  
Travel expenses  
Finance costs  
Other expenses  

Total expenses  

Surplus for the year
## Balance Sheet
(for the year ended 30 June 2006)

<table>
<thead>
<tr>
<th>Note</th>
<th>Assets</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>ASSETS</strong></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cash and cash equivalents</td>
<td>5</td>
<td>4,167,880</td>
</tr>
<tr>
<td></td>
<td>Trade and other receivables</td>
<td>6</td>
<td>6,636,763</td>
</tr>
<tr>
<td></td>
<td>Inventories</td>
<td>7</td>
<td>1,604,454</td>
</tr>
<tr>
<td></td>
<td>Financial assets</td>
<td>8</td>
<td>390,436</td>
</tr>
<tr>
<td></td>
<td>Other current assets</td>
<td>9</td>
<td>2,039,510</td>
</tr>
<tr>
<td></td>
<td><strong>Total current assets</strong></td>
<td></td>
<td>14,839,043</td>
</tr>
<tr>
<td></td>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Property, plant and equipment</td>
<td>10</td>
<td>17,878,193</td>
</tr>
<tr>
<td></td>
<td>Intangible assets</td>
<td>11</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Other non-current assets</td>
<td>9</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>Total non-current assets</strong></td>
<td></td>
<td>17,878,193</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL ASSETS</strong></td>
<td></td>
<td>32,717,236</td>
</tr>
<tr>
<td></td>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Trade and other payables</td>
<td>12</td>
<td>6,389,819</td>
</tr>
<tr>
<td></td>
<td>Short-term borrowings</td>
<td>13</td>
<td>45,922</td>
</tr>
<tr>
<td></td>
<td>Short-term provisions</td>
<td>14</td>
<td>3,070,503</td>
</tr>
<tr>
<td></td>
<td><strong>Total current liabilities</strong></td>
<td></td>
<td>9,506,244</td>
</tr>
<tr>
<td></td>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Long-term borrowings</td>
<td>13</td>
<td>3,400,000</td>
</tr>
<tr>
<td></td>
<td>Long-term provisions</td>
<td>14</td>
<td>513,951</td>
</tr>
<tr>
<td></td>
<td><strong>Total non-current liabilities</strong></td>
<td></td>
<td>3,913,951</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL LIABILITIES</strong></td>
<td></td>
<td>13,420,195</td>
</tr>
<tr>
<td></td>
<td><strong>Net assets</strong></td>
<td></td>
<td>19,297,041</td>
</tr>
<tr>
<td></td>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reserves</td>
<td>6</td>
<td>6,013,556</td>
</tr>
<tr>
<td></td>
<td>Accumulated surpluses</td>
<td>13</td>
<td>13,283,485</td>
</tr>
<tr>
<td></td>
<td><strong>Total equity</strong></td>
<td></td>
<td>19,297,041</td>
</tr>
</tbody>
</table>
## Statement of Changes in Equity

(for the year ended 30 June 2006)

### 2006

<table>
<thead>
<tr>
<th>Note</th>
<th>Retained Earnings</th>
<th>Asset Revaluation Reserve</th>
<th>Foundation for Educational Research Fund</th>
<th>Hedge Reserve</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$12,054,674</td>
<td>- 298,280</td>
<td>$5,324,840</td>
<td>-</td>
<td>$12,352,954</td>
</tr>
</tbody>
</table>

**Balance at 1 July 2005**

- 12,054,674
- 298,280
- 5,324,840
- 12,352,954

**Net surplus (deficit) attributable to members of the entity**

- 1,228,811
- -
- -
- -
- 1,228,811

**Revaluation increment (decrement)**

- -
- 5,324,840
- -
- -
- 5,324,840

**Transfer to Hedge Reserve**

- -
- -
- -
- 390,436
- 390,436

**Balance at 30 June 2006**

- 13,283,485
- 5,324,840
- 298,280
- 390,436
- 19,297,041

### 2005

<table>
<thead>
<tr>
<th>Note</th>
<th>Retained Earnings</th>
<th>Scientific Research Fund</th>
<th>Foundation for Educational Research Fund</th>
<th>Strategic Initiatives Fund Reserve</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$10,592,015</td>
<td>$69,863</td>
<td>$1,029,746</td>
<td>$11,691,624</td>
<td></td>
</tr>
</tbody>
</table>

**Balance at 1 July 2004**

- 10,592,015
- 69,863
- -
- 1,029,746
- 11,691,624

**Net surplus (deficit) attributable to members of the entity**

- 661,330
- -
- -
- -
- 661,330

**Transfers to and from reserves**

- scientific research fund
  - 69,863
  - (69,863)
  - -
  - -

- foundation for educational research fund
  - (298,280)
  - -
  - 298,280
  - -

- strategic initiatives fund reserve
  - 1,029,746
  - -
  - -
  - (1,029,746)

**Balance at 30 June 2005**

- 12,054,674
- 298,280
- -
- 12,352,954
## Statement of Cash Flows (for the year ended 30 June 2006)

### Cash from operating activities:

<table>
<thead>
<tr>
<th>Description</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipts from customers</td>
<td>50,128,740</td>
<td>36,162,920</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(45,546,213)</td>
<td>(35,509,890)</td>
</tr>
<tr>
<td>Interest received</td>
<td>61,405</td>
<td>45,829</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(252,006)</td>
<td>(274,226)</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) operating activities</strong></td>
<td><strong>4,391,926</strong></td>
<td><strong>424,633</strong></td>
</tr>
</tbody>
</table>

### Cash flows from investing activities:

<table>
<thead>
<tr>
<th>Description</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition of property, plant and equipment</td>
<td>(929,796)</td>
<td>(1,354,879)</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) investing activities</strong></td>
<td><strong>(929,796)</strong></td>
<td><strong>(1,354,879)</strong></td>
</tr>
</tbody>
</table>

### Cash flows from financing activities:

<table>
<thead>
<tr>
<th>Description</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from (repayment of) other borrowings</td>
<td>(383,110)</td>
<td>(170,968)</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) financing activities</strong></td>
<td><strong>(383,110)</strong></td>
<td><strong>(170,968)</strong></td>
</tr>
</tbody>
</table>

### Net increase (decreases) in cash held

<table>
<thead>
<tr>
<th>Description</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net increase (decreases) in cash held</td>
<td>3,079,020</td>
<td>(1,101,214)</td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of year</td>
<td>1,088,860</td>
<td>2,190,074</td>
</tr>
<tr>
<td><strong>Cash at end of financial year</strong></td>
<td><strong>4,167,880</strong></td>
<td><strong>1,088,860</strong></td>
</tr>
</tbody>
</table>
Notes to the Financial Statements
(for the year ended 30 June 2006)

I  Accounting policies

1a  General information

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Council For Educational Research Ltd is a company limited by guarantee incorporated and domiciled in Australia.

The financial report of Australian Council For Educational Research Ltd complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) to the extent they are applicable to Australian not for profit entities.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

1b  Basis of Preparation

First-time Adoption of Australian Equivalents to International Financial Reporting Standards

Australian Council For Educational Research Ltd has prepared the financial statements in accordance with the applicable Australian equivalents to International Financial Reporting Standards (AIFRS) from 1 July 2005.

In accordance with the requirements of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards, adjustments resulting from the introduction of AIFRS have been applied retrospectively to 2005 comparative figures excluding cases where optional exemptions available under AASB 1 have been applied. These accounts are the first financial statements of Australian Council For Educational Research Ltd to be prepared in accordance with Australian equivalents to IFRS.

The accounting policies set out below have been consistently applied to all years presented. The directors have elected to adopt the exemptions available under AASB 1 relating to AASB 132: Financial Instruments: Disclosure and Presentation, and AASB 139: Financial Instruments: Recognition and Measurement. Refer Note 22.

Reconciliation of the transition from previous Australian GAAP to AIFRS have been included in Note 2 to this report.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.
1c Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

1d Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal recovery rates.

1e Property, plant and equipment

Land and buildings

Freehold land and buildings were shown at cost less subsequent depreciation of buildings in the 30 June 2005 year. The company has subsequently undertaken valuations on all land and buildings held, by external independent valuers.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings are shown at fair value as at 30 June 2006. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset’s original cost is transferred from the revaluation reserve to retained earnings.

Plant and equipment

Plant and equipment are measured on the cost basis, less depreciation and impairment losses.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.
The depreciation rates used for each class of depreciable assets are:

<table>
<thead>
<tr>
<th>Class of Fixed Asset</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>2.5% - 10%</td>
</tr>
<tr>
<td>Furniture, Fixtures and Fittings</td>
<td>25%</td>
</tr>
<tr>
<td>Motor Vehicles</td>
<td>25%</td>
</tr>
<tr>
<td>Computer Equipment</td>
<td>33%</td>
</tr>
<tr>
<td>Computer Software</td>
<td>40%</td>
</tr>
</tbody>
</table>

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

### Financial Instruments

#### Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

#### Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

#### Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

#### Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

#### Derivative instruments

Derivative instruments are measured at fair value. Gains and losses arising from changes in fair value are taken to the income statement unless they are designated as hedges. The company’s hedge portfolio has been marked to spot rate and the movement in value has been recognised direct to a reserve as required by AASB 139: Recognition and Measurement of Financial Instruments where hedges are effective.
Fair value
Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine fair value for all unlisted securities, including recent arm’s length transactions, reference to similar instruments and option pricing models.

Impairment
At each reporting date, the company assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

Ig Intangibles
Patents, trademarks and intellectual property
Patents, trademarks and intellectual property are recognised at cost of acquisition. Patents, trademarks and intellectual property have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. In the current year, the directors have assessed that all of the company’s intellectual property previously recognised relating to the iAchieve and iAchieve at home projects is impaired and has therefore been written off.

Ih Cash and Cash Equivalents
Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

Ii Impairment
At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset’s fair value less costs to sell and value in use or where appropriate depreciated replacement cost, is compared to the asset’s carrying value. Any excess of the asset’s carrying value over its recoverable amount is expensed to the income statement.

Ij Employee Benefits
Provision is made for the company’s liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits.

Ik Provisions
Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.
II Income taxes
No current or deferred income tax assets or liabilities have been raised by the company as it is exempt from income tax under Division 50 of the Income Tax Assessment Act.

I Revenue
Revenue from the sale of goods is recognised upon the delivery of goods to customers.
Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.
All revenue is stated net of the amount of goods and services tax (GST).
Project work in progress is valued at cost, plus profit recognised to date less any provision for anticipated future losses. Costs include both variable and fixed costs relating to specific contracts, when those costs that are attributable to the contract activity in general and that can be allocated on a reasonable basis.
Project profits are recognised over the life of the project measured using the proportion of costs incurred to date as compared to expected total costs. Where losses are anticipated they are provided for in full. Project revenue has been recognised on the basis of the terms of the contract adjusted for any variances or claims allowable under the contract.

In Goods and Services Tax (GST)
Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.
Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Io Library Additions
The company adopts the policy of charging all additions to the library directly to the profit and loss account in the year in which the expenditure is incurred.

Ip Critical accounting estimates
The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key estimates — Impairment
The company assesses impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.
Impairments have been recognised in respect of intellectual property for the year ended 30 June 2006.
Key judgments — Project surpluses

Included in the total surplus for the year ended 30 June 2006 was an amount of $1,245,416 relating to total project surpluses recognised. The directors have judged that these project surpluses should be recognised over the life of the project measured using the proportion of cost incurred to date as compared to expected total costs.

2 First-time Adoption of Australian Equivalents to International Financial Reporting Standards

On transition to AIFRS, there are no material adjustments to equity or profit or loss between previous Australian GAAP and AIFRS.

3 Revenue

<table>
<thead>
<tr>
<th>Note</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- sale of goods</td>
<td>6,829,904</td>
<td>6,862,697</td>
</tr>
<tr>
<td>- project revenue</td>
<td>36,205,310</td>
<td>29,694,062</td>
</tr>
<tr>
<td>- royalties</td>
<td>292,571</td>
<td>317,204</td>
</tr>
<tr>
<td>- interest received</td>
<td>61,405</td>
<td>45,829</td>
</tr>
<tr>
<td>- foreign exchange gain</td>
<td>485,778</td>
<td>-</td>
</tr>
<tr>
<td>- other income</td>
<td>-</td>
<td>218</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>43,874,968</td>
<td>36,920,010</td>
</tr>
</tbody>
</table>

(a) Interest revenue from:
   | other persons | 61,405 | 45,829 |

Total interest revenue | 61,405 | 45,829 |

4 Surplus from Ordinary Activities

4a Expenses from ordinary activities

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of sales</td>
<td>2,347,130</td>
<td>2,208,522</td>
</tr>
<tr>
<td>Finance costs - external parties</td>
<td>256,090</td>
<td>268,205</td>
</tr>
<tr>
<td>Impairment of non-current assets (intangibles)</td>
<td>222,000</td>
<td>-</td>
</tr>
<tr>
<td>Bad and doubtful debts</td>
<td>26,808</td>
<td>25,651</td>
</tr>
<tr>
<td>Remuneration of auditor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Auditing or reviewing the financial report</td>
<td>32,500</td>
<td>29,950</td>
</tr>
<tr>
<td>Other services</td>
<td>2,500</td>
<td>-</td>
</tr>
<tr>
<td>Rental expense on operating leases</td>
<td>480,204</td>
<td>285,015</td>
</tr>
</tbody>
</table>
4b Significant Revenue and Expenses

<table>
<thead>
<tr>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

The following significant revenue and expense items are relevant to explaining the financial performance:

- Project revenue: 5,837,336 3,197,170
- Foreign currency translation gains (deficits): 485,778 (14,038)

5 Cash and Cash Equivalents

<table>
<thead>
<tr>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

- Cash on hand: 1,250
- Cash at bank: 4,166,630 1,087,610

Total: 4,167,880 1,088,860

6 Trade and Other Receivables

**CURRENT**

- Trade receivables: 6,736,763 7,865,163
- Provision for impairment of receivables: (100,000) (75,000)
- Other receivables: - 7,754

Total: 6,636,763 7,797,917

**NON-CURRENT**

- Test Grid (Aus) Pty Ltd - Loan account: 927,458 927,458
- Provision for impairment: (927,458) (927,458)

Total: - -

7 Inventories

**CURRENT**

- At Cost
  - Work in progress: 240,572 213,576
  - Finished goods: 1,190,650 1,020,315

Total: 1,431,222 1,233,891

- At net realisable value
  - Work in progress: 173,232
  - Finished goods: 203,609

Total: 1,604,454 1,437,500
8 Financial Assets

<table>
<thead>
<tr>
<th>Note</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other financial assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hedge gain receivable</td>
<td>a</td>
<td>390,436</td>
</tr>
<tr>
<td>Total financial assets</td>
<td></td>
<td>390,436</td>
</tr>
</tbody>
</table>

8a Derivative Financial Assets:

Gains and losses arising from changes in the fair value of designated forward exchange contracts are initially recognised directly in equity and are separately included as a hedge reserve in the statement of changes in equity. At transaction date, amounts included in the hedge reserve are transferred from equity and included in the acquisition cost of the asset. The statement of changes in equity includes transfers to and from the hedge reserve.

No derivative financial asset has been recognised for the year ended 30 June 2005 in accordance with the AASB 1: First-Time Adoption of Australian Equivalents to International Financial Reporting Standards exemption from the requirement to apply AASB 139: Recognition and Measurement of Financial Instruments retrospectively.

9 Other Assets

<table>
<thead>
<tr>
<th>CURRENT</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepayments</td>
<td>171,131</td>
<td>164,451</td>
</tr>
<tr>
<td>Work in progress</td>
<td>1,868,379</td>
<td>1,977,420</td>
</tr>
<tr>
<td>Total</td>
<td>2,039,510</td>
<td>2,141,871</td>
</tr>
</tbody>
</table>
## 10 Property plant and equipment

<table>
<thead>
<tr>
<th>Note</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>LAND AND BUILDINGS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Freehold land</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land at fair value</td>
<td>a</td>
<td>11,150,000</td>
</tr>
<tr>
<td>Total freehold land</td>
<td></td>
<td>11,150,000</td>
</tr>
<tr>
<td>Buildings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings at fair value</td>
<td>a</td>
<td>5,490,878</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Total buildings</td>
<td></td>
<td>5,490,878</td>
</tr>
<tr>
<td>Total land and buildings</td>
<td></td>
<td>16,640,878</td>
</tr>
<tr>
<td><strong>PLANT AND EQUIPMENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant and Equipment</td>
<td></td>
<td>1,269,776</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td></td>
<td>(845,463)</td>
</tr>
<tr>
<td>Total plant and equipment</td>
<td></td>
<td>424,313</td>
</tr>
<tr>
<td>Computer Equipment</td>
<td></td>
<td>1,873,147</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td></td>
<td>(1,074,993)</td>
</tr>
<tr>
<td>Total computer equipment</td>
<td></td>
<td>798,154</td>
</tr>
<tr>
<td>Improvements</td>
<td></td>
<td>101,840</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td></td>
<td>(86,992)</td>
</tr>
<tr>
<td>Total improvements</td>
<td></td>
<td>14,848</td>
</tr>
<tr>
<td>Total plant and equipment</td>
<td></td>
<td>1,284,624</td>
</tr>
<tr>
<td>Total property, plant and equipment</td>
<td></td>
<td>17,878,193</td>
</tr>
</tbody>
</table>

### 10a Valuation of land and buildings

The company’s land and buildings were revalued at 30 June 2006 by Charter Keck Cramer on 11 May 2006. The valuations were made on the basis of open market value. The revaluation surplus was credited to an asset revaluation reserve in equity.
10b Movements in Carrying Amounts

<table>
<thead>
<tr>
<th></th>
<th>Land</th>
<th>Buildings</th>
<th>Plant and Equipment</th>
<th>Computer Equipment</th>
<th>Improvements</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the</td>
<td>7,250,000</td>
<td>4,413,744</td>
<td>446,081</td>
<td>560,009</td>
<td>9,511</td>
<td>12,679,345</td>
</tr>
<tr>
<td>beginning of year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>25,064</td>
<td>188,371</td>
<td>699,722</td>
<td>17,000</td>
<td>930,157</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>(372,410)</td>
<td>(210,139)</td>
<td>(461,577)</td>
<td>(11,663)</td>
<td>(1,055,789)</td>
</tr>
<tr>
<td>expense</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revaluation increase</td>
<td>3,900,000</td>
<td>1,424,480</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5,324,480</td>
</tr>
<tr>
<td>recognised in equity</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carrying amount at</td>
<td>11,150,000</td>
<td>5,490,878</td>
<td>424,313</td>
<td>798,154</td>
<td>14,848</td>
<td>17,878,193</td>
</tr>
<tr>
<td>the end of year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

11 Intangible Assets

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project development</td>
<td>-</td>
<td>222,000</td>
</tr>
<tr>
<td>cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Intangibles</td>
<td>-</td>
<td>222,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The directors have written off the value of the iAchieve software as they are of the opinion that the value of the software may not be recovered out of future cashflows.

12 Trade and other payables

**CURRENT**

<table>
<thead>
<tr>
<th>Unsecured liabilities</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade payables</td>
<td>522,177</td>
<td>1,112,397</td>
</tr>
<tr>
<td>Sundry creditors and</td>
<td>1,820,216</td>
<td>2,036,899</td>
</tr>
<tr>
<td>accruals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project income in</td>
<td>4,047,426</td>
<td>2,719,656</td>
</tr>
<tr>
<td>advance</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>6,389,819</strong></td>
<td><strong>5,868,952</strong></td>
</tr>
</tbody>
</table>
13  Borrowings

The bank bills are secured by a registered first mortgage over the freehold land and buildings situated at Prospect Hill Road, Camberwell.

The bank bill facility expires on 30 June 2023.

Bank loans secured

<table>
<thead>
<tr>
<th>Note</th>
<th>2006 $</th>
<th>2005 $</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CURRENT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secured liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance lease obligation</td>
<td>45,922</td>
<td>83,110</td>
</tr>
<tr>
<td></td>
<td>45,922</td>
<td>83,110</td>
</tr>
<tr>
<td>NON-CURRENT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secured liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bills or exchange and promissory notes</td>
<td>3,400,000</td>
<td>3,700,000</td>
</tr>
<tr>
<td>Finance lease obligation</td>
<td></td>
<td>45,922</td>
</tr>
<tr>
<td></td>
<td>3,400,000</td>
<td>3,745,922</td>
</tr>
</tbody>
</table>

13a The carrying amounts of non-current assets pledged as security are:

<table>
<thead>
<tr>
<th></th>
<th>2005 $</th>
<th>2006 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>First mortgage over freehold land and buildings</td>
<td>5,488,721</td>
<td>10,650,000</td>
</tr>
<tr>
<td></td>
<td>10,650,000</td>
<td>5,488,721</td>
</tr>
</tbody>
</table>

14  Provisions

14a Analysis of Total Provisions

<table>
<thead>
<tr>
<th></th>
<th>2005 $</th>
<th>2006 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>2,870,439</td>
<td>3,070,503</td>
</tr>
<tr>
<td>Non-current</td>
<td>446,117</td>
<td>513,951</td>
</tr>
<tr>
<td></td>
<td>3,316,556</td>
<td>3,584,454</td>
</tr>
</tbody>
</table>

14b Movement in carrying amounts

<table>
<thead>
<tr>
<th></th>
<th>Total $</th>
<th>Employee entitlements $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance at 1 July 2005</td>
<td>3,316,556</td>
<td>3,316,556</td>
</tr>
<tr>
<td>Additional provisions</td>
<td>2,242,260</td>
<td>2,242,260</td>
</tr>
<tr>
<td>Utilised during the period</td>
<td>(1,974,362)</td>
<td>(1,974,362)</td>
</tr>
<tr>
<td>Balance at 30 June 2006</td>
<td>3,584,454</td>
<td>3,584,454</td>
</tr>
</tbody>
</table>
15 Reserves

15a Asset Revaluation Reserve
   The asset revaluation reserve records revaluations of non current assets.

15b Foundation for Educational Research
   This reserve contains the funds that have been allocated to the Foundation for Educational Research.

15c Hedge reserve
   The hedge reserve records the movements in the value of the company's hedge portfolio that are designated as cashflow hedges.

16 Capital and Leasing Commitments

16a Finance Lease Commitments

<table>
<thead>
<tr>
<th>Note</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payable - minimum lease payments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- no later than 12 months</td>
<td>48,105</td>
<td>96,211</td>
</tr>
<tr>
<td>- between 12 months and 5 years</td>
<td>-</td>
<td>48,105</td>
</tr>
<tr>
<td>Minimum lease payments</td>
<td>48,105</td>
<td>144,316</td>
</tr>
<tr>
<td>Less future finance changes</td>
<td>(2,183)</td>
<td>(15,284)</td>
</tr>
<tr>
<td>Present value of minimum lease payments</td>
<td>45,922</td>
<td>129,032</td>
</tr>
</tbody>
</table>

The finance lease relates to computer equipment, which will terminate in September 2006.

16b Operating Lease Commitments

Non-cancelable operating leases contracted for but not capitalised in the financial statements

<table>
<thead>
<tr>
<th>Note</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payable - minimum lease payments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- not later than 12 months</td>
<td>459,131</td>
<td>416,272</td>
</tr>
<tr>
<td>- between 12 months and 5 years</td>
<td>692,057</td>
<td>867,654</td>
</tr>
<tr>
<td></td>
<td>1,151,188</td>
<td>1,283,926</td>
</tr>
</tbody>
</table>

The above operating leases attach to the rented premises in Sydney, Brisbane and Melbourne, and the staff novated car leases. All of the property leases are paid in advance. The two leases in Sydney will terminate in February 2008 and currently there is no option for extension. The lease in Brisbane will terminate in January 2008 and there is an option to renew the lease for a further two years. The Melbourne leases will terminate in October 2006 and currently there is no option for extension.
16c Capital Expenditure Commitments

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Plant &amp; equipment purchases</td>
<td>-</td>
<td>282,460</td>
</tr>
</tbody>
</table>

17 Members’ Guarantee

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of $20 each towards any outstanding obligations of the company. At 30 June 2006 the number of members was 10 (2005: 10).

18 Cash Flow Information

18a Reconciliation of cashflow from operations with surplus for the year

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Cash flows excluded from surplus attributable to operating activities</td>
<td>1,228,811</td>
<td>661,330</td>
</tr>
<tr>
<td>Non-cash flows in surplus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impairment write down</td>
<td>222,000</td>
<td>397,007</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>1,055,789</td>
<td>1,052,229</td>
</tr>
<tr>
<td>Write-off of obsolete stock</td>
<td>-</td>
<td>159,357</td>
</tr>
<tr>
<td>Provision for doubtful debts</td>
<td>25,000</td>
<td>25,000</td>
</tr>
<tr>
<td>changes in assets and liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase)/decrease in trade and term receivables</td>
<td>1,238,516</td>
<td>(2,852,604)</td>
</tr>
<tr>
<td>(Increase)/decrease in inventories</td>
<td>(166,954)</td>
<td>(45,934)</td>
</tr>
<tr>
<td>Increase/(decrease) in trade payables and accruals</td>
<td>(806,904)</td>
<td>604,152</td>
</tr>
<tr>
<td>Increase/(decrease) in other liabilities</td>
<td>1,327,770</td>
<td>(258,322)</td>
</tr>
<tr>
<td>Increase/(decrease) in provisions</td>
<td>267,898</td>
<td>682,418</td>
</tr>
<tr>
<td></td>
<td>4,391,926</td>
<td>424,633</td>
</tr>
</tbody>
</table>

18b Credit Standby Arrangements with Banks

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Bank overdraft and bill facility</td>
<td>5,700,000</td>
<td>5,200,000</td>
</tr>
<tr>
<td>Credit Card Facility</td>
<td>30,000</td>
<td>20,000</td>
</tr>
<tr>
<td>Amount utilised</td>
<td>(3,883,962)</td>
<td>(3,700,000)</td>
</tr>
<tr>
<td></td>
<td>1,846,038</td>
<td>1,520,000</td>
</tr>
</tbody>
</table>

Bank overdraft and bill facilities are arranged with the Commonwealth Bank of Australia with the general terms and conditions being set and agreed to.

Interest rates are variable and subject to adjustment.
19 Key Management Personnel Compensation

2006

<table>
<thead>
<tr>
<th>Short-term benefits</th>
<th>Post employment benefits</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash, salary &amp; commissions</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Cash Bonus</td>
<td>$342,020</td>
<td></td>
</tr>
<tr>
<td>Non-cash Benefits</td>
<td>$37,803</td>
<td></td>
</tr>
<tr>
<td>Superannuation</td>
<td>$99,376</td>
<td></td>
</tr>
<tr>
<td>Total compensation</td>
<td>$78,540</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$557,739</td>
<td></td>
</tr>
</tbody>
</table>

2005

<table>
<thead>
<tr>
<th>Short-term benefits</th>
<th>Post employment benefits</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash, salary &amp; commissions</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Cash Bonus</td>
<td>$330,547</td>
<td></td>
</tr>
<tr>
<td>Non-cash Benefits</td>
<td>$30,775</td>
<td></td>
</tr>
<tr>
<td>Superannuation</td>
<td>$113,796</td>
<td></td>
</tr>
<tr>
<td>Total compensation</td>
<td>$73,227</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$548,345</td>
<td></td>
</tr>
</tbody>
</table>

20 Related party transactions

20a Normal course of business

Several Directors of The Australian Council for Educational Research Limited hold a position with organisations with whom ACER conducts business. All transactions between ACER and these entities are on an arms length basis and on normal business terms and conditions.

21 Company Details

21a Registered office

The registered office of the company is:

Australian Council For Educational Research Ltd
19 Prospect Hill Road
Camberwell VIC 3124
22 Financial Instruments

22a Financial Risk Management

The company’s financial instruments consist mainly of deposits with banks, local money market instruments, accounts receivable and payable, bills, leases, and derivatives.

Derivatives are used by the company for hedging purposes. Such instruments include forward exchange and currency option contracts and interest rate swap agreements. The company does not speculate in the trading of derivative instruments.

(i) Financial Risks

The main risks the company is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk, credit risk, and price risk.
22b Interest Rate Risk

The company’s exposure to interest rate risk, which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

<table>
<thead>
<tr>
<th>Weighted Average Effective Interest Rate</th>
<th>Floating Interest Rate</th>
<th>Non-interest Bearing</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006 %</td>
<td>2005 %</td>
<td>2006 $</td>
<td>2005 $</td>
</tr>
<tr>
<td>Financial Assets:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>4.55</td>
<td>4,166,630</td>
<td>1,087,610</td>
</tr>
<tr>
<td>Receivables</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Financial Assets</td>
<td></td>
<td>4,166,630</td>
<td>1,087,610</td>
</tr>
<tr>
<td>Financial Liabilities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank loans and overdrafts</td>
<td>5.62</td>
<td>3,400,000</td>
<td>3,700,000</td>
</tr>
<tr>
<td>Trade and sundry payables</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>17.03</td>
<td>45,922</td>
<td>83,110</td>
</tr>
<tr>
<td>Total Financial Liabilities</td>
<td></td>
<td>3,445,922</td>
<td>3,783,110</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2005 %</th>
<th>2005 %</th>
<th>2005 $</th>
<th>2005 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006 %</td>
<td>2005 %</td>
<td>2006 $</td>
<td>2005 $</td>
</tr>
<tr>
<td>Financial Assets:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>4.07</td>
<td>1,087,610</td>
<td>1,250</td>
</tr>
<tr>
<td>Receivables</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Financial Assets</td>
<td></td>
<td>1,087,610</td>
<td>1,250</td>
</tr>
<tr>
<td>Financial Liabilities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank loans and overdrafts</td>
<td>5.63</td>
<td>3,700,000</td>
<td>-</td>
</tr>
<tr>
<td>Trade and sundry payables</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>17.03</td>
<td>83,110</td>
<td>-</td>
</tr>
<tr>
<td>Total Financial Liabilities</td>
<td></td>
<td>3,783,110</td>
<td>1,250</td>
</tr>
</tbody>
</table>
22c Net Fair Values

Other assets and other liabilities the net fair value approximates their carrying values. No financial assets or financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the economic entity intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

22d Financial Risk Management - Treasury Risk Management

The company analyses currency and interest rate exposure to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

22e Financial Risk Management - Liquidity Risk

The company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

22f Financial Risk Management - Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the company.

22g Financial Risk Management - Price Risk

The company is not exposed to any material commodity price risk.

22h Financial Risk Management - Foreign Currency Risk

The company is exposed to fluctuations in foreign currencies arising from the sale and purchase of goods and services in currencies other than the company’s measurement currency.

23 Change in Accounting Policy

23a The company has adopted the following Accounting Standards for application on or after 1 January 2005.

- AASB 132: Financial Instruments: Disclosure and Presentation
- AASB 139: Financial Instruments: Recognition and Measurement

The adoption of AASB 139 has resulted in material differences in the recognition and measurement of the company’s financial instruments. The company has elected not to adjust comparative information resulting from the introduction of AASB 139 as permitted under the transitional provisions of this standard. As such, previous Australian Accounting Standards have been applied to comparative information. A summary of the main adjustments that would have resulted were AASB 139 to have been applied retrospectively is included below.

Under AASB 139, hedged portfolios are revalued to fair value at reporting date when they are
classified as effective. All adjustments resulting from changes in fair value are taken directly to equity. Were AASB 139 to have been applied retrospectively, a number of financial assets not reflected in the comparative year would have been adjusted to fair value at 30 June 2005. This would have resulted in an increased carrying value attributable to financial assets at 30 June 2005, and a corresponding increase in reserves at that date.

The aggregate effect of the change in accounting policy on the annual financial statements for the year ended 30 June 2006 is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Previously stated $</td>
<td>Adjustments $</td>
</tr>
<tr>
<td>Balance Sheet</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td>-</td>
<td>390,436</td>
</tr>
<tr>
<td>Hedge reserve</td>
<td>-</td>
<td>(390,436)</td>
</tr>
</tbody>
</table>

23b The following Australian Accounting Standards have been issued or amended and are applicable to the company but are not yet effective and have not been adopted in preparation of the financial statements at reporting date.

<table>
<thead>
<tr>
<th>AASB Amendment</th>
<th>AASB Standard Affected</th>
<th>Nature of change in Accounting Policy and Impact</th>
<th>Application Date of the Standard</th>
<th>Application Date for the Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005-5</td>
<td>AASB 1: First-time Adoption of AIFRS</td>
<td>No change, no impact</td>
<td>1 January 2006</td>
<td>1 July 2006</td>
</tr>
<tr>
<td></td>
<td>AASB 139: Financial Instruments: Recognition and Measurement</td>
<td>No change, no impact</td>
<td>1 January 2006</td>
<td>1 July 2006</td>
</tr>
<tr>
<td>2005-06</td>
<td>AASB 3: Business Combinations</td>
<td>No change, no impact</td>
<td>1 January 2006</td>
<td>1 July 2006</td>
</tr>
<tr>
<td></td>
<td>AASB 101: Presentation of Financial Statements</td>
<td>No change, no impact</td>
<td>1 January 2007</td>
<td>1 July 2007</td>
</tr>
<tr>
<td></td>
<td>AASB 117: Leases</td>
<td>No change, no impact</td>
<td>1 January 2007</td>
<td>1 July 2007</td>
</tr>
<tr>
<td>AASB Amendment</td>
<td>AASB Standard Affected</td>
<td>Nature of change in Accounting Policy and Impact</td>
<td>Application Date of the Standard</td>
<td>Application Date for the Company</td>
</tr>
<tr>
<td>----------------</td>
<td>------------------------</td>
<td>-----------------------------------------------</td>
<td>-------------------------------</td>
<td>-------------------------------</td>
</tr>
<tr>
<td>AASB 139: Financial Instruments</td>
<td>No change, no impact</td>
<td>1 January 2007</td>
<td>1 July 2007</td>
<td></td>
</tr>
<tr>
<td>AASB 1: First-time Adoption of AIFRS</td>
<td>No change, no impact</td>
<td>1 January 2007</td>
<td>1 July 2007</td>
<td></td>
</tr>
<tr>
<td>AASB 4: Insurance Contracts</td>
<td>No change, no impact</td>
<td>1 January 2007</td>
<td>1 July 2007</td>
<td></td>
</tr>
<tr>
<td>AASB 1023: General Insurance Contracts</td>
<td>No change, no impact</td>
<td>1 January 2007</td>
<td>1 July 2007</td>
<td></td>
</tr>
<tr>
<td>AASB 1038: Life Insurance Contracts</td>
<td>No change, no impact</td>
<td>1 January 2007</td>
<td>1 July 2007</td>
<td></td>
</tr>
<tr>
<td>2006-1</td>
<td>AASB 121: The Effects of Foreign Exchange Rates</td>
<td>No change, no impact</td>
<td>1 January 2006</td>
<td>1 July 2006</td>
</tr>
<tr>
<td>New standard</td>
<td>AASB 7: Financial Instruments: Disclosure</td>
<td>No change, no impact</td>
<td>1 January 2007</td>
<td>1 July 2007</td>
</tr>
</tbody>
</table>

24 **Subsequent events**

24a **Entered into agreement of purchase**

The company signed a contract on 3 August 2006 to purchase land and buildings located 1-13 Railway Parade, Camberwell at a cost of $16,000,000. The expected closing of this transaction is in 18 April 2007.

On the same day, the company also accepted an offer from the Commonwealth Bank of Australia to borrow the funds to finance this purchase. This facility will be financed by the company’s three property’s, 19 Prospect Hill Road, Camberwell, 347 Camberwell Road, Camberwell and 1-13 Railway Parade, Camberwell.
The directors of the company declare that:

1. The financial statements and notes, as set out on pages 1 to 29, are in accordance with the Corporations Act 2001 and:
   (a) comply with Accounting Standards and the Corporations Regulations 2001; and
   (b) give a true and fair view of the financial position as at 30 June 2006 and of the performance for the year ended on that date of the company and economic entity.

2. In the directors’ opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director .........................................................................................

P Porter

Dated 8 September 2006

Director ..........................................................................................

G Masters

Dated 8 September 2006
Australian Council For Educational Research Ltd

ABN 19 004 398 145

Independent Audit Report to the members of Australian Council For Educational Research Ltd

Scope

We have audited the financial report of Australian Council For Educational Research Ltd for the financial year ended 30 June 2006 as set out on pages 1 to 30.

We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the company's financial position and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Independence

In conducting our audit, we followed the applicable independence requirements of Australian professional and ethical pronouncements and the Corporations Act 2001.

In accordance with ASIC Class order 05/63, we declare to the best of our knowledge and belief that the auditor's independence declaration as set out in the financial report has not changed as at the date of providing our audit opinion.
Australian Council For Educational Research Ltd

ABN 19 004 398 145

Independent Audit Report to the members of Australian Council For Educational Research Ltd

Audit Opinion

In our opinion, the financial report of Australian Council For Educational Research Ltd is in accordance with:

(a) the Corporations Act 2001, including:

(i) giving a true and fair view of the company’s financial position as at 30 June 2009 and of their performance for the year ended on that date; and

(ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and

(b) other mandatory professional reporting requirements in Australia.

Saward Dawson

Peter Shields

Blackburn

12 September 2009
Members of ACER Council

Chair
Paige Porter (from 1 January 2006)
Jillian Maling (to 31 December 2005)

Deputy Chair
Professor Brian Caldwell

Members Elected by Council
Dr Judith MacCallum (to 31 December 2005)
BSc (Hons) NSW, DipEd Newcastle, BEdSt Qld, Med Murdoch, PhD Murdoch
School of Education, Murdoch University

Ms Robyn Baker (from 1 January 2006)
MEd Univ of Victoria, Wellington NZ, Dip Teaching
Christchurch College of Education, BSc Otago
University
Director; New Zealand Council for Educational Research

Professor Brian Caldwell, BSc, BEd Melb, MEd,
PhD Alberta
Managing Director; Educational Transformations Pty Ltd

Dr Brian Croke, BA(Hons), DipEd Macquarie,
DPhil Oxford, Fellow, Australian Humanities
Academy
Executive Director; Catholic Education Office

Dr Peter Hill (from 1 January 2006)
Cert Ed Birmingham, BA Hons London, DipEd
Murdoch, PhD Murdoch
Secretary General, Hong Kong Examinations &
Assessment Centre

Mr Tony Mackay, BEd Monash, BEd Monash, MA
(Ed), London
Executive Director; Centre for Strategic Education
(CSE)

Professor Paige Porter, BA Missouri, MA PhD
Stanford
Director; UWA Institute for International
Development
University of Western Australia

Professor Jillian Maling, AM, BA, DipEd, BEd Melb,
PhD Stanford, FACE
Educational Consultant, South Australia

Nominee of Secretary of Commonwealth
Department of Education, Science and Training
Dr Evan Arthur (from November 2005)
BA (Hons) Newcastle, PhD Cambridge
Group Manager, Innovation & Research Systems
Group, Department of Education, Science &
Training (DEST)

Nominee of Australian Education Systems
Officials Committee
Mr Steve Marshall (to 31 December 2005)
MBA Deakin Geelong, GradDipProfDev SA, GradDipCurrDev SA, GradDipEd Admin SA, Cert
Human Achievement Skills SA, BEdDipT SA
Chief Executive, Department of Education and
Children’s Services SA

Mr Andrew Cappie-Wood (from 1 January 2006)
BA Macquarie, Masters of Town and Country
Planning Sydney, GradDip Urban Estate Mgmt
UTS
Director-General, NSW Department of Education
& Training

Member Elected by ACER Staff
Dr Sheldon Rothman, BA Massachusetts, MAT
New Mexico State, MEd(Hons) UNE, EdD
Harvard
Senior Research Fellow, ACER

Chief Executive Officer of ACER
Professor Geoff Masters, BSc, MEd UWA, PhD
Chicago, FACE
Chief Executive Officer, ACER
Members of ACER Staff

Chief Executive Officer
Masters, Geoff, BSc, MED UWA, PhD Chicago, FACE

Executive Assistant to the CEO
O’Sullivan, Catherine, BA (Journ) Deakin, Dip Mgt RMIT (from Oct 05)

International Development
Director of International Development
McGuckian, Peter, BAgSc, Dip Ed. Melbourne.

Administrative Officer
Kruse, Julie

Corporate Development
Director of Corporate Development
Moore, Robert, BCom Melbourne.

Professional Learning Manager
McSweeney, Fiona, BA(Hons) Melbourne, GradDip IR/HRM RMIT

Human Resources Manager
Coyle, Suzanne, BA Dip Ed Macquarie

Human Resources Officer
Archibald, Renee, BBus HRM/ Mktg Swin

Corporate Services
Director of Corporate Services
Dawes, Wayne, BBus Monash, FCPA ACIS

Corporate Publicity and Communications Manager
Reynolds, Louise, BA(Hons) LaT, MA(Communications) Monash

Corporate Communications Officer
Robinson, Julia, BA(Journ) RMIT, GradCert(Mgt) Deakin

Web Developer
Telliler, Gulay, BAppSci (Info Tech) RMIT

Facilities and Services Coordinator
Sheean, Anita

Receptionists
DeLacy, Gwen (to Jan 06)
Richards, Kim (from Feb 06)
Schipp, Belinda (to Nov 05)

Relief Receptionist/ Accounts Officer
Miles, Louise (to Mar 05)
Van Grunsven, Maryanne (from Jan 06)

Cleaning Services
Skiadopoulos, Marina

Financial Services
Financial Controller
Kelly, Gary BBus (Acc), FCPA, GAICD (from Feb 06)

Divisional Accountant
Cameron, Andrew, BCom Deakin, CPA

Project Accountant
Thomas, Alison, BBus (Acc) Bendigo CPA

Payroll Officer
Harvey, Warwick

Assistant Accountants
Guzowska, Anna, BEco, Warsaw
treymbath, Stewart, BBus Swin

Accounts Officers
Car, Lyn
Evans, Dilise
McLean, Sophie

Information Technology
Manager
Guzowski, Andrew, MSc EEng WUT (to Sep 05)
Nguyen, Daryl, BIS Monash (from May 06)

Network and Support Manager
Nguyen, Daryl, BIS Monash (to May 06)

Software Engineering Manager
Daws, Alisdair, BSc(Hons) GradDip Internet & Web Computing PhD MastTech (Internet & Web Computing) (from May 06)
Liddleow, Tim, BAppSci Computer Science RMIT (to May 06)

Software Engineers
Chan, Phocai Lai, BComp(Hons) Monash
Chin, Edward, GradDip Business Systems Monash, MBusSys Monash, BBus Huafan
Daws, Alisdair, BSc(Hons) GradDip Internet & Web Computing PhD MastTech (Internet & Web Computing) (to May 06)
Ellis, Donal (from Jun 06)
Haldane, Samuel BCS Melbourne (to May 06)
Hare, John
Oakes, Stephen BSc (Hons)
Rainsford, David, BA(Hons) Economics Essex

Information Technology Team Leader - PISA
Haldane, Samuel BCS Melbourne (from May 06)

Network Administrator
Nguyen, Hoai, BCompSci Monash

Systems Engineer
Lie, Jafar, DipTech(Comp) Bcomp Monash (from Aug 05)
Members of ACER Staff

Desktop Support Officer
Lie, Jafar, DipTech(Comp) Bcomp Monash (to Aug 05)
Morling, Lucas
Von Shrenk, Otto

Project Services
Manager
Carrigan, Jim, MEI Swin

Permissions Officer
Anthony-Harvey-Beavis, Debra BBSci (Hons) (to Apr 06)
Kulbricki, Michael BA (Hons) LaT (from Aug 05)

Administrative Staff
Buckley, Carole
Cowhey, Pauline
Kent, Rachel, BBus(InfoSystems) VUT

Photocopying Services
Koglin, Dianne

Professional Resources Division
Deputy CEO (Professional Resources)
Macklin, Pamela, DipTech Melb, B Ed Deakin, Grad Dip Arts (Asian Studies) Melb, DipCDC AICD, GAICD, AFAIM, MACE

Senior Administration Officer
Acker, Vivienne (from Jul 05)

ACER Press
Manager
Morris, Deirdre, Dec. BA ANU

Consultant Psychologist
Power, Marian, BA(Hons) Melb, GradDip Career Educ RMIT, MA(AppPsych) Melb, MAPS, AHRI, AACC

Sales & Marketing Manager
Rolls, Annemarie, BA (Hons,Lit,) CoF, USA, MA (Communications) Monash, Grad.Cert (Ed. & Training) VUT

Marketing Administrative Coordinator
Stephens, Mandy BA Monash, GradDip Mktg RMIT

Marketing Promotions Officer
Koch, Josh Cert IV Prof Writing & Editing RMIT (from Jan 05)

Sales Consultant, Education
Cornish, Terri, BEd(Hons) Wollongong, Dip Book Editing & Publishing, Macleay College
Elvish, Karen (from Mar 06)
Smith, Barbara, BCom, DipEd, Melb, GradDip (SecStudies) VicColl, GradCert (CareerCounselling) RMIT

Sales Consultant, HR/Psychology
Ferrara, Gerard, BA (Psych/HRM) Swin, GradDip (AppPsych) VU, MAPS, AHRI
McColough, Melissa BSc (Psych) (Hons) UNSW, Grad Cert Personnel Mgt Sydney Institute TAFE, MPsych (Applied) (Hons) UNSW, MAPS, MAHRI, AACC

Customer Service Supervisor
O’Loughlin, David

Customer Service Coordinator
Higgins, Christine, GradCert(Mgt) Deakin

Customer Service Officers
Bennett, Yvonne (from Nov 05)
Gardiner, Jan
Keele, Julie, TPTC Coburg
Manuel, June
Major (McNab), Victoria, BA, GradDipPsych Melb
Marshall, Lexie (from Jul 06)
Whitehead, Simone

Despatch Manager
O’Neill, Steven

Despatch Officers
Gilder, Peter
Matravers, Philip
Smith, Ian

Publishing Manager
Saubern, Ralph, Grad Dip Comp Science (Hons) RMIT, BA Melb, BEd LaT, MTESOL Monash, CTEFLA Holmes College

Managing Editor
Whitton, Joy, BA (Hons) DipEd Melb (to Nov 05)

Production Manager
Coates, Jillian

Product Manager (Assessment)
Lim, Li-Ai (from Oct 05)

Project Editor
O’Keefe, Maureen (from Jan 06)
Penches, Amanda BComm (Public Relations) Monash, CertArts & DipArts (Professional Writing and Editing) Chisholm

Publishing Assistant
Webb, Elisa BA (Hons) Melb, Grad Dip (Editing & Publishing) RMIT (from Oct 05)

Production Assistant
Proctor, Holly BA, Swin (from Oct 05)

Administrative Assistant
Koch, Josh (to Jan 06)

Publishing Manager, Journals
Holden, Steven BA(Hons) DipEd M.A PhD
Journalist
Leech, Rebecca (from Dec 05)
Senior Project Officer, Educare
Richardson, Lesley
Project Officer, Advertising
Bourozikas, Vicki (to Feb 06)
Desktop Publisher, Journals
Schubele, Ralph
Project Publishing Manager
Grose, Craig
Project Publishing Coordinator
Blake, Caroline (to Jan 06)
Senior Desktop Publishing Officers
Jeffrey, Darren, DipArt (Graphic Art) RMIT
McGregor, Wendy (on leave from Nov 05)
Swanwick, Robyn (from Mar 06)
Desktop Publishing Officer
Locock, Gloria
Australian Principals Centre
Manager
Thornton, Nick B.Com Deakin, Higher Diploma of Teaching (Secondary), Melbourne State College, Trained Secondary Teachers Certificate (Secondary Teachers College), Graduate Diploma in Educational Administration (Hawthorn Institute of Education), Diploma of Business (Gordon Institute of Technology), CPA, FACE
Assistant Manager
Jackson, Andrew BA (Hons), Monash, BEd, Monash TPTC, AFAPC
Senior Project Officer
Meachen, Janine Cert III Bus Admin
Finance Officer
Harrison, Elaine Cert III Bus Admin VQA
Desktop Publishing Officer
Jackson, Nick (to Jan 06)
Assessment Services
General Manager
Jackson, Deirdre, MBus RMIT, Cert Project Consulting RMIT, BA Monash, TPTC Monash, TTLC, Melb
Manager, Medical and Professional Programs
Aldous, Cecily, BA Melb, DipEd(TESL) LaT
Manager, Computer Based Assessments
Butler, Adele, BSc(Hons) Monash, DipEd Rusden, BEd Monash, GradCertEduLeadership VUT, MEd RMIT MPD-Master Project Director, AIPM
Education Consultant
MacMahon Ball, Marita, BA (Hons) Dip Ed Sydney, MA (Communications) Monash
Morath, John, DipEd, BEd Melb, BA, MA Monash
Education Consultant - Strategic Relationships UK
Bristow, Steve BSc (Econ) (London) MA (Kent) PhD (Salford) FCIS FCP FRSA
Markers Coordinator
Dick, Wendy, BA, MA Melb, TPTC Frankston/Monash
Senior Research Fellow
Richardson, Carmel BA Ed. (Hons), M. Ed. Psych Melb
MAPS
Research Officer
Ransfield, Daron
Project Directors
Brinson, Laura AssocDipSocSci (Lib&InfSt) Swin
Dodds, Robyn, BA RMIT, GradDipSoc LaT
Filipi, Anna, BA MA Melb, DipEd PhD Monash
MacLeod, Kirsty BEd(Al(Hons) Monash
Nankervis, Susan BEd, MEd Melb, Grad Cert Bus (Proj Man) Swin
Weeding, David, BEd Melb
Senior Project Officers
Evans, Sandra, BA Monash, BAppSci VCAH, AdvCertIT NMITAFE (to Oct 05)
Greaves, Sarah, BEd, Post Grad Dip in Comp Ed, Grad Dip Info Mgt
McLean, Penny, BEd, DipTeach
Sadler, Alison, BA Dip Ed
Williams, Tanya, BA Melbourne Grad. Dip. Ed. Melbourne Grad Cert Proj Mgmt Swin
Project Officers
Chung, Michelle, BBus (InfoSystems) RMIT
Miles, Louise
Norris, Lisa
Robertson, Glenda BA (Hons) Canterbury, MA Harvard (from Nov 05)
Administrative Officer
Skinner, Heather
Centre for Professional Learning
Manager
Hoad, Kerry-Anne, MEd Melb, BA Deakin, GradDip Special Ed SCVB, DipTeach IECED
Education Consultants
O’Brien, Robert BA, BT, Med, EdD ACLU (from Jan 06)
Weston, Jane (from Oct 05 to Mar 06)
Administrative Officer
Taylor, Margaret
Library and Information Services

Manager
Clarke, Sue, BA NE MBA RMIT GDipComDatProc RMIT AALIA

Senior Librarian
Knight, Pat BA Swin, MLS Loughborough, PG Dip Assess & Eval Melb (from Oct 05)

Librarians
Aron, Guy BA(Hons) Sydney, GradDipLib UNSW, M.B.(I.T.) RMIT (from Mar 06)
Hughes, Stuart, BA(Hons) Otago, MA Monash, AALIA
Grimston, Tine, BEd Librarianship Melb State Coll
Lissonnet, Sophie MBus (InfoMgt) RMIT, MIndgStud JCU (from Oct 05)
MacKean, Joel, BA(English) Calgary, MA, (Lib&InfSt) Alberta AALIA (to Sep 05)
McDowell, Katie, BA Melb, GradDip(Info Services) RMIT
Psiliakos, Lula, BBus RMIT, AALIA
Trevitt, Jenny BA Monash, Grad Dip Lib RMIT, MBus.Info. Tech. (Info Mgt) RMIT (from Feb 06)

Library Technicians
Britton, Cheryl, AssocDipAppSocSci (Lib&InfSt) Box Hill TAFE

Record Services Manager
Fraser, Simon

Record Services Officer
Bonning, Judy

Despatch Officer
Evans, David

Assessment and Reporting

Research Director
Forster, Margaret, BA(Hons) DipEd LaT, MEdSt Monash

Principal Research Fellow
Matters, Gabrielle BSc (UQ), AMusA (QCM), PhD (QUT), FACE (from Oct 05)
McCrae, Barry, BSc(Hons), DipEd Melb, MEd Monash
Mendelowits, Juliette, BA(Hons), DipEd LaT, MA(Eng) Melb (from Dec 05)

Senior Research Fellows
Anderson, Prue, BA Monash, DipEd LaT, MEd Studies Monash
Bryce, Jennifer, BA, BEd Melb, DipArts VicColl, MSoSci RMIT, PhD RMIT
Fraillon, Julian, BA GradDip Melb, PostGradDip (Maths) Melb (from Dec 05)
Farkota, Rhonda, DipTeach, BEd Melb, MEdSt Monash, EdD Monash
Hambur, Sam, BSc(Hons) Monash, DipEd HIE
Lumley, Thomas MA Oxon, Dip Ed LaTrove, MA PhD Melbourne
McCurry, Doug, BA(Hons) DipEd LaT. PhD Monash
Mendelowits, Juliette, BA(Hons), DipEd LaT, MA(Eng) Melb (to Dec 05)
Morgan, George, BSc(Hons) UNSW, DipEd SCV, MSc LaT, MEd Melb (to April 06)
Stephanou, Andrew, Laurea in Physics Rome, DipEd Melb
Wu, Margaret, BSc(Hons) GDip Computer Studies, DipEd, MeD, PhD

Research Fellows
Bastecky, Lucy, GradDipEd ACU, BA(Hon) LaT, BAComm NSWIT
Bibby, Yan, BEng Shanghai, MEng Auck, CertIIT Newcastle, GradDipAppFininv SIA
Blackwood, Mary B Agric Sci. Melb GradDipEd UTS CELTA Cambridge (to Sep 05)
Butler, Mark, BSc(Hons) Warwick, PGCE Manchester
Chiavaroli, Neville, BAppSci LaT, BA(Hons) Melb, MPhil Camb
Dulhunty, Mark, BSc Melb MAssessEval Melb
Hall, Robyn BA(Hons) BSc, Monash
Fraillon, Julian, BA, GradDip Melb, PostGradDip (Maths) Melb (to Dec 05)
Harding, John, BSc Monash DipEd Rusden State Coll, DipArts Bendigo Coll, BEd Monash
Hughes, Melissa, BA(Hons) Monash, Grad.DipEd Monash, Grad Cert CALL Melbourne.
Hunt, Malcolm, BSc(Hons), DipEd, PhD Melb
Hutton, Barry BA Dip Ed La T, M Ed Melb (from Sep 05)
Inglis, Andrea (to Dec 05)
Jackel, Brad, BA(Hons), PhD Monash
Kreibich, Robyn BSc (Hons), Dip Ed, Monash Cert Software Applications Swinburne
Lehy, Peodair MA, M. Com (Melb) MSt. (Oxon) CELTA (to Jun 06)
Lindsey, John, BSc(Hons), PhD Monash, DipEd Melb
Lye, Helen, BSc Melb, DipEd Monash
Martin, Ron, BSc, BEd GradDipEdAdmin Melb, MEnvSci PhD (Environmental Studies) Monash
McGregor, Margaret, BEd (Prim), MEd Studies Monash, TPTC Frankston
McLaren, David BSc Melb, DipEd LaT (to Jan 06)
McQueen, Joy (to Feb 06)
Moore, Jacqueline B.Ed.(Sec.) Melb Grad.Dip.
TESOL & Linguistics Victoria
Morrissey, Noni, BEd Melb BA Monash (to Nov 05)
Nixon, Judy, BA Dip Ed Melb, BA Hon Psych Deakin
Peck, Ray, BSpecial Ed Monash, BSc, DipEd Melb
Pywell, Sean, BSc(Hons), Dip Ed, PhD
Raivars, Andrew, BA(Hons), DipEd, BLitt(Hons) Monash, GradDipMathSc MCAE
Rollo, Greta, BEd Sydney MTeachEd (SpecialEd) UTS (to Jan 06)
Searle, Kara, BA, BSC(Hons) Psych Melb (from Dec 05)
Simpson, Brian, BSc, DipEd Melb
Thau, Felicia BSc Melb, DipEd Melb
Urbach, Daniel, Bcom(Hons) Monash

Research Officers
Calvitto, Leanne, BAppSci(Hons) RMIT
Michaels, Esther, Cert SmallBusMgt BEd (MathsSc) Melb
Searle, Kara, BA, BSc(Hons) Psych Melbourne (to Dec 05)
Twigg, Kylie BBSc (Hons) LaT Ma Sci (App Stats) Swin

Senior Administrative Officer
Crawford, (Bolton) Kirsty, BA (Anthropology) Monash, Grad Dip Museum Studies Deakin

Early Childhood Education
Research Director
Elliott, Alison BEd, BEd St, MEd St, PhD FACE

Learning Processes and Contexts
Research Director
Rowe, Ken, BA (Hons), PhD Melb, MSc London, DipGenStuds Swin, TPTC FACE

Principal Research Fellows
Khoo, Siek Toon, BSc Canterbury NZ, DipEd Singapore, GradDipCompSc LaT, MEdSt Monash, PhD UCLA
Purdie, Nola PhD, MEd, BEd, DipPhysEd UWA, TCTC, Claremont

Senior Research Fellow
Wither, Graeme, BA Melb

Research Fellow
Friso, Tracey, BBSc LaT, DipEd Bendigo, GradDipAdol&Child Psych Melb
Smith, Brooke BSc(Hons) Psych Wollongong (on leave from 04)

Indigenous Education Researcher
Stone, Alison BEd UTAS, MEd UTAS (to Dec 05)

Research Officers
Nolan, Kathy, BEd, DipTeach ACU, GradCertEdStudies (TESOL) (to Feb 06)
Ozolins, Clare B.A., LL.B., Monash, B.Teach. (Primary)

Melb (from Mar 06)
Rosicka, Christine BA, BBus Swin, MIT IT Mgt Swin, Grad Dip Ed (Primary) Monash (from Mar 06)

Administrative Officer
Bates, Susan
Firth, Patricia

National and International Surveys
Deputy CEO (Research) and Research Director
Ainley, John, BSc, MEd, PhD Melb, FACE

Principal Research Fellow
Schulz, Wolfram, Dipl-Pol Berlin, PhD (EcoSocSci) Rostock (from Dec 05)
Thomson, Sue, BAppSci RMIT, DipEd Monash, GradDipMathsEd Deakin, MEdSt, PhD Monash

Senior Research Fellows
Bereznik, Alla, BSc, MSc, Moscow
Koomen, Marten, BEd, GradDipTechEd Melb, MBA, MEd Studies LaT (to Jun 06)
Mellor, Suzanne, BA, DipEd Melb, BEd LaT, MEdSt Monash, MACE
Murphy, Martin, BA, DipEd, MedStds Monash, GradDipSocStat Swin
Routitsky, Alla, BSc(Hons, Maths), PhD (Maths) Voronezh, DipEd Melb, DipSocStats Swin (to Dec 05)
Schulz, Wolfram, Dipl-Pol Berlin, PhD (EcoSocSci) Rostock (to Dec 05)
Turner, Ross, MSc, DipEd Melb, DipEdPsych Monash
Walker, Maurice, BA(Hons) VUW, MAssessEval Melb

Research Fellows
Cosgrove, Jude PhD Edu NUI (from Jan 06)
Gebhardt, Eveline, MA Psych UvA
De Bortoli, Lisa, BAppSci Deakin, GradDipCounsPsych RMIT, Assoc MAPS
Hay, Dulce, BEd LaT GradDip Sci (AppStat) Swin
Le, Luc, BSc, Hue, MEd RMIT
Macaskill, Greg, BSc(Hons) Adel, GradDipComStudies RMIT, GradDipStatsOR, RMIT
Nguyen, Van, BSc Hue, MEd RMIT, MA Psych, PhD Hanoi
Routitsky, Alla, BSc(Hons, Maths), PhD (Maths) Voronezh, DipEd Melb, DipSocStats Swin (to Dec 05)
Saugeres, Lise (to Oct 05)
Wernert, Nicole, BBSc LaT, PGradDipPsych Melb

Research Officers
Doukas, George BSc Melb, GradDipEcSt Monash
Enger, Laura (from Jul 05)
Handayani, Dewi, ST ITB
Hong, Jennifer BA, MSc(App Statistics) Swin
McKelvie, Pippa BA/BSc(Hons) VUW, MSc Psych Melb
Murnane, Hannah (to Jun 06)
Shortt, Fionnuala BA (Hons) UCD, MSc (Cog Science) UCD (from Jan 06)
Underwood, Catherine, BA, GradCert (Soc Statistics), Swin

Senior Project Officer
Buttress, Wei, BBus (International Finance) BA, (Foreign Languages) Shenyang (on leave from Dec 05)
Wardono, Wahyu ST, ITB, Indonesia MBA, Colorado State University, USA

Senior Administrative Officer
Zubrinich, Julie, BA, UWA, BEd Deakin

System and School Testing
Research Director
Tognolini, Jim, BAppSc (Physics), WAIT; BEd, UWA; MEd, PhD, Murdoch, MACE
Manager, Government Projects
Freeman, Chris, M.A, Macq, BComm UniQld, Dip Teaching ASOPA
Manager, System Testing
Arthur, Phillip BEd ACAPE

Senior Research Fellow
Davidson, Michelle, MEd Syd, BEd UNSW, DipEd SCAE

Research Fellows
Basides, Helen (to Sep 05)
Blumen, Sacha BA (Hons) Qld, A.Mus.A, PhD Sydney
Eveleigh, Frances MEd UNSW, BEd UNSW, DipEd SCAE
Hung, Njora, Diploma & BSc, (Hons) Egerton M.A., M.Ed, Ph.D, Flinders (to Jun 06)
Reid, Greg, BEd/BA, (Hons) James Cook Prep Cert TEFL London and DST Sydney

Senior Project Officer
Plunkett, Simon, BA ANU, DipEd Canberra

Administrative Officer
Schollum, Kaye

Receptionists
Mendelevich, Natalya

Teaching and Learning
Research Director
McKenzie, Phillip, BEd(Hons), DipEd, MEd, PhD Monash, FACE
McKenzie, Phillip, BEd(Hons), DipEd, MEd, PhD Monash, FACE (from Jan 06)
Ingvarson, Lawrence, BSc DipEd UWA, MA London, PhD Monash FACE (to Jan 06)

Principal Research Fellows
Beavis, Adrian, BA Chisholm, MEd and PhD Melb (to Mar 06)
Ingvarson, Lawrence, BSc DipEd UWA, MA London, PhD Monash FACE (from Jan 06)
Rowley, Glenn BSc BEd Melb MA PhD Toronto (from Mar 06)

Senior Research Fellows
Anderson, Michelle, BEd Rusden/Deakin; MEd Melb
Kleinhenz, Elizabeth, BA, BEd Melb, EdD MEd Monash TPTC
Kos, Julie, BA (Hons) Deakin, MA (Clin Psych)/PhD RMIT (from Jun 06)
Meiers, Marion, BA, DipEd Melb, BEd, MEd Monash, MACE

Research Fellow

Administrative Officer
Curtin, Emma BA (Hons) Birmingham, MA Calgary, PhD La T

Transitions and Economics of Education
Research Director
McKenzie, Phillip, BEd(Hons), DipEd, MEd, PhD Monash, FACE

Principle Research Fellows
Marks, Gary, BSc(Hons), MSc Melb, PhD Qld
Rothman, Sheldon, BA Massachusetts, MAT New Mexico State, MEd(Hons) UNE, EdD Harvard

Senior Research Fellows
Curtis, David, BSc Hons Adel, Grad Dip Inst Comp (SACAE), MEdSt, MA, EdD Flinders
McMillan, Julie, BA(Hons), PhD UQ

Research Fellows
Coates, Hamish BA(Hons), BSc, MEd, PhD (from Feb 06)
Hillman, Kylie, BA(Hons) MEd Psych Melb Psych Reg Board Vic

Senior Administrative Officer
Zubrinich, Julie, BA UWA, BEd Deakin

ACER, Dubai Office
Egbert, Alan
D’Souza, Supatra BSc-Microbiology Joseph’s, India, MHM Fr. Mullers Inst Med Sci India

ACER, India Office
Dhamija, Ratna (from Aug 05)