## **Submission**

to

Senate Employment, Workplace Relations and Education Legislation Committee

# Inquiry into the Indigenous Education (Targeted Assistance) Amendment Bill 2005

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#### **Australian Government**

#### Department of Education, Science and Training

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Our Ref : Your Ref :

Mr John Carter Committee Secretary Senate Employment, Workplace Relations and Education Legislation Committee Department of the Senate Parliament House Canberra ACT 2600

Dear Mr Carter

#### Submission on the Indigenous Education (Targeted Assistance) Amendment Bill 2005

Thank you for the invitation for the Department of Education, Science and Training to provide a submission to the Senate Employment, Workplace Relations and Education Legislation Committee. A copy is attached. I confirm that this will also be lodged electronically.

I look forward to the opportunity for the Department to discuss relevant issues with the Committee at any planned sittings in Canberra.

Yours sincerely

Tony Greer Group Manager Indigenous and Transitions Group

22 July 2005



### DEPARTMENT OF EDUCATION, SCIENCE AND TRAINING

#### **SUBMISSION TO:**

THE SENATE – EMPLOYMENT WORKPLACE RELATIONS AND EDUCATION LEGISLATION COMMITTEE

#### IN RELATION TO:

INDIGENOUS EDUCATION (TARGETED ASSISTANCE) AMENDMENT BILL 2005

#### INDIGENOUS EDUCATION (TARGETED ASSISTANCE) AMENDMENT BILL 2005

#### **INTRODUCTION:**

The primary purpose of this Bill is to amend the *Indigenous Education (Targeted Assistance) Act 2000* to appropriate additional funding to support the provision of high quality tutorial assistance to Indigenous students who move away from their remote community to attend school.

The Australian Government places great importance on achieving better educational outcomes for Indigenous students. It is strategically targeting funding to maximise school performance and to more strongly support Indigenous students of greatest disadvantage—those from remote areas.

This component of the Indigenous Education (Targeted Assistance) Amendment Bill 2005, provides additional funding for the 2005-2008 quadrennium of \$7.2m (initial 2005 prices) to target tutorial support to Indigenous students who move away from their remote communities to complete schooling.

A further purpose of this Bill is to contribute to improved vocational education and training arrangements for Indigenous Australians. The move to a new national training system from 1 July 2005 and the negotiation of a new Commonwealth-State vocational education and training funding agreement with States and Territories over 2005-2008 present a valuable opportunity to make improvements to the economic, social and personal lives of Indigenous Australians.

This component of the Bill facilitates the transfer of around \$3.6 million per annum (initial 2005 prices) from the *Indigenous Education (Targeted Assistance) Act 2000* to the Skilling Australia's Workforce Bill 2005. This amount represents transitional funding (Transitional Project Assistance, TPA) which has been paid to four Independent Indigenous Vocational Education and Training (IIVETs) providers since 1997.

These transferred funds will form part of a new Joint Indigenous Funding Pool under the 2005-2008 Commonwealth-State Agreement for Skilling Australia's Workforce. By transferring this funding to the new Agreement, States and Territories will be required to match the funding, thus increasing funding available to Indigenous vocational education providers from \$11.6 million to up to \$23.3 million over 2006-2008 (including estimated indexation).

These two measures will increase by up to \$19.3 million (including estimated indexation/supplementation) government funding for Indigenous education and training over 2006 – 2008.

#### **Tutorial Support for Students from Remote Communities**

This initiative commences from January 2006 and will provide an additional \$7.2 million over 2006-2008 following passage of the Indigenous Education (Targeted Assistance) Amendment Bill 2005. The initiative strategically targets the funding to maximise school performance and to more strongly support Indigenous students of greatest disadvantage by recognising that educational disadvantage does not cease when students move from their communities to continue their schooling in non-remote locations and that these students require significant levels of support to make an effective transition.

The proportion of young Indigenous people in remote areas reaching Year 12 or better is around half that of their metropolitan peers. Between 2006 and 2008, extra tutorial assistance and individualised support that the tutors will provide will assist an estimated 2040 young Indigenous people to maximise their opportunities when they leave their remote community to undertake schooling. These students will primarily be those between school years 7 to 12 and the support is likely to have a positive social impact on the students, as well as helping to improve educational outcomes. The initiative will provide up to four hours tuition per week for up to 32 weeks in a student's first year away from home and will increase the number of students who may access tuition, rather than decrease access.

The Tutorial Support for Students from Remote Communities enhances the targeted approach to Indigenous-specific funding through targeting Indigenous students with special needs related to being away from their families and having to adapt to new environments and new school curriculum. The tuition assistance will be delivered through Government and non-Government schools and each student will have an Individual Work Plan which will be developed by tutors, in collaboration with the students' schools. The initiative will be evaluated during 2007 to assess its effectiveness in improving student learning outcomes.

#### Transfer of Funding to the Skilling Australia's Workforce Bill 2005

Transitional Project Assistance (TPA) was introduced in 1997 as the Indigenous Education Strategic Initiatives Program moved from a regime of input focussed, project based funding, to an outcomes focussed per capita based funding regime.

TPA "grandfathered" the difference between a provider's per capita entitlements and its previous project funding level. As the name implies, TPA was only intended to be a temporary funding arrangement and from 1997 to 2000, as enrolments increased and per capita entitlements rose, TPA was reduced, thus maintaining funding at its previous levels.

Over the course of the 2001 – 2004 funding quadrennium TPA equivalent funding was phased out for major government and non-government systemic providers.

Independent providers across the preschool, school and VET sectors continued to receive TPA NIELNS at their 2001 funding level, which has also been supplemented each year in line with movements in Wage cost Index No. 1 (WCI1). Inequities exist in these arrangements as the level of TPA equivalent funding varies from provider to

provider based on their previous project based funding levels and not all providers are able to access this additional funding support.

Four independent Indigenous VET providers will receive around \$3.6 million in TPA equivalent funding in 2005, before this funding is transferred via the Skilling Australia's Workforce Bill 2005. In addition, 12 schools and 32 preschools will continue to receive TPA NIELNS totalling some \$2.6 million per annum in 2005 and 2006, pending the conduct of a review with a view to ceasing TPA in its current form from the 2007 funding year.

The Department of Education, Science and Training has been working with independent Indigenous vocational education and training providers over 2002-2004 to discuss and determine appropriate funding arrangements. The four organisations have identified the need to obtain more sustainable funding arrangements over a triennial basis. In 2003, an independent review of the four providers was completed and it highlighted that funding for the four providers should be coordinated with other State and Commonwealth mainstream VET funding and funding cycles. The Australian National Audit Office noted in its Report No. 43 of 2001-02 that this review was planned.

The funding to be transferred from the *Indigenous Education (Targeted Assistance) Act* 2000 to the Skilling Australia's Workforce Bill to establish the Joint Indigenous Funding Pool represents the TPA equivalent funding currently paid to those four independent institutions:

Institute for Aboriginal Development (IAD) in the Northern Territory (\$2.1 million);

Tranby Aboriginal Co-operative College in New South Wales (\$1.1 million);

Aboriginal Dance Theatre Redfern in New South Wales (\$0.1 million);

Tauondi Incorporated in South Australia (\$0.4 million).

Opening funding to a broader field of Indigenous providers needs to be considered against calls for the continuation of current arrangements. There is inequity in continuing to fund some organisations on the basis of history rather than objective measures of performance. Simply being eligible under previous temporary/transitional arrangements is not a sufficient basis, in itself, for continuing funding. There are independent Indigenous vocational education providers delivering quality outcomes which should be able to apply for available funding. The Australian Government's position is that the Joint Funding Pool be open to Indigenous vocational education and training providers across States and Territories.

#### **Joint Indigenous Funding Pool**

Under the proposed arrangements for the new joint Indigenous funding pool, providers, including Independent Indigenous Vocational Education and Training providers, who offer services to either large numbers or a large proportion of Indigenous clients, would be able to apply for the funds on the basis of the outcomes they are achieving for their Indigenous clients. To be eligible for funding providers would need to meet specific criteria, for example, demonstrated community engagement in the management of the

provider's programmes. It will also provide a potential avenue of funding for community-based Indigenous providers and mainstream providers who can demonstrate that they are performing well with this client group and that this funding will support further improvement in outcomes for these clients.

Funds will be available through an open and transparent process such as a competitive tender process in each State. Submissions will be assessed by a joint panel involving the relevant State and the Australian Government, with other expertise involved as appropriate. This initiative will provide funding certainty for the life of the Agreement to providers that are achieving good outcomes for their Indigenous clients, allowing them to establish sustainable services. It will tie ongoing funding to improved performance and outcomes for Indigenous clients, rather than historical funding levels. The Australian Government would prefer that greater weighting be assigned to those eligible providers which are also servicing remote Indigenous communities.

Proposals for training delivery will be sought from providers that meet agreed national criteria, drawn from the priorities agreed in the Partners in a Learning Culture Blueprint. Providers will need to demonstrate:

- Outcomes for Indigenous clients that are higher than the Indigenous national benchmarks, eg improved module and course completion and success rates;
- Indigenous community involvement in provider governance arrangements;
- Indigenous staff involvement in training delivery and support services;
- Community support to expand the range of qualifications/levels being offered by the provider to Indigenous people.

Through the 2005-2008 Commonwealth-State Agreement for Skilling Australia's Workforce, the Australian Government will also require States and Territories to increase the number of training places for priority client groups over the life of the Agreement, including additional training places in regional and remote locations for Indigenous Australians; and an overall increase in participation of Indigenous Australians at higher qualification levels, specifically at Certificate III and above.

Details of the additional training places and the Joint Indigenous Funding Pool will be further progressed when the Australian Government undertakes negotiations for bilateral agreements with the States and Territories. The bilateral agreements support the Commonwealth-State Agreement and are due to commence from 1 January 2006 to 31 December 2008. They will provide an avenue for addressing local diversity within the framework of national consistency and will provide flexibility to implement national priorities and establish performance levels that are relevant to each jurisdiction.

It is anticipated that further progress will be made with the States and Territories on the bilateral agreements during the next few months.

**END**