

**Commonwealth Grants Commission
Indigenous Funding Inquiry
Submission**

**From: Department of Education Training and Youth Affairs
Final Submission.
(Please note associated attachments are held in the IFI Library)**

**Submission No.: IFI/SUB/0018
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**DEPARTMENT OF EDUCATION,
TRAINING AND YOUTH AFFAIRS**

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Your ref :

Our ref :

Mr A G Morris
Chairman
Commonwealth Grants Commission
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Dear Mr Morris

I refer to your letter of 9 May 2000 to the Secretary of this Department, Mr Sedgwick, concerning issues arising from the Commission's Inquiry into Indigenous Funding. Mr Sedgwick has asked me to respond on his behalf.

Our views on the issues raised in your letter are contained in the Attachment. Some of the issues raised were addressed in the Department's submission of 17 May to the Inquiry: where this has occurred the Attachment refers to the relevant page number of the submission.

Please let me know if we can be of any further assistance to the Inquiry.

Yours sincerely

Tony Greer
First Assistant Secretary
Schools Division

June 2000

DEPARTMENT OF EDUCATION, TRAINING AND YOUTH AFFAIRS: RESPONSE TO THE COMMONWEALTH GRANTS COMMISSION LETTER OF 9 MAY 2000

1. Indicators of Indigenous Need for Schools Education

1.1 The performance indicator framework approved by MCEETYA at its March 2000 meeting is contained in the extract from the report of the MCEETYA Taskforce on Indigenous Education at [Appendix 1](#). The extract contains descriptions of the performance indicators, together with proformas which detail the definitions, measurement sources and reporting requirements. The extract may be made public.

2. ABSTUDY

2.1 DETYA is responsible for ABSTUDY policy and Centrelink delivers the programme on DETYA's behalf.

2.2 The principle underpinning the changes to ABSTUDY arrangements effective from 1 January 2000 was to align ABSTUDY with mainstream programmes, such as the Youth Allowance, Assistance for Isolated Children scheme or Newstart unless the disadvantaged was unique to, or disproportionately experienced by Indigenous students. In this context the principle underlying the changes relates to the special supplementary benefits, or eligibility conditions that are applicable to ABSTUDY but not the Youth Allowance, Assistance for Isolated Children scheme or Newstart. For example, ABSTUDY provides funding assistance with fares, school fees and boarding costs for Indigenous students who have to go away from home to attend school as they do not have reasonable daily access to an appropriate level of schooling. The Assistance for Isolated Children scheme does not provide fares or school fees.

2.3 The ABSTUDY living allowance is only available for full-time secondary and tertiary students and is means-tested. The student's personal or family circumstances are assessed and the level of living allowance is determined by these circumstances. Students under 25 years of age are generally assessed against parental income and older students are assessed against their personal income and that of their partner, if applicable. The student's age is also taken into account, with higher rates payable for students aged 21 years or more. Rates for students under 21 years of age are determined by their age and adjusted at each birthday. Students in State or foster Care, students unable to live in the family home (generally for safety reasons) and students with dependants receive differential payments. Similarly, students who have to live away from the parental home to study are paid a higher level of income support than those who live at home.

2.4 Part time students are only eligible for supplementary benefits. The level of benefit is either tied to the length of the course or to actual expenditure. Students enrolled in courses that do not run for a full academic year are paid pro rata amounts. Expenditure on fares, for example, is determined by the actual cost of the most cost-effective mode of travel. In this context, the level of expenditure is determined by the distance the student has to travel and the mode of travel available. Such funding is generally paid by Centrelink to travel providers on behalf of the students.

2.5 Some allowances are payable for primary students aged 14 years and over and under 16 year old students living at home. There is a flat amount payable. Pro rata amounts may be payable where the student's eligibility is less than a full academic year.

2.6 The away-from-base assistance for mixed-mode courses (a combination of residential schools and distance education) is allocated in accordance with the *Indigenous Education (Supplementary Assistance) Act 1989*. Each institution is allocated a unit cost per student, based on actual expenditure for the courses at that institution for 1998. This is cost adjusted annually in accordance with the CPI and increased or decreased depending on the number of students enrolled in the year of payment.

2.7 For the year 2000, ABSTUDY student data has been recorded and assessed with the new Centrelink Education Payment System (CEPS). Reporting functionality under the new system is being progressively extended to DETYA to ensure that there are no concerns about customer privacy and to allow time to adequately test the new data. There is currently insufficient functionality to provide ABSTUDY customer numbers by locality or postcode, although it is expected that this information will be available shortly. While the number of ABSTUDY beneficiaries in each region will be available, it is not possible to assess the level of take-up among eligible students because the ABSTUDY population is defined only by those students who apply for the scheme.

2.8 By the end of March 2000, there were some 37,525 ABSTUDY beneficiaries, compared with 37,659 beneficiaries at the end of March 1999. All indications to date are that the impact on student applications of changes to ABSTUDY has been negligible.

ISSUES NOT ADDRESSED AT THE 2 MAY MEETING

3. Page 20 of the Agenda – Schools Education

3.1 Information on access and participation of young Indigenous people in schools is available from the ABS Census of Population and Housing. Data from the 1996 Census show that the participation rate of Indigenous people aged 15-19 in schools varied considerably between States and Territories, ranging from 42.9 per cent in the ACT, 39.0 per cent in Victoria, 34.9 per cent in Queensland, down to 26.6 per cent in Western Australia and 26.3 per cent in the Northern Territory. The participation rate in capital cities and other urban areas was fairly similar (36.0 per cent and 34.1 per cent respectively for the whole of Australia), but fell markedly to 24.4 per cent in rural areas nationally. Most of the variation between urban and rural participation rates was accounted for by Queensland, Western Australia and the Northern Territory.

3.2 A detailed analysis of school participation data is contained in pages 43 to 52 of the publication *The School to Work Transition of Indigenous Australians – A Review of the Literature and Statistical Analysis* enclosed at Appendix 2.

3.4 School retention is also examined in the *School to Work* publication referred to above, on pages 33 to 42. The educational attainments of the Indigenous population are analysed on pages 68 to 79 of that publication. More recent data on Indigenous retention rates by State/Territory and government/non-government sector are at [Appendix 3](#).

3.5 The numbers of Indigenous people aged 15 and over by age left school and by ATSI region, obtained from the 1996 Census of Population and Housing are at [Appendix 4](#).

4. Page 22 of the Agenda – Schools Education

4.1 The basis by which the Commonwealth decides on the allocation of funds to the States and Territories through the Indigenous-specific schools education programmes was provided in the Department's submission:

- IESIP, page 8;
- IEDA, pages 9, 35 and 36;
- ABSTUDY, demand driven, pages 9 and 10.
- ESL-ILSS, pages 38 and 39.

4.2 The IESIP performance indicator framework is described in Appendix 1. The *National Report on Schooling in Australia 1998* contains the most up-to-date, comprehensive information on the outcomes of Indigenous students as gathered through IESIP. A copy of the report was provided to CGC officers during a meeting on Wednesday 31 May 2000.

4.3 The Indigenous Education Strategic Initiatives Programme (IESIP) is a programme whereby supplementary funding is made available to education and training providers in the preschools, schools and VET sectors to support activities designed to improve educational outcomes for Indigenous students (See pages 8 and 9 of the Department's submission).

4.4 The National Indigenous English Literacy and Numeracy Strategy is not a programme, but a wide-reaching strategy with the objective of achieving English Literacy, Numeracy and Attendance outcomes for Indigenous students at levels comparable to those achieved by other Australians. The Strategy requires more effective targeting of all relevant State/Territory and Commonwealth mainstream and targeted programmes, including IESIP. The Strategy Launch Kit enclosed at [Appendix 5](#) contains details of the Strategy and its elements.

4.5 The Department's Indigenous-specific schools education programmes complement DETYA mainstream programmes. The mainstream programmes from 2001-04 will require recipients to report outcomes against national performance indicators. National reporting will also include reporting outcomes for Indigenous students as well as all students. The Commonwealth's Indigenous-specific programmes add another dimension of precision through a sharpened focus on improving education outcomes for Indigenous students.

4.6 Both Commonwealth mainstream and Indigenous-specific programmes complement programmes administered by the States/Territories, see page 6 of the Department's submission.

5. Page 26, concerning Training

5.1 The basis of allocation of funds is discussed on pages 17 and 18 of the submission. Indigenous people are not specifically taken into account in the allocation of funds.

Barriers to participation of Indigenous people in VET

5.2 Barriers to access and participation for Indigenous people in VET are discussed on pages 20 and 21 of the submission. Actions to improve VET outcomes for Indigenous people are discussed on pages 21 to 23 of the submission.

6. Page 27, concerning Training

6.1 The VET Infrastructure for Indigenous People Programme (the Capital Infrastructure programme) provides \$4M in 2000 for infrastructure for training Indigenous people Funding and guidelines for programmes. A revised set of programme guidelines will be considered by Ministers at MINCO on 30 June 2000 and a copy of the final guidelines will be provided to the Commission as soon as possible.

6.2 Other Commonwealth Indigenous specific training programmes: Page 17 of the submission identifies Commonwealth Indigenous specific training programmes and these are described in more detail in Appendix 2 of the Department's submission. In addition, Appendix 2 identifies other Commonwealth programmes which may be of particular importance to Indigenous people.

7. Page 30, concerning Higher Education

7.1 Detailed indicators of Indigenous access to, and participation in, higher education are contained on pages 57 to 59 of the Department's submission. In summary, in 1999 there were 8,001 Indigenous student in higher education, or 1.33 per cent of all non-overseas students. There were 4,140 Indigenous commencing students that year, or 1.79 per cent of non-overseas commencing students.

7.2 The Commonwealth provides Indigenous-specific funding through the Indigenous Support Funding (ISF) programme, and other programmes described in the Department's submission (pages 26, 28–29, 30–31). ISF grants are allocated to institutions, not to individuals. Similar remarks apply to the other Indigenous-specific programmes described in our submission, except for the Indigenous Researchers Development Scheme (see page 28).

7.3 The basis by which the Commonwealth allocates mainstream and Indigenous specific funding to higher education institutions was addressed fully on pages 28-29 of the Department's submission.

7.4 The question of whether mainstream higher education programs target Indigenous people was addressed in our submission (pages 30–31). The Department also wishes to refer again to the additional comments made above in discussing participation in 'higher education programs'.

7.5 The relationship of the DETYA mainstream and Indigenous specific higher education programs and programs of the States was addressed fully in our submission (page 31).

**COMMONWEALTH DEPARTMENT
OF
EDUCATION, TRAINING AND YOUTH AFFAIRS**

SUBMISSION

TO

**COMMONWEALTH GRANTS COMMISSION
INQUIRY INTO INDIGENOUS FUNDING**

MAY 2000

**SUBMISSION TO COMMONWEALTH GRANTS COMMISSION
INQUIRY INTO INDIGENOUS FUNDING**

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Introduction: The Context and Responsibility for Education in Australia

Schooling

Primary responsibility for schooling in Australia rests with the eight State and Territory governments, together with the many education authorities which operate non-government schools. States and Territories have developed equity policies and programmes which aim to provide quality schooling for all students, irrespective of their social background or geographic location.

Although it operates no schools, the Commonwealth has a direct interest in many aspects of schooling, including reporting and accountability. The Commonwealth provides significant supplementary financial input to government and non-government school authorities to support agreed priorities and strategies.

The 1967 referendum gave the Commonwealth special responsibility for Indigenous affairs. While States and Territories retain principal responsibility for Indigenous education, the Commonwealth contributes to improving the educational outcomes of Indigenous Australians and Indigenous communities by providing supplementary funding under a number of programmes of both direct and indirect assistance targeted to Indigenous students.

The Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) comprising Commonwealth, State and Territory Ministers is the ministerial forum for national collaboration in policy development and implementation relating to schooling in Australia. Ministers are responsible for both government and non-government schools.

Vocational Education and Training

Vocational education and training (VET) in Australia is essentially a partnership between the Commonwealth and States and Territories. The Commonwealth is involved in VET through an agreed set of national arrangements for sharing responsibility with States and Territories. The current mechanism for giving effect to this is the Australian National Training Authority (ANTA) Agreement which sets out the roles and responsibilities for each party, including a major role for industry.

The Commonwealth, State and Territory Ministers for VET meet as the ANTA Ministerial Council to decide on national policy issues and oversee ANTA and associated funding arrangements.

Under the national arrangements, States and Territories have the primary responsibility for funding VET (with the Commonwealth contributing about one-third of total government funding) and responsibility for the administration and delivery of VET within their jurisdictions. This involves responsibility for State-level planning, regulation of training providers and the apprenticeship and traineeship system, allocation of funds to individual providers, setting student fees and charges and managing the TAFE systems. States and Territories fund specific projects for Indigenous people.

The Commonwealth plays a major role in collaboration with ANTA, the States and Territories and industry in shaping the policies for the VET system. The Commonwealth also directly funds some VET programmes such as employer incentives for New Apprenticeships.

Higher Education

The Commonwealth has primary funding responsibility for higher education. Key Commonwealth legislation is the *Higher Education Funding Act 1988 (HEFA)*. The States and Territories hold legislative responsibility for establishing new higher education institutions which then have the responsibility for accrediting their own awards. The Commonwealth has funding initiatives aimed at encouraging good practice in higher education teaching and is involved with the States through MCEETYA in the development of a new quality assurance framework.

The main sources of revenue for the universities are Commonwealth operating grants, HECS payments, domestic and overseas fee-paying students, research contracts and consultancies, investment income and other business-type activities. The main proportion of expenditure for universities is salaries and related costs.

Further information about revenue and funding for the higher education sector and participation in the sector can be found in the *Higher Education Report for the 2000-2002 Triennium*, a copy of which is attached.

Higher Education Division collects student data covering both persons and load (EFTSU – Estimated Full time Student Unit). Some of this is published each year in the DETYA publication “Selected Higher Education Statistics” and the other data is available on request from Higher Education Division. Data covers such information as student numbers and EFTSU, performance, equity groups, age, course level and type, mode of study, home background by post code, and institution.

SECTION ONE - SCHOOLING

Commonwealth Resourcing

Australian schools are resourced primarily from funding from State and Commonwealth governments. Schooling in the non-government sector relies on income from sources such as tuition fees to a significant extent.

The Commonwealth provides supplementary funding for government and non-government schools through a range of general grants (recurrent and capital) and specific purpose grants programmes. Specific purpose programmes provide funding for literacy, languages, special learning needs, quality outcomes and transition of students from school to work, as well as programmes.

A number of Commonwealth programmes are specifically targeted towards improving education outcomes for Indigenous students, such as ABSTUDY, the Indigenous Education Strategic Initiatives Programme (IESIP), and the Indigenous Education Direct Assistance (IEDA) programme.

Commonwealth funding for schooling is provided as block grants to government and non-government education systems. The Commonwealth does not ' earmark ' funding to systems for particular regions below the State or Territory level. Decisions on the geographical disbursement of Commonwealth funds provided to education systems rest with them.

Both Commonwealth mainstream and Indigenous-specific programmes complement programmes administered by the States and Territories. A report released late last year indicated that one jurisdiction was engaging in practices resulting in some cost shifting from the jurisdiction to the Commonwealth. Those practices no longer occur.

General Recurrent Grants

The Commonwealth Government provides general recurrent funding to schools in the government and non-government sectors to assist schools with the recurrent costs of education.

In the government sector, general recurrent grants are provided as block grants calculated on a per student basis. These funds are paid to the respective State and Territory Governments for distribution and the Commonwealth is not directly involved in the allocation of funds to individual schools.

In the non-government sector, the level of Commonwealth funding is needs-based, also calculated on a per capita basis, with schools and school systems being categorised into one of 12 funding categories (category 1 receiving the least financial support and category 12 the most). New funding arrangements will be phased in from January 2001, with per capita funding being weighted according to a measure of the socio-economic status (SES) of school communities. Further information about the SES measure is provided below, in the section headed 'Criteria for Allocating Funds'.

In 1999, approximately \$3.52 billion in general recurrent grants was allocated by the Commonwealth to support the ongoing costs of Australian schooling, including teachers' salaries. Of this \$1,114 million was allocated to government schools and \$2,408 million was allocated to non-government schools.

Financial Assistance Grants

Financial Assistance Grants were the source of funding for an estimated 19% of total public (State and Commonwealth) funding for government Schools and 2% of non-government Funding throughout Australia in 1997-98.

Capital Grants

The Commonwealth Government provides capital grants to government and non-government education authorities to assist with the provision and improvement of school capital infrastructure, particularly for the most educationally disadvantaged students.

Funding is provided as block grants to State governments and to non-government block grant authorities which administer grants to schools within their jurisdiction. These authorities consider, rank and recommend capital projects for funding each year, and following approval by the Commonwealth, handle payments for, and monitoring of, the approved projects.

In 2000, the Commonwealth has allocated over \$306 million dollars for capital grants to schools including \$219.9 million for government schools and \$86.4 million for non-government schools.

Targeted Programmes

Literacy programmes aim to ensure that all students acquire appropriate literacy and numeracy skills and to improve outcomes for students from educationally disadvantaged backgrounds.

Language programmes support expansion and improvement in the learning of languages other than English, and promote Asian languages and studies.

Special learning needs programmes cater for students with disabilities, students arriving in Australia with little or no English, and geographically isolated students.

School-to-work programmes support young people's transition from schooling to work and to further education and training.

Quality outcomes programmes provide funding for strategic programmes which support the Commonwealth's objective of improving student learning outcomes and its national leadership role in school education.

Programmes Targeted to Indigenous People

Indigenous Education Strategic Initiatives Programme (IESIP)

Supplementary funding is provided to education and training providers in the preschool, school and VET sectors under the Indigenous Education Strategic Initiatives Programme (IESIP) to

improve education outcomes for Indigenous students. Most funding under the programme is provided as Supplementary Recurrent Assistance (SRA).

To be eligible for IESIP funding, education providers need to satisfy the Commonwealth that they are:

- registered with the appropriate State or Territory authority;
- delivering a curriculum as recognised and accredited by the relevant State or Territory authority;
- a non-profit organisation and, if a non-government body, that they are incorporated;
- catering for a minimum of 20 Indigenous school or VET students, or 5 Indigenous preschool students.

An amount of \$129.9 million is available in 1999-2000 under IESIP across the preschools, schools and VET sectors. Entitlements for SRA funding are calculated on an enrolment based per capita rate specified in the *Indigenous Education (Supplementary Assistance) Act 1989*, with additional loadings for geographically remote providers. The rates are shown in the table below:

Education Sector	Government Rate (\$)	Non-Government Rate (\$)
Preschool (remote)	600	2,000
Preschool (non-remote)	300	1,000
Primary School (remote)	600	2,000
Primary School (non-remote)	300	1,000
Junior Secondary (remote)	800	3,000
Junior Secondary (non-remote)	400	1,500
Senior Secondary (remote)	1,000	3,300
Senior Secondary (non-remote)	500	1,650
VET institution (remote)	1,000	3,300
VET institution (non-remote)	500	1,650

Under IESIP all education providers, including all State Governments, agreed to introduce a comprehensive set of performance indicators and targets to measure their achievements over the period of funding. These performance indicators and targets are recorded in the Indigenous Education Agreements (IEAs), signed jointly by the education provider and the Commonwealth. The IEAs, and their associated progress and performance reports, along with performance monitoring group meetings and financial acquittals, are the providers' accountability mechanisms to the Commonwealth for funding received under IESIP.

Indigenous Education Direct Assistance Programme (IEDA)

The Indigenous Education Direct Assistance programme, or IEDA, comprises three elements: the Aboriginal Tutorial Assistance Scheme (ATAS), the Vocational and Educational Guidance for Aboriginals Scheme (VEGAS) and the Aboriginal Student Support and Parent Awareness Programme (ASSPA).

The 1999-2000 Commonwealth Budget provided some \$62.2 million for the Indigenous Education Direct Assistance programme. The primary criterion for allocating programme funds across States and the Northern Territory is the number of Indigenous enrolments. A more detailed description of the allocation criteria used for individual programme elements of IEDA is contained in **Appendix 1**.

Aboriginal Tutorial Assistance Scheme

Under the Aboriginal Tutorial Assistance Scheme (ATAS), Indigenous students may receive supplementary tutorial assistance and other kinds of study help. The aim of ATAS is to assist Indigenous students to achieve educational outcomes equal to those of other Australians.

Assistance is available to students from primary school to TAFE college and university, and other structured training programmes involving enrolment at educational institutions. To receive ATAS assistance, a student or trainee must be enrolled in formal study or an accredited training course. Assistance under ATAS is on an individual application basis with applications being assessed at the local level. Expenditure during 1999 totalled \$32.1 million.

Vocational and Educational Guidance for Aboriginals Scheme

The Vocational and Educational Guidance for Aboriginals Scheme (VEGAS) funds activities to improve retention rates and better inform students of their options for further education, training and employment. The scheme provides grants to sponsoring organisations to:

- conduct projects for Indigenous Australian school students and their parents;
- conduct projects for Indigenous Australian prisoners to foster positive attitudes towards participation in education and training; and
- provide information to assist Indigenous secondary school students and their parents to consider options available for further study or a career.

The programme is managed through the Department's network of Indigenous Education Units (IEUs) and National Office. Potential sponsors complete an application for funding which is evaluated against other applications and the programme guidelines. There were around 600 VEGAS projects funded in 1999 for a total expenditure in 1999 of \$7.5 million.

Aboriginal Student Support and Parent Awareness Programme

Under the Aboriginal Student Support and Parent Awareness (ASSPA) programme, the Commonwealth Government provides funding to school-based parent committees for a variety of pre school and school-based activities designed to enhance educational opportunities for Indigenous students in preschool, primary and secondary schools and to involve Indigenous parents in educational decision making processes. Around 3,800 committees were funded under this programme in 1999. Expenditure for 1999 was \$18 million.

ABSTUDY

ABSTUDY assists Aboriginal and Torres Strait Islander full-time secondary and tertiary students and some primary students by providing income support and other supplementary assistance

tailored to their needs. Some supplementary benefits are also available to part-time, mature-aged secondary students.

For school students to be eligible for ABSTUDY, applicants must be enrolled in and studying an approved secondary course, or be living at home and enrolled in a primary school and aged 14 years or over at 1 January of the year of study. The amount of assistance received depends on the type of study being undertaken (primary or secondary), the age of the applicant, the amount of parental, personal or partner's income and the personal circumstances of the applicant (whether the applicant needs to live away from home or is independent).

ABSTUDY provides a living allowance and a range of supplementary benefits. The living allowance component of ABSTUDY is income tested, based on personal income and income received by parents/guardians or partner.

The 1999-2000 Commonwealth Budget provided some \$59.8 million under ABSTUDY to assist Indigenous school students.

English as a Second Language – Indigenous Language Speaking Students Programme (ESL-ILSS)

The ESL-ILSS Programme commenced in 1998 and assists Indigenous students commencing mainstream schooling to function at the most basic level in the classroom in English and participate in a meaningful way in classroom activities. The programme is tightly targeted to those students who have very limited exposure to, or use of, English in their communities and will be required to use the English language for the first time in a sustained manner. Each eligible student attracts a once only payment of \$3079. Funds are provided to the education authority responsible for the student's schooling. Funds are available for a wide range of development and support strategies which contribute to the student's ESL tuition.

In 1998, 2,398 Indigenous students were assisted under the ESL-ILSS programme to a value of \$7.3 million. Of these, 44 percent were located in Western Australia, 33 percent in the Northern Territory, 14.5 percent in Queensland, seven per cent in South Australia and 1.5 percent in New South Wales. The majority of the students were located in the public sector (89.5 percent), followed by the Catholic (6.5 percent) and the independent (4 percent) sectors. Statistics for 1999 are not yet available but are expected to be similar to 1998.

Criteria For Allocating Funds

A number of methods are used for determining funding entitlements under the Commonwealth's programmes for schooling, but they are mostly variations on a simple per capita funding formula. Commonwealth recurrent funding for government schools is provided through block grants calculated according to the number of students at each level of schooling, with different per capita rates applying to primary and secondary students. IESIP SRA entitlements are calculated using a per capita funding model, with different rates applying for government and non-government providers, the level of schooling, and remote/non-remote locations.

While Commonwealth support for the recurrent costs of non-government schools is also provided on a per-capita basis, the per capita funding categories are set according to need.

The Education Resources Index (ERI), a measure of a school's resources, is the mechanism which has been used to assess the relative needs of non-government schools since 1985. It measures need by comparing the income a school generates on its own behalf with a standard level of resources (based on government school per student costs).

A Review of the ERI commenced in February 1997 following criticisms from the non-government schools sector that it was complex, inequitable and discouraged private investment in education. The Review, which concluded at the end of 1998, found that the ERI was no longer sustainable as a basis for assessing need for Commonwealth funding of non-government schools.

From 2001, the ERI will be replaced with a new approach to assessing the need of non-government schools for Commonwealth recurrent funding based on the relative socio-economic status (SES) of the school community. The SES approach is a simple, transparent and objective measure, based on independent data that are consistent for all schools and which provide a better reflection of the capacity of communities to provide financial support for their schools.

Calculating the SES involves the linking of student address data to the latest Australian Bureau of Statistics Population Census data to obtain a measure of the capacity of the school community to support its school. The SES index takes account of occupation, education and income, and is explained fully in the Schools Funding: SES Simulation Project Report, included in the 1999-2000 Budget package. A copy of the full funding kit is provided with this submission.

Programme Issues Raised By The Commission

A number of specific points for discussion were raised by the Commonwealth Grants Commission at its meeting with DETYA officers on 2 May 2000. The issues relating to programme arrangements not already covered above are discussed in this section, while issues relating to proposed indicators of need are discussed later in this submission.

Access, Participation, Success and Retention.

We note that the Commission is particularly interested in Indigenous access, participation, success, and retention in schools education, and whether they vary between regions. As Commonwealth funding for education – mainstream, targeted and supplementary Indigenous funding – is predominantly provided at system level to education providers, the Commonwealth does not require performance reporting to be at the regional level. Information held by the Commonwealth is usually available disaggregated only to the State and Territory level, and to the sectoral level (government, Catholic, other non-government) within States/Territories.

However the issues of access, participation, success and retention for Indigenous people are discussed in some detail in the *National Report on Schooling in Australia 1997*, which has a special focus on Indigenous students, drawing on material from a number of sources, including information provided by State/Territory systems as part of the IESIP monitoring framework. A copy of the *National Report* is provided with this submission. Moreover the Commonwealth will be pursuing reporting of education outcomes of Indigenous Australians, amongst others, in the context of its national approach to improving accountability.

The Extent to which Indigenous People are Taken into Account in Determining the State by State Allocation of Mainstream Education Programme Funds.

For most of the Commonwealth's mainstream programmes, no distinction is drawn between Indigenous people and non-Indigenous people in calculating State/Territory allocations.

However, allocations for the Literacy and Numeracy Programme are based on two measures, derived using ABS Population Census data, and weighting is given to Indigenous people in their determination.

- The English as a Second Language element takes account of students who identify their home language as other than English. Within this group, Indigenous students whose home language is identified as not English are included.
- The socio-economic disadvantage measure uses the Index of Relative Socio-Economic Disadvantage (IRSED) Index of the ABS Socio-economic Indexes for Areas (SEIFA) in conjunction with ABS census school enrolment data. Allocations are based on how many of the 500,000 most disadvantaged students nationally (as determined by the IRSED) reside in each State or Territory.

Strategic Direction For Indigenous Education

Achieving educational equality for Indigenous Australians remains one of the principal educational challenges facing the nation. The Commonwealth's position is that all Australians have the right to an education which allows them to choose from the same range of opportunities.

The Minister for Education, Training and Youth Affairs has made this approach central to his efforts to making the achievement of educational equality for Indigenous Australians an urgent national priority. This has been acknowledged and endorsed by all Education Ministers. It was reaffirmed at the MCEETYA meeting on 31 March 2000.

Despite some progress over recent years, the scale of educational disadvantage for Indigenous Australians remains vast. Indigenous students record markedly lower levels of literacy and numeracy achievements at primary school, have far higher rates of absenteeism and truancy, are much less likely to continue their education beyond the compulsory years, and are less likely again to achieve a post-school qualification with currency in the labour market.

The Commonwealth has adopted a comprehensive strategy that will make significant progress in closing the gaps in educational outcomes between Indigenous and non-Indigenous Australians by 2004. The focus is clearly on measurably raising the educational outcomes achieved by Indigenous students. It pays particular attention to the key areas of literacy, numeracy and educational attendance and thereby accelerate the pace of change, especially in the school sector. The strategy builds on a high level of State and Territory Ministerial goodwill and commitment, as well as the strong support for reconciliation at both a community level and with Australian educators.

The Commonwealth's approach, with its five major elements:

- symbolises the Government's resolve to accelerate the pace of change and make significant progress in closing the gap between the learning outcomes of Indigenous and non-Indigenous school students by 2004 through the National Indigenous English Literacy and numeracy Strategy launched by the Prime Minister on 29 March this year;
- leverages the Commonwealth's mainstream school funding to the States and Territories for the 2001-2004 quadrennium to ensure that Indigenous students are a mainstream education priority with specific reporting on Indigenous educational outcomes;
- requires education providers funded through the Commonwealth's supplementary Indigenous programmes for the 2001-2004 quadrennium to focus on accelerating the closure of gaps in the educational outcomes in literacy, numeracy and attendance between Indigenous and non-Indigenous students;
- confronts and resolves national policy and related issues, including the development of an enhanced mechanism for national reporting, the development and implementation of high quality standards in education infrastructure and service delivery to Indigenous students, through MCEETYA; and
- links the achievement of educational equality to the national reconciliation process.

Outcomes reporting is proving effective in increasing providers' accountability for their performance, and 'shaming' providers into reassessing their priorities for Indigenous students. Quite recently one jurisdiction felt obliged to publicly defend its performance on Indigenous education after it released under FOI the Commonwealth's assessment of the jurisdiction's performance against agreed targets. The Commonwealth's assessment was based on information contained in annual performance reports required as part of IESIP arrangements.

Another jurisdiction has come under public scrutiny for the low literacy achievement levels of its Indigenous students as a result of the development of nationally agreed acceptable standards or benchmarks in literacy and numeracy which permit nationally comparable reporting.

Data Availability and Indicators of Need

A set of core and supplementary performance indicators developed by the MCEETYA Taskforce on Indigenous Education was approved by all Education Ministers in March 2000 to be implemented from 1 January 2001. The indicators included the following:

- Literacy achievements in Years 3 and 5
- Numeracy achievements in Years 3 and 5
- Attendance expressed as either a distribution of absences or as an average attendance rate
- Employment of Indigenous Australians in education
- Participation and retention of senior secondary age students expressed as either apparent retention rate from Year 10 to Year 12, or progression rates of 15 to 19 year olds in education and training
- Senior secondary outcomes (Year 12 certificates)

The development of performance indicators for reporting on Indigenous education matters complements the development of nationally agreed minimum acceptable standards or benchmarks in literacy and numeracy for Years 3, 5, 7 and Year 9/10. All Ministers have approved Years 3, 5 and 7 national literacy and numeracy benchmarks. Measurement of student progress against the benchmarks is a critical part of the process of ensuring that all students attain the minimum level of proficiency they need in these key foundation areas. Students' progress against the benchmarks is being measured using rigorous state-based assessment procedures. The process to equate the results from state-based tests to permit nationally comparable reporting has been agreed to by MCEETYA. There is no agreement to a national test. Ministers have agreed that benchmarks for Year 9/10 will be postponed, pending information from the OECD PISA project, which involves the collection of data in 2000 on the achievement in mathematics, science and reading of a sample group of 15 year olds from Australia and other countries.

MCEETYA has agreed to report:

- 1999 Years 3 and 5 literacy achievement in 2000,
- 2000 Years 3 and 5 literacy and numeracy achievement in 2001, and
- 2001 Years 3, 5 and 7 literacy and numeracy achievement in 2002.

For Commonwealth accountability purposes all education authorities are required to report Years 3 and 5 performance on a full cohort or sample basis for 2000 with the expectation for reporting to be full cohort from 2001. For Year 7 States and Territories have agreed to continue to progress towards full cohort assessment.

1999 Year 3 reading results have already been published in a supplement to the *Annual National Report on Schooling*. 1999 Year 5 reading is scheduled for reporting in mid 2000, with work continuing on 1999 Year 3 and 5 spelling and writing with a view to reporting later this year. Reporting is in terms of achievement or non-achievement of the benchmark standards. Nationally comparable State/Territory aggregated data is made available on the whole cohort of students, by gender, by language background other than English, and by Aboriginal or Torres Strait Islander background, unless small student numbers mean that State and Territory confidentiality protocols would be breached.

Nationally, 86.9 per cent of Year 3 students achieved the agreed minimum national standard in reading. In comparison, 66.1% of Indigenous students achieved the agreed minimum standard. However, performance across the States and Territories varies greatly. Year 3 students not achieving the reading benchmark ranges from approximately 9% of the cohort tested in NSW to some 28% in the NT. Indigenous students not achieving the reading benchmark in the Eastern states ranges from around 23% in NSW to 33% in the ACT; with the other states varying from 36% in South Australia to 70% in the NT.

Statistics on Australian schools, staff and students are collected in the National Schools Statistics Collection and published annually by the ABS in *Schools Australia* (ABS catalogue number 4221.0). All statistics relating to students can be provided separately for Indigenous students. Any information aggregated and published at the national level is available for individual States and Territories.

Published information relates to:

- the number of Indigenous students by age and by level/year of education by sex; and

- the number of Indigenous students by level of education and category of school (government/non-government) by State and by sex.

Apparent retention rates of Indigenous students to Years 10, 11 and 12 are not published, but have been calculated by the Department separately for each State and Territory by category of school, and will be provided shortly.

Issues Raised By The Commission Concerning Possible Needs Indicators

We understand the Commission is considering examining the schools education function separately for primary education including preschools, and secondary education. We believe this is a sound approach, as important transition points in education include attendance at preschool, the preschool/primary interface, the transition from primary to secondary, and from junior secondary to senior secondary.

We also understand that the Commission will be seeking indicators that capture differences between regions in terms of:

- education outcomes;
- demand for and supply of services;
- other indicators that may affect education outcomes; and
- costs of providing services

We preface our comments on the indicators proposed by the Commission by repeating that, reflecting the ‘block grants’ nature of Commonwealth funding for schooling and the outcomes focus that concentrates on whole of system reporting, the Commonwealth generally does not have access to the proposed information at the regional level. State and Territory authorities may be able to disaggregate information on a regional basis, but the areas may relate to State/Territory education administration regions rather than ATSI regions.

Education outcomes

The measures proposed are consistent with national performance indicators that have been developed. Reliable information is collected at the system level, and disaggregated information may be available from jurisdictions.

Demand for and supply of services

Information on the number of Indigenous persons of school age and Indigenous enrolments are available on a small area basis from the ABS Population Census conducted every five years. Information on attendance will be available from 2002 (in respect of 2001 and subsequent years) through the MCEETYA performance reporting initiative outlined above. We understand physical access to schools is a real issue for some Indigenous students, particularly at preschool and secondary levels in remote and rural areas, but we are not aware of whether reliable data on the issue is available from State/Territory authorities.

Other indicators that may affect education outcomes

The variables suggested, such as staff to student ratios, do have an impact on education outcomes to a greater or lesser extent, although qualitative issues, especially the adequacy of teacher

preparation, are equally important. The high rate of teacher turnover in some schools has been identified as a factor impeding successful education outcomes of Indigenous students.

Costs of providing services

The relatively higher costs of providing services in some areas must be a serious consideration for education providers. The Commonwealth recognises this in the different IESIP per capita funding rates that apply to remote and non-remote areas.

Other issues

Education outcomes appear to be closely linked to socio-economic characteristics such as family income and the education and employment status of the immediate family. As described in the 'Criteria for Allocating Funds' section above, the Commonwealth from 2001 will be assessing the eligibility of non-government schools for Commonwealth recurrent funding based on the relative socio-economic status (SES) of the school community. A similar approach might be valid in assessing relative education needs of Indigenous people across regions, but it should be noted that the non-government schools SES index was developed taking account of the characteristics of the whole community. The validity of the index for application to the Indigenous community would need to be tested, and it would also need to be determined whether the index would be sufficiently sensitive to differentiate communities.

The Commission sought comment on whether the predominantly mainstreaming approach to the provision of schools and the identification of Indigenous students creates particular difficulties in establishing a clear picture of the demand for and supply of services. The 'Indigenous' identifier is determined by parents, and we understand most schools encourage parents to 'identify' their children so that the students can be supported under IESIP etc. All basic performance reporting parameters, such as literacy and numeracy achievements, attendance and retention rates, are reported separately for Indigenous students as well as for all students. This provides a clear and unambiguous picture of where there is a need for better outcomes. From the Commonwealth's perspective, outcome indicators are a powerful tool for resource allocation.

SECTION 2 - VOCATIONAL EDUCATION AND TRAINING

Overview of Programmes

The Commonwealth's major contribution to the VET system is the funding provided to the States and Territories, through ANTA, for recurrent and capital purposes. The Commonwealth also directs funds to a number of specific VET programmes. The majority of these programmes are mainstream VET programmes although some have Indigenous specific elements. The Indigenous Education Strategic Initiatives programme (IESIP) and the ABSTUDY programme also apply to the VET sector. These are discussed under the schools and higher education chapters, respectively.

Apart from funding to the States and Territories, the programmes attracting most Commonwealth funding relate to support for New Apprenticeships (including \$369.4M for employer incentives).

There are three Commonwealth VET programmes that have specific Indigenous components. These are:

- the Indigenous Youth Partnership Strategy, that will provide \$5M in 2000-2001 for school to work transition;
- the Capital Infrastructure programme that provides \$4M in 2000 for infrastructure for training Indigenous people; and
- the Small Business Professional Development Best Practice Programme (\$0.2M was provided in 1998-99 for Indigenous projects which are still being finalised).

Other programmes funded by the Commonwealth include the New Apprenticeship Access Programme and the Australian Student Traineeship Foundation. Although not specifically targeted to Indigenous people, this group is a priority for many of these programmes.

Funding of States and Territories

Commonwealth funds through ANTA to the States and Territories represent approximately a third of the total public funding for the VET system. These funds supplement those provided by the State and Territory Governments. They provide support for the provision of training places in the States and Territories by both public and private sector VET providers and national projects that promote a national identity for the VET system.

A total of \$918.352 million has been legislated by the Commonwealth for recurrent and capital funding in 2000 (subject to indexation) under the *Vocational Education and Training Funding Act 1992* for allocation by ANTA to the States and Territories and for National Projects.

The ANTA Ministerial Council decides on the allocation of this funding to the States and Territories for recurrent purposes, for payment to the States and Territories for infrastructure (ie capital) purposes and for National Projects (which may be managed by ANTA, DETYA, a State or Territory or another party).

The Commonwealth Minister (who is chair of the ANTA Ministerial Council) has no power to direct the allocation of funds by ANTA which is made in accordance with the decisions of the Ministerial Council.

For 2000, the Ministerial Council has decided to allocate funds as follows:

	Recurrent (\$m)	Infrastructure (\$m)	
New South Wales	239.350	59.160	
Victoria	172.366	42.500	
Queensland	118.020	28.900	
South Australia	56.448	13.600	
Western Australia	65.938	15.300	
Tasmania	20.061	4.420	
Northern Territory	8.052	5.244	
Australian Capital Territory	14.205	2.720	
Publications of TAFE Statistics	0.212		
Industry Based Skill Centres		7.000	
Skill Centres for School Students		4.000	
Aboriginal and Torres Strait Islander Facilities		4.000	
National Project for New Technologies		15.000	
National Projects	23.7		
TOTAL	718.352	201.844	920.196*

*Includes \$1.844 million carry forward

Source: Vocational Education and Training Directions and Resource Allocations for 2000, Report to the Ministerial Council, November 2000

Since the inception of the ANTA Agreement, funding has been allocated among the States and Territories primarily on a population share basis (15 to 64 year olds). No loadings are applied for different demographic or other characteristics. Funding to the States and Territories, through ANTA, is treated by the inclusion approach by the Commonwealth Grants Commission.

Each State and Territory is required to prepare an annual VET Plan that responds to the Annual National Priorities, reports on progress against the National Strategy and provides an activity table that shows the total amount of training to be provided from combined Commonwealth and State-sourced funds (by industry area and level). In addition, States and Territories submit Capital Development Plans and 'Growth through Efficiency Plans' (under the current ANTA Agreement which expires at the end of 2000). The latter describe the strategies to be pursued and the planned results in terms of additional training delivery and efficiency improvement. The needs of Indigenous people are considered in the States/Territories planning processes.

ANTA reports to the Ministerial Council on performance against the VET Plans and on the performance of the sector. Funds may be paid by ANTA to a State or Territory only if the State or Territory's VET Plan has been approved by the Ministerial Council.

Role of ANTA

ANTA was established in 1992 by the Commonwealth *ANTA Act* under which ANTA was made accountable to the ANTA Ministerial Council. The ANTA Board is made up of industry representatives.

In addition to funding under the Vocational Education and Training Funding Act 1992, the Commonwealth funds ANTA's operational costs and National Programmes which are administered by ANTA. Commonwealth funding through the *Annual Appropriation Act* to ANTA for National Programmes was \$43M in 1999-2000. The National Programmes provide support for:

- Equity, Development and Innovation Programme which funds projects that will contribute to the achievement of equitable outcomes and innovation in VET, including support through a grant-in-aid for Adult Learning Australia. Funding is provided to States and Territories to improve outcomes for clients from disadvantaged groups or under-represented groups in mainstream programmes or for projects specifically designed for clients from these groups. Indigenous people are included in these groups.
- Group Training Schemes which employ apprentices and trainees and manage their employment and training with a wide range of employers and training providers.
- Training Package development, comprising the development of competency standards linked to Australian Qualifications Framework qualifications and assessment guidelines and supported by learning, assessment and professional development materials.
- Industry Training Advisory Bodies which support the work of national, State and Territory industry advisory arrangements. Funds are provided to develop strategic industry advice and to improve industry awareness and participation in the VET system.

As a Commonwealth authority, ANTA produces an Annual Report on its own operations and performance (including audited financial statements) for presentation to the Parliament. In addition, each State and Territory is required to contribute to the Annual National Report on VET which is prepared by ANTA and submitted to the Ministerial Council. The report provides information about the progress of national reforms and the performance of the VET system, including a separate volume (Volume 3) of quantitative and qualitative reporting against national Key Performance Measures.

Once approved by the Ministerial Council, the Annual National Report is tabled in the Commonwealth Parliament. The report for 1998 was tabled in October 1999. States and Territories are also required to provide audited statements of expenditure of Commonwealth funds to ANTA.

Commonwealth Indigenous-specific and mainstream programmes

The Indigenous sub-component of the Commonwealth-funded ANTA Infrastructure programme provides funding through ANTA to the States and Territories to assist in the delivery of VET to Indigenous people. These funds assist States and Territories to meet the need for improved or additional training facilities and infrastructure for Indigenous people. States and Territories provide reports to ANTA on the use of funds for training activities undertaken in facilities provided under this programme.

Funding for the Indigenous Youth Partnership Strategy will seek to promote effective assistance and support Indigenous youth to remain at or return to school, and to provide a reliable pathway from schooling to training and employment. The emphasis will be on involving young Indigenous people in vocational education.

The Indigenous component of the Small Business Professional Development Best Practice Programme provides funding to projects which enable Indigenous small businesses to select appropriate training and train their own staff.

More details on the above programmes are provided in Appendix 2. Appendix 2 also provides details of mainstream Commonwealth VET programmes. Some of these programmes include indigenous people as a priority group for which assistance is targeted. These include:

- Australian Student Traineeship Foundation programme
- New Apprenticeships Access Programme

Details of funding of major VET programmes, other than ANTA, that are administered by the Department are as follows:

	Estimated Actual 99-00	Budget Estimate 00-01
New Apprenticeships Centres	88,957	63,069
Support for New Apprenticeships	354,325	369,428
New Apprenticeship Implementation	56,372	13,988
New Apprenticeship Workforce Development	0	8,900
New Apprenticeships Access Programme	25,725	18,715
Workplace English Language and Literacy Programme	11,823	11,869
Australian Student Traineeship Foundation	20,379	20,559

Barriers to access to VET by Indigenous people

Although Indigenous Australians are well represented in VET, they tend to do lower level and shorter courses compared to the whole student population. Pass and completion rates for Indigenous VET students are substantially below the rates achieved by the whole student population. More details on the participation of Indigenous people in VET is provided in Appendix 2.

The widespread dispersion of Indigenous people throughout Australia has important implications for VET delivery. For Indigenous people, a strong link to place, culture and family, in combination with social dislocation factors have resulted in a population skewed towards particular regions and localities associated with traditional lands. A *National Aboriginal and Torres Strait Islander Survey* (ABS, 1995) found that many Indigenous people live considerable distances from local TAFE providers. The survey found that 64 per cent of Indigenous people living in rural areas live more than 50 km from the nearest Technical and Further Education (TAFE) College.

Indigenous students comprise a much higher proportion of Australians enrolled in VET in remote communities. The dispersion of the Indigenous population requires the delivery of VET which is both culturally appropriate and flexible.

Language remains an important part of Indigenous cultures. VET which accommodates different levels of proficiency in English language, literacy and numeracy and embraces Indigenous languages is therefore critical for many Indigenous Australians seeking opportunities in education, training, and in the world of work. Training and education providers need to operate in environments that complement, are sensitive to, and affirm cultures and multi-literacies and acknowledge that English may not be the first language of some Indigenous Australians.

Barriers identified by the Commonwealth School to Work Transition for Indigenous Australians Taskforce, included: a lack of recognition and understanding of cultural differences by education providers, lack of Indigenous ownership of and involvement in course design, lack of support services and effective special entry programmes. The Taskforce also found that there is a gap in service provision of information to Indigenous students on education, training and employment options and guidance in how to take advantage of them. They identified that regional labour market conditions needed to be considered in any planning processes. The Taskforce also found that VET services to Indigenous people were often ad hoc and disjointed.

The Taskforce identified that multiple school to work pathways, with various access and re-entry points were highly relevant to meeting the needs of Indigenous young people. Programmes such as VET in schools are potentially of great value to Indigenous students by familiarising them with the world of work and equipping them with useful skills. Where these programmes are accredited, they may also provide pathways into New Apprenticeships or other employment.

A copy of the report of the *School to Work Transition of Indigenous Australians : A Review of the Literature and Statistical Analysis, April 1999* is provided for your information.

Actions to improve VET outcomes for Indigenous people

To address the above needs and improve VET outcomes for Indigenous people, there are a number of activities in place.

Under the ANTA arrangements

A National Strategy for Vocational Education and Training 1998 – 2003

The National Strategy sets out the objectives for the national VET system. One of the key objectives is “achieving equitable outcomes in VET for all Australians”, including Indigenous Australians. In relation to Indigenous people, a specific priority is to increase participation by

Indigenous people in VET, particularly in higher level award programmes, improved retention and completion rates and improved employment outcomes. States and Territories report against this objective in their VET plans.

Aboriginal and Torres Strait Islander Peoples Training Advisory Council

An Aboriginal and Torres Strait Islander Peoples Training Advisory Council (ATSIPTAC) was established by ANTA to provide the ANTA Board with advice about ways to improve VET for Indigenous people and better coordinate employment, education and training programmes nationally.

National Aboriginal and Torres Strait Islander Strategy for VET 1999-2003, Partners in a Learning Culture

In partnership and consultation with key stakeholders, ATSIPTAC developed a VET strategy *Partners in a Learning Culture* to improve training outcomes for Indigenous people. The needs and barriers that constrain Indigenous people from accessing and participating in VET were identified in the consultation process that was undertaken in the development of the Strategy.

The Indigenous VET Strategy was developed in order to:

- identify the key vocational education and training issues and activities which are most important for Indigenous community development;
- include the perspectives of Indigenous people in current and future vocational education and training policy and programmes at all levels;
- ensure the vocational education and training decisions result in better outcomes for Indigenous individuals and communities;
- show how vocational education and training programmes can be better managed for Indigenous communities;
- lay down quality and continuous improvement measures which build upon positive gains already made within the sector; and
- set out measurable objectives to improve outcomes for Indigenous Australians in vocational education and training and employment.

The objectives of the Indigenous VET strategy are provided in Appendix 2.

An Implementation plan to support the strategy is currently being developed under the auspices of ANTA and an Implementation Taskforce which includes representatives from the ANTA Board, ATSIC, DETYA, States and Territories and the ATSIPTAC Board. It is proposed that the strategy and Implementation Plan will be considered by the ANTA Ministerial Council in June 2000.

The Implementation Plan proposes a series of strategies and actions at the national and State and Territory and local level and recommends collaborative action in some cases with a number of other Government agencies with the aim of improving VET outcomes for Indigenous people. It is proposed that State and Territory Training Authorities will be asked to report in their annual VET plans on progress towards achieving the objectives in the Implementation plan.

Commonwealth initiatives

The School to Work Transition for Indigenous Australians Taskforce findings formed the basis of a range of activities, including the Indigenous Youth Partnership Strategy, to address the needs of young Indigenous people and to improve approaches to service delivery to Indigenous communities.

See also VET programmes with Indigenous component and activity under the Australian Student Traineeship Foundation in Appendix 2.

Indicators of need and data availability

The proposed indicators of need are broadly consistent with those proposed for the Indigenous VET Strategy and we would support their use.

It should be noted, however, that it may be unrealistic to expect (or fund on the basis of) employment outcomes in remote regions. Often there is a training need and the best outcome that can be expected, and should be valued, is an improvement in community life, eg. undertaking a plumbing course that community facilities can be maintained, although paid employment may not result.

Key performance indicators have been developed for each of the objectives contained in the *National Strategy for VET for the period 1998-2003 - A Bridge to the Future* which was endorsed by the ANTA Ministerial Council in May 1998. The key performance indicator for “Achieving equitable outcomes” measures how well the VET sector is serving particular groups in the Australian community, including Indigenous Australians. The key performance measure for this objective is “VET participation, outputs and outcomes achieved by client groups (includes Indigenous Australians)”. ANTA reports on this measure in its Annual National Report.

Performance measures have also been developed for each of the objectives in the Indigenous VET Strategy (copy of the proposed key performance measures are provided at Appendix 2).

Key performance measures have also been developed for the Indigenous Youth Partnership and these outlined in Appendix 2 on Commonwealth VET programmes.

Data Availability

NCVER is the major source of statistics on indigenous people in VET. States and Territories provide statistics on VET participation, including by client groups such as Indigenous Australians. The data is compiled in a publication *Australian VET Statistics* which is produced annually. VET participation by Indigenous people in this publication is presented by ‘Indigenous people by State and Territory’ and ‘Geographic region of home address of indigenous people by State and Territory’. The geographic regions identified are capital city, other metropolitan, rural and remote. NCVER may disaggregate data further by request. Data by ATSI regions may not be available and the State and Territory training authorities may need to be approached to access the more disaggregated data. There are strict protocols about the release of data at an individual or institution level.

NCVER data indicate that representation of Indigenous people in vocational education and training programmes is higher than their representation in the Australian population as a whole. While Indigenous people comprise approximately 2 per cent of Australia's total population, 3.7 per cent of all clients aged 15-64 undertaking publicly-funded vocational programmes in 1998 were Indigenous. Over the last four years, there has been a significant increase in the participation of Indigenous people in vocational education and training, for example, in 1994, 2 per cent of all vocational education and training clients were Indigenous people, but by 1998, this proportion had almost doubled.

Despite these achievements, participation of Indigenous people in VET remains disproportionately high in lower level programmes, for example, in 1998, 35.1 per cent of Indigenous students were enrolled in AQF Certificate Levels I and II compared with 19.4 per cent of the overall student population. Only 4.8 per cent of Indigenous students were enrolled at the Diploma and Associate Diploma level compared with 11.4 per cent of the overall student population.

The Indigenous VET statistics collected by the NCVER need to be treated with some care. There are likely to under-report activity because they rely on self-identification (the level of under reporting also varies widely from State to State). Also the numbers are small enough that any breakdown by postcode or by institute may not be statistically valid.

NCVER also collects data on New Apprenticeships, as does DETYA.

Some general information on the costs of training provision is included in ANTA's *Annual National Report 1998; Volume 3*. One measure presented in the report is the 'unit cost', which is derived from government recurrent expenditure per publicly funded annual hours curriculum. In 1998 the national unit cost derived in this way was \$13.40. This measure has been adjusted to take account of differences in the mixture of courses provided in each State and Territory, but has not been adjusted to take account of other differences, such as the size of classes, the socio-demographic composition of the population, the dispersion and scale of delivery and differences in the education and training policies of the States and Territories.

No information is provided on the relative costs of providing training for particular segments of the community.

Further disaggregation of data and analysis on Indigenous people has been undertaken by NCVER recently in a study *Creating a Sense of Place*. Data from this study that covers issues identified by the Grants Commission is provided at Attachment D for information. The *School to Work Transition of Indigenous Australians* report mentioned above also provides data which will inform the Grant Commission Inquiry.

Although there is a predominately mainstreaming approach to the provision of training for indigenous people, numerous studies have been undertaken over recent years which have assisted in identifying the demand for and supply of services for Indigenous students. A number of programmes, including those arising from the School to Work transition for Indigenous Australians Taskforce have been initiated in response to the findings of these studies.

Some information on service providers and Indigenous students is provided in NCVER's study *Creating a sense of place – Indigenous peoples in VET*. The study found that that there had been a very major national effort to create an "Indigenous presence" in TAFE institutes. Many

of the TAFE institutes surveyed for instance had established special indigenous advisory arrangements to improve the situation for Indigenous people in VET.

The need to increase direct Indigenous community involvement in the delivery of VET has been recognised in the Commonwealth funded programme on VET infrastructure for Indigenous people. The *VET Indigenous strategy* proposes a number of activities to address the training needs of indigenous people in rural and remote areas.

SECTION THREE – HIGHER EDUCATION

Mainstream

The Commonwealth provides block operating grant funding for the teaching and learning activities of public higher education institutions and the University of Notre Dame, Australia. Institutions listed in Table A of the *HEFA* receive operating funding supporting the range of their activities on a rolling triennium basis.

Operating grants for institutions listed in table A of *HEFA* consist of four main components: a teaching related component, a capital component (the capital ‘roll-in’), a research related component (the research quantum) and an Indigenous Support component.

The teaching component constitutes the bulk of the operating grant and is intended to support expenditure on activities such as academic and general salaries, minor capital works, and non-salary items associated with teaching such as libraries.

The institutions are self-governing autonomous bodies and are free to use operating grant funds according to their own priorities, provided these conform with the purposes outlined in Sections 15 and 16 of the *HEFA* and the conditions that apply in Section 18 of the *HEFA*.

Educational profiles are established in accordance with the requirements of Section 14 of the *HEFA*. These involve a number of elements including a statistical return covering teaching activities and student load, a strategic plan, a quality plan, an equity plan, an Indigenous education strategy and a capital management plan. The information requirements of profiles are determined by the Minister after consultation with the Australian Vice-Chancellor’s Committee. The programme grants are provided on a calendar year basis

Indigenous Support Funding Programme

Indigenous Support Funding is provided to higher education institutions as part of operating grants to assist them in meeting the special needs of Indigenous students and advancing the goals of the Aboriginal Education Policy (AEP) in the higher education sector. Funding per annum is approximately \$23 million.

The kinds of activities which are provided through support funding include study skills and personal counselling, provision of study centres and cultural awareness activities. The document *Higher Education Indigenous Education Strategies 1999-2001* provides examples of the sort of support activity undertaken by universities. A copy is attached for your information.

The early key focus of the Indigenous Support Funding programme was on increasing access and participation of Indigenous people in higher education. Now that numbers of Indigenous students have increased, the key focus has become Indigenous performance. Funding allocations for the programme are now calculated to reflect this new focus.

Indigenous Higher Education Centres

In December 1996, the Government announced funding of \$8.8 million to establish five Indigenous higher education centres. Funding was to be paid over three years. The Centres aim was to encourage the development of research skills and academic excellence within the Indigenous community and help to nurture and promote Australian Indigenous cultural heritage. Grants were made to:

- the University of Western Australia (\$1,720,000) specialising in History and the Arts;
- the University of South Australia (\$1,800,000) specialising in curriculum and research development, executive training, and holistic health;
- Curtin University of Technology (\$1,863,000) specialising in professional education and training in health education, science and technology;
- The University of Newcastle (\$1,631,000) specialising in Indigenous health, law and the environment: and
- the Northern Territory University (\$1,800,000) specialising in Indigenous natural and cultural resource management.

In December 1997 an additional Centre was established specialising in Indigenous public health to be administered by a consortium of the University of Queensland and Queensland University of Technology. This Centre was awarded \$1,497,000, bringing the total sum to be spent over three years to \$10,311,000.

Annual reports are received at the end of June each year, covering activities in the previous year.

Open Learning Projects To Assist Indigenous Australians

In late 1996, the Commonwealth government announced funding of \$1,750,000 to be allocated to Open Learning Australia (OLA) for two separate initiatives to be conducted during 1997-1999. The initiatives were:

- education packages customised for Indigenous Australian students covering a broad range of issues, including courses to help prospective students upgrade basic skills to the level required for university study, tertiary level courses such as Social Justice and Legal Issues and specific culture and language courses; and
- an electronic network linking Indigenous postgraduate students and academics across Australia, assisting them with teaching, research, communication, publication and information technology support and supporting the unique relationship which Indigenous academics maintain with their communities.

Neither project is yet complete. The University of South Australia was selected to develop the electronic network which was launched in August 1998. Considerable work has been achieved to date. Informal requests for ongoing funding for the network have been made. The education packages are being developed by a number of institutions. The majority are complete and available on line. It is anticipated this project will be complete by end 2000. As part of the work undertaken within the allocation to OLA, an Indigenous Information Technology Conference was held in 1999 and another is to be held this year. A good attendance was achieved in 1999 and feedback was positive and useful.

The Indigenous Researchers Development Program

The Indigenous Researchers Development Program commenced in 1996 as an Australian Research Council (ARC)/Department of Employment, Education, Training and Youth Affairs (DEETYA) program to encourage participation in, and to improve the standard of, research conducted by Aboriginal and Torres Strait Islander persons. It has recently become the responsibility of the ARC.

The Indigenous Researchers Development Scheme has a key objective of developing the research expertise of Indigenous researchers, including students carrying out research for higher degrees, to a level at which they can compete in open competition for mainstream research funding.

Grants under the scheme are awarded to undertake research projects in the sciences, humanities or social sciences. The scheme provides valuable opportunities for training and development in research methodology and the preparation of research proposals.

In the four years 1996–99 the scheme had twenty-four participants. Fifteen Indigenous people have received grants for 2000.

Funding provided to individual institutions

Tables showing operating grant funding and Indigenous support funding for each institution is shown at Appendix 3.

Funding Criteria for Mainstream Funding

Higher education institutions do not apply for operating grants. Since 1989 the Commonwealth has provided higher education institutions with an annual block operating grant for a specified level of student load within the context of an educational profile covering teaching and research activities. This grant is determined and allocated on a rolling triennial basis.

The specified level of student load is known as the total fully funded level (target). It is this target on which an institution's funding is based and it comprises the base and associated pipeline and any other adjustments agreed to between an institution and DEETYA.

Funding Criteria for Indigenous Support Funding

The funding formula for the Indigenous Support Funding programme has three components, all of which are based on objective indicators of actual performance, using information from the Department's annual Higher Education Student Statistical Collection. The allocation formula is intended to encourage universities to focus on participation of Indigenous students and their academic success.

The first component is fifty per cent of total available funding, divided between institutions in proportion to Equivalent Full-Time Student Units (EFTSU) for Indigenous students.

The second component is thirty-five per cent of total available funding, divided in proportion to student progress rate (for Indigenous students only) multiplied by Indigenous EFTSU.

The third component is fifteen per cent of total available funding, divided in proportion to the actual number of award course completions by Indigenous students.

All figures used are the most recent available - this means the funding allocated in 2000 was calculated using 1999 statistics for EFTSU and 1998 statistics for other data. The difference is in line with normal reporting. At the end of each year the statistics for participation in that year, including EFTSU figures, are available. Because of the timing of the data collection, statistics on units or courses completed that year are not available until some time in the next year.

A form of negotiable cap was placed on numbers of EFTSU in enabling courses when this allocation formula commenced in 1999. Institutions which had more than 30% of total Indigenous EFTSU in enabling courses were expected either to make a convincing case to the Commonwealth that there were special circumstances which justified an exception or else to satisfy the Commonwealth with a plan for bringing the institution over time to within the 30% cap.

The maximum annual change in funding each year is set at 15%.

Allocations for Batchelor Institute of Indigenous Tertiary Education are separately determined as part of an agreement to maintain a total funding package for this institution at 1998 funding levels.

Issues Raised by the Commission Concerning Possible Needs Indicators

Indigenous access to, and participation, in higher education generally and in Indigenous specific programmes in particular.

Information is provided here on Indigenous participation in higher education generally. Indigenous Support funds are intended to support Indigenous students in whatever they are studying at university. Students do not participate in the programme as such.

Numbers of Indigenous students at individual institutions are shown at Appendix 3.

The annual publication, *Selected Higher Education Student Statistics*, contains selected tables relating to Indigenous students. However other information can be obtained on request. The following information is covered in *Selected Higher Education Student Statistics for 1999*.

- Commencing and all Indigenous students by broad field of study and level of course
- Indigenous students by State, Institution and Gender
- Award Course Completions for Indigenous students by broad field of study 1988 to 1998
- Award Course Completions for Indigenous Students by Level of Course, Broad Field of Study

Numbers of Indigenous students enrolled in higher education continue to increase and by 1999 there were over 8000 students in the sector. This represents 1.3 per cent of the non-overseas student population and, while an improvement, is still lower than might be expected given that Indigenous people comprise 1.7 per cent of the Australian community of the 15–64 year age group at the 1996 census.

The level at which Indigenous students in general were studying in 1999 remained at a lower level than non-Indigenous students, reflecting their continued disadvantage. Approximately 36 per cent were studying at Other Undergraduate and Enabling/Other Award levels compared with only about 4 per cent of all students; just under 10 per cent were studying at Higher Degree and

Other Postgraduate levels compared with 20 per cent of all students; and nearly 55 per cent at Bachelor Degree level compared with 76 per cent of all students. The percentage of Indigenous students at Bachelor Degree and Higher Degree levels increased slightly between 1996 and 1999; and at the same time numbers of Indigenous students Other Undergraduate and Enabling/Other Award levels decreased slightly.

While the percentage of Indigenous students completing award courses in higher education is still well below their proportion of the Australian community of the 15–64 year age group, improved performance is evident. Numbers of Indigenous students completing award courses in higher education increased from 863 in 1995 (or 0.55 per cent of all non-overseas completing students) to 1,142 in 1998 (or 0.84 per cent of all non-overseas completing students).

Performance indicators for Indigenous Higher Education address access, participation, success and retention. A table showing the indicators by institution, State and nation for 1999 is at Appendix 3, together with a description of these indicators taken from the Higher Education occasional paper “Equity in Higher Education.

The basis on which the Commonwealth allocates mainstream and Indigenous specific funding to higher education institutions

For information about the basis of mainstream allocations see “Funding Criteria for Mainstream Funding” above.

For information about the basis of allocations to Indigenous specific funding see “Funding Criteria for Indigenous Support Funding” above.

Funding for the Indigenous Higher Education Centres was determined as a budget measure in 1996 /1997. Universities to host Centres were selected through a tender process using an independent selection committee. Funds were paid to the host universities.

Funding for the Open Learning projects was also a budget decision. Institutions selected to undertake the projects were selected through tender process arranged by OLA. The Department is on the relevant steering committee.

Under the Indigenous Researcher Development Scheme, \$210,000 is available each year for projects of sufficient quality. Students apply to the ARC. Recommendations on the grantees are made by a reference group consisting of two members of the Research Grants and Fellowships Committee, and representatives from ATSIC, Indigenous researchers and Indigenous communities. Applicants need to have completed a research degree although in special cases, awards may be granted where applicants have equivalent research experience. Researchers are required to meet the normal financial accountability requirements and also to provide a report on the work undertaken. Where grants are for a period of more than one year, yearly progress reports are required as well as a final report.

Whether mainstream higher education programmes target Indigenous people – and if so, how much targeting is carried out.

It is the responsibility of each university to orient its resources, including specific Indigenous Support Funding from the Commonwealth, to meet the diverse range of educational needs of Indigenous people.

The specific funding programmes, the Indigenous Support Funding programme, allocated as part of higher education operating grants, and the Indigenous Researchers Development Scheme (now administered by the ARC) are intended to target Indigenous students.

The Indigenous Support Funding programme does not set targets to be achieved. Allocations are based on previous participation and performance. That is, the programme works through incentives rather than targets.

How the DETYA mainstream and Indigenous specific higher education programs relate to one another and to programs in the States

Indigenous Support Funding is allocated directly to institutions as part of the operating grants; institutions allocate both mainstream and Indigenous support funding according to their own needs and priorities.

In mainstream education, the Commonwealth and the States/Territories are working together to ensure the quality of education in higher education institutions.

Whilst the initiatives addressed by the Indigenous Support Funding flow to some extent from the Aboriginal Education Policy which was agreed by Commonwealth and States/Territories, there is no specific funding relationship between these governments for Indigenous higher education specific programmes.

FURTHER ASSISTANCE

The Department will provide all reasonable assistance to the Commission during the course of the Indigenous Funding Inquiry, including making available any relevant data held by the Department. We propose the most efficient way to respond to the Commission's ongoing needs would be for this to be handled at officer level. We suggest for any further information that initial contact be made with Lawrie Kupkee, A/g Director, Policy and Co-ordination Section, Indigenous Education Branch (telephone 6240 8062, email *lawrie.kupkee@detya.gov.au*).

Commonwealth Indigenous Education Schooling Programmes

ABSTUDY

ABSTUDY was introduced in 1969 as a special measure in response to the historical educational inequities experienced by Aboriginal and Torres Strait Islander peoples. ABSTUDY assists Aboriginal and Torres Strait Islander full-time secondary and tertiary students and some primary students by providing income support and other supplementary assistance tailored to their needs. Some supplementary benefits are also available to part-time, mature-aged secondary and to tertiary students.

The 1999-2000 Commonwealth Budget provided some \$166.7 million under ABSTUDY, including supplement loan expenditures, to assist over 50,000 Indigenous Australians.

To be eligible for ABSTUDY, applicants must be enrolled in and studying an approved secondary or tertiary course, or be living at home and enrolled in a primary school and aged 14 years or over at 1 January of the year of study. The amount of assistance received depends on the type of study being undertaken (primary, secondary or tertiary), the age of the applicant, the amount of parental, personal or partner's income and the personal circumstances of the applicant (whether the applicant needs to live away from home or is independent).

ABSTUDY provides a living allowance and a range of supplementary benefits. The living allowance component of ABSTUDY is income tested, based on personal income and income received by parents/guardians or partner. Where a student meets the ABSTUDY general eligibility criteria, income details must be provided to assess the level of assistance which a student may receive.

A student is not eligible for the ABSTUDY living allowance if receiving other government assistance for education, training or formal study, except if receiving certain pensions. Students undertaking full-time apprenticeships or traineeships in accordance with a training agreement are excluded from ABSTUDY assistance.

An approved ABSTUDY tertiary student may be eligible for one or more of the following allowances:

- Living Allowance (including the residential costs option)
- Pensioner Education Supplement
- Dependent Spouse Allowance
- Rent Assistance
- Incidentals Allowance
- Additional Incidentals Allowance
- Fares Allowance
- Away-from-base Assistance
- Supplement Loan
- Lawful Custody Allowance.

Indigenous Education Direct Assistance Programme (IEDA)

The Indigenous Education Direct Assistance programme, or IEDA, comprises three elements: the Aboriginal Tutorial Assistance Scheme (ATAS), the Vocational and Educational Guidance for Aboriginals Scheme (VEGAS) and the Aboriginal Student Support and Parent Awareness Programme (ASSPA). The 1999-2000 Commonwealth Budget provided some \$62.2 million for the Indigenous Education Direct Assistance programme.

Aboriginal Tutorial Assistance Scheme

Under the Aboriginal Tutorial Assistance Scheme (ATAS), Indigenous students may receive supplementary tutorial assistance and other kinds of study help. The aim of ATAS is to assist Indigenous students to achieve educational outcomes equal to those of other Australians.

Assistance is available to students from primary school to TAFE college and university, and other structured training programmes involving enrolment at educational institutions. To receive ATAS assistance, a student or trainee must be enrolled in formal study or an accredited training course. Assistance under ATAS is on an individual application basis with applications being assessed at the local level. In a total expenditure of \$32.1m for 1999, an estimated \$8.4m was provided for remote students and \$23.7m for non-remote students.

Vocational and Educational Guidance for Aboriginals Scheme

The Vocational and Educational Guidance for Aboriginals Scheme (VEGAS) funds activities to improve retention rates and develop informed further education, training and employment options. The scheme provides grants to sponsoring organisations to:

- conduct projects for Indigenous Australian school students and their parents;
- conduct projects for Indigenous Australian prisoners to foster positive attitudes towards participation in education and training; and
- provide information to assist Indigenous secondary school students and their parents to consider options available for further study or a career.

The programme is delivered through the network of Indigenous Education Units (IEUs) and National Office. Potential sponsors complete an application for funding which is evaluated against other applications and the programme guidelines. There were around 600 VEGAS projects funded in 1999 for a total expenditure in 1999 of \$7.5m. An estimated \$2.9m was provided for remote students and \$4.6m for non-remote students.

Aboriginal Student Support and Parent Awareness Programme

Under the Aboriginal Student Support and Parent Awareness (ASSPA) programme, the Commonwealth Government provides funding to school-based parent committees for a variety of pre school and school-based activities designed to enhance educational opportunities for Indigenous students in preschool, primary and secondary schools and to involve Indigenous parents in educational decision making processes. Around 3,800 committees were funded under this programme in 1999. In 1999, 38,019 remote Indigenous preschool, primary and secondary school students and 56,841 non-remote Indigenous preschool, primary and secondary school students participated in ASSPA. Expenditure for 1999 was \$18m.

Allocation of funding under the IEDA Programme

The annual appropriation for IEDA for 1999-2000 is around \$62.3 million. IEDA has three elements: the Aboriginal Tutorial Assistance Scheme (ATAS); the Aboriginal Student Support and Parent Awareness (ASSPA) programme; and, the Vocational and Educational Guidance for Aboriginals Scheme (VEGAS).

Funding for the three elements is as follows:

ATAS	\$35.2 million.
ASSPA	\$18.4 million
VEGAS	\$8.7 million

The primary factor used to allocate programme funds across States and the Northern Territory is total Indigenous enrolment numbers. Enrolment numbers are used as a defacto measure of need and a formula based approach is taken to the allocation of funds. Enrolment/client numbers are derived from the following sources:

- National Aboriginal and Torres Strait Islander Preschool Census
- National School Census
- Advisory Committee on Vocational Education and Training Statistics, and
- ABS Quarterly data on Indigenous persons in correctional institutions.

VEGAS

The VEGAS allocations for each State and the Northern Territory are calculated as follows:

- Total student numbers (final year primary + secondary + prisoners)

PLUS

- Total secondary students X an ASSPA remoteness factor (a loading based on the proportion of students covered by ASSPA Committees in the remote areas)

The sum of these is expressed as a percentage of the national total and then multiplied by the total State/Territory allocation available for VEGAS.

ASSPA

The ASSPA allocations for each State and the Northern Territory are calculated (assuming 100% student coverage) as follows:

- Total pre school and primary students X the ASSPA remoteness factor X relevant per capita rate

PLUS

- Total pre school and primary students X the non- remoteness factor X relevant per capita rate

PLUS

- Total secondary students X the ASSPA remoteness factor X relevant per capita rate

PLUS

- Total secondary students X the non- remoteness factor X relevant per capita rate

ATAS

From the national allocation for ATAS, funding for higher education institutions with nationally administered contracts is first deducted. Funding for these institutions is provided utilising a formula based approach related to student numbers.

The residual ATAS allocations for each State and the Northern Territory are then calculated as follows:

- Total eligible students (primary + secondary + VET + prisoners) X the ASSPA remoteness factor X an additional remoteness factor of 0.25 (reflecting the extra costs associated with Home work Centre running costs and tutor travel costs)

The resultant figure is expressed as a percentage of the national total and then multiplied by the total State/Territory allocation available for ATAS.

General

The resultant State/Territory allocations from the above exercise are discussed with the Department's State/Territory Offices to ascertain whether they are reasonable and achievable. Previous year's expenditure is also taken into account and some adjustments to the above formula generated allocations can eventuate. Allocations of the above three programme elements within States and the Northern Territory is left to the Department's State/Territory Offices. While some take a similar formula approach to the national allocation process others tend to allocate on the basis of previous expenditure patterns.

Indigenous Education Strategic Initiatives Programme (IESIP)

In 1996, in response to the recommendations of the national review of the AEP, the *Indigenous Education (Supplementary Assistance) Act 1989* was amended. These amendments restructured the then Aboriginal Education Strategic Initiatives Program. Since January 1997, the Indigenous Education Strategic Initiatives Programme (IESIP) has provided supplementary funding to education and training providers in the preschool, school and VET sectors to improve education outcomes for Indigenous students.

Most funding under the programme is provided as Supplementary Recurrent Assistance (SRA), although SRA funding is complemented by two other elements of IESIP. Transitional Project Assistance (TPA) maintains historical funding levels for a number of providers who otherwise would have been disadvantaged by the move to per-capita funding from 1 January 1997. The Strategic Results Projects (SRPs) element provided competitive submission based funding during 1998 and 1999 to demonstrate that significant and measurable improvements in education outcomes for Indigenous students can be made in a relatively short time by motivated personnel using effective practices. Funding is also made available to providers to assist Indigenous students for whom English is a second language (see below).

Education providers seeking recurrent financial assistance under this Programme need to satisfy the Commonwealth that they are:

- registered with the appropriate State or Territory authority;
- delivering a curriculum as recognised and accredited by the relevant State or Territory authority;
- a non-profit organisation and, if a non-government body, that they are incorporated;
- catering for a minimum of 20 Indigenous school or VET students, or 5 Indigenous preschool students.

An amount of \$129.9 million is available in 1999-2000 under IESIP across the preschools, schools and VET sectors. The majority of funding is provided under SRA and is based on an enrolment based per capita rate specified in the *Indigenous Education (Supplementary Assistance) Act 1989*, with additional loadings for geographically remote providers. The rates are shown in the table below:

Education Sector	Government Rate (\$)	Non-Government Rate (\$)
Preschool (remote)	600	2,000
Preschool (non-remote)	300	1,000
Primary School (remote)	600	2,000
Primary School (non-remote)	300	1,000
Junior Secondary (remote)	800	3,000
Junior Secondary (non-remote)	400	1,500
Senior Secondary (remote)	1,000	3,300
Senior Secondary (non-remote)	500	1,650
VET institution (remote)	1,000	3,300
VET institution (non-remote)	500	1,650

Under IESIP all education providers, including all State Governments, agreed to introduce a comprehensive set of performance indicators and targets to measure their achievements over the 1997-1999 triennium. (These arrangements are being extended into the year 2000). These performance indicators and targets are recorded in the Indigenous Education Agreements (IEAs), signed jointly by the education provider and the Commonwealth. The IEAs, and their associated progress and performance reports, along with performance monitoring group meetings and financial acquittals, are the providers' accountability mechanisms to the Commonwealth for funding received under IESIP.

IESIP providers cover Indigenous students in preschool, schooling and the vocational education and training (VET) sectors. Providers range from large government education systems to small community controlled preschools and independent Indigenous VET providers.

When IESIP was first introduced a performance monitoring and reporting system was developed to accompany the outcomes-oriented approach to IESIP. The system tracks providers' progress towards meeting their obligations under their IEAs and is used to monitor and report upon progress, at the individual provider and national levels, towards achieving equitable and appropriate outcomes for Indigenous students.

After the year 2000, funding will be extended for the period of 2001-2004 which becomes the new funding quadrennium for IESIP. For this new funding period an improved monitoring and reporting framework is being developed. This new framework will enhance the current IESIP performance monitoring and reporting system so as to provide a uniform approach to reporting and monitoring progress towards achieving equitable and appropriate outcomes for Indigenous students.

The following guidelines underpin the development of the new framework for the schooling sector:

- A more coordinated approach to setting performance indicators
- Common measures, definitions and methods of calculating and reporting the outcomes
- Minimising the reporting burden on education providers
- Wherever possible, aligning the monitoring and reporting framework with, and utilising, other developments at the national level, such as the National Literacy and Numeracy Benchmarking Project and the work of the National Education Performance Monitoring Taskforce.

English as a Second Language – Indigenous Language Speaking Students Programme (ESL-ILSS)

The Commonwealth recognises that the inability of Indigenous students to participate in basic schooling due to a lack of fluency in English is a fundamental impediment to their participation in the classroom and subsequently affects their ability to acquire literacy skills. While the provision of additional support for ESL skills and literacy is addressed under a number of programmes in schools, some students in remote areas are under a further disadvantage because they present for their first year of formal schooling speaking a language other than Standard Australian English and have had virtually no exposure to the English language. The English as a Second Language (ESL-ILSS) Programme has been developed to assist these Indigenous

students with the primary aim to address their initial difficulties through the provision of ESL intervention tuition at the most critical point of their schooling.

The ESL-ILSS Programme commenced in 1998 and assists Indigenous students commencing mainstream schooling to function at the most basic level in the classroom in English and participate in a meaningful way in classroom activities. The programme is tightly targeted to those students who have very limited exposure to, or use of, English in their communities and will be required to use the English language for the first time in a sustained manner. Each eligible student attracts a once only payment of \$3079. Funds are provided to the education authority responsible for the student's schooling. Funds are available for a wide range of development and support strategies which contribute to the student's ESL tuition.

In 1998, 2,398 Indigenous students were assisted under the ESL-ILSS programme to a value of \$7.3 million. Of these, 44 percent were located in Western Australia, 33 percent in the Northern Territory, 14.5 percent in Queensland, seven per cent in South Australia and 1.5 percent in New South Wales. The majority of the students were located in the public sector (89.5 percent), followed by the Catholic (6.5 percent) and the independent (4 percent) sectors. Statistics for 1999 are not yet available but are expected to be similar to 1998.

Commonwealth Vocational Education and Training Programmes

VET Programmes with Indigenous component

Infrastructure programme

Aboriginal and Torres Strait Islander Facilities

In 2000, the ANTA Ministerial Council allocated \$185m to the Infrastructure Programme, from the funds provided by the Commonwealth under the *Vocational Education and Training Funding Act 1992*. States and Territories also provide funding for infrastructure which is reflected in the Capital Development Plans provided to ANTA each year.

The main component of the Infrastructure Program relates to expenditure on major buildings and equipment. There are three smaller components which provide funding for Industry Based Skills Centres; Skills Centres for School Students; and Aboriginal and Torres Strait Islander Facilities.

For the three years 1996 to 1998, \$15 million was allocated under the Aboriginal and Torres Strait Islander Facilities component to improve training facilities for independently managed Aboriginal and Torres Strait Islander providers of VET. In 2000, \$4m has been allocated to this component.

The Infrastructure Programme and its three components were reviewed in 1999. The review of the Aboriginal and Torres Strait Islander Facilities element found that although funding was allocated quite early in the cycle, expenditure lagged well behind. In 2000, some funds remain unexpended. The Review also found that “there is a clear need for the continuation of programmes to assist improved VET outcomes for Aboriginal and Torres Strait Islander people” and recommended that such a programme should be guided by an overall strategy for delivery of VET to Aboriginal and Torres Strait Islander peoples.

New guidelines for the Aboriginal and Torres Strait Islander Facilities element of the Infrastructure Programme have been drafted. It is proposed that the criteria for assessing proposals include the extent to which the proposal enhances the total VET effort available for indigenous people in the area and whether the proposal relates to a rural and/or remote area.

Indigenous Youth Partnership Strategy

The Indigenous Youth Partnership Strategy addresses young Indigenous people’s relative disadvantage in education, training and employment. The strategy will involve a “whole of community” approach to promoting effective assistance and support for Indigenous youth to remain at or return to school, and to provide a reliable pathway from schooling to training and employment and on to independence. The programme compliments and forms part of the broader *National Indigenous English Literacy and Numeracy Strategy*.

Specific activities under this project will involve expansion of Indigenous students access to, and participation in VET, including part-time New Apprenticeships in schools and provision of tailored assistance and support to enhance Indigenous young people’s active participation in

education, training and employment and lifelong learning. Indigenous people will be actively involved in the decision making about project management and delivery.

It is proposed that the objectives of the project, which will also function as key performance indicators will be:

- improve the retention rate of Indigenous secondary students in Years 9 and beyond who are enrolled in registered schools and colleges;
- improve the transition of Indigenous young people from schooling to training and employment and on to independence, by addressing the relevant key elements of the National Indigenous English Literacy and Numeracy Strategy;
- establish strong relationships with, and develop networks between key school-industry-community stakeholders at the local and regional level;
- expand and nurture a range of “whole of community” models for stakeholder groups, utilising VET in Schools programs as a central feature to meet the transition needs of Indigenous young people;
- facilitate links at the local and regional level between other programmes supporting Indigenous school-to-work transition programmes;
- improve the quality and sustainability of Indigenous Youth Partnership Strategy projects over time;
- improve understanding through research of individual and community level support requirements in priority areas, such as decline in Indigenous participation in New Apprenticeships.

Small Business Professional Development Best Practice (SBPD) Programme

The aim of the Indigenous projects component of the SBPD Programme was to enable Aboriginal and Torres Strait Islander small businesses to select appropriate training and train their own staff. The projects also aimed to inform others, through action research, about the interface between Aboriginal and Torres Strait Islander small businesses and the vocational education and training system in order to better understand what types of support work best and why. Four indigenous SBPD projects were funded in 1999. An Indigenous Coordinator was appointed to assist organisations to develop project proposals and provide support to projects that receive funding from the SBPD Programme.

In general the SBPD Programme aims to develop innovative approaches to stimulate small business demand for quality professional development and encourage small business to develop a training culture. These approaches include the development of strategies for small businesses to participate in national training and to take on New Apprentices.

Commonwealth Programmes

Australian Student Traineeship Foundation

The Australian Student Traineeship Foundation (ASTF) is a Commonwealth-funded, independent industry-led body, responsible for supporting the expansion and enhancement of joint school-industry programmes. These programmes provide students in secondary schools with the opportunity to gain vocational competencies before they graduate from school. Indigenous young people are identified as a priority group in the funding arrangements for ASTF.

The ASTF provides a range of funding and other support to establish, expand and enhance school-industry programmes, including apprenticeships and traineeships for school students and the promotion of VET in Schools in primary industry and regional areas. Currently specific areas for ASTF funding include school-industry programmes, with two designated priority areas in 1999 and 2000 being Rural and Remote Communities and Indigenous Young People.

The ASTF is aiming to increase the relevance of school-industry programmes to industry, increase employer participation in programmes, expand school-based options for potential early leavers through vocational education programmes, and provide improved research and analysis of relevant issues. Within these aims, the ASTF takes account of the National Training Framework, existing State and Territory programmes, the needs of industry, government and non-government school sectors, and regional differences.

In November 1999 the Minister for Education, Training and Youth Affairs in Alice Springs launched WADU, a National Vocational Learning Strategy for Young Indigenous Australians, a word meaning 'together in partnership and trust' from the Kaurna People of Adelaide Plains in South Australia. WADU is a joint initiative of the ASTF and the Aboriginal and Torres Strait Islander People's Advisory Council to the Australian National Training Authority (ANTA).

Also between June and December 1999 a series of national, state and regional seminars were held throughout the country involving community groups, schools, training providers and industry to stimulate workplace learning opportunities for Indigenous young people.

The Australian Student Traineeship Foundation (ASTF) Aboriginal and Torres Strait Islander Strategy, operating together with WADU, aims to develop effective school/industry and community partnerships at the local level to further opportunities for Indigenous students to access and complete vocational education courses that incorporate structured workplace learning.

Through WADU, the ASTF provides funding for innovative national and demonstration projects to implement innovative workplace learning experiences for Indigenous secondary students. Eight (8) projects commenced in 1999 and a further six (6) have been funded in 2000. A resource guide will also be produced through the WADU projects for people wishing to put in place programs to support Indigenous students in their secondary schooling years and into jobs.

The Australian Student Traineeship Foundation has allocated a total of \$451,100 to date, to implement an Indigenous Specific WADU strategy as part of the VET in Schools programme.

New Apprenticeships Centres

New Apprenticeships Centres have been contracted by the Commonwealth to provide streamlined New Apprenticeships Support Services to employers and New Apprentices, including:

- providing information on New Apprenticeships;
- administering New Apprenticeships Support Services, including processing Commonwealth incentive payments;
- marketing and promoting New Apprenticeships; and

- working with State and Territory training authorities and other organisations to provide a streamlined service to employers and New Apprentices.

Performance indicators for New Apprenticeships Centres:

- commencements at milestone targets
- commencements within profiles
- increase in retention rates
- turn around time of Training Agreements
- accurate claims for payments
- targeted Regional Marketing
- promotion of endorsed Training Packages
- eighty per cent client satisfaction level

From 1 May 1998 to 30 November 1999, 60 New Apprenticeships Centres with over 200 sites were contracted for 200,000 commencements over the contract period. As at 30 November 1999, New Apprenticeships Centres had exceeded their targeted number of commencements by 42% (they achieved 280,000 commencements against an indicative target of 200,000 in the Entry Level Training Support Services contract).

The second round contract for the period 1 December 1999 to 30 November 2002 has 35 New Apprenticeships Centres with more than 300 outlets providing some 430,000 New Apprenticeships places. This includes an increase from 118 to 202 sites in rural and regional Australia.

Strategic Intervention Programme.

In 1996-97, \$200 million was allocated over 4 years for implementation of what was then called the Modern Australian Apprenticeship and Training System (MAATS announced by Dr Kemp in "Training for Real Jobs" in the 1996-97 Budget).

Funding was provided for a flexible allocation, the Strategic Intervention Programme (SIP) , to support implementation of the new system. The package was provided to respond to opportunities where the Commonwealth would have the most leverage to reform training and lift training volume.

New Apprenticeships Employer Incentives Programme

New Apprenticeships (which includes traineeships) employer incentives are aimed at improving the work skills and competitiveness of the Australian workforce by encouraging employers in the public, private or community sectors to offer ongoing employment and structured accredited training opportunities which will allow people to acquire or expand their working skills. Financial incentives are provided to employers to induce them to participate in structured training. Incentives for employers include commencement, progression and completion payments:

- to be eligible for a commencement incentive an employer must offer employment in an approved Certificate II, III or IV New Apprenticeship which is under a training

agreement registered with a State Training Authority and is conducted under the normal employer/employee relationship consistent with the legal requirements of the employer;

- employers are eligible for a progression incentive when a New Apprentice proceeds from Certificate level II training to Certificate level III or IV training. Employers who apply for a progression incentive must satisfy eligibility criteria including the need for a training agreement to be in place; and
- employers are eligible for a completion incentive when the New Apprentice successfully completes their accredited training and specified period of employment, received an industry recognised certificate of competency and, where relevant, is recognised as a trades person by the State or Territory Government.

The Commonwealth Department of Education, Training and Youth Affairs (DETYA) provides a 'start up' incentive payment of \$1250 for each apprentice or trainee employed, and a progression payment of \$1250 when a trainee progresses from Certificate Level II to III or IV or when an apprentice progresses from Year 2 to Year 3 of their apprenticeship. Recommencement payments of \$750 for employers (and \$500 for not-for-profit group training companies) who re-establish an out-of-trade apprentice are also available. Group Training Companies are also eligible to receive an additional \$1000 for each trainee they employ.

Assistance for New Apprentices with Disabilities

Incentives are also available under New Apprenticeships to employers of disabled New Apprentices. DETYA provides the assistance to eligible employers of disabled apprentices and trainees.

Living Away from Home Allowance

Financial assistance is also available to New Apprentices. The Living Away from Home Allowance has been established for first year New Apprentices who need to move away from their parental or legal guardian's residence to take up or remain in a New Apprenticeship. New Apprentices eligible for the allowance receive \$70.00 per week for twelve months from the date of first commencement.

Rural and Regional New Apprenticeships Incentive

In addition, the Government has introduced the Rural and Regional New Apprenticeship Incentive in January 1999 to build on the overall success of New Apprenticeships and boost training in rural and regional areas. The Government has committed \$51.4 million over 5 years from 1 January 1999 to support employers in rural and regional Australia to train New Apprentices in defined trades and occupations identified to be experiencing skill shortages in non-metropolitan areas. The Rural and Regional incentive provides an additional progression incentive of \$1,000 when an employer progresses a New Apprentice from Certificate II to Certificate III training.

The Rural and Regional New Apprenticeships Incentive is expected to assist 30,000 New Apprentices and strengthen the skills base in regional and rural Australia, thereby supporting local communities, business and regional jobs growth.

New Apprenticeships Access Programme

The New Apprenticeships Access Programme provides pre-apprenticeship and pre-traineeship assistance to people who are disadvantaged in the labour market and require preliminary training before they can successfully participate in a New Apprenticeship. Replacing the former Pre-Vocational Training Programme, the Access Programme came into operation on 1 January 1997.

Access Programme courses articulate directly into New Apprenticeships and are funded through State and Territory training authorities, private providers and Group Training Australia. Training course providers contract to place at least 50% of participants into a New Apprenticeship, and funding is granted on the provision that there is a real likelihood that the participant will attain an apprenticeship or traineeship as a result of the training provided.

Assistance under Access is available to clients who are disadvantaged in the labour market, including the long-term unemployed, early school leavers, Indigenous people, people with disabilities, people from non-English speaking backgrounds with literacy/numeracy difficulties, sole parents and people returning to the work force after a long period of absence as well as women seeking training for non-traditionally female.

New Apprenticeships through Group Training Expansion Programme

Additional Commonwealth support is also available to encourage the take up of additional New Apprentices by Group Training Companies. The New Apprenticeships Through Group Training Expansion Programme funds Group Training Companies prepared to recruit additional apprentices and trainees under the flexible arrangements made possible by New Apprenticeships. Projects under this programme need to demonstrate an innovative approach under the flexible arrangements made possible by New Apprenticeships. In 1999-2000, \$10.3 million is available for the programme.

Commonwealth Loan Guarantee Programme

Inadequate access to working capital was identified in the National Principles for Group Training as a constraint to growth. The Commonwealth Loan Guarantee Programme for Group Training Company Working Capital assists Group Training Companies to increase the number of New Apprentices they hire each year by improving their access to commercially sourced working capital loans and overdrafts. Group Training Companies are provided with access to Commonwealth loan/overdraft guarantees for loans or overdrafts valued at up to \$175,000 per borrower. Up to \$30 million in guarantees can be issued up to 30 June 2001. The Commonwealth Bank has agreed to participate in the programme.

The Workplace English Language and Literacy (WELL) Programme

The Workplace English Language and Literacy (WELL) Programme aims to provide workers with English language and literacy skills that are sufficient to enable them to meet the demands of their current and future employment and training needs. The Programme also funds resource development and will continue to encourage innovative and flexible methods of training, particularly those which integrate language and literacy skills into vocational training.

Expected to support some 300 projects, funding for the WELL programme is available from the Commonwealth through DETYA for training that is integrated with vocational training. Those eligible to apply for funding include:

- companies which are able to manage training or resource development;
- enterprises, including Government Business Enterprises;
- English language and literacy training providers;
- representative bodies such as Industry Training Advisory Bodies, employer groups and trade unions;
- local governments; or
- Registered Training Organisations.

In 1998/99, funding of \$11.8 million supported 340 projects at 420 work sites. The projects completed in 1998/99 reported some 22,000 trained. 4% of these trained under WELL were Indigenous Australians.

Participation of indigenous people in vocational education and training

As noted in the body of the text, representation of Indigenous people in vocational education and training programmes is higher than their representation in the Australian population as a whole, but despite this, participation of Indigenous people in VET remains disproportionately high in lower level programmes.

The number of Indigenous Students by age¹

Age (Years)	1996	1997	1998
14 and under	400	500	800
15-19	7,200	8,500	10,500
20-24	5,900	6,900	7,600
25-29	4,700	5,500	6,300
30-39	7,100	8,100	9,600
40-49	3,600	4,400	5,300
50-59	1,300	1,600	1,900
60-64	200	300	300
65 and over	200	200	200
Age not known	1,700	2,500	2,000
Total	32,300	38,500	44,500

Source: *Creating a sense of place: Indigenous people in VET*, pp. 98

The Labour Force Status of Indigenous Students and all Students, 1997:

	Capital Cities	Other Metro.	Rural	Remote	Outside Australia	Location not stated	All Indigenous Students	All Students
No. of Students								
Employed	3,900	800	5,800	3,600	*	100	14,100	737,600
Unemployed	2,600	700	4,600	1,600	*	*	9,600	213,100
Not in the labour force	2,200	400	3,100	1,200	*	*	7,000	154,800
Total	8,700	2,000	13,500	6,400	*	100	30,700	
Labour force status not known	2,000	200	1,800	3,500	*	300	7,800	430,600
Total Students	10,600	2,200	15,200	9,800	*	400	38,500	1535,200
Proportion of Students (%)								
Employed	44.7	41.9	42.8	55.8	Na	53.0	46.0	66.7
Unemployed	30.5	36.5	34.1	24.7	Na	17.9	31.2	19.3
Not in Labour Force	24.8	21.6	23.1	19.5	Na	29.1	22.8	14.0
Total(a)	100.0	100.0	100.0	100.0	Na	100.0	100.0	100.0

* Less than 50 persons.

Excludes those whose labour force status is not known

Source: National Centre for Vocational Education Research.

¹ Source: National Centre for Vocational Research published in Chris Robinson and Paul Hughes, 'Creating a sense of place: Indigenous peoples in vocational education and training', NCVET, 1999.

Indigenous Enrolments by field of study

The number of Indigenous students by field of study and percentage of all students (in 1998 only) by field of study enrolled in courses.

Field of Study	No. Indigenous			% of Total
	1996	1997	1998	1998
Land and marine resources, animal husbandry	2,900	3,300	4,100	5.9
Architecture and building	2,300	2,100	2,500	5.0
Arts, humanities and social sciences	4,200	5,300	6,500	6.7
Business, administration and economics	5,700	6,000	7,400	20.0
Education	900	1,400	1,800	2.3
Engineering and surveying	2,900	3,500	4,800	14.0
Health and community services	3,900	4,200	5,600	8.4
Law and legal studies	100	200	200	0.6
Sciences	800	1,100	1,200	7.0
Veterinary science and animal care	*	*	*	0.2
Services, hospitality and transportation	2,700	3,400	4,300	11.4
TAFE multi-field education	16,300	16,000	19,000	18.5
Net Total^(a)	32,300	39,000	44,800	100.0

* Less than 50 persons.

(a) The totals summed from each field of study exceed the total number of students because some students are enrolled in more than one field.

Source: Creating a sense of place: Indigenous people in VET, pp. 101-102

Vocational Education Outcomes:

Outcome	Indigenous Students (%)	All Students (%)
Module pass rate	48.9	59.2
Module fail rate	13.0	7.6
Module withdrawal rate	13.5	8.1
Continuous module enrolment rate	11.4	8.1
Net module pass rate	79.0	88.6
Module completion rate	66.0	79.8

Source: National Centre for Vocational Education Research

As can be seen from the table above, just under 50% of module enrolments by Indigenous students in 1998 resulted in a pass. This compares with a national pass rate for all module enrolments of just under 60%.

Indigenous VET students experienced higher failure rates than all VET students in 1998. The module fail rate. Some 13% of Indigenous module enrolments across the whole VET sector were assessed as a fail. The national module failure rate for all VET students was just under 8%.

Another important indicator of what happens to VET students is the module withdrawal rate. In 1998, the withdrawal rate for VET indigenous students was over 13%, where as it was only 9% for all VET students.

In summary the module pass rate now being achieved by indigenous students in VET is slightly lower than that achieved by all VET students. Although Indigenous failure rates are higher than

the national average, this is not the only reason why Indigenous pass rates are lower. The situation is only partly due to the fact that the Indigenous withdrawal rates are higher than for other students and because proportionally more indigenous students are continuing in their training program than are other students.

Geographic region of Indigenous students and all students

Indigenous VET students also comprise a much higher proportion of Australians enrolled in VET in remote regions. In 1996, 26 per cent of Indigenous VET students lived in remote regions, compared to three per cent of non-Indigenous VET students (NCVER 1998, p. 15).

Geographic region	Indigenous students			All students
	1996	1997	1998	1998
	No. of students			
Capital city ^(a)	9,100	10,600	12,800	855,500
Other metropolitan ^(b)	1,900	2,200	2,800	104,200
Rural ^(c)	12,700	15,300	17,200	442,000
Remote ^(d)	8,300	9,900	10,700	52,100
Outside Australia	*	*	*	15,600
Not stated	300	500	900	65,800
Total	32,300	38,500	44,400	1535,200
	Proportion of students (%)			
Capital city ^(a)	28.1	27.6	28.8	55.7
Other metropolitan ^(b)	6.0	5.8	6.4	6.8
Rural ^(c)	39.2	39.7	38.7	28.8
Remote ^(d)	25.7	25.7	24.1	3.4
Outside Australia	0.0	0.1	0.0	1.0
Not stated	0.9	1.2	1.9	4.3
Total	100.0	100.0	100.0	100.0

* Less than 50 persons.

(a) Capital cities are Sydney, Melbourne, Brisbane, Adelaide, Perth, Hobart, Darwin and Canberra.

(b) Other metropolitan refers to urban centres other than capital cities with 100 000 people or more.

(c) Rural is defined as centres of between 5000 and 990000.

(d) Remote are isolated communities of less than 5000 people.

Source: *Creating a sense of place: Indigenous people in VET*, p. 100

Indigenous persons and all persons employed in the provision of vocational education and training in Australia, 1996

Almost half of Indigenous employment in VET in Australia is in specialist Indigenous education worker positions. In contrast only 1.0% of total employment in the VET sector is in such positions.

Some 96% of total VET employment is in teacher and trainer positions. Indigenous people remain under-represented in such positions, with Indigenous VET teachers and trainers making up only half of all Indigenous employment in VET.

Occupation	Indigenous		All persons		Indigenous as a proportion of total (%)
	No. employed	Proportion of total employed (%)	No. employed	Proportion of total employed (%)	
Education managerial faculty or school head ^(a)	*	1.6	1,400	2.7	1.2
VET teacher	200	23.4	26,700	52.5	0.9
Training officer	300	28.5	22,200	43.7	1.3
Indigenous education worker	1,500	46.5	500	1.0	85.3
Total	2,000	100.0	50,800	100.0	1.9

* Fewer than 50 persons

(a) A breakdown of the number of persons employed in these positions by sector was not available. The NCVER has estimated that one-third of all employment in these positions was in the VET sector, and these estimates form the basis of the figures used in this report.

Source: Australian Bureau of Statistics 1996 Census of Population and Housing, *Creating a sense of place: Indigenous people in VET*, p. 46

Staffing levels in Indigenous/Aboriginal education units or facilities in TAFE institutes^(a)

The average staffing level of Indigenous education units was 21 staff with some 46% of staff in the units being Indigenous peoples.

Of these an average of 12 per staff were unit support staff (who may have also had some teaching or training responsibilities). Almost 60% of Indigenous education unit support staff were Indigenous peoples.

The remaining staff, averaging nine per Indigenous education unit, were teaching-only staff. In this case, however, only 30% were Indigenous peoples.

Type of staff	Average AEU staffing level per TAFE provider	Proportion of staff in AEU (%)
AEU support staff^(b)		
Indigenous	7	58
Non-Indigenous	5	42
Total support staff	12	100
AEU teaching only staff		
Indigenous	3	30
Non-Indigenous	6	70
Total support staff	9	100
Total AEU staff		
Indigenous	10	46
Non-Indigenous	11	54
Total support staff	21	100

(a) Only includes TAFE institutes that have an Indigenous structure

(b) Includes cases where an Indigenous faculty or school exists. The support staff category includes staff who may also do some teaching. The teaching category is teaching only.

Source: Yunggoendi First Nations Centre for Higher Education and Research, *Creating a sense of place: Indigenous people in VET*, p. 46

Proposed Key performance measures - Partners in a Learning Culture

OBJECTIVE 1: INCREASING INVOLVEMENT OF INDIGENOUS PEOPLES IN DECISION MAKING ABOUT POLICY, PLANNING, RESOURCES AND DELIVERY

Key performance measures

- Proportion of Indigenous people in employment at all levels of VET administration, including senior VET positions.
- Presence of Indigenous people in VET decision making and advisory roles.
- Public availability of information on the nature of VET decision making processes and Indigenous advisory mechanisms in each State/Territory.

OBJECTIVE 2: ACHIEVING VET OUTCOMES FOR INDIGENOUS PEOPLES EQUAL TO THOSE OF THE REST OF THE AUSTRALIAN COMMUNITY

Key performance measures

- Participation of Indigenous students in VET in schools.
- Participation of Indigenous students in VET as a proportion of Indigenous population and of all students.
- Participation in VET by level as a proportion of Indigenous population and of the total population.
- Module and training program completions and employment outcomes from VET.

OBJECTIVE 3: ACHIEVING INCREASED FLEXIBLE DELIVERY, INCLUDING USE OF INFORMATION TECHNOLOGY, FOR INDIGENOUS PEOPLE

Key performance measures

- Level of community-based and flexible delivered training for Indigenous peoples.
- Levels of access and outcomes for Indigenous people in information technology based industries.
- Levels of proficiency in information technology for work and life generally.
- Number and use of training programs customised and marketed for Indigenous people and communities.
- Availability of flexibly delivered training for Indigenous people in custody and juvenile justice facilities.

OBJECTIVE 4: DEVELOPING CLOSER LINKS BETWEEN VET OUTCOMES FOR INDIGENOUS PEOPLE AND INDUSTRY AND EMPLOYMENT

Key performance measures

- Indigenous commencements and completions in training, New Apprenticeships, and Group Training as a proportion of the Indigenous population and of all students/trainees/apprentices.
- Evidence that Training Packages incorporate Indigenous needs and Registered Training Organisations support culturally appropriate forms of delivery.
- Evidence that Indigenous people in the workforce have access to training

Appendix 3

Commonwealth Operating and Related Grants 2000

(Includes Indigenous support funding, research quantum funding and capital roll-in funding.)

<i>Institution</i>	<i>\$'000</i>
Australian Catholic University	63 460
Australian Maritime College	10 528
Australian National University	240 447
Batchelor Institute	9 374
Central Queensland University	70 128
Charles Sturt University	99 142
Curtin University of Technology	144 297
Deakin University	140 874
Edith Cowan University	109 872
Flinders University of South Australia	89 627
Griffith University	174 060
James Cook University	87 385
La Trobe University	164 799
Macquarie University	107 639
Monash University	277 606
Murdoch University	76 214
Northern Territory University	33 138
Queensland University of Technology	203 431
Royal Melbourne Institute of Technology	161 582
Southern Cross University	53 561
Swinburne University of Technology	60 744
University of Adelaide	135 404
University of Ballarat	32 583
University of Canberra	55 430
University of Melbourne	284 369
University of New England	83 333
University of New South Wales	237 868
University of Newcastle	142 326
University of Notre Dame	2 430
University of Queensland	283 284
University of South Australia	153 404
University of Southern Queensland	68 902
University of Sydney	310 626
University of Tasmania	107 218
University of Technology, Sydney	145 016
University of the Sunshine Coast	19 454
University of Western Australia	132 935
University of Western Sydney	195 601
University of Wollongong	94 591
Victoria University of Technology	103 067
Total	4 968 264

Indigenous Support Funding - 2000 Allocations

<i>Institution</i>	<i>\$'000</i>
Australian Catholic University	605
Australian Maritime College	50
Australian National University	315
Batchelor Institute (b)	1721
Central Queensland University	609
Charles Sturt University	775
Curtin University of Technology	1457
Deakin University	695
Edith Cowan University	2022
Flinders University of South Australia	236
Griffith University	847
James Cook University	1157
La Tribe University	169
Macquarie University	662
Monash University	392
Murdoch University	293
Northern Territory University	573
Queensland University of Technology	755
Royal Melbourne Institute of Technology	85
Southern Cross University	461
Swinburne University of Technology	101
University of Adelaide	381
University of Ballarat	62
University of Canberra	244
University of Melbourne	305
University of New England	453
University of New South Wales	335
University of Newcastle	699
University of Queensland	714
University of South Australia	752
University of Southern Queensland	332
University of Sydney	1051
University of Tasmania	685
University of Technology, Sydney	776
University of the Sunshine Coast	48
University of Western Australia	408
University of Western Sydney	1006
University of Wollongong	333
Victoria University of Technology	156
Total	22720

Numbers of students in 1999

<i>Institution</i>	<i>Indigenous</i>	<i>Non-Indigenous</i>
Australian Catholic University	219	9539
Australian Maritime College	*38	848
Australian National University	72	8464
Batchelor Institute	562	562
Central Queensland University	199	10 064
Charles Sturt University	296	21 029
Curtin University of Technology	457	17 912
Deakin University	266	23 571
Edith Cowan University	914	17 694
Flinders University of South Australia	101	10 402
Griffith University	264	20 062
James Cook University	386	9 336
La Trobe University	62	19 282
Macquarie University	281	18 184
Monash University	97	32 977
Murdoch University	108	8977
Northern Territory University	222	3996
Queensland University of Technology	240	26 847
Royal Melbourne Institute of Technology	19	22 114
Southern Cross University	169	8 629
Swinburne University of Technology	34	10 237
University of Adelaide	141	12 091
University of Ballarat	18	4 246
University of Canberra	87	7 992
University of Melbourne	91	29 056
University of New England	180	14 596
University of New South Wales	88	24 133
University of Newcastle	208	17 163
University of Notre Dame	33	108
University of Queensland	234	27 272
University of South Australia	322	21 319
University of Southern Queensland	148	12 682
University of Sydney	364	31 599
University of Tasmania	219	11 044
University of Technology, Sydney	243	20 838
University of the Sunshine Coast	15	2 377
University of Western Australia	116	11 848
University of Western Sydney	313	26 421
University of Wollongong	110	10 278
Victoria University of Technology	48	14 776
Total	8 001	603 156

* Numbers of students at AMC include students at VET level.

Performance indicators for 1999 - Indigenous

University	Access %	Participation	Success (1998)	Retention
Charles Sturt University	1.81	0.97	0.85	0.87
Macquarie University	1.94	1.04	0.87	0.83
Southern Cross University	2.87	1.32	0.78	0.71
University of New England	1.42	0.80	0.73	0.83
University of New South Wales	0.38	0.25	0.79	0.80
University of Newcastle	1.47	0.82	0.87	0.84
University of Sydney	1.85	0.77	0.91	0.85
University of Technology, Sydney	1.78	0.79	0.80	0.79
University of Western Sydney	1.12	0.81	0.92	1.00
University of Wollongong	1.09	0.72	0.85	0.91
Deakin University	1.16	2.50	0.76	0.90
La Trobe University	0.42	0.74	0.92	0.89
Monash University	0.31	0.69	0.80	0.78
Royal Melbourne Institute of Technology	0.11	0.20	0.85	0.77
Swinburne Uni of Technology	0.43	0.80	0.98	0.97
University of Ballarat	0.51	0.94	0.95	0.96
University of Melbourne	0.44	0.72	0.82	0.71
Victoria University of Technology	0.56	0.76	0.71	0.71
Central Queensland University	1.99	0.79	0.77	0.84
Griffith University	1.49	0.53	0.84	0.81
James Cook University	5.22	1.66	0.79	0.70
Queensland University of Technology	0.91	0.35	0.82	0.83
University of Queensland	1.06	0.35	0.88	0.93
University of Southern Queensland	1.36	0.44	0.54	0.61
University of Sunshine Coast ***	0.44	0.25	na	na
Curtin University of Technology	4.21	0.97	0.75	0.70
Edith Cowan University	6.85	2.06	0.55	0.67
Murdoch University	1.83	0.50	0.68	0.74
Notre Dame University (Broome Campus) ****	22.41	12.22	na	na
University of Western Australia	1.65	0.41	0.68	0.67
Flinders University of South Australia	1.31	0.75	0.75	0.83
University of Adelaide	1.78	0.90	0.62	0.70
University of South Australia	1.67	1.19	0.64	0.74
Australian Maritime College **	5.69	1.64	0.56	0.75
University of Tasmania	2.69	0.71	0.83	0.86
Northern Territory University	7.88	0.26	0.68	0.71
Australian National University	0.56	1.05	0.92	0.90
University of Canberra	1.38	1.32	0.76	0.69
Australian Catholic University	2.80	1.64	0.95	0.95
National	1.80	0.78	0.74	0.77

New South Wales	1.51	0.78	0.85	0.85
Victoria	0.48	1.00	0.80	0.82
Queensland	1.60	0.54	0.77	0.76
Western Australia	4.17	1.10	0.65	0.67
South Australia	1.62	0.98	0.65	0.73
Tasmania	3.07	0.78	0.82	0.87
Northern Territory	22.46	0.82	0.49	0.81
Australian Capital Territory	0.93	1.13	0.85	0.79

* Batchelor Institute of Indigenous Tertiary Education caters only for Indigenous students. As these performance indicators compare Indigenous students with other students, Batchelor Institute is not shown.

** Data for the Australian Maritime College includes Other Award students – these students are not studying at higher education level.

*** Until 1999, the performance data of the University of Sunshine Coast was included with that of the Queensland University of Technology.

*** The University of Notre Dame (Broome Campus) has only been required to collect data since 1999 when it first received operating grant moneys including an amount for Indigenous Support Funding.

Performance Indicators for Equity

(Taken from “Equity in Higher Education, Higher Education Division, 1999)

As advised above, the following indicators were developed in *Equity and General Performance Indicators in Higher Education* (Martin 1994).

Note that performance indicators imply a point of reference or relativity. A reference value is a population equivalence or broad equity objective for a group. The reference value for all the participation indicators is the percentage of the population, aged 15 to 64 belonging to the particular equity group. For example, for Indigenous people in this age group, the national reference value is 1.7, whereas the reference value for Victoria is only 0.4.

Access is interpreted as the provision of opportunities for commencing students from each of the equity groups. *Access indicators* show the number of commencing students in each equity group as a percentage of total commencing students.

Participation is the share that members of each equity group have of total student enrolments. *Participation indicators* show the proportion of each equity group’s participation in higher education as a *ratio* of what might be expected from each group’s share of the total 15–64 year-old population derived from census or other survey data.

Success is defined as student progress rate, which is the proportion of units passed within a year compared with the total units enrolled. *Success indicators* show the *ratio* of the student progress rate for each equity target group to the progress rate for all other students.

Retention is defined as the number of students who re-enrol at an institution in a given year, as a proportion of the students who were enrolled in the previous year, less those who completed their course. It provides a broad measure of retention, but does not count as retained in the

system those students who defer their study or who transfer successfully to another university. It is therefore a *measure of apparent retention* at the particular institution. *Retention indicators* show the *ratio* of each equity group's apparent retention to the apparent retention rate of all other students.

Caveats on Interpretation of the Data

The classifications of postcodes by both DPIE and the ABS are based on the 1991 census data and, therefore, do not cover changes or additions to postcode areas since that time. That said, the data provide a good indicator of the sector's overall performance in relation to the access, participation and educational performance of these groups at the aggregate level.

Comparisons between institutions and with State and national reference values may help some institutions to make judgements about their relative performance. It should be noted that reference values are not necessarily national targets, nor is it appropriate that they be used as institutional targets, at least in the short term. An institutional target would take account of characteristics such as the demographics of the community served and historical enrolment factors.

For access and participation, comparisons need to take account of differences in institutions' catchment areas. However, comparisons of success and retention between institutions and against the national average are usually valid.

The Australian Maritime College is a specialist institution with small enrolments and limited course offerings. It cannot be expected to have similar access and participation patterns to other institutions included in the tables in this report. For these reasons, care should be taken when interpreting its outcomes against the equity indicators.