

COMMONWEALTH GRANTS COMMISSION
INDIGENOUS FUNDING INQUIRY
FINAL SUBMISSION

From: Department of Education, Training and Youth Affairs

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DETYA RESPONSE TO DRAFT REPORT (DISCUSSION PAPER IFI 2000/2) OF COMMONWEALTH GRANTS COMMISSION INQUIRY INTO INDIGENOUS FUNDING

Introduction

The Department of Education, Training and Youth Affairs has a number of concerns regarding Discussion Paper IFI 2000/2, Draft Report of the Indigenous Funding Inquiry. The overall tone of the Draft Report is rather negative with regard to advancements made in Indigenous education and to the expenditure of commonwealth funding in Indigenous education. The Department has identified a number of apparent inadequacies in the current draft and recommends that action be taken to remedy this situation.

In summary, the Draft Report:

1. fails to adequately take on board the advice provided by this Department in both its written and oral submissions;
2. does not adequately acknowledge developments in Indigenous education;
3. makes apparently subjective findings and conclusions and fails to give due consideration to all points of view; and
4. does not provide a satisfactory way forward.

This paper outlines the Department's concerns in more detail.

Concern #1: Fails to adequately take on board the advice provided by DETYA

The Department's written and oral submissions have indicated the strong leadership role that the Commonwealth has and is taking to improve the educational outcomes of Aboriginal and Torres Strait peoples. The Department's submission outlined the five major elements of the Commonwealth's approach:

- symbolising the Government's resolve to accelerate the pace of change and make significant progress in closing the gap in learning outcomes through the National Indigenous English Literacy and Numeracy Strategy launched by the Prime Minister in March 2000;
- requiring 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;
- leveraging 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;
- confronting and resolving national policy and related issues, including the development of an enhanced mechanisms for national reporting, the development and implementation of high quality standards in education infrastructure and service delivery to Indigenous students, through MCEETYA; and
- linking the achievement of educational equality to the national reconciliation process.

In contrast, the Draft Report describes DETYA's role in Indigenous education as follows:

“From the Commonwealth’s perspective delivery of education is largely a ‘hands off’ process. It provides a national perspective on policy directions to improve Indigenous education outcomes and limited amounts of Indigenous specific funding. But it has little say on how its mainstream funds are spent and its targeted funding is small relative to mainstream funding.” (page xxiii)

“The Commonwealth has little capacity to improve the education outcomes of Indigenous people within current funding arrangements. To increase the prospect of improved outcomes in Indigenous education would require a greater commitment by the Commonwealth and States within education funding in recognition of the agreed objectives set to improve outcomes in Indigenous education. Indigenous involvement in education decision-making processes would be an effective means of addressing Indigenous education needs within existing resources”. (page xxiii)

Nevertheless the Inquiry was advised of work to progress the States Grants (Primary and Secondary Education Assistance) Act 2000 as part of leveraging 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. The States Grants (Primary and Secondary Education Assistance) Act 2000 was recently passed and includes accountability provisions in respect of government and non-government school authorities for the outcomes of all school students. The legislation includes specifying performance targets and measures on student outcomes. Effectively this legislation increases Commonwealth leverage and places outcome requirements on all school authorities, not just for the Commonwealth funds but for the resourcing also provided by government and non-government authorities from their own sources.

Concern #2: Does not adequately acknowledge developments in Indigenous education

The Draft Report oversimplifies the issues and fails to take into account what is actually happening. It is well recognised that there is now indisputable evidence of long-term improvement in many Indigenous socio-economic indicators and that these improvements have occurred through the concerted efforts of all quarters of Australian society.

In contrast, the Draft Report does not acknowledge the progress that has been made. For example, the report states that:

“The education system is failing to deliver the outcomes Indigenous people expect. Indigenous education outcomes are poor and are not improving fast enough” (page xxii) and *“current policies, practices and procedures are not delivering improvement”* (page 133).

Whilst significant ‘unfinished business’ remains, over the past 30 years a great deal of progress has been made in increasing the education levels of Indigenous Australians:

- participation in early childhood and primary schooling has improved dramatically;
- Year 12 retention rates have shifted from single digits to about 34.7% in 1999;

- the involvement of Indigenous parents and communities in education has increased, with over 3,800 parent committees in 1999 (run through the Aboriginal Student Support and Parent Awareness programme), covering about 108,000 Indigenous school and preschool students or about 91% of all eligible Indigenous preschool and school students;
- Indigenous participation in university courses has increased from under 100 people 30 years ago to about 8 000 in 1999; and
- the participation rates of Indigenous 15 to 24 year olds in vocational education and training have actually reached levels about the same as for other Australians.

The reality of the situation is that:

- there has been considerable progress to date to improve Indigenous educational achievements, for example in 1999, 66% of Indigenous students in Year 3 achieved the national standard in reading, compared to the situation in 1996 when less than 20% of year 3 students in the Indigenous sample met the reading standard;
- a considerable amount of work is being undertaken nationally to accelerate progress. The effort to improve Indigenous educational achievements is recognised by all education Ministers as an urgent national priority and further work is being undertaken to address a range of issues impeding the achievement of educational equality; and
- the National Indigenous English Literacy and Numeracy Strategy is building on a great wealth of evidence-based practice gained from a series of projects conducted in the last two years about accelerating the achievement of educational equality for Indigenous students and promoting stronger partnerships between the school and the local Indigenous community.

In addition, the data provided in Chapter 9 and Attachment D is problematic in that many of the tables are not adequately discussed or described.

Concern #3: Makes apparently subjective findings and conclusions and fails to give due consideration to all points of view

The Draft Report acknowledges some of the complexity of the issues involved in Indigenous education in the following statement: “*Indigenous education needs are compounded by health and housing needs, and overlaid by generations of social and economic disadvantage*”; yet, at the same time, the report ‘blames the education system’ for “*failing to deliver improving outcomes for Indigenous students*” (page 132). The latter is a gross over-simplification of the complex issues involved. Policies and programmes are developed and implemented by governments and education providers to improve education outcomes, however, the actual attainment of equitable educational outcomes does not simply depend on policies and programmes. Educational equality is impeded by poor health, housing and socio-economic disadvantage - issues which are outside the education portfolio.

The Draft Report calls for a review of the changes to ABSTUDY (page 139), which is based entirely on a report commissioned by ATSIC. While it is questionable whether the reference to ABSTUDY is within the Inquiry’s terms of reference, the Draft Report then proceeds to fail to refer to the government’s response to the ATSIC report, does not indicate that the government has not accepted the findings of the ATSIC report and does not give due consideration to these varying points of view. The changes to ABSTUDY for 2000 were to align benefits payable to Indigenous students with those payable to non-Indigenous students, unless the disadvantage addressed by the

benefit is unique to, or disproportionately concentrated upon, Indigenous students. ABSTUDY beneficiaries also gained access to Pharmaceutical, Rent Assistance and Remote Area Allowances.

In addition, the Draft Report makes inaccurate statements about how the changes to ABSTUDY affect students (pages 138-9, especially paragraph 83 (ii)) and how funds are distributed under IEDA (page 131). For example, claims that only 1000 young and single students would benefit are incorrect. The Inquiry was advised that to the end of September 2000, there was no discernable difference in the numbers assisted under ABSTUDY after the changes. In addition over 9,000 students are now receiving funding through the Rent Assistance and Remote Area Allowances that were previously unavailable to ABSTUDY students.

The Draft Report states that *“in general, Indigenous people appear to have little impact in decision-making in the education area”* (page 135). This statement is unsubstantiated and is made in spite of reference to a considerable array of community capacity building initiatives already underway. For example, ASSPA Committees were established in 1990 with the twin aims of improving educational outcomes and participation for Indigenous school students and increasing the participation of Indigenous parents in education decision-making. In 1999 there were 3,839 Committees, covering 108,000 Indigenous students or approximately 91% of all eligible Indigenous preschool and school students. The IEDA Review (October 2000) found the ASSPA Committees to be effective in achieving both their aims.

The Draft Report finds that:

“The Commonwealth has little capacity to improve the education outcomes of Indigenous people with current funding arrangements. To increase the prospect of improved outcomes in Indigenous education would require a greater commitment by the Commonwealth and States within education funding in recognition of the agreed objectives set to improve outcomes in Indigenous education. Indigenous involvement in education decision-making processes would be an effective means of addressing Indigenous education needs within existing resources.” (page 137)

This finding ignores the performance monitoring that has been part of the IESIP funding agreements since 1997, and ignores the involvement that Indigenous people have at both the school level through ASSPA Committees and the State/Territory level through Indigenous Education Consultative Committees, and as officials within education systems.

The passage of the *Indigenous Education (Targeted Assistance) Act 2000* put Indigenous funding on the same basis as funding for other schools, so that all programmes will operate on a quadrennial basis. In particular, the Act facilitates enhanced reporting of financial and performance information, and this information will be made available to the community through an annual report on Indigenous education. For the first time information on Indigenous education outcomes will be the focus of a single document.

The Draft Report states that *“there are inefficiencies in some of the existing funding processes. Schools often noted that there are large numbers of small grants and that these problems were frequently compounded by the short term nature of the grants”* (page xxiii).

Similarly on page 136, the Draft Report states that:

“Fragmented, inflexible and short term programs constitute an inefficient process which has obvious implications for longer term planning and incentives. It should be possible to still have suitable accountability requirements and rationalise the processes through

broadbanding payments, give local decisions makers the ability to use funds in a way that best suits their circumstances and provide longer periods of funding.

The Draft Report fails to point out that this is usually not a Commonwealth, but a State/Territory issue since Commonwealth funding arrangements are over 3 or 4 years.

Concern #4: Does not provide a satisfactory way forward

As part of the 'way forward', the Draft Report states that *'there is potential for changing Commonwealth own purpose outlays to include needs and outcome based parameters'* (page xvi). The Draft Report does not expand on this view in relation to education, especially in light of the outcomes-based approach to Commonwealth education funding.

The Draft Report calls for greater Indigenous involvement in decision making, accompanied by *"control over the funds necessary to provide the services"* (page xiii). Unfortunately it does not address the extremely important issues as to what 'control over the funds' actually means, nor how 'community control' is defined, nor to what extent people feel they currently have 'authority' to make decisions.

The Draft Report also proposes that *'one possible approach might involve Commonwealth Indigenous specific funds being allocated to State level Indigenous-controlled bodies that would be responsible for allocating the funds to regional or local service delivery processes...'* (page xvii). This proposal raises a number of questions including how the diversity of views among Indigenous people would be accommodated under this system, who would be responsible for ensuring these bodies gain the skills they need, and how is the performance of these bodies to be assessed.

Finally, the Inquiry's terms of reference call for a comparison of the needs of groups of Indigenous Australians relative to one another, which is at odds with the priority of improving Indigenous education nationally. The Commonwealth's goal is to achieve education outcomes for Indigenous students at levels comparable to those achieved by other young Australians – this means that the range and mean of Indigenous student performance scores in literacy and numeracy will be the same as that for the student population as a whole.