Indigenous Education (Targeted Assistance) Amendment Bill 2011

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Indigenous Education (Targeted Assistance) Amendment Bill 2011

Date introduced: 26 May 2011

House: House of Representatives

Portfolio: School Education, Early Childhood and Youth

Commencement: Royal Assent

Links: The links to the Bill, its Explanatory Memorandum and second reading speech can be found on the Bill’s home page, or through http://www.aph.gov.au/bills/. When Bills have been passed and have received Royal Assent, they become Acts, which can be found at the ComLaw website at http://www.comlaw.gov.au/.

Purpose

The Indigenous Education (Targeted Assistance) Amendment Bill 2011 (the Bill) proposes to amend the Indigenous Education (Targeted Assistance) Act 2000 (the IETA) as follows:

1. to extend funding, amounting to $133.5 million, for non-ABSTUDY payments for the calendar year 2013 (this funding will be available for expenditure until 30 June 2014). Non-ABSTUDY payments include funding for a number of Indigenous school programs. By extending this funding, the Bill will align the payment period under the IETA with other legislation and agreements which provide funding for school education. It is anticipated that this measure will consequently facilitate the implementation of any changes to Indigenous school education programs that may occur as a result of the Government’s Review of Funding for Schooling and

2. to reduce by $157.7 million, in net terms, the appropriations for non-ABSTUDY payments to fund other previously-agreed government policies and initiatives (the details of which are provided in the Key Issues section of this Bills Digest), and

The above-mentioned transfer of funding will include $3.38 million for the Batchelor Institute of Indigenous Education (the Batchelor Institute) for the years 2012 and 2013. This funding will be transferred to the Other Grants program under the Higher Education Support Act 2003 (the HESA). By doing so, all funding for the Batchelor Institute will be provided under the one Act. This measure will also, consequently, involve the amendment of the HESA.

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Background

The Bill does not provide for any new initiatives. Its purpose is to extend funding for existing programs under the IETA for a further year and reallocate some funds to other programs and initiatives.

The following background provides additional information which may be useful to the reader.

The Indigenous Education (Targeted Assistance) Act 2000

The IETA provides funding for a range of targeted programs, collectively known as non-ABSTUDY payments, to support the educational objectives for Indigenous students. These programs include the Sporting Chance Program, Parental and Community Engagement, the Indigenous Youth Leadership and Indigenous Youth Mobility programs, Community Festivals, Indigenous Education Ambassadors, literacy and numeracy programs, Indigenous Tutorial Assistance Schemes (tertiary and vocational education and training (VET) tuition) and ‘Mixed Mode’ Away-From-Base Assistance which supports the travel costs of Indigenous tertiary and VET students.²

Section 13 of the IETA also authorises ABSTUDY Away-From-Base payments to be made out of the Consolidated Revenue Fund.³

Addressing Indigenous disadvantage—the policy framework

In 2007 the Council of Australian Governments (COAG) agreed to six targets for ‘closing the gap’ between Indigenous and non-Indigenous Australians, including, in relation to educational achievement:

- to halve the gap in reading, writing and numeracy achievements for Indigenous children within a decade, and
- to halve the gap for Indigenous students in Year 12 attainment or equivalent attainment rates by 2020.⁴

These targets were formalised in the National Indigenous Reform Agreement (Closing the Gap), agreed to by COAG in October 2008.⁵ The Agreement is supported by a number of National

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3. For an explanation of ABSTUDY Away-From-Base payments, see: Ibid., pp. 29–49.

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Partnerships (NPs), including the education-related Indigenous Early Childhood Development NP and the Closing the Gap in the Northern Territory NP.\(^6\)

The newly updated *Aboriginal and Torres Strait Islander Education Action Plan 2010–2014*, endorsed by COAG in May 2011, commits Australian governments to 55 actions aimed at accelerating improvements in the outcomes of Aboriginal and Torres Strait Islander children and young people.\(^7\) These actions are linked to six ‘priority domains’: school readiness; engagement and connections; attendance; literacy and numeracy; leadership, quality teaching and workforce development; and pathways to ‘real’ post-school options.\(^8\)

**Educational achievement of Indigenous students**

**Literacy and numeracy**

The COAG target is to halve each of the 2008 gaps in Year 3, 5, 7 and 9 reading, writing and numeracy achievement between Indigenous and non-Indigenous students by 2018.

**National Assessment Program: reading and numeracy results, 2010 Indigenous and non-Indigenous students achieving at or above the national minimum standard in reading and numeracy (%)**

<table>
<thead>
<tr>
<th></th>
<th>Reading</th>
<th></th>
<th>Numeracy</th>
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<tr>
<td></td>
<td>Indigenous</td>
<td>Non-Indigenous</td>
<td>Indigenous</td>
<td>Non-Indigenous</td>
<td>All students</td>
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<tr>
<td>Year 3</td>
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<td>95.0</td>
<td>76.6</td>
<td>95.3</td>
<td>94.2</td>
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<tr>
<td>Year 5</td>
<td>66.2</td>
<td>92.7</td>
<td>71.4</td>
<td>95.0</td>
<td>93.6</td>
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<tr>
<td>Year 7</td>
<td>76.6</td>
<td>95.9</td>
<td>77.0</td>
<td>96.1</td>
<td>95.0</td>
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<tr>
<td>Year 9</td>
<td>64.2</td>
<td>92.2</td>
<td>70.4</td>
<td>94.3</td>
<td>93.1</td>
</tr>
</tbody>
</table>


The latest national literacy and numeracy assessment (NAPLAN) results indicate the significant gaps between Indigenous and non-Indigenous student achievement. These gaps widen for older students.

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8. Ibid.

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Indigenous students and for Indigenous students in regional and remote areas. In very remote areas, for example, only 43.9 per cent of Year 3 Indigenous students achieved at or above the national minimum standard in reading, compared to 90.1 per cent of non-Indigenous students.\(^9\) For Year 9 students, the achievement rates drop dramatically, with only 24.2 per cent of Indigenous students in very remote areas achieving at or above the national minimum standard in reading, compared to 85.2 per cent of non-Indigenous students in very remote areas.\(^10\)

The COAG Reform Council has warned that governments are not on track to achieve the target of halving the gap in literacy and numeracy achievement by 2018. From its analysis of the NAPLAN results, the Council reports:

- All States and the ACT met most of the indicative progress points on their trajectories towards halving the gap. The Northern Territory met half of its indicative progress points.
- Nationally, and in Queensland and Western Australia, there were significant improvements in the proportion of Indigenous students achieving at or above the national minimum standard in both Year 3 and Year 7 Reading.
- There were also significant improvements in the Northern Territory in Year 3 Reading and in South Australia in Year 7 Reading.
- Five out of eight jurisdictions—NSW, Queensland, Western Australia, Tasmania and the Northern Territory—did not meet their progress points for Year 9 Reading.
- 2010 results for NSW, Western Australia and Tasmania were significantly below the 2008 results in Year 9 Reading—by as much as 11 percentage points in NSW and Tasmania.
- There were no significant improvements in numeracy in any jurisdictions.\(^11\)

**Student attainment**

The COAG target is to halve, by 2020, the 2006 Year 12 or equivalent attainment rate gap between Indigenous and non-Indigenous 20–24 year olds.

In 2006, 47.4 per cent of Indigenous Australians aged between 20 and 24 had a Year 12 or equivalent qualification, compared to 83.8 per cent of non-Indigenous Australians in the same age group.\(^12\)

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Indigenous school retention rates are improving. The apparent retention rate from Year 7/8 to Year 12 improved from 40.1 per cent of Indigenous students in 2006 to 47.2 per cent in 2010. However, these rates remain significantly below that for non-Indigenous Australians. In 2010, the apparent retention rate from Year 7/8 to Year 12 was 79.4 per cent for non-Indigenous Australians.\(^{13}\)

**Financial implications**

The Explanatory Memorandum states that the total appropriation for the IETA in 2013 is included in the forward estimates and that, therefore, there is no financial impact.\(^{14}\)

The 2013 appropriations for non-ABSTUDY payments under the IETA amount to $133.5 million. The extension of the IETA for a further year also means that its authorisation for ABSTUDY Away-From-Base payments to be made out of the Consolidated Revenue Fund is also extended. Thus, as the Explanatory Memorandum states, the Bill ‘also provides $25.5 million for ABSTUDY Away From Base Payments’.\(^{15}\) The total of this funding and the appropriations for non-ABSTUDY payments is $159 million in 2013.

The Bill also proposes the transfer of $157.7 million from the appropriations for non-ABSTUDY payments for the period 1 January 2009 to 30 June 2013 to fund other government commitments and policies (see explanation in the Key Provisions section of this Bills Digest).

**Key provisions**

**Schedule 1—Amendment of the **Indigenous Education (Targeted Assistance)** Act 2000**

**Items 3 to 6** propose to amend subsection **14B(1)** of the IETA. This measure will reduce the appropriations for non-ABSTUDY payments for the period 1 January 2009 to 30 June 2013 by 12.

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15. Ibid.

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transferring $157.7 million, in net terms, to fund other Government programs and initiatives previously agreed to. This funding will be used to offset the cost of these programs as follows:16

- from 2011, $10.55 million from the IETA is provided as additional funding (approximately $5.4 million per annum) to support Aboriginal and Torres Strait Islander students from remote Indigenous communities attending non-government, non-remote boarding schools. This program is delivered under the Schools Assistance Act 2008, which provides funding for non-government schools.
- from 2009, the transfer of funding for the government components of the VET Supplementary Recurrent Assistance program and the Indigenous Tutorial Assistance Scheme – Vocational Education and Training Tuition (ITAS-VET), amounting to $82.25 million, to the National Agreement on Skills and Workforce Development.
- $80.7 million transferred to the Closing the Gap in the Northern Territory NP to fund additional teachers in the Northern Territory and the construction of teacher housing. This funding was originally appropriated in 2008 under the IETA to fund an additional 200 teachers in the Northern Territory17, and
- from 2012, the removal of $1.69 million annual funding, amounting to $3.38 million for the years 2012 and 2013, to the Other Grants component of the HESA. This funding was for the Batchelor Institute of Indigenous Tertiary Education’s annual allocation of funding under the Transitional Project Assistance – National Indigenous English Language and Numeracy Strategy. Presumably Batchelor Institute will access these funds through the Indigenous Support Program, which is one of the programs funded by the Other Grants appropriations.18 This measure will result in all funding for the Batchelor Institute being provided under the one Act.

The deductions listed above, which total $176.9 million, have been offset by increases in the appropriations for the Indigenous Youth Leadership Program and the Indigenous Youth Mobility Program. This accounts for the different amount to the Bill’s proposed reduction of non-ABSTUDY payments by $157.7 million.19

Item 7 proposes to extend the period of funding for non-ABSTUDY payments, by appropriating $133.5 million for the period 1 January 2013 to 30 June 2014.

16. DEEWR, email, 14 June 2011.
17. This funding was appropriated by the Indigenous Education (Targeted Assistance) Amendment (2008 Measures No. 1) Act 2008.

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Schedule 2—Amendment of the *Higher Education Support Act 2003*

As a consequence of the Bill’s proposed transfer of funding for the Batchelor Institute, *item 1* proposes to amend *subsection 41-45(1)* of the HESA by increasing the annual appropriations for Other Grants for 2012 and 2013 by $1.69 million per annum (a total of $3.38 million).

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