Indigenous Education Strategies

Department of Education, Science and Training

Canberra   ACT
23 April 2002

Dear Madam President
Dear Mr Speaker

The Australian National Audit Office has undertaken a performance audit
in the Department of Education, Science and Training in accordance with
the authority contained in the *Auditor-General Act 1997.* I present this
report of this audit, and the accompanying brochure, to the Parliament.
The report is titled *Indigenous Education Strategies.*

Following its tabling in Parliament, the report will be placed on the
Australian National Audit Office's Homepage—http://www.anao.gov.au.

Yours sincerely

P. J. Barrett
Auditor-General

The Honourable the President of the Senate
The Honourable the Speaker of the House of Representatives
Parliament House
Canberra   ACT

AUDITING FOR AUSTRALIA

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Abbreviations/Glossary

ABS	Australian Bureau of Statistics
AEP	National Aboriginal and Torres Strait Islander Education Policy
ANAO	Australian National Audit Office
ANTA	Australian National Training Authority
ASSPA	Aboriginal Student Support and Parent Awareness Programme
ATAS	Aboriginal Tutorial Assistance Scheme
ATSIC	Aboriginal and Torres Strait Islander Commission
CGC	Commonwealth Grants Commission
DEST	Department of Education, Science and Training (Administrative Arrangements changed during the course of the audit)
DETYA	Department of Education, Training and Youth Affairs (at the time the audit was undertaken)
ESL	English as a Second Language
ESL-ILSS	English as a Second Language—Indigenous Language Speaking Students
IEDA	Indigenous Education Direct Assistance
IESIP	Indigenous Education Strategic Initiatives Programme
MCEETYA	Ministerial Council on Education, Employment, Training and Youth Affairs
MERS	Monitoring, Evaluation and Reporting Section
NCVER	National Centre for Vocational Education Research Ltd
NIELNS	National Indigenous English Literacy and Numeracy Strategy
NTDE	Northern Territory Department of Education. As a result of the change in Government in late 2001, the Department is now the Department of Employment, Education and Training
OHS	Occupational Health and Safety
SRA	Supplementary Recurrent Assistance (per capita for Indigenous students)
TPA	Transitional Project Assistance
VEGAS	Vocational and Educational Guidance for Aboriginals Scheme
VET	Vocational Education and Training

Summary and Recommendations

Summary

Background

1. There are more than 3 million students in just over nine and a half thousand primary and secondary schools in Australia's eight states and territories. It is estimated that Indigenous students make up around 3.5 per cent of the Australian student population or 111 000 students.

2. In 1988 an Aboriginal Education Policy Task Force[1] concluded that '...Aborigines remain the most severely educationally disadvantaged people in Australia'. Recognising that the key to improving education lay in concerted, cooperative, long term strategies which involved all governments and Aboriginal peoples and Torres Strait Islanders themselves, the Task Force's recommendations included setting targets for participation in all sectors of education and adopting a national policy for the education of Aboriginal peoples and Torres Strait Islanders.

3. The results of the 1999 national literacy benchmark exercise showed that, across Australia, some 66 per cent of Indigenous students attained the national year three reading benchmark. This was some 20 percentage points below the figure for all Australian students. [2]

4. As part of its work related to Indigenous education, the Australian National Training Authority (ANTA) noted:

> Language remains an important part of Aboriginal and Torres Strait Islander cultures. Approximately 13 per cent of Indigenous Australians speak an Indigenous language at home (ABS 1996), a proportion which increases to about one third outside urban areas in Australia.[3]

> Strong ties to place, culture, land and family remain important to the present day Indigenous peoples, and in combination with social dislocation factors, have resulted in a population skewed towards particular regions and localities associated with traditional lands. For example 30.4 per cent of the Indigenous population reside in major urban areas compared with 62.7 per cent of the total Australian population.[4]

5. To improve educational outcomes for Indigenous Australians, two main forms of supplementary assistance administered by the Commonwealth, namely

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1   In 1988 the Commonwealth established an Aboriginal Education Policy Task Force (chaired by Paul Hughes) to draw together the main findings of numerous reports.

2   DETYA *Annual Report, 1999–2000*, p. 28.

3   Australian National Training Authority, *National Strategy–Partners in a Learning Culture*;, p. 12.

4   Australian National Training Authority, *National Strategy–Partners in a Learning Culture*;, p. 13.

the Indigenous Education Strategic Initiatives Programme (IESIP) and the Indigenous Education Direct Assistance programmes (IEDA), are currently available.

6.   Until November 2001, the Commonwealth department responsible for administering assistance to Indigenous education was the Department of Education, Training and Youth Affairs (DETYA). As a result of changes to the Administrative Arrangements in November 2001, DETYA was renamed the Department of Education, Science and Training (DEST). Where the text of this report comments on actions or proposed actions, which occurred or were proposed by DETYA, our report makes reference to that department. However, our recommendations and suggestions regarding future actions are directed to DEST.

Indigenous Education Strategic Initiatives Programme

7.   Under IESIP, the Commonwealth provides funding to education providers, which includes state departments, catholic and other private providers and small independent Indigenous schools in remote areas. The funding covers: preschool, school, higher education and vocational education and training sectors; funding for teaching English to some Indigenous students for whom English is a second language; away from base funding for travel and accommodation costs for certain students participating in compulsory course activities; and funding for special projects. IESIP was first introduced in 1990 and has been present in a number of forms since then. In 1997, IESIP moved away from submission based funding to per capita funding for all Indigenous students. At the same time, performance indicators and targets were introduced to the agreements with providers for the first time.

8.   Current financial assistance to education providers generally falls under the umbrella of the *Indigenous Education (Targeted Assistance) Act 2000* (the Act) which was introduced in December 2000 to facilitate the implementation of initiatives for Indigenous education, including to improve literacy, numeracy and attendance outcomes for Indigenous students. The Act sets out a funding regime for the period 2001 to 2004.

9.   The Act also sets out the detailed objectives that are to be pursued, the strategies to be adopted, provisions regarding agreements and appropriations, and a requirement for a detailed report (containing information supplied by providers) to be made to Parliament after each funding year. In summary the objectives of the Act are:

•   increasing involvement of Indigenous people in educational decisions;

•   equal access to education by Indigenous people;

•   equity of participation by Indigenous people in education; and

- equitable and appropriate educational outcomes for Indigenous people, including the development of culturally appropriate education services for Indigenous people.

10. The agreements between the Commonwealth and education providers under this legislation are commonly referred to as the Indigenous Education Strategic Initiatives Programme (IESIP) agreements. Expenditure under IESIP in 2000–2001 was approximately $150 million.

Programme Outcomes 1997 to 2000

11. For the quadrennium 1997 to 2000 overall performance is considered to have improved slowly, although the gap between the performance of Indigenous and non-Indigenous students is considered substantial in national terms[5] when considered in the context of the objects of the *Indigenous Education (Targeted Assistance) Act 2000[6].* Aggregate reporting by the states and territories of Indigenous education outcomes fails to reveal where performance in specific regions is well below that of the remainder of the jurisdiction. In addition, performance in general terms of remote students in the Northern Territory appears to be some eight to 10 times worse than the lowest performing region in Western Australia[7].

Commonwealth approach to IESIP for the 2001 to 2004 quadrennium

12. In August 1999, the Government indicated that, in the past, there had been a necessary emphasis on access and participation, but an insufficient focus on achieving educational outcomes. The Government also indicated that it regarded as unacceptable the continuance of significant educational inequality among different groups of Australians. The then Minister for Education, Training and Youth Affairs indicated that tools are available to markedly accelerate the achievement of educational equality over the next five years, in particular for younger students and new entrants to the education and training process.

13. The Minister indicated that state and territory ministers had agreed that every Australian child would be assessed against an agreed set of performance standards and that jurisdictions would report those results from year to year. The Commonwealth has sought to ensure that targets established under the

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[5] DETYA *Annual Report, 1999–2000*, p. 28, and refer to paragraphs 1.25 to 1.28.

[6] Section 5 of the Act includes:
'It is an object of this Act to achieve equitable and appropriate educational outcomes for Indigenous people by:..
(b) arrangements enabling Indigenous children to attain, through compulsory primary and secondary education, commensurate skills and standards of skills as those attained by other Australian children...'

[7] Refer to paragraphs 7.3 to 7.8.

performance framework were such that there was significant and measurable progress towards closing the gap between Indigenous and non-Indigenous educational outcomes.

Indigenous Education Direct Assistance

14. In addition to IESIP, the Commonwealth funds a number of direct assistance measures including the following:[8]

- Aboriginal Student Support and Parent Awareness (ASSPA) Programme ($19.8 million);

- Aboriginal Tutorial Assistance Scheme (ATAS) ($38.3 million); and

- Vocational and Educational Guidance for Aboriginals Scheme (VEGAS) ($5.5 million).

15. These elements, which comprise the IEDA programme, are characterised by a relatively large number of individual payments to tutors and providers.

Objective and scope of the audit

16. The objective of the audit was to assess whether the department had efficiently and effectively managed the development and implementation of the IESIP agreements for the 2001 to 2004 quadrennium.

17. The audit focus was primarily on the department. However, because the role of the department is to influence change in the approach that state, territory and non-government providers take in the education of Indigenous students, there was also a need to consult widely with those other organisations. The audit included discussions with both the Aboriginal and Torres Strait Islander Commission (ATSIC) and the Australian National Training Authority (ANTA) to ascertain their views on the role carried out by the department.

18. The audit did not include within its scope the Aboriginal Study Assistance Scheme (ABSTUDY), which is administered by Centrelink and is directed at providing support for individual students. It is not part of IESIP.

Audit criteria

19. To assist in forming an opinion, the ANAO developed suitable criteria to assess the administrative processes that the department had applied in the development of new IESIP agreements and for the ongoing management of existing agreements. These criteria were whether:

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8   These amounts are estimated expenditure in 2001–2002.

- the department had in place appropriate plans and strategies related to the development and negotiation of IESIP agreements for the 2001 to 2004 quadrennium;

- the performance framework related to the agreements is appropriate to support the improvement of Indigenous education outcomes and properly reflects the decisions of the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA);

- the National Indigenous English Literacy and Numeracy Strategy (NIELNS) proposals had been developed and assessed in a manner that is open, equitable and consistent, and that chosen initiatives could be expected to effectively accelerate the improvement of Indigenous education outcomes;

- the monitoring and reporting arrangements under IESIP are efficient and effective in promoting improved Indigenous education outcomes; and

- the department's staff resources related to direct assistance programmes effectively support the management of IESIP agreements.

Overall conclusion

20. The department has a major task in seeking to make the significant improvements that are required in the educational outcomes of Indigenous students through agreements with the states, territories and other providers. The prime challenges arise from the extent of the gap between the educational outcomes of Indigenous and non-Indigenous students. In addition, at the time the new IESIP agreements were being negotiated, there were tensions present between the Commonwealth and state/territory providers associated with the introduction of a performance framework under the States Grants arrangements for mainstream school funding.

21. In order to achieve the efficient and effective implementation of IESIP agreements for the 2001–2004 quadrennium, DETYA had put in place the types of plans that would normally be expected to be used for that purpose. However, implementation timing expected with these plans was not met. Finalising agreements took much longer than the department had anticipated, with many of the agreements with larger providers not being completed until June 2001, mid-way through the first year of the quadrennium.

22. The delays in signing the 2001–2004 agreements with a number of providers adversely affected the efficiency and effectiveness of the implementation process. There is scope to improve the efficiency and effectiveness of future IESIP agreement negotiation processes through a more

comprehensive risk assessment and preparatory consultations with providers on the terms and conditions of agreements, including the approach taken to the setting of targets.

23.   The ANAO also concluded that:

- the performance indicators that are key to the reporting under IESIP agreements are considered to be appropriate;

- for any future initiatives similar to NIELNS, the accountability weaknesses identified in the assessment and moderation of NIELNS initiatives should be addressed. This would improve the integrity of any selection process and the confidence of stakeholders; and

- the department has a comprehensive monitoring program in place with providers which, in the main, is efficient and effective.

Department of Education, Science and Training response

24.   In its overall conclusion, the ANAO recognised the challenges that faced the Commonwealth in negotiating agreements for the provision of funding under the *Indigenous Education (Targeted Assistance) Act 2000* for the 2001–2004 funding quadrennium.

25.   The Commonwealth was of the view that there had been insufficient progress by education providers in achieving equitable educational outcomes for Indigenous Australians. Through the Ministerial Council on Education, Employment, Training and Youth Affairs, Ministers agreed to the need to accelerate progress to achieve educational equality for Indigenous Australians.

26.   With the agreement of the then Minister for Education, Training and Youth Affairs, the department adopted an approach in negotiating the agreements to encourage education providers to commit to stretched performance targets that would contribute to significant and measurable progress in closing the gap between Indigenous and non-Indigenous educational outcomes.

27.   The ANAO has recognised that the task of negotiating the Indigenous Education Agreements was made more difficult by the introduction of a performance framework to leverage mainstream education funding under the *State Grants (Primary and Secondary Education Assistance) Act 2000*.

28.   While these strategic initiatives presented significant challenges both in terms of the time frame available and the complexity of negotiating and concluding agreements with the States and Territories, all agreements contain performance targets which meet the objective of heightening the expectations of education providers of the level of improvement that can be achieved for Indigenous Australians.

29.   The department appreciates that there may have been better ways to manage the process and welcomes the opportunity provided by the audit report to improve, in the future, the processes employed by the department to achieve the Government's objectives in Indigenous education.

30.   Key findings follow.

Key Findings

Planning and negotiation of IESIP agreements for the 2001 to 2004 quadrennium

31.   The department had in place the types of plans that would normally be expected to be used for the implementation of new IESIP agreements for the 2001 to 2004 quadrennium. However, the timetable for implementation was not met, with many agreements with major providers being signed some six months into the 2001 school year. Factors that had an influence on this timing included: the introduction for the first time of performance reporting under the States Grants arrangements for general school funding; a lack of a comprehensive risk assessment; and insufficient preparatory consultations. Ultimately, all IESIP agreements were entered into during 2001, with the final agreement being signed in October 2001.

32.   The difficulties in negotiating a number of agreements have also adversely affected the level of trust and sense of shared ownership of some providers with the Commonwealth. Because of the concerns that some providers have expressed following the negotiation process, it will be important that, as part of the monitoring process under the agreement, opportunities are taken to make clear to providers how performance against targets under the agreement is to be approached.

33.   The ANAO has proposed a number of measures for the department to consider when negotiating future agreements, including a more comprehensive assessment of risks to the negotiation process, and consultation with providers on the terms and conditions of agreements and the approach taken to the setting of targets.

Performance indicators related to IESIP agreements

34.   Overall, the performance indicators that are included in the IESIP agreements are appropriate, given the priority areas for reporting that had been set down by MCEETYA. These indicators were formulated following considerable consultation with providers and their representatives, and are along the lines of accountability measures used within overseas education systems dealing with similar issues.

35.   The ANAO considers that the performance information available to the department could usefully be supplemented by selected evaluation studies carried out over the course of the quadrennium. These studies should form part

of an overall evaluation strategy for IESIP. Such evaluations would help inform the department about the success of particular initiatives and provide additional information for inclusion in the department's annual reporting to Parliament under the Indigenous Education legislation.

National Indigenous English Literacy and Numeracy Strategy

36. The ANAO notes that the department undertook a comprehensive review of the NIELNS implementation plans against the points agreed to by MCEETYA Ministers.

37. In respect of the individual NIELNS initiatives proposed for additional Commonwealth funding, there were identified weaknesses in the extent of written evidence available in support of particular assessments. The ANAO considers that it would be better practice: to provide the assessment criteria to providers; for initiatives to be framed in the light of those criteria; for written assessments to be undertaken for each initiative against the various criteria; and for there to be a consistent approach in forming the overall assessment for each initiative.

38. Where the department chooses to apply a moderation process to this assessment of initiatives, the ANAO considers that it would be appropriate for that process to be properly planned and documented, possibly with the involvement of an independent expert panel.

39. The accountability weaknesses identified in the audit should be addressed to improve the integrity of the selection process and the confidence of stakeholders for any future initiatives of this type.

Longer term implications of former Transitional Project Assistance funding becoming part of NIELNS

40. The continued operation of some small independent schools and preschools with substantial numbers of indigenous students has been very reliant on particular forms of Commonwealth assistance. This was through temporary extensions of Transitional Project Assistance in 2000, and for the current quadrennium through NIELNS funding that is to end in 2004. Temporary funding of various types has been provided to these bodies on three occasions. The ongoing funding situation of these providers should be examined and a comprehensive basis for their future funding arrangements developed before the conclusion of the current quadrennium.

Monitoring and reporting

41.   The department has been undertaking a comprehensive monitoring and reporting process in relation to its Indigenous Education Agreements with providers. The state/territory offices have in place appropriate arrangements to ensure that progress reports are submitted and that monitoring meetings occur as scheduled. The feedback reports compiled by the department give constructive feedback to the providers on their performance in the previous year. However, a number of providers commented that the timing of the monitoring meetings was not optimal. Some providers indicated that they encountered considerable difficulty in completing progress reports (required prior to meetings) because the information to complete the report properly was not available at the time.

42.   The ANAO considers that, as it is critical for there to be effective joint accountability arrangements with providers, there is scope for improvements to be made in the timing of monitoring meetings, the focus of matters covered in those meetings and progress reports, and the recording of the matters arising from the monitoring meetings.

Integrating the delivery of the IEDA and IESIP programmes

43.   The ANAO noted that the department has a strategy in place for better integrating the delivery of its IESIP and IEDA programmes. Given the wide geographical spread of educational service delivery, it is important that the majority of state/territory office staff are skilled appropriately to play constructive roles in IESIP and NIELNS administration, as well as in the IEDA programme. The results of a survey undertaken by the ANAO indicate that the current skills and experience of staff in some locations are not fully appropriate to the integrated service delivery model.

44.   The ANAO found that the Indigenous Education Branch was engaging the management of state/territory offices to improve the integration of IESIP and IEDA, and exploring the scope to change the staffing mix in its state/territory offices to provide an appropriate level of resources to the integrated service delivery model.

Northern Territory Indigenous education

45.   In respect of Indigenous education in remote areas of the Northern Territory, performance data indicates that the Commonwealth's previous IESIP funding agreements have not been effective in ensuring that there has been real progress in improving the educational outcomes of Indigenous students. The

Commonwealth's options in addressing this situation are restricted because it is reliant on the principal Northern Territory provider, the Northern Territory Department of Education. The ANAO noted that a Northern Territory Government Parliamentary Statement of October 2001 drew attention to the Territory Government's commitment to implement changes based on an earlier review of Indigenous education in the Territory. That Statement provides an opportunity for the department to work with the Northern Territory Department of Education to address the low levels of educational outcomes of Indigenous students in remote areas of the Northern Territory.

Recommendations

Recommendation No.1 Para. 2.18

In relation to any future negotiation of agreements with education providers, the ANAO recommends that, as part of DEST's normal overall planning and risk assessments, there be planned involvement of:

(a) senior officers in risk assessment that would allow for the identification of key strategic risks to the timely negotiation of appropriate agreements; and

(b) education providers (or their representatives) before the negotiations begin to allow their input, particularly on proposed terms and conditions of agreements and the approach to the setting of targets, as well as in determining performance indicators and administrative guidelines for the agreements.

DEST response: Agreed.

Recommendation No.2 Para. 3.23

The ANAO recommends that DEST supplements the information available through the performance information supplied by education providers by establishing a strategic evaluation framework for IESIP to be conducted for the 2001 to 2004 quadrennium.

DEST response: Agreed.

Recommendation No.3 Para. 4.26

As part of its formal planning and assessment approaches for future special initiatives and to ensure transparency and consistency, the ANAO recommends that DEST should:

(a) develop appropriate assessment criteria that initiatives should address;

(b) formalise written assessments by the department that are appropriately evidenced against the criteria;

(c) adopt a standardised approach to aggregating the assessments against specific criteria for each initiative to reach a recommendation; and

(d) formalise a suitable moderation process.

DEST response: Agreed.

Recommendation No.4 Para. 4.37

In preparation for the consideration of IESIP funding for small independent schools and preschools in the next quadrennium, the ANAO recommends that DEST develops sound, long term funding options for these providers that are appropriate to the government's objectives and the ongoing viability of these providers.

DEST response: Agreed.

Recommendation No.5 Para. 5.18

The ANAO recommends that as part of its joint accountability arrangements with education providers, DEST improves the outcomes of monitoring meetings, by having:

(a) meetings coincide with the availability of performance data where practical;

(b) as one focus of meetings the specific strategies being used to make improvements, including their impact;

(c) as the key objective of the progress reports, to update actual data that providers have, as well as advising their progress with strategies designed to remedy known weaknesses; and

(d) the timely promulgation of an agreed record of the key matters discussed at the meeting and any actions agreed to by the provider, as well as any actions agreed to by DEST.

DEST response: Agreed.

Recommendation No.6 Para. 7.13

Building on the Northern Territory Government's recent Parliamentary Statements, the ANAO recommends that DEST works with the Northern Territory Department of Education to help address the low levels of educational outcomes of Indigenous students in remote areas of the Territory.

DEST response: Agreed.

Audit Findings and Conclusions

1. Introduction

This chapter provides some context and background regarding the delivery of Indigenous education assistance, and outlines the objective and scope of the audit and how it was conducted.

Background

1.1   There are more than 3 million students in just over nine and a half thousand primary and secondary schools in Australia's eight states and territories. It is estimated that Indigenous students make up around 3.5 per cent of the Australian student population or 111 000 students.

1.2   In 1988, an Aboriginal Education Policy Task Force[9] concluded that '...Aborigines remain the most severely educationally disadvantaged people in Australia.' Recognising that the key to improving education lay in concerted, cooperative, long term strategies which involved all governments and Aboriginal peoples and Torres Strait Islanders themselves, the Task Force's recommendations included setting targets for participation in all sectors of education and adopting a national policy for the education of Aboriginal peoples and Torres Strait Islanders,

1.3   The results of the 1999 national literacy benchmark exercise showed that, across Australia, some 66 per cent of Indigenous students attained the national year three reading benchmark. This was some 20 percentage points below the figure for all Australian students.[10]

1.4   Until November 2001, the Commonwealth department responsible for administering assistance to Indigenous education was the Department of Education, Training and Youth Affairs (DETYA). As a result of changes to the Administrative Arrangements in November 2001, DETYA was renamed the Department of Education, Science and Training (DEST). Where the text of this report comments on actions or proposed actions, which occurred or were proposed by DETYA, our report makes reference to that department. However, the recommendations and suggestions regarding future actions are directed to DEST.

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[9]   In 1988 the Commonwealth established an Aboriginal Education Policy Task Force (chaired by Paul Hughes) to draw together the main findings of numerous reports.

[10]   DETYA *Annual Report, 1999–2000,* p. 28.

Factors affecting educational outcomes for Indigenous students

1.5   There are a number of important factors affecting Indigenous education that have an impact on measured improvements in Indigenous education, particularly English literacy and numeracy levels. As part of its work related to Indigenous education, the Australian National Training Authority (ANTA) noted:

> Language remains an important part of Aboriginal and Torres Strait Islander cultures. Approximately 13 per cent of Indigenous Australians speak an Indigenous language at home (ABS 1996), a proportion which increases to about one third outside urban areas in Australia.[11]

> Strong ties to place, culture, land and family remain important to the present day Indigenous peoples, and in combination with social dislocation factors, have resulted in a population skewed towards particular regions and localities associated with traditional lands. For example 30.4 per cent of the Indigenous population reside in major urban areas compared with 62.7 per cent of the total Australian population.[12]

> Indigenous people have recorded higher rates of both recent and long term illness, with reported conditions including asthma, diabetes and heart problems. .... the life expectancies of Indigenous males and females are nearly 20 years less than those recorded for the total Australian population.[13]

1.6   In relation to the education of students, a particular influence on the ability of Indigenous students to learn effectively is their hearing. In his review commissioned by the Northern Territory Department of Education, the former Senator Bob Collins[14] noted that in remote areas of the Northern Territory:

> Hearing loss has a profound impact in a child's learning. Teachers face particular challenges in classrooms where a majority of children suffer hearing loss and where all or most of the children are ESL[15] students.

1.7   In *Perspectives on Aboriginal and Torres Strait Islander Education*, Gary Partington commented that culture, health, poverty and the influence of history on family perceptions of school all affect the level of improvements attained in Indigenous Education.[16] Furthermore, in discussing the implications for teachers of the existing situation of Indigenous education, he noted:

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[11] Australian National Training Authority, *National Strategy—Partners in a Learning Culture*; p. 12.

[12] ibid., p. 13.

[13] ibid., p. 14.

[14] *Learning Lessons*, An independent review of indigenous education in Northern Territory—the Hon Bob Collins, p. 251.

[15] English as a Second Language.

[16] *Perspectives on Aboriginal and Torres Strait Islander Education*; Edited by Gary Partington, p. 24.

Rather than simply accepting failure of certain students as typical or inevitable, teachers need to delve deeper into underlying causes and seek to address these concerns; they need to be alert to skills that Indigenous students possess, rather than focussing on those they do not have; teachers should seek to modify the content of the curriculum so that it more accurately reflects the reality of the lives of Indigenous students. Most of all, teachers need to see success as possible for all students and to work to ensure that it is experienced by all Indigenous students.[17]

1.8 These observations provide some insight into the environment that surrounds Indigenous education, particularly in some of the non-urban areas of Australia, and the challenge this is for teachers and education providers. It is in this challenging environment that the Commonwealth seeks to influence all education providers to use the full extent of the resources at their disposal to substantially better the educational achievement of Indigenous students.

1.9 In addition to the particular policy elements focussed on in this audit, in recent years the department sought to engage teachers directly through their professional bodies to bring directly to teachers' attention: the purpose of Commonwealth programmes; the scope that exists to make substantial improvements; and how teachers have dealt with these matters successfully.[18]

Commonwealth and state/territory roles

1.10 School policies and curriculum are the responsibilities of the states and territories, which have also developed equity policies, and programmes intended to provide quality schooling to all students, irrespective of their social background or geographic location. The Commonwealth provides significant funding to state, territory and non-government school authorities to support agreed priorities and strategies.[19]

1.11 State and territory Governments have the major financial responsibility for government school education, as they are required to provide schooling to all children of school age. They also contribute funds to non-government schools, which have approximately 30 per cent of all students. Two-thirds of non-government school students are enrolled in Catholic schools.

1.12 Responsibility for vocational education and training in Australia is shared between the Commonwealth and states and territories, and industry. The states and territories provide two-thirds of the funding for this sector and have primary and regulatory responsibilities.

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[17] ibid.

[18] *What works? Explorations in improving outcomes for Indigenous students* (A report prepared for the department by the IESIP SRP National Coordination and Evaluation Team).

[19] DETYA *Annual Report 1999–2000*, p. 14.

1.13   The identification of national standards and priorities for schooling, the promotion of national consistency and coherence and the identification of strategies to achieve these aims are a shared responsibility of all governments.

Legislative and Policy Background

1.14   The National Aboriginal and Torres Strait Islander Education Policy (AEP) was launched on 26 October 1989, to take effect from 1 January 1990, following formal endorsement of the policy by the Commonwealth and state and territory governments and the National Aboriginal Education Reference Group.

1.15   State, territory and Commonwealth Governments all agreed to implement the AEP through collaborative arrangements covering educational planning, financial resourcing, and the monitoring and reporting of progress towards attainment of the 21 goals of the national policy.[20]

1.16   The Commonwealth contributes to the achievement of the 21 goals of the AEP through a variety of programmes. One of the major Commonwealth supplementary contributions is through the Indigenous Education Strategic Initiatives Programme (IESIP).

Indigenous Education Strategic Initiatives Programme

1.17   IESIP was first introduced in 1990 and has been present in a number of forms since then. In 1997, IESIP moved away from providing education providers submission based funding to per capita funding for all Indigenous students. At the same time performance indicators and targets were introduced to the agreements with providers for the first time.

1.18   Current financial assistance to education providers generally falls under the umbrella of the *Indigenous Education (Targeted Assistance) Act 2000* (the Act) which was introduced in December 2000 to facilitate the implementation of initiatives for Indigenous education, including to improve literacy, numeracy and attendance outcomes for Indigenous students. The Act sets out a funding regime for the period 2001 to 2004.

1.19   The Act also sets out the detailed objectives to be pursued, the strategies to be adopted, provisions regarding agreements and appropriations, and a requirement for a detailed report (containing information supplied by providers) to be made to Parliament after each funding year. In summary, the objects of the Act are:

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[20]   Refer to Appendix 1, National Aboriginal and Torres Strait Islander Education Policy (AEP) 21 national goals.

- equitable and appropriate educational outcomes for Indigenous people;

- equal access to education by Indigenous people;

- equity of participation by Indigenous people in education;

- increasing involvement of Indigenous people in educational decisions; and

- to develop culturally appropriate education services for Indigenous people.

1.20 The detailed objects of the Act are set out in Appendix 2.

1.21 The agreements between the Commonwealth and education providers under this legislation are commonly referred to as the IESIP agreements and include:[21]

- in relation to Indigenous students, supplementary per capita funding[22] to education providers across the preschool, school and vocational education and training sectors—this is over and above the general recurrent funding provided by the Commonwealth to providers ($96.2 million);

- English as a Second Language—Indigenous Language Speaking Students funding for Indigenous students from homes and communities where Aboriginal and Torres Strait Islander languages are heard and spoken, and the students are assessed as unable to participate in the classroom in English ($4.9 million);

- away-from base funding that meets travel costs, meals and accommodation for some secondary and tertiary students participating in compulsory course activities ($24 million); and

- National Indigenous English Literacy and Numeracy Strategy (NIELNS) funding for projects that are designed to provide extra effort needed to overcome difficulties in matters such as attendance rates and hearing barriers ($21.1 million).

1.22 Expenditure under IESIP in 2000–2001 was approximately $150 million.

1.23 In 2000, there were around 220 IESIP agreements with education providers. The department refers to the big 24 (which contain all the major system providers, including the state departments and Catholic systems) that cover the main funding. The remaining agreements cover a range of provider sizes, with some being for small independent Indigenous schools in remote areas.

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[21] These amounts are estimated expenditure for the calendar year 2001.

[22] Usually described as Supplementary Recurrent Assistance (SRA).

1.24   In 1998–99, the average government expenditure per full time student in a government school was $6426.[23] Under IESIP, additional funds are provided for each Indigenous student. This funding is described as Supplementary Recurrent Assistance (SRA) and the per capita amounts to be paid to educational providers in 2001 are set out below.[24]

Table 1.1

Per capita amounts paid to education providers 2001

Education Sector	Government Rate ($)	Non-Govt Rate ($)[25]
Preschool (remote)	600	2000
Preschool (non-remote)	300	1000
Primary school (remote)	600	2000
Primary school (non-remote)	300	1000
Junior secondary (remote)	800	3000
Junior secondary (non-remote)	400	1500
Senior secondary (remote)	1000	3300
Senior secondary (non-remote)	500	1650
VET[26] institution (remote)	1000	3300
VET institution (non-remote)	500	1650

Source: IESIP Provider Administrative Guidelines 2001–2004, Part One, page 11.

IESIP Outcomes in 2000

1.25   To give some background to the Commonwealth's ongoing Indigenous education strategies, it is important to recognise the recent performance of Indigenous education. The National Reports on Schooling in Australia from 1997 to 1999 describe the continuing level of educational disadvantage faced by Indigenous students in Australian schools. For the 1997 to 2000 quadrennium, it is only possible to examine progress at the jurisdictional/provider level for many of the indicators. With more standardised performance indicators in the reporting that is to occur in the new quadrennium (2001 to 2004), there should be a much better ability to observe what trends are occurring nationally.

1.26   The following figure illustrates the apparent retention rates[27] to Year 12 in all schools in Australia.

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[23]   Data taken from the Report on Government Services 2001; Table 3A.8.

[24]   These amounts do not take account of any indexation factors that might apply.

[25]   Where GST is payable the department will 'gross up' IESIP payments to include a GST component.

[26]   Vocational Education and Training.

[27]   The National Report on Schooling, 1997 explains that apparent retention rates show the percentage of students who continued to year 12 from their respective cohort groups at the commencement of their secondary schooling.

Figure 1.1

Apparent retention to Year 12 (all schools), Australia 1996-2000
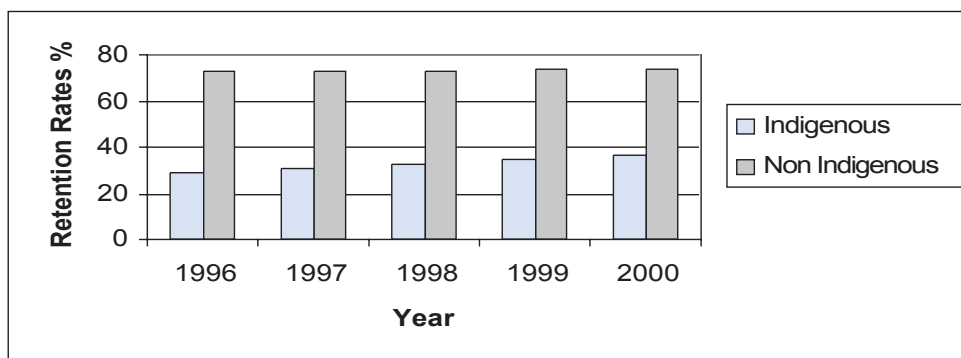
Source: Figure compiled from data provided by the department and the National Report on Schooling in Australia, 1999.

1.27 In regard to performance over the 1997 to 2000 quadrennium:

- secondary school retention rates through to year 12 for Indigenous students have shown a slowly improving trend over the four years, although the retention rate for Indigenous students is about half the rate for non-Indigenous students in 2000;

- progression rates for Indigenous students moving from years 10 to 11 and 11 to 12 over the four years have been relatively stable;

- information prepared for the National Report on Schooling 2000 suggests that in relation to primary schooling, providers have made small increases in the literacy and numeracy outcomes achieved by Indigenous students under some indicators, and very little change under other indicators; and

- feedback reports that have been prepared by the department for individual providers relating to the 2000 performance reports, confirm that the trend over the four years has been for performance to improve under some literacy and numeracy indicators, and to hold steady with others.

1.28 Overall performance is considered to be improving slowly, although the gap between the performance of Indigenous and Non-Indigenous students is substantial in national terms[28] when considered in the context of the objects of the *Indigenous Education (Targeted Assistance) Act 2000*[29]. The aggregate reporting

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[28] DETYA *Annual Report, 1999–2000*, p. 28.

[29] Section 5 of the Act includes:
  'It is an object of this Act to achieve equitable and appropriate educational outcomes for Indigenous people by:...
    (b) arrangements enabling Indigenous children to attain, through compulsory primary and secondary education, commensurate skills and standards of skills as those attained by other Australian children....'

by states and territories of Indigenous education outcomes fails to reveal where performance in specific regions is well below that of the remainder of the jurisdiction. In addition, general performance of remote students in the Northern Territory appears to be some eight to ten times worse than the lowest performing region in Western Australia[30].

Commonwealth approach to IESIP for the 2001 to 2004 quadrennium

1.29 In August 1999, the Government indicated that, in the past, there had been a necessary emphasis on access and participation, but an insufficient focus on achieving educational outcomes. The Government also indicated that it regards the continuance of significant educational inequality among Indigenous and non-Indigenous school students as unacceptable. The then Minister for Education, Training and Youth Affairs indicated that the tools are available to markedly accelerate the achievement of educational equality over the next five years, in particular for younger students and new entrants to the education and training process.

1.30 The Minister indicated that the Government approach would:

- symbolise 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 literacy, numeracy and attendance strategy;

- leverage the Commonwealth's mainstream school funding to the states and territories for the 2001 to 2004 quadrennium to ensure that Indigenous students are a mainstream priority, with specific reporting on Indigenous educational outcomes;

- require education providers funded through the Commonwealth's supplementary Indigenous programmes for the 2001 to 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;

- confront and resolve national educational policy and related issues, including the development of an enhanced mechanism for national reporting, the development and implementation of high quality standards in educational infrastructure, and service delivery to Indigenous students, through the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA); and

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[30] Refer to paragraphs 7.3 to 7.8.

- link the achievement of educational equality to the national reconciliation process.

1.31 The Minister indicated that State and Territory Ministers had agreed that every Australian child would be assessed against an agreed set of performance standards and that jurisdictions would report those results from year to year. The Commonwealth has sought to ensure that targets established under the performance framework were such that there was significant and measurable progress towards closing the gap between Indigenous and non-Indigenous educational outcomes.

Indigenous Education Direct Assistance (IEDA)

1.32 In addition to IESIP, the Commonwealth funds a number of direct assistance measures including the following:[31]

- Aboriginal Student Support and Parent Awareness (ASSPA) Programme ($19.8 million). Assistance provided to parent committees to enable them to conduct activities that are designed to improve access, participation and outcomes for students and involve parents in educational decision making;

- Aboriginal Tutorial Assistance Scheme (ATAS) ($38.3 million). Assistance provided for supplementary tuition and other study assistance to Indigenous students from primary school to university; and

- Vocational and Educational Guidance for Aboriginals Scheme (VEGAS) ($5.5 million). Assistance provided to sponsoring organisations that conduct projects for students, parents and Indigenous people in custody to provide them with information about career and study options, and foster positive attitudes about participation in education.

1.33 The IEDA Programme elements are operated by the department as part of its state and district office network. There are some 45 Indigenous Education Units across a broad geographical spread (from Perth to Thursday Island). The IEDA programme is characterised by a relatively large number of individual payments to tutors and providers.

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[31] These amounts are estimated expenditure in 2001–2002.

Commonwealth Funding

1.34 The following table indicates budget and forward estimates provided by the Commonwealth for the IEDA programme and for IESIP (through the *Indigenous Education (Targeted Assistance) Act 2000*).

Figure 1.2

Indigenous Education Targeted and Direct Assistance—Budget and Forward Estimates ($m)
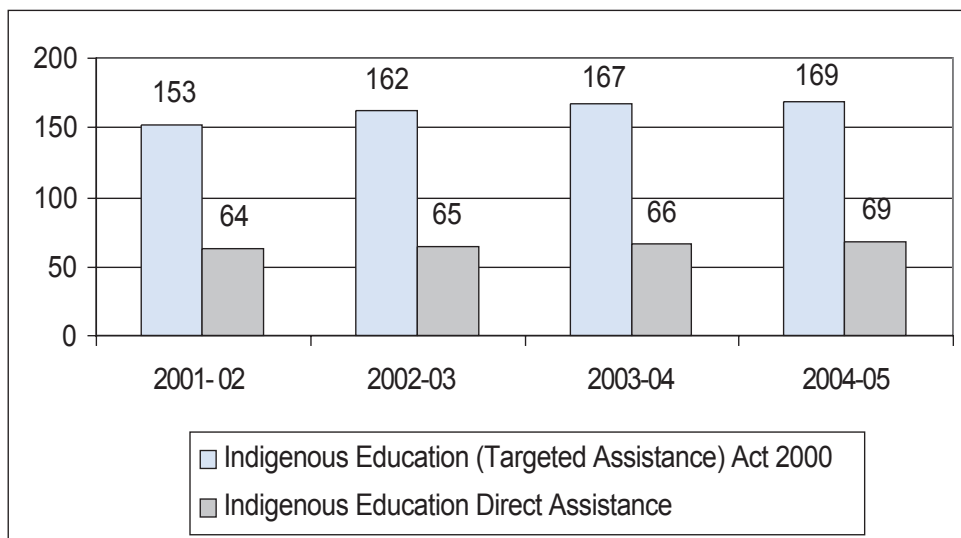
Source: Figure compiled from data provided by the department.

Previous reports

Department of Education, Training and Youth Affairs—A Review of the Indigenous Education Direct Assistance (IEDA) Programme (October 2000)

1.35 A review of IEDA was undertaken as a result of a decision taken by the Government's Expenditure Review Committee in the 1999 Budget context. The review found that the elements of the programme continued to be appropriate and have been effective in achieving overall programme objectives. However, the review identified a number of opportunities to fine-tune the programme in order to realise improved outcomes for Indigenous students and parents. Allied with this fine-tuning is the need for the development of an outcomes reporting framework.[32]

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[32] Department of Education, Training and Youth Affairs: A Review of the Indigenous Education Direct Assistance (IEDA) programme, October 2000, p. 5–6.

Commonwealth Grants Commission (CGC)—Report on Indigenous Funding 2001

1.36 In September 2001, a report was released by the Commonwealth Grants Commission (CGC) on funding for Indigenous services. The report noted that although there is evidence that educational outcomes are improving, the limited available data confirm that Indigenous students continue to experience widespread disadvantage and have achievements that are below those of non-Indigenous students.

1.37 The CGC also indicated that Commonwealth general recurrent funding for government schools reflects primary and secondary student numbers but does not allow for differential costs of service delivery. Commonwealth funding for Indigenous-specific programs is allocated on the basis of student numbers, but Indigenous-specific funding is not targeted to regions on the basis of relative need.[33]

Objective and scope of the audit

1.38 The audit fieldwork was conducted in the then Department of Education, Training and Youth Affairs (DETYA).

1.39 The objective of the audit was to assess whether the department has efficiently and effectively managed the development and implementation of the Indigenous Education Strategic Initiatives Programme (IESIP) agreements for the 2001 to 2004 quadrennium.

1.40 The audit focus was primarily on the department. However, because the role of the department is to influence change in the approach that state, territory and non-government providers take in the education of Indigenous students, there was also a need to consult widely with those organisations.

1.41 The audit did not include within its scope the Aboriginal Study Assistance Scheme (ABSTUDY) which is administered by Centrelink and is directed at providing support for individual students. It is not part of IESIP.

Audit criteria

1.42 To assist in forming an opinion, the ANAO developed suitable criteria to assess the administrative processes that the department had applied in the development of new IESIP agreements and for the ongoing management of existing agreements. These criteria were whether:

- the department had in place appropriate plans and strategies related to the development and negotiation of IESIP agreements for the 2001 to 2004 quadrennium;

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[33] Commonwealth Grants Commission Report on Indigenous Funding , March 2001 (Main findings p. xxi).

- the performance framework related to the agreements is appropriate to support the improvement of Indigenous education outcomes and properly reflects the decisions of the MCEETYA;

- the NIELNS proposals had been developed and assessed in a manner that is open, equitable and consistent, and that chosen initiatives could be expected to effectively accelerate the improvement of Indigenous education outcomes;

- the monitoring and reporting arrangements under IESIP are efficient and effective in promoting improved Indigenous education outcomes; and

- the department's staff resources related to direct assistance programmes effectively support the management of IESIP agreements.

Audit methodology

1.43 To form an opinion on the department's management of its Indigenous education strategies program, the audit team:

- conducted fieldwork at the department's national office in Canberra, and in its state offices in Brisbane, Perth, Adelaide and Darwin (incorporating the examination of key documents, databases and files and interviewing key personnel);

- held discussions with representatives of state, territory and non-government education providers and relevant advisory bodies in each of the cities visited;

- held discussions with both the Aboriginal and Torres Strait Islander Commission (ATSIC) and the Australian National Training Authority (ANTA) to ascertain their views on the matters carried out by the department; and

- conducted a survey of Indigenous Education Managers in state / territory offices to gather information related to the staff in those offices, including their experience, qualifications and training needs

1.44 A consultant, Mr Pat Farrelly, assisted with the conduct of the audit. His contribution covered all elements of the audit.

1.45 The audit was conducted in conformance with ANAO auditing standards at a cost of approximately $260 000.

2. Planning and negotiation of IESIP agreements for the 2001 to 2004 quadrennium

This chapter outlines the planning processes that were undertaken in relation to the development of the new IESIP agreements (covering both supplementary per capita assistance and NIELNS), how the negotiation process operated and areas in which planning and negotiations could be improved in future years.

IESIP in the broader educational context

2.1   In respect of the calendar year 2001, the payments to all IESIP providers under the agreements total some $102 million (this is for Supplementary Recurrent Assistance and English as a Second Language). The department advised that these payments were made to 211 providers, although the major payments will be made to the State Education departments in each of the states and territories, and to a lesser extent to the Catholic education systems. The level of importance of IESIP funds to a particular provider tends to vary significantly based on the size of the provider and the extent to which it solely serves Indigenous students. For example, in the case of the Queensland Department of Education the payments under IESIP in 2001 represent approximately one per cent of the department's budget. On the other hand, in the case of some of the smaller, independent community schools or preschools, IESIP funding can represent between 50 per cent and almost 100 per cent of the school's budget.

2.2   The Government's approach indicates that it will leverage the Commonwealth's mainstream school funding to ensure that Indigenous students are a mainstream education priority, with specific reporting on Indigenous educational outcomes. In this sense IESIP funding is supplementary. In announcing the NIELNS in March 2000, the Commonwealth indicated that it intended to introduce an enhanced performance monitoring and reporting framework for its supplementary assistance in 2001 to 2004. The Commonwealth also indicated that where improvements for Indigenous students are not achieved, providers will be required to develop more detailed plans to demonstrate that achievement of the goals will be attained.[34]

2.3   Under the IESIP agreements, providers have responsibilities to report to the department on a number of performance indicators each year.   The

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[34] National Indigenous English Literacy and Numeracy Strategy 2000 to 2004, An initiative of the Commonwealth Government of Australia, March 2000, p. 38.

agreements also include targets that the providers should try to meet each year of the period 2001 to 2004. Progress towards achieving equity between the educational outcomes of Indigenous and non-Indigenous students up to this point has generally not been considered satisfactory.[35] The Commonwealth considers that greater levels of achievement are possible and has sought targets in the agreements that reflect significant and measurable improvements in Indigenous education outcomes. MCEETYA had also resolved that progress should be accelerated.

2.4 Negotiating IESIP agreements with the states and territories was complicated by the introduction by the Commonwealth of a performance framework for its mainstream education States Grants arrangements. This resulted in some State departments indicating that the IESIP agreements would not be agreed until concerns that the states had about States Grants Agreements were resolved.

2.5 The Commonwealth's task of helping make real improvements in Indigenous education through stretching the targets in the IESIP agreements has not been easy. The extent of the improvement being sought, together with the level of supplementary funding that is being provided, means that there will be a certain level of underlying tension between providers, both large and small, and the Commonwealth. The historic lack of progress in some jurisdictions has made providers reluctant to embrace the targets that the Commonwealth is seeking. In support of its involvement in seeking improved outcomes, the Commonwealth, relies on the agreements that have been made at Ministerial level over many years, as well as the 1967 referendum outcomes.[36]

Planning related to principal IESIP agreement

2.6 As part of the audit the ANAO examined a number of planning documents that were used to help manage the processes surrounding the negotiation of IESIP agreements for the 2001 to 2004 quadrennium. The documents examined included:

- the Indigenous Education Branch Business Plan[37] for 2000–2001;
- the risk assessment proformas completed by sections in the Branch;

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[35] More detailed information is at paragraphs 1.25 to 1.28.

[36] The department advised that the amendment to the Constitution in the 1967 referendum made it possible for the Commonwealth to enact laws for the benefit of Aboriginal and Torres Strait Islander people. The Commonwealth therefore considers it has a responsibility to take a strong leadership role in Indigenous education that is unique and unlike other areas of education, except possibly higher education. Accordingly the Commonwealth considers that how it is able to operate with States/Territories with respect to Indigenous education, is different from how it operates with schools and vocational education generally.

[37] The Indigenous Education Branch of the Department of Education, Science and Training is responsible for the monitoring, coordination and implementation of the National Aboriginal and Torres Strait Islander Education Policy (AEP).

- the Gantt chart produced for the Monitoring, Evaluation and Reporting Section (MERS) covering the 2000–01 financial year;

- the list of functions and tasks for the Performance and Negotiating Team up to December 2000;

- the MERS' monthly schedule for negotiating 2001 to 2004 Schedules (SRAs and NIELNS components) and requirements for 2000 IESIP performance monitoring; and

- various update reports compiled on progress with negotiations that were based on state office inputs.

2.7   The ANAO also examined various letters sent by the department to providers explaining what was proposed in regard to the development of IESIP agreements for 2001 to 2004. The approach that the department employed in its planning process included the various planning mechanisms that would normally be expected in an exercise of this type.

Major providers

2.8   In respect of the large providers that deliver educational services to the majority of Indigenous students, the Indigenous Education Branch's plans to finalise agreements were not achieved in a timely manner. Many of these agreements were not signed until about June 2001, well into the 2001 school year. The last agreement with a major provider was signed in October 2001. This compares with one planning timetable that showed all agreements being finalised by October 2000, and the Gantt chart showing all negotiations with major providers being completed by November 2000.

2.9   As indicated in paragraph 2.4, the department's ability to progress the negotiations of the IESIP agreements was complicated on this occasion by the States Grants Agreements (for general school funding) for the next quadrennium being negotiated at about the same time. These agreements included performance reporting in relation to educational outcomes for the first time and hence there was a heightened sensitivity relating to the Indigenous Education agreements, particularly between the major providers and the Commonwealth. The legislation providing for IESIP agreements for the 2001 to 2004 quadrennium was not passed until December 2000 (as a result of delays with the States Grants legislation), and this affected the department's commencement of some of its work on the agreements themselves. Nevertheless, the Commonwealth was eventually successful in getting in place the agreements that will cover the 2001 to 2004 quadrennium.

2.10   In early March 2001, the department had multilateral discussions with representatives of state and territory education departments that covered issues

arising from the States Grants agreements and the IESIP agreements. In relation to IESIP, these discussions covered the clarification of overlapping guidelines, as well as possible common clauses.

2.11 With regard to the department's planned negotiation timing and process, the ANAO noted that:

- in the risk assessment proforma that referred to finalising IESIP SRA targets for the 2001 to 2004 period, the risk rating assessed after controls were in place was low:

  ➢ there was insufficient recognition of the central role that the cooperation and confidence of providers was a key element of achieving the objectives under the IESIP agreements and putting new agreements in place early on; and

  ➢ there appeared to be little recognition that providers might not react favourably to the proposed indicators and targets, and of how the changes being made in relation to States Grants arrangements might impinge on IESIP negotiations;

- more involvement of senior officers in the risk assessment process would allow for identification of key strategic risks;

- consultation processes with the states and territories in relation to the terms and conditions in the agreements occurred after the negotiations themselves had commenced;

- an approach to the setting of targets was outlined in the MCEETYA Task Force Report and endorsed by MCEETYA, but in the actual negotiations, the Commonwealth adopted a more prescriptive approach in many cases;[38] and

- in the case of some providers, to meet their concerns about their ability to meet the targets, a number of caveats were included in the schedule that contained the performance indicators and targets.

2.12 In relation to the risk assessment, the ANAO considers that these matters should have been included as part of a comprehensive risk assessment.

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[38] The MCEETYA Task Force Report (page 3) indicated that negotiations would be based on:
- to what extent would the jurisdiction's effort need to be accelerated to make significant and measurable progress towards closing the gap in Indigenous education by 2004?
- what can the jurisdiction realistically see as their annual targets for each year to 2004?

In the actual negotiations with a considerable number of providers, the Commonwealth insisted that 'significant and measurable progress' represented at least half the gap in outcomes being breached over the period.

2.13   The ANAO recognises that the negotiation of the 2001 to 2004 agreements was heavily influenced by the major changes being made to States Grants Agreements and that the legislation providing for these changes was not passed until December 2000. Nevertheless, the ANAO considers that it would be beneficial in developing future IESP agreements to have a full range of multilateral discussions with providers or their representatives regarding the terms and conditions of agreements and the approach to negotiations before the commencement of negotiations. There was a substantial involvement by providers and their representatives in the development of performance indicators through the MCEETYA Task Force (and relevant groups for preschool and VET performance indicators). However, this level of involvement is not considered, by itself, to be sufficient preparation for the negotiation of a quadrennium agreement.

2.14   In the ANAO's view, the lack of a comprehensive risk assessment and insufficient preparatory consultations resulted in added difficulties in the negotiating process, and also led to the negotiations being less efficient than they should have been. Through the linking of IESIP and NIELNS, delays in signing agreements has also affected the speed with which some of the new NIELNS initiatives have begun. These delays are likely to affect when the expected improvements in educational outcomes occur. Some providers indicated that there has also been a reduction in the sense of trust and shared responsibility with the Commonwealth.

Minor providers

2.15   In respect of agreements with minor providers, the ANAO notes that:

- the agreements were largely executed in early 2001;

- there was less argument generally about the targets although individual targets were the subject of concerns in some cases;

- minor providers generally expressed the view that they needed the funds to continue to operate; and

- minor providers expressed some reservations that the IESIP agreements were not tailored to their requirements.

2.16   As part of the overall examination of minor providers the ANAO noted that many of these are dependent[39] on funding from the Commonwealth, including SRA funding, NIELNS funding and general education related assistance. In certain circumstances the relationship between the department and these providers can be quite different from that between the department and the large providers.

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[39]   This can be between 50 and 100 per cent of their funding.

2.17 This difference in relationship is characterised by:

- minor providers generally being more amenable to signing new agreements;

- state office staff sometimes assisting minor providers meet the requirements of submitting plans related to Indigenous education programmes; and

- minor providers, in many cases, not having sufficient capital resources to fund purchases such as buses (and the Commonwealth has on occasions assisted such acquisitions).

Recommendation No. 1

2.18 In relation to any future negotiation of agreements with education providers, the ANAO recommends that, as part of DEST's normal overall planning and risk assessments, there be planned involvement of:

(a) senior officers in risk assessment that would allow for the identification of key strategic risks to the timely negotiation of appropriate agreements; and

(b) education providers (or their representatives) before the negotiations begin to allow their input, particularly on proposed terms and conditions of agreements and the approach to the setting of targets, as well as in determining performance indicators and administrative guidelines for the agreements.

DEST response

2.19 DEST agrees with the recommendation.

Conclusion

2.20 The department had the types of plans that would normally be expected to be used for the implementation of new IESIP agreements for the 2001 to 2004 quadrennium. However, the timetable for implementation was not met, with many agreements with major providers being signed some six months into the 2001 school year. Factors that had an influence on this timing included: the introduction for the first time of performance reporting under the States Grants arrangements for general school funding; a lack of a comprehensive risk assessment; and insufficient preparatory consultations. Ultimately, all IESIP agreements were entered into during 2001, with the final agreement being signed in October 2001.

2.21   The difficulties in negotiating a number of agreements have also adversely affected the level of trust and sense of shared ownership of some providers with the Commonwealth. Because of the concerns that some providers have expressed following the negotiation process, it will be important that, as part of the monitoring process under the agreement, opportunities are taken to make clear to providers how performance against targets under the agreement is to be approached.

2.22   The ANAO has proposed a number of measures for the department to consider when negotiating future agreements, including a more comprehensive assessment of risks to the negotiation process, and consultation with providers on the terms and conditions of agreements and the approach taken to the setting of targets.

3. Performance Indicators related to IESIP agreements

This chapter assesses the appropriateness of the performance indicators used in the IESIP agreements. This is in the context that these indicators (at least for the schools) were developed by a MCEETYA Taskforce and endorsed by MCEETYA, with the overall objective of improving Indigenous education outcomes.

Background

3.1   In April 1999, MCEETYA established a Taskforce on Indigenous Education (the Taskforce) to undertake a range of work and to report back to MCEETYA in 2000. The Taskforce had a strong cross-sectoral focus and comprised representatives from both government and non-government sectors, as well as a representative from ATSIC and one of the Indigenous education consultative bodies.

3.2   As there was considerable dissatisfaction with the performance indicators that were part of the 1997–1999 triennium agreements, a key part of the Taskforce's work was the development of a set of more consistent performance indicators to enhance the IESIP performance and monitoring framework.[40]

3.3   With the existing IESIP indicators it was possible to develop a picture of the progress individual jurisdictions were making towards achieving equitable and appropriate outcomes for Indigenous students. However, because of the large number of different performance indicators and measurement tools used by jurisdictions, it was difficult to formulate a consistent national picture of the progress being achieved for Indigenous students.

3.4   The Taskforce considered that there was a need for greater consistency in the performance indicator descriptions and the definitions, as well as in the measurement techniques and reporting formats.[41] The Taskforce Report noted that, although accountability is the principal purpose of the IESIP monitoring and reporting framework, it also has a diagnostic purpose, designed to increase understanding of the needs of Indigenous students and indicate how these needs could be addressed.[42]

3.5   MCEETYA agreed with the Taskforce Report, which formed the basis of much of the performance indicator material included in 2001 to 2004 agreements.

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[40] Report of the MCEETYA Taskforce on Indigenous Education, March 2000, p. 1.

[41] ibid., p. 23.

[42] ibid., p. 24.

3.6   The Taskforce only dealt with indicators for school students. The development of indicators for Vocational Education and Training (VET) providers and preschools was undertaken separately. The department established an advisory group to develop indicators for the VET sector, comprising representatives of state departments, Australian National Training Authority (ANTA), the National Centre for Vocational Education Research Ltd (NCVER), Indigenous communities and independent VET providers. In respect of the preschool indicators, the department established a literacy project for preschool literacy and numeracy measures, which resulted in the preschool profile.

Issues related to the new IESIP performance indicators

3.7   The accountability framework introduced in 1997 resulted in more than 180 IESIP agreements (across preschool, school and VET providers) with in excess of 4000 individually tailored performance indicators around Australia.[43] The ANAO examined the new IESIP performance indicators from a number of perspectives. These included:

- whether the indicators represented the type of performance indicators that were used in other countries dealing with similar issues;

- whether all the indicators were appropriate, or the most relevant indicators for the MCEETYA goals; and

- whether there were areas outside the basic accountability measures in the IESIP agreements that should be considered for inclusion.

Overseas indicators

3.8   In examining the performance indicators in Canada, the United States of America and New Zealand, the ANAO found that the broad approach taken by the department was not dissimilar to that being used within systems providing for the accountability of schools overseas. There was, however, little evidence that these types of indicators were being used overseas across systems to the

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[43] Examples of performance indicators are:
- Preschool providers—average attendance rates for (a) Indigenous Students and (b) Non-Indigenous Students;
- School providers—a broad indicator of comparative literacy achievement of Year 3 Indigenous and non-Indigenous students within IESIP-funded education providers; and
- VET providers—educational outcomes achieved by Indigenous and non-Indigenous students as measured by the overall module/competency: (a) pass rate; (b) fail rate; (c) withdrawal rate; and (d) completion rate.

extent that Australia was using the indicators. In addition, in much of the overseas material examined, the measures, the definitions and sources were not as comprehensively set out.

MCEETYA indicators

3.9   Providers indicated to the ANAO that they had had discussions with the department about whether all the proposed indicators were necessary. In part this resulted from a perception by some providers that the Commonwealth had gone beyond the schooling indicators that were agreed by MCEETYA.

3.10   The Taskforce Report noted that the IESIP performance monitoring framework would continue to be based on the eight priority areas endorsed by MCEETYA in 1995. The priority areas listed by MCEETYA, which were not in the work of the taskforce were: parent/community involvement in educational decision-making; enrolments; professional development, apart from Indigenous cross cultural awareness; and expanding culturally inclusive curricula.[44]

3.11   The ANAO considers the level of reporting required by the department was reasonable given the need to have reporting against the eight MCEETYA priority areas.

3.12   The department recognises that some of the performance indicators are measures of inputs, and not of outputs or outcomes. The move to accrual-based outcomes/outputs framework was designed to ensure a focus on 'resource management with an emphasis on measuring performance, in terms of what is being produced, what is being achieved and what is the cost of individual goods and services'.[45] While noting that the majority of measures are outcome based, the ANAO recognises that in certain areas input measures are the only ones easily obtained and considers that the performance indicators are appropriate measures to form part of the accountability framework under the IESIP agreements.

3.13   For certain topics covered by the eight MCEETYA priority areas, outcomes can only be assessed through the application of evaluation techniques rather than measures that count only various inputs. At the very least, the input data should be supplemented by evaluation studies that address outputs and outcomes.

3.14   The ANAO considers that there would be benefit in conducting evaluation studies that examined the outcomes and outputs derived from some of the topics for which input measures are being used. For example, one of the indicators,

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[44] Report of the MCEETYA Taskforce on Indigenous Education, March 2000, p. 39.

[45] Department of Finance and Administration, July 1999, Review of Budget Estimates Production Arrangements. (The Vertigan Report)

the number of Indigenous employees, does not directly assess the extent to which education providers have appropriate and effective policies to employ Indigenous people in place—this can only be assessed through an evaluation study.

Use of evaluations to present a fuller picture

3.15   Two areas that the ANAO consider would benefit from evaluation studies would be the quality of teaching and employment outcomes. These studies could form part of a strategic evaluation framework related to IESIP.

Quality of teaching

3.16   The quality of teaching is fundamental to improving the educational outcomes for Indigenous students. This issue is particularly important in some of the more remote areas where the challenge confronting teachers is high, yet attracting and retaining high quality teaching staff can prove difficult. There is nothing in the accountability performance measures that providers submit to the department that give any indication of the quality of teaching provided to Indigenous students. Some of the measures relate to inputs that are provided to assist teachers, but there are no measures of the quality of teaching itself. It is unlikely that a simple measure of the quality of teaching could be easily devised although evaluation of teaching quality would be possible.

3.17   The department indicates that the 'Effective Teaching Practices for Indigenous Students' project contains two elements that address the issue of improving teaching performance. The first is the 'What works' project that researched good practice and developed a professional development package. The second element will support the implementation of the professional development package through presentations and conferences. The ANAO also notes that the department had a number of initiatives as part of the 'Teachers for the 21st Century–Making the Difference' programme to improve the quality of teachers.

Employment outcomes

3.18   The second area that the department could consider including within an evaluation strategy is the employment outcomes of VET students—the ultimate objective of much VET education. The National Centre for Vocational Education Research (NCVER) carries out survey work in this area. Some of the data that NCVER collects is shown in the table below.

Table 3.1
Selected national employment indicators: TAFE Graduates (1999 and 2000)

Employment Indicator	1999		2000	
	Indigenous	Non-Indigenous	Indigenous	Non-Indigenous
	%	%	%	%
Unemployed before, full-time after course	13.8	29.4	13.6	29.1
Unemployed before, part-time after course	16.8	20.5	16.6	20.3
Part-time before, full-time after course	37.4	44.5	31.4	41.9
Casual before, permanent after course	53.4	44.5	55.1	51.8
Movement to a higher level skill level after course	24.0	23.3	21.9	22.0

Source: Tabled compiled from the NCVER Graduate Destination Survey 1999, 2000.

3.19 This data indicates that Indigenous graduates who were unemployed before undertaking their course were not as successful in finding full-time employment after their course as non-Indigenous students. Nevertheless there were indications that course qualifications did lead to Indigenous students improving their employment status on a similar basis to non-Indigenous students. Further investigation of this type of information, including analysing the data to determine areas of high performance, and replicating strategies from such areas, would be important in assisting the department to pursue its objective of improving the outcomes for Indigenous students.

3.20 Evaluation work in areas such as the quality of teaching and destinations of graduates would help the department measure progress in matters related to the reduction in the gap between the performance of Indigenous and non-Indigenous students. As part of its preparations for the provision of reporting to Parliament under the legislation, the department is consulting with providers regarding the matters that could be included in the report. There may be matters arising from these consultations that could also form part of an overall IESIP evaluation strategy.

3.21 Evaluation studies within a strategic framework could be undertaken over the period of the quadrennium, to provide information to be included in the

annual reporting to Parliament[46] and provide a basis for assessing progress with particular matters. The ANAO noted that an evaluation of NIELNS initiatives is planned, and could usefully form part of the overall evaluation strategy.

3.22   The ANAO acknowledges that the department has undertaken a number of research projects over recent years that have helped inform the development of programme initiatives.

Recommendation No. 2

3.23   The ANAO recommends that DEST supplements the information available through the performance information supplied by education providers by establishing a strategic evaluation framework for IESIP to be conducted for the 2001 to 2004 quadrennium.

DEST response

3.24   DEST agrees with the recommendation.

Conclusion

3.25   Overall, the performance indicators that are included in the IESIP agreements are appropriate, given the priority areas for reporting that had been set down by MCEETYA. These indicators were formulated following considerable consultation with providers and their representatives, and are along the lines of accountability measures used within overseas education systems dealing with similar issues.

3.26   The ANAO considers that the performance information available to the department could usefully be supplemented by selected evaluation studies carried out over the course of the quadrennium. These studies should form part of an overall evaluation strategy for IESIP. Such evaluations would help inform the department about the success of particular initiatives and provide additional information for inclusion in the department's annual reporting to Parliament under the Indigenous Education legislation.

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[46]   Refer to paragraph 1.18.

4. National Indigenous English Literacy and Numeracy Strategy

This chapter examines whether NIELNS proposals were developed and assessed in a manner that effectively recognises need, merit and value and that chosen initiatives could be expected to effectively accelerate the improvement of Indigenous education outcomes. It also discusses the longer term implications of former Transitional Project Assistance (for independent schools and preschools) becoming part of NIELNS.

Background

4.1   In March 2000, the Prime Minister launched the NIELNS with the intention of improving education outcomes for Indigenous people. The strategy aimed to address six key elements:

- lifting school attendance rates of Indigenous students to national levels;

- effectively addressing the hearing and other health problems that undermine learning for a large proportion of Indigenous students;

- provide, wherever possible, preschooling opportunities;

- training sufficient numbers of teachers in the skills and cultural awareness necessary to be effective in Indigenous communities and schools and encouraging them to remain for reasonable periods of time;

- ensuring that teaching methods known to be effective are used; and

- instituting transparent measures of success as a basis for accountability for schools and teachers.

4.2   The Strategy required all states and territories to develop an implementation plan, setting out how they use their own resources as well as the Commonwealth's mainstream recurrent grants and Indigenous specific supplementary funding to achieve the goals of the Plan.

4.3   The Strategy was funded for a four year period from 2000, to the value of $27 million. The funds are to meet the cost of specific additional initiatives included in the plans submitted to, and approved by, the Commonwealth. Providers put forward a range of initiatives. The Commonwealth considers which specific initiatives it will approve. The then Minister for Education, Training and Youth Affairs directly approved many of the initiatives, particularly those involving major providers.

Introduction of NIELNS

4.4   At the March 2000 MCEETYA meeting, Ministers agreed that education providers should develop NIELNS implementation plans by August 2000[1]. As a pre-condition for funding for the quadrennium under IESIP, providers had to submit an acceptable implementation plan for the NIELNS and negotiate a set of performance indicators and targets for both the Supplementary Recurrent Assistance (SRA) and NIELNS components of IESIP.

4.5   The department wrote to all providers on 20 June 2000 advising them that their implementation plans should be developed by the August deadline and that MCEETYA Ministers had agreed that implementation plans would have to include the following information:

- a description of providers' current initiatives and relevant expenditures to improve educational outcomes of Indigenous students; that is, details on the programmes to achieve the National Literacy and Numeracy Goals and relevant financial inputs to achieve those outcomes;

- an analysis of where and why additional initiatives are required;

- an outline of the specific initiatives proposed;

- identification of the 'drivers' and key stakeholders involved in the initiatives;

- time frames for the systemic changes to be achieved and for specific initiatives to be introduced under the Strategy;

- identification of resources required to support the initiatives; and

- details of the performance baselines, measurement tools and techniques, targets, and monitoring and reporting arrangements to assess impacts of the strategy.

NIELNS implementation plans

4.6   All NIELNS implementation plans for major education providers were required to address the key elements referred to above although there were some differences in the way the states / territories developed their plans.

4.7   Extensive collaborative processes were undertaken in Western Australia, Queensland and the Northern Territory, organised and facilitated by the department's state offices, to develop their state implementation plans. In other states and territories, individual providers developed their own implementation

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[47]   Refer to letter from the department to education providers in June 2000.

plans again with the department's state office involvement. The department assessed those implementation plans developed by providers for completeness against the framework agreed by MCEETYA.

4.8   The department undertook a comprehensive process of assessing the implementation Plans against the points agreed to by the MCEETYA Ministers. During this process the department sought clarification from providers where matters were unclear.

4.9   In the ANAO's view, the timeframe of two months set by the department for education providers to prepare the implementation plans did not allow for a full consultation process with communities targeted for assistance. This resulted in communities disagreeing with a certain number of initiatives put forward by the providers, and, as a result, further consideration and amendments to agreements is now required.

NIELNS Initiatives

4.10   The Strategy also required that NIELNS specific initiatives be negotiated with schools and families within communities targeted for assistance under the Strategy (in areas of greatest need) to hasten their progress in overcoming the barriers to success, for example, attendance and health.

Assessment processes

4.11   Individual proposed initiatives were to be assessed against the following criteria:

- strength of the link between the proposal and the extent of expected improvements in educational outcomes;

- number of students likely to benefit;

- level of disadvantage, or 'gap analysis';

- precision of geographical targeting; and

- value for money.

4.12   While the requirements, agreed by MCEETYA Ministers, for the implementation plans were set out in the letter to providers of 20 June 2000, these requirements did not include the criteria against which individual initiatives were to be assessed. The criteria that the department applied in assessing the initiatives were not communicated specifically to providers, and, as a result, the initiatives put forward by providers did not specifically address these criteria.

4.13   The first stage of the assessment process was undertaken by individual members of a national office assessment team that had developed the assessment criteria and an understanding of how the criteria should be applied.

4.14   Following the initial assessment, a group review process was undertaken to ensure consistency across assessments. This involved the initial assessors presenting their assessments to other members of the department's national office NIELNS team and discussing the merits of proposals. As several states/ territories education providers' proposals were being assessed concurrently by different team members, this also resulted in an informal benchmarking of initiatives across states. Further refinements of the assessments occurred when the department's state offices were asked to comment on the provisional assessments. Finally, the assessment team was required to justify the assessment to senior management before the implementation plans, which included a summary of the initiative assessments, were sent to the Minister for his 'in-principle' approval. Some of the initiatives were recommended to the Minister on the basis that they were subject to further information being gathered.

4.15   Individual assessments made by the assessor involved the marking of a tick or a cross against each criteria based on the judgement of individual officers, and were subject to review by the national office NIELNS team. However, the ANAO noted that there was no written evidence presented to support the ticks or crosses. It was not clear on what grounds proposals met specific criteria. There was also no documentation available of how assessments against individual criteria for a proposed initiative were to be aggregated to determine whether the initiative should be recommended for approval. There is evidence where the department sought additional information relating to particular initiatives.

4.16   Because providers were not aware of the criteria to be applied in assessing initiatives and had not been provided with overall guidelines to be followed in the process, a number of providers informed the ANAO that they found it difficult to understand the assessment process and the reasons for delays. In addition, education providers expressed their concerns that many new NIELNS initiatives were not approved until well into 2001, causing budgetary problems, especially for the smaller education providers. The ANAO noted that certain new initiatives were delayed pending the signing of agreements.

4.17   The ANAO noted that a complicating factor for these matters was that all assessments were the responsibility of one or two officers in the department's national office. This involved substantial contact with state office personnel to provide additional information and usually involved going back to providers themselves.

4.18   The ANAO considers that it would have been better practice:

- to provide the assessment criteria to providers;

- for initiatives to be framed in the light of criteria;

- for written assessments to be undertaken for each initiative against the various criteria; and

- for there to be a standardised approach of aggregating assessments against criteria for each initiative to arrive at a recommendation.

Moderation

4.19   The ANAO noted the department stated that new NIELNS initiatives would be subjected to a moderation process, which could include an analysis of how the total recommended funding is distributed over the quadrennium and across states and territories. The department advised the ANAO that it considered that moderation occurred as part of the two stage assessment process and related discussions.

4.20   Although the department undertook an informal benchmarking process as part of its two-stage assessment process, the ANAO found no evidence of a formal process whereby new NIELNS initiatives were moderated. There was no independent external moderation panel used and there was no evidence-based comparison or analysis that led to the overall endorsement of the NIELNS initiatives. Because of the weaknesses in these accountability arrangements, there is potential for this process to be criticised on the basis that it may not result in the best initiatives being approved.

4.21   The ANAO considers that it would have been better practice for there to be a properly structured and documented moderation process, possibly with the involvement of an independent expert panel.

Targets

4.22   The objective of the NIELNS is to achieve english literacy and numeracy for Indigenous students at levels comparable to those achieved by other young Australians. Education providers are accountable to communities and report to Governments on levels of literacy, numeracy, school attendance and student retention.

4.23   After the Commonwealth agreed to plans and specific initiatives, performance targets were negotiated with providers that needed to reflect the Commonwealth's desire to set targets that lock in maximum progress over the quadrennium.

4.24   A number of providers indicated to the ANAO that they were concerned about the process of setting targets related to NIELNS. The key concern appeared to be that the process involved both departmental state and national office staff and that for some providers there were several iterations as targets were negotiated.

4.25   The ANAO notes that the NIELNS targets were negotiated successfully albeit after the general IESIP targets were in place.

Recommendation No. 3

4.26   As part of its formal planning and assessment approaches for future special initiatives and to ensure transparency and consistency, the ANAO recommends that DEST should:

(a)   develop appropriate assessment criteria that initiatives should address;

(b)   formalise written assessments by the department that are appropriately evidenced against the criteria;

(c)   adopt a standardised approach to aggregating the assessments against specific criteria for each initiative to reach a recommendation; and

(d)   formalise a suitable moderation process.

DEST response

4.27   DEST agrees with the recommendation.

Conclusion

4.28   The ANAO notes that the department undertook a comprehensive review of NIELNS implementation plans against the points agreed to by MCEETYA Ministers.

4.29   In respect of the individual NIELNS initiatives proposed for additional Commonwealth funding, there were identified weaknesses in the extent of written evidence available in support of particular assessments. The ANAO considers that it would be better practice: to provide the assessment criteria to providers; for initiatives to be framed in the light of those criteria; for written assessments to be undertaken for each initiative against the various criteria; and for there to be a consistent approach in forming the overall assessment for each initiative.

4.30   Where the department chooses to apply a moderation process to this assessment of initiatives, the ANAO considers that it would be appropriate for

that process to be properly planned and documented, possibly with the involvement of an independent expert panel.

4.31 The accountability weaknesses identified in the audit should be addressed to improve the integrity of the selection process and the confidence of stakeholders for any future initiatives of this type.

Longer term implications of former Transitional Project Assistance funding becoming part of NIELNS

4.32 Transitional Project Assistance (TPA) was introduced in 1997 to ensure that no IESIP recipient would be disadvantaged by the change to per capita funding arrangements (for Supplementary Recurrent Assistance). The amount of TPA made up the shortfall between the recipient's 1996 funding allocation and the per capita based allocation that came into operation on 1 January 1997. It was intended that TPA would only be available for the duration of the 1997–1999 triennium. In 1999, the Minister approved the extension of TPA funding arrangements for one year only, that is for 2000. In 2000, over $14 million was allocated for TPA funding (for that one year). The department has indicated that all providers were advised that TPA funding was temporary.

4.33 Matters that transpired in 2000 that further impacted on TPA funding arrangements included:

- initially to cushion the impact of the funding arrangements, it was proposed that future funding be available to providers, at the same level as their former TPA funding, focussed specifically on achieving the objectives of the NIELNS. This was later changed in relation to Government and non-Government systems,(as opposed to smaller independent providers) such that there was to be a reduction of the equivalent level of funds under TPA that can be negotiated for specific initiatives under their NIELNS implementation plans (this reduction was 20 per cent each year over four years);

- the additional funding made available through the reduction in TPA equivalent funds (for the large systems) was to be allocated to the English as a Second Language – Indigenous Language Speaking Students (ESL-ILSS) programme, to support additional demand in that programme; and

- for non-Government, non-systemic independent preschools, schools and VET providers, up to 100 per cent of TPA funds were to be negotiated for initiatives under the NIELNS as part of their implementation plans (this was described as a funding maintenance approach).

4.34 Because Commonwealth funding for independent VET providers has been effectively static since 1996, the department is planning to review the ongoing funding needs of independent VET providers. The Commonwealth also proposes to review the arrangements for funding certain Indigenous Education Consultative Bodies (not directly examined in this audit) that are also funded under IESIP arrangements.

4.35 The Commonwealth has now extended the temporary funding twice which means that independent schools and preschools, some of which are funded between 50 and 100 per cent of their operational funds, would be unlikely to take seriously indications that NIELNS (former TPA element) funding would cease at the end of 2004.

4.36 While the extent of reliance on TPA equivalent funding has reduced considerably since 1997 (which was the original objective), it is important that the department, in advance of 2004, works towards developing a clear rational basis for the ongoing funding of small independent schools and preschools (which provide educational services for Indigenous students) past that point. Consideration of options related to this issue may require the Commonwealth to undertake discussions or negotiations with some state or territory governments.

Recommendation No. 4

4.37 In preparation for the consideration of IESIP funding for small independent schools and preschools in the next quadrennium, the ANAO recommends that DEST develops sound, long term funding options for these providers that are appropriate to the government's objectives and the ongoing viability of these providers.

DEST response

4.38 DEST agrees with the recommendation.

Conclusion

4.39 The continued operation of some small independent schools and preschools with substantial numbers of indigenous students has been very reliant on particular forms of Commonwealth assistance. Temporary funding of various types has been provided to these bodies on three occasions. The ongoing funding situation of these providers should be examined and a comprehensive basis for their future funding developed before the conclusion of the current quadrennium.

5. Monitoring and reporting

This chapter provides an overview of the performance monitoring and reporting procedures utilised by the department in determining the progress made by providers against agreed targets and guidelines. The audit examined documentation related to the monitoring and reporting undertaken in 2000 in three State/Territory offices.

Monitoring

5.1   To ensure that appropriate monitoring arrangements are in place, the Commonwealth Government requires that monitoring committees for each agreement be established. These monitoring committees must include, the education provider, a representative from the relevant local Indigenous community, or state/territory Indigenous education consultative body, and the department.

5.2   Under the agreement, committees are required to meet at least once prior to 31 August each year to review their performance and progress. A second progress meeting, if required, should be held each year before the end of November.[48]

5.3   While the ANAO found that some criticisms were made by providers of certain aspects of the monitoring and reporting arrangements, there was a high level of commitment expressed to the aims of the Aboriginal Education Policy. The representatives of providers that the ANAO consulted all expressed a genuine desire to improve the educational outcomes of Indigenous students. Nevertheless, the performance to date indicates that this desire is not easily translating into improved Indigenous education outcomes.

5.4   The ANAO noted that the department undertook the necessary monitoring meetings in a regular manner. Minor education providers commented that they generally found the meetings themselves to be useful. On the other hand, some major providers indicated that they did not consider that the monitoring meetings moved the process forward, that is they did not see discussions with the Commonwealth as helping them improve educational outcomes.

5.5   A number of providers commented that the timing of the monitoring meetings was not optimal, and some providers indicated that they encountered considerable difficulty in completing progress reports (required prior to meetings), because the information to complete the report properly was not available at the time. The ANAO also noted that:

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[48]   The funding year for IESIP agreements is the calendar year relating to a normal school year.

- in 2001 the first monitoring meetings were being held in some cases within a very short time of the agreement being signed (a result of the negotiation difficulties rather than monitoring arrangements);

- the monitoring meetings were not designed to be undertaken when providers would have appropriate and relevant information available (for example, after semester results are available); and

- in the cases examined that related to monitoring in 2000, there were no clear records of the issues discussed at the monitoring meetings or of any actions agreed to. The department has indicated that for discussions in 2001 it has moved to compile formal records of the meetings. The ANAO noted that the state offices retained sufficient records regarding monitoring discussions to be able to provide appropriate reports to the department's national office.

5.6 The ANAO found that state/territory offices had in place appropriate arrangements to ensure that monitoring meetings occurred in a timely manner.

Reporting

Performance reports

5.7 Under the agreement with the Commonwealth education providers are required, by 31 March each year after the funding year, to provide the department with a performance report on:

- their performance in the previous funding year towards achieving agreed performance targets; and

- the actual outcomes in relation to the objectives, strategies and performance targets as set out in the agreement.

5.8 Providers are required to describe their successful strategies, initiatives and performance outcomes in the performance report, and to collaborate with the Commonwealth to promote those successes widely for the benefit of Indigenous people.

5.9 Performance reports must contain all the performance outcomes required for the funding year as outlined in the applicable schedule. Performance outcomes, which do not meet the agreed funding year targets or are extraordinary compared with previous outcomes or performance improvement trends relative to previous years, must be accompanied by an explanatory comment. Further, performance reports must be signed or endorsed by the independent Indigenous representative on the monitoring group.

5.10   The performance reports are considered by the state/territory and national offices. The general structure of these reports is determined in large part by performance indicators and targets that the provider is required to report against. There is also scope for providers to add information that would explain the circumstances in which some of the targets may not have been met.

5.11   National office prepares a Feedback Report that is usually discussed with the provider in draft form, and then forwarded as a final to the provider. The ANAO considers that these reports are a useful formal feedback on the provider's attainment of targets related to the previous year. The ANAO noted that these reports are constructive and make some useful observations and comments.

Progress reports

5.12   Providers are also required to provide the department with two progress reports on the progress towards achieving the performance targets for the funding year. The first report is due at least two weeks before a first performance monitoring meeting (which must be held by 31 August in the funding year) and the second by 30 November in the funding year if required.

5.13   The ANAO considers that the current format of the progress report should be revised to make it clear that the discussion should focus on the information the provider could be expected to have at that time. If the meeting occurs early in the year progress reporting may be able to cover enrolment information that is available, the level of progression that occurred and what strategies are being used, or fine tuned, to improve educational outcomes.

5.14   Providers indicated that the form of the progress reports was not considered to be overly helpful and in many cases did not lead to a meaningful discussion of performance to date. The department suggested that the inability of providers to respond in a timely manner to requests for information on progress could result in part from inadequacies in the providers' internal information systems.

5.15   It is important that the requirements in progress reports are well focused. Some providers commented that, to be able to complete the progress reports in their current form, requires a large amount of special effort.

Areas of possible improvement

5.16   The ANAO considers that there are a number of areas in the reporting and monitoring arrangements where improvement should be considered. These include:

- undertaking the monitoring meetings at different times in the year—possibly having the first meeting soon after the annual performance report for the previous year was available, and the second in about late August or early September:

  ➢ the first meeting could discuss the strategies that the provider is proposing to implement to improve any areas of weakness shown in the previous year's report. It could also discuss any data that was available concerning such matters as enrolments and student progression rates;

  ➢ the second meeting could be timed to take advantage of results of semester exams and other testing that may be undertaken. This meeting could also cover progress on the strategies discussed at the first progress meeting;

- that information requested is needed by the department to fulfil management responsibilities in relation to monitoring providers progress towards achieving the performance targets for the funding year;

- reviewing the form of the progress reports so that they focus on the data that providers would normally expect to have available at that time of the year, as well as ensuring that providers provide information on progress with particular strategies being pursued (the letter requesting the meeting could help guide what is required of a particular provider); and

- in accordance with good contract management practice, there be a simple record made of the matters discussed at the meeting, any actions agreed to by the provider and any actions agreed to by the department. Both the provider and the department could indicate agreement with this record.

5.17 It is recognised that the department will need to maintain pressure on some providers throughout the monitoring and reporting process, particularly those providers who do not have comprehensive information systems for reporting to the Commonwealth. These same systems are an important tool for

the providers themselves to be able to track progress within their own organisation.

Recommendation No. 5

5.18 The ANAO recommends that as part of its joint accountability arrangements with education providers DEST improves the outcomes of monitoring meetings, by having:

(a)   meetings coincide with the availability of performance data where practical;

(b)   as one focus of meetings the specific strategies being used to make improvements, including their impact;

(c)   as the key objective of the progress reports, to update actual data that providers have, as well as advising their progress with strategies designed to remedy known weaknesses; and

(d)   the timely promulgation of an agreed record of the key matters discussed at the meeting and any actions agreed to by the provider, as well as any actions agreed to by DEST.

DEST response

5.19 DEST agrees with the recommendation.

Conclusion

5.20 The department has undertaken a comprehensive monitoring and reporting process in relation to its Indigenous Education Agreements with providers. The state/territory offices have in place appropriate arrangements to ensure that progress reports are submitted and that monitoring meetings occur as scheduled. The feedback reports compiled by the department give constructive feedback to the providers on their performance in the previous year. However, a number of providers commented that the timing of the monitoring meetings was not optimal. Some providers indicated that they encountered considerable difficulty in completing progress reports (required prior to meetings) because the information to complete the report properly was not available at the time.

5.21 The ANAO considers that, as it is critical for there to be effective joint accountability arrangements with providers, there is scope for improvements to be made in the timing of monitoring meetings, the focus of matters covered in those meetings and progress reports, and the recording of the matters arising from the monitoring meetings.

6. Integrating the delivery of the IEDA and IESIP programmes

This chapter presents the results of survey information gathered by the ANAO and draws out the implications that this information has for the operation of IEDA and IESIP.

Background

6.1   The department's Indigenous Education Branch has introduced the concept of integrating the delivery of the IEDA programme with the IESIP programme administration. Up until 2000 the administration of IEDA was largely carried out by staff in Indigenous Education Units in the department's state/ territory offices, who generally had little to do with IESIP programme matters.

6.2   The Branch has made integrating the administration of these two programmes a priority for its state/territory offices. Most states are now pursuing some form of integration of the administration of the two programmes. In the course of discussions with state and territory office staff, the ANAO noted that there was a clear understanding at the senior level of the need to better integrate the IESIP and IEDA programmes. In addition, particular examples were noted where the Aboriginal Tutorial Assistance Scheme (ATAS) bulk funding had been used to support the efforts of providers to help improve Indigenous educational performance at particular locations.

6.3   State and territory office staff employed to deliver the IEDA programme are responsible primarily for payment of direct assistance, often to individuals or small community groups. The delivery of the IESIP programme requires that state and territory office staff are skilled in communicating with professional educators and managers, examination of strategies focussed on improvements to Indigenous education and contract development and monitoring.

Staff employed in the department's state/territory offices on Indigenous education

6.4   The Indigenous Education Branch (national office) of the department has sought to have the department's state/territory offices adopt an integrated approach to delivering IESIP and IEDA. To gain some insight into where staff effort was being directed, the ANAO sought input from the Indigenous Education Managers in each of the state/territory offices by means of a survey of staff effort. Total staff numbers in the state/territory offices were 197 in 2000–2001, and will be 202 in 2001–2002.

6.5   The majority of staff effort is on IEDA, although the department proposes to redirect this effort to IESIP by reducing from some 86 per cent of staff effort in 2000–2001 to 82 per cent in 2001–2002. A small number of additional staff was provided to the state/territory offices for 2001–2002.

Table 6.1
Distribution of staff effort by programme over different staff levels—all state/territory offices

Staff Classification	staff effort IEDA 00/01 (%)	staff effort IEDA 01/02 (%)	staff effort IESIP 00/01 (%)	staff effort IESIP 01/02 (%)	staff effort NIELNS 00/01 (%)	staff effort NIELNS 01/02 (%)
Level 1[49]	95.0	95.5	4.1	3.4	1.2	1.1
Level 2[50]	93.5	88.6	5.5	8.1	0.8	3.3
Level 3[51]	71.7	66.4	20.4	23.3	7.8	10.2
Executive Level 1	40.7	44.8	38.2	37.3	19.7	17.8
Executive Level 2	24.3	26.1	48.7	50.2	26.8	23.6
Senior Executive Service	36.3	38.6	36.3	36.3	27.2	25.0
AVERAGE STAFF NUMBERS[52]	**86.0**	**82.1**	**10.3**	**12.4**	**3.6**	**5.5**

Source: Table compiled from data provided by the department.

6.6   Some additional resources are being applied to IESIP administration, although the absolute changes in staff resources are not large. Given the low base from which both IESIP and NIELNS staff effort has moved, the proportion of increase in both these programmes staff support in 2001–2002 is reasonably substantial. To make a major change in how the state/territory offices operate there will need to be continued effort to refocus resource effort for a number of years.

6.7   The principal change is seen in the staff effort devoted to IESIP and NIELNS for staff at the department's Level 2 and 3. The ANAO noted that the change in staff effort was not consistent across all states, with some showing less apparent movement towards an integrated service delivery model.

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[49]   Australian Public Service Level (APS) 1 to APS 3.

[50]   APS 4 to APS 5.

[51]   APS 6.

[52]   This is the weighted average of numbers of staff at all levels.

Skills and experience of staff

6.8 The ANAO survey also gathered information on the skills and background of staff involved in the administration of both IESIP and IEDA. The purpose of this was to gain an insight into what constraints might exist on the department in redirecting existing staff's focus from IEDA (which largely involves administrative processing and community liaison) to IESIP and NIELNS aspects (which involve contract management, specific educational strategies and communication with professional educators and managers).

6.9 Across all of the state/territories, it would appear that the staff involved in delivering IEDA have extensive experience in the area of Indigenous Education. Many appear to have been working in the area for some time, having been involved in Indigenous Education since the early to mid 1980s.

6.10 The educational qualifications of these staff are quite diverse. A large number of staff have high school qualifications, whilst other staff have tertiary and post graduate qualifications. Some of these tertiary qualifications are in education. Those with tertiary qualifications in some states appear to be in the minority, and their qualifications were obtained many years ago. Staff in the New South Wales and Victorian offices generally appear to have stronger education related qualifications.

6.11 All state offices have a large number of Indigenous persons in the Indigenous Education Units, indicating that there is likely to be good knowledge of Indigenous culture and/or the ability to effectively communicate with Indigenous people.

6.12 From the survey results, the ANAO notes that the current skills and experience of staff in some locations are not fully appropriate to the integrated service delivery model. Staff involved with IEDA would often not have strategic management skills required to administer IESIP.

6.13 Other matters arising from the survey include:

- the national office sponsored training in contract management, and most also undertook training on risk management;

- there was little in the way of education specific training, although there were exceptions to this. For example, in Tasmania staff undertook difficult behaviours / attention deficit awareness training; and

- state offices considered there was a lack of skills among current staff related to negotiation skills, information technology and education specific matters.

Further integration of the operation of IESIP and IEDA

6.14 The ANAO considers that there is scope for further integration of the operation of the IEDA and IESIP programmes, but for this to be successful there needs to be additional effort to improve the skills and professional competencies of relevant staff. Options that are raised for consideration include:

• whether there is scope to change the staffing mix in the state / territory offices to increase the numbers of staff with tertiary education, particularly in education; and

• whether there is scope for the introduction of a diploma or certificate course that staff could undertake that would equip them better for the needs of an integrated service delivery model.

6.15 At the same time the ANAO recognises the ongoing pressure on staff that operate in small Indigenous Education Units, where some staff are responsible for various corporate and supervisory duties, as well as a broad range of clients.

Conclusion

6.16 The ANAO noted that the department has a strategy in place for better integrating the delivery of its IESIP and IEDA programmes. Given the wide geographical spread of educational service delivery, it is important that the majority of state / territory office staff are skilled appropriately to play constructive roles in IESIP and NIELNS administration, as well as in the IEDA programme. The results of a survey undertaken by the ANAO indicate that the current skills and experience of staff in some locations are not fully appropriate to the integrated service delivery model.

6.17 The ANAO found that the Indigenous Education Branch was engaging the management of state / territory offices to improve the integration of IESIP and IEDA, and exploring the scope to change the staffing mix in its state / territory offices to provide an appropriate level of resources to the integrated service delivery model.

7. Indigenous education in the Northern Territory—some issues

This chapter includes particular matters that were identified in relation to Indigenous education in the Northern Territory, particularly the delivery of educational services in remote locations.

IESIP negotiations

7.1   The longest negotiation process for the new quadrennium occurred in respect of the Northern Territory Department of Education (NTDE).[53] Difficulties between the department and NTDE were not a new phenomenon for the negotiations for the 2001 to 2004 quadrennium. At the end of 1999, the department indicated to NTDE that it would only be offered an agreement for the first six months of 2000. Since late 1999 to the middle of 2001, the NTDE had been negotiating two six-month agreements and a new 2001 to 2004 quadrennium agreement with the Commonwealth. The Commonwealth's goal in this process was to have the NTDE make some significant inroads in the substantial gap between Indigenous and non-Indigenous student performance. The ANAO was advised by NTDE that the disrupted process resulted in there being a major underspend on the funds provided by the Commonwealth. The underspend resulted, in turn, in a lower level of resources being made available for Indigenous education in the Northern Territory.

7.2   An IESIP agreement for the new quadrennium for the NTDE was signed in October 2001.

Indigenous education outcomes in remote areas

7.3   As part of the negotiation process for the 2001 to 2004 quadrennium, the NTDE put forward separate targets for Indigenous students in urban locations and Indigenous students in remote locations. This presentation has made clearly evident the level of educational attainment achieved by Indigenous students at remote locations in the Northern Territory. At the Year 3 level, only three to four per cent of students in remote areas achieved the national benchmark in reading in 1999. There has also been some discussion that even these levels of achievement may be over stated. Year 5 level achievement has only been slightly better. In the reporting by the states disaggregated data is not presented as a rule. However,

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[53]   The change of government in the Northern Territory, in late 2001, resulted in the NTDE becoming the Department of Employment, Education and Training. However, in this report all references are made to the NTDE.

performance in general terms of remote students in the Northern Territory appears to be some eight or ten times worse than the lowest performing region in Western Australia.

7.4   In considering these results the ANAO notes:

- the size of the task confronting the NTDE in its remote primary school locations is very substantial based on the extremely low level of existing attainment;

- in addition the NTDE advised that there may well be a considerable number of children that are not attending school at all;

- Indigenous students comprise 38 per cent of the NTDE student population, with 24 per cent of Indigenous Students being in remote communities; and

- there is currently very little provision of high school education services in the remote areas of the Northern Territory:

  ➢ the Commonwealth has been exploring a number of options to provide increased secondary schooling provision in remote areas of the Northern Territory.

7.5   Providers and the Commonwealth departmental officers in the Northern Territory informed the ANAO repeatedly about the difficulty that NTDE has in maintaining quality teaching staff in remote locations. In addition, health and language difficulties make achieving successful educational outcomes difficult.

7.6   The NTDE commissioned the former Senator, Bob Collins, to undertake a comprehensive review of the delivery of education to Indigenous students in the Northern Territory. The Collins Report[54] was provided to the NTDE in 1999 and included reference to the following key issues:

- a widespread desire amongst Indigenous people for improvement in the education of their children;

- unequivocal evidence of deteriorating outcomes from an already unacceptably low base, linked to a range of issues, led primarily by poor attendance which has become an educational crisis;

- substantial evidence of long-term systemic failure to address this situation; and

- a need to establish partnerships between Indigenous parents, communities, and peak bodies, the service providers and both the Northern Territory and Commonwealth governments, to honestly

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[54]   Learning Lessons, An independent review of Indigenous education in the Northern Territory—Northern Territory Department of Education, Darwin 1999.

acknowledge the gravity and causes of declining outcomes, its destructiveness to future Indigenous aspirations, and to assume the joint responsibility of immediately reversing the downward trend.

7.7   The Report included 151 recommendations directed towards these and other issues.

7.8   While there are no quantitative measures of long term changes in educational achievement in remote areas of the Northern Territory, there is some indication that the situation in more recent years is worse than it was many years ago. The Collins Report[55] found that there was:

> a repeatedly stated observation from Indigenous elders that their children and grandchildren have lesser literacy and numeracy skills than they do.

7.9   The Northern Territory Minister for Education, Employment and Training announced in Parliament, in October 2001, that the Government was setting up a Collins Review Implementation Steering Committee to be co-chaired by the former Senator, Bob Collins, and a senior Indigenous educator. The Government indicated that the Committee's membership will be made up of senior Indigenous people from ATSIC, the Land Councils, Indigenous remote school principals, Indigenous health and the public sector. The Government emphasised that it must maximise the resources available to address the declining attendance and educational outcomes for Indigenous students.

7.10   In a further Parliamentary Statement on 28 February 2002, the NT Minister announced that he had established the *Learning Lessons Implementation Steering Committee*. The Steering Committee is to be co-chaired by Bob Collins, author of *Learning Lessons*, and Esther Djayhgurrnga, the Principal of Gunbalanya Community Education Centre.

7.11   The ANAO considers that the experience in the remote areas of the Northern Territory shows how difficult the Commonwealth's position is in achieving improvements in Indigenous education outcomes with the support of key providers. Despite previous IESIP funding agreements, education outcomes of Indigenous students in remote communities in the Northern Territory have not improved. There is a need to ensure that the approach and delivery methods under the department's programmes for educational services in the NT focus on improvements to educational outcomes for students in remote communities in the NT.

7.12   In view of the extent of the current deficit in educational achievement in remote areas of the Northern Territory, the ANAO considers that there needs to be considerable work on how to overcome this deficit. In order to achieve this

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[55]   Learning Lessons, An independent review of Indigenous education in the Northern Territory—Northern Territory Department of Education, Darwin 1999, p. 2.

there is a need for an examination of the extent of unmet need in both primary and secondary schooling in the Northern Territory and the identification of the key ingredients of appropriate and successful educational services in the remote areas of the Northern Territory. The Northern Territory Government Statements provide a basis for this work to commence.

Recommendation No. 6

1.13   Building on the Northern Territory Government's recent Parliamentary Statements, the ANAO recommends that DEST works with the Northern Territory Department of Education to help address the low levels of educational outcomes of Indigenous students in remote areas of the Northern Territory.

DEST response

7.14   DEST agrees with the recommendation.

7.15   The Commonwealth is committed to working with the Northern Territory Department of Employment, Education and Training toward improving the educational outcomes of Indigenous students in the Northern Territory. The Commonwealth Minister for Education, Science and Training has accepted an invitation for the Commonwealth to sit on the committee that is overseeing the implementation of the recommendations of the *Learning Lessons Review*. The Commonwealth's involvement on the committee will enable it to bring to the table knowledge gained from involvement with both the government and non-government sectors across Australia on achieving successful educational outcomes for Indigenous Australians.

Conclusion

7.16   In respect of Indigenous education in remote areas of the Northern Territory, performance data indicates that the Commonwealth's previous IESIP funding agreements have not been effective in ensuring that there has been real progress in improving the educational outcomes of Indigenous students. The Commonwealth's options in addressing this situation are restricted because it is reliant on the principal Northern Territory provider, the Northern Territory Department of Education. The ANAO noted that the Northern Territory Government Parliamentary Statements of October 2001 and 28 February 2002 drew attention to the Territory Government's commitment to implement changes based on an earlier review of Indigenous education in the Territory. The Statements provide an opportunity for the department to work with the Northern Territory Department of Education to address the low levels of educational outcomes of Indigenous students in remote areas of the Northern Territory.

Canberra   ACT

23 April 2002

P. J. Barrett

Auditor-General

Appendices

Appendix 1

National Aboriginal and Torres Strait Islander education policy (AEP) 21 national goals[56]

Involvement of Aboriginal people in educational decision-making

Goal 1

To establish effective arrangements for the participation of Aboriginal parents and community members in decisions regarding the planning, delivery and evaluation of pre-school, primary, and secondary education services for their children.

Goal 2

To increase the number of Aboriginal people employed as educational administrators, teachers, curriculum advisers, teachers assistants, home-school liaison officers and other education workers, including community people engaged in teaching of Aboriginal culture, history and contemporary society, and Aboriginal languages.

Goal 3

To establish effective arrangements for the participation of Aboriginal students and community members in decisions regarding the planning, delivery and evaluation of post-school education services, including technical and further education colleges and higher education institutions.

Goal 4

To increase the number of Aboriginal people employed as administrators, teachers, researchers and student service officers in technical and further education colleges and higher education institutions.

Goal 5

To provide education and training services to develop the skills of Aboriginal people to participate in educational decision-making.

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[56] National Indigenous English Literacy and Numeracy Strategy, 2000 to 2004, An Initiative of the Commonwealth Government of Australia, March 2000, pp. 42–43.

Goal 6

To develop arrangements for the provision of independent advice for Aboriginal communities regarding educational decisions at regional, state, territory and national levels.

Equality of access to educational services

Goal 7

To ensure that Aboriginal children of pre-primary school age have access to pre-school services on a basis comparable to that available to other Australian children of the same age.

Goal 8

To ensure that all Aboriginal children have local access to primary and secondary schooling.

Goal 9

To ensure equitable access for Aboriginal people to post-compulsory secondary schooling, to technical and further education, and higher education.

Equity of educational participation

Goal 10

To achieve the participation of Aboriginal children in pre-school education for a period similar to that for all Australian children.

Goal 11

To achieve the participation of all Aboriginal children in compulsory schooling.

Goal 12

To achieve the participation of Aboriginal people in post-compulsory secondary education, in technical and further education, and in higher education, at rates commensurate with those of all Australians in those sectors.

Equitable and appropriate educational outcomes

Goal 13

To provide adequate preparation of Aboriginal children through pre-school education for the schooling years ahead.

Goal 14

To enable Aboriginal attainment of skills to the same standard as other Australian students throughout the compulsory schooling years.

Goal 15

To enable Aboriginal students to attain the successful completion of Year 12 or equivalent at the same rates as for other Australian students.

Goal 16

To enable Aboriginal students to attain the same graduation rates from the same graduation rates from award courses in technical and further education, and in higher education, as for other Australians.

Goal 17

To develop programs to support the maintenance and continued use of Aboriginal languages.

Goal 18

To provide community education services which enable Aboriginal people to develop the skills to manage the development of their communities.

Goal 19

To enable the attainment of proficiency in English language and numeracy competencies by Aboriginal adults with limited or no educational experience.

Goal 20

To enable Aboriginal students at all levels of education to have an appreciation of their history, cultures and identity.

Goal 21

To provide all Australian students with an understanding of and respect for Aboriginal traditional and contemporary cultures.

Appendix 2

Objects of the *Indigenous Education (Targeted) Assistance Act 2000*

The following is an extract from the *Indigenous Education (Targeted Assistance) Act 2000*. The objects of the Act are contained in Part 2, sections 5 to 9.

Object of Act—equitable and appropriate educational outcomes for Indigenous people

It is an object of this Act to achieve equitable and appropriate educational outcomes for Indigenous people by:

(a) arrangements for the adequate preparation of Indigenous children for primary and later schooling through preschool education; and

(b) arrangements enabling Indigenous children to attain, through compulsory primary and secondary education, commensurate skills and standards of skills as those attained by other Australian children; and

(c) arrangements enabling Indigenous secondary students to attain the same rate of successful completion of Year 12, or its equivalents, as that attained by other Australian secondary students; and

(d) arrangements enabling Indigenous students participating in post-secondary education to attain the same graduation rates as those attained by other students so participating; and

(e) developing programs to support the maintenance and continued use of the languages of Indigenous people; and

(f) the provision of community education services to enable Indigenous people to manage the development of their communities; and

(g) arrangements enabling Indigenous students to attain better literacy and numeracy skills, and to attain better attendance outcomes, through access to priority Commonwealth education initiatives and strategic projects; and

(h) arrangements for education that will enable Indigenous adults with limited or no educational experience to attain proficiency in numeracy, the English language and life skills; and

(i) education enabling Indigenous students to appreciate the history, culture and identity of Indigenous people; and

(j) education enabling all Australian students to understand and appreciate the traditional and contemporary culture of Indigenous people.

Object of Act—equal access to education by Indigenous people

It is an object of this Act to ensure that Indigenous people enjoy equality with other Australians in their access to education and, in particular, to ensure:

(a) that Indigenous children who are below primary school age enjoy equality with other Australian children of that age in their access to preschool education; and

(b) that all Indigenous children have local access to compulsory primary and secondary schooling; and

(c) that Indigenous people have equitable access to other secondary and post-secondary education.

Object of Act—equity of participation by Indigenous people in education

It is an object of this Act to ensure equity of participation by Indigenous people in education and, in particular, to ensure:

(a) the participation of Indigenous children in preschool education for a period similar to that during which other Australian children participate in that education; and

(b) that all Indigenous children participate in compulsory primary and secondary schooling; and

(c) that the rate of participation of Indigenous people in other secondary and post-secondary education is equivalent to that of other Australians.

Object of Act—increasing involvement of Indigenous people in educational decisions

It is an object of this Act to increase the involvement of Indigenous people in the making of decisions concerning education by:

(a) the establishment of effective arrangements for the participation of Indigenous parents and other Indigenous people in decisions concerning the planning, delivery and evaluation of preschool, primary and secondary education for Indigenous children; and

(b) the establishment of effective arrangements for the participation of Indigenous students and other Indigenous people in decisions

concerning the planning, delivery and evaluation of post-school education to Indigenous people; and

   (c) an increase in the number of Indigenous people who are employed or otherwise involved in education:

      (i) as administrators, teachers, teaching assistants, researchers, student services officers, curriculum advisers and community liaison officers; and

      (ii) as special teachers of the culture, history, contemporary society and languages of Indigenous people;

or otherwise; and

   (d) the provision of education and training to develop the skills of Indigenous people that are relevant to their participation in the making of decisions concerning education; and

   (e) the development of arrangements to secure independent advice from communities of Indigenous people concerning educational decisions to be taken at local, regional, state and territory, and national levels.

Object of Act—to develop culturally appropriate education services for Indigenous people

It is an object of this Act to encourage the development of education services that are culturally appropriate for Indigenous people by:

   (a) the development of curricula that are suited to:

      (i) the education of Indigenous students; and

      (ii) the training of professional educators (including administrators, teachers, teaching assistants, researchers, student services officers, curriculum advisers and community liaison officers) who are involved in the education of Indigenous students; and

   (b) the development of teaching methods and techniques that are suited to the learning styles of Indigenous students; and

   (c) the promotion of research to devise innovative methods to deliver education services to Indigenous students; and

   (d) the promotion of research to devise methods to eliminate barriers to educational attainment encountered by Indigenous students; and

   (e) the conduct of pilot studies to test the effectiveness of the methods referred to in paragraphs (c) and (d).

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