Submission to the inquiry into Commonwealth Indigenous Advancement Strategy tendering processes

Finance and Public Administration References Committee

The Group of Eight (Go8) is pleased to make a submission to the Committee’s enquiry into Indigenous Advancement Strategy (IAS) tendering processes.

The Group of Eight (Go8) is a coalition of Australia’s leading universities, comprehensive in general and professional education and distinguished by depth and breadth in research.

Our submission deals with the negative impact of the IAS process on Indigenous higher education.

The IAS: aims and process

The Go8 raises significant concerns. The implementation of the IAS, rather than delivering improved outcomes, has instead led to dramatic and dislocating changes to funding and service delivery.

Changes have been introduced in very short timeframes and without adequate consultation; while changes to higher education programs resulting from the IAS process have pre-empted the advice of the Government’s own Aboriginal and Torres Strait Islander Higher Education Advisory Council (ATSIHEAC).

Communication from Government has been poor at all stages in the process, and Government has failed to explain its aims or outcomes well. This applies across the process - from the higher level policy intent, to the operational detail of program outcomes.

The approach the Government has taken to the IAS has, in total, had an unacceptable negative impact on Indigenous higher education programs. That is to be regretted, and it must be redressed.

The Go8 is positive this deleterious outcome was never the Government’s intention. That said, it is now critical the Government moves quickly to correct its unintended policy and program delivery errors.

As with the ‘Closing the Gap’ initiative, the IAS has a strong focus on education as a driver of opportunity, but in both these cases, this focus is simplistically and narrowly limited to school education. Tertiary education is clearly relevant to the IAS priority of ‘adults in work’, but there is little evidence that the IAS takes higher education into account in either policy design or program delivery.
The change in program delivery has led to decreases in the actual quantum of funding made available to Indigenous higher education programs at most (if not all) universities. This is impossible to reconcile with a strategy that is supposed to be for indigenous advancement.

As noted above, the Go8 is very concerned about the omission of higher education from the IAS. This is totally counter intuitive to the IAS aims, and, importantly to the Prime Minister’s commitment to Australia’s indigenous communities.

We are dealing with a confused and confusing approach to implementing the IAS. That is unacceptable.

This is especially challenging when the Department of Prime Minister and Cabinet (PM&C) has responsibility for programs, whilst the Department of Education retains policy responsibility for Indigenous higher education, including for the response the Review of Higher Education Access and Outcomes for Aboriginal and Torres Strait Islander People (the Behrendt Review). This arrangement clearly presents some challenges. Identifying and working through these in a consultative way, will be vital to making the IAS work as it is supposed to.

The Indigenous Tuition Assistance Scheme (ITAS)

The Go8’s concerns about the IAS and its impacts centre on the value of the Indigenous Tutorial Assistance Scheme (ITAS) and the funding issues created for ITAS through the management of IAS.

ITAS is seen as a successful and well-regarded program, despite some admitted imperfections. The Go8 has previously recommended changes to the program’s design; to increase its effectiveness and to deal with these imperfections.

**It must be stressed that ITAS is one of the most important factors in supporting Indigenous students’ successful participation in higher education. It is absolutely essential.**

The Go8 – along with many others – argued in a submission to the Behrendt Review that ITAS could be improved and made more effective if it became more flexible and easier to administer. We were encouraged that the Behrendt Review made recommendations about ITAS very much along the lines we had prosecuted i.e.: more flexibility to strengthen ‘locally relevant, tailored support’; increase the focus on retention and completion; and include students who have not previously been eligible for ITAS.

These important recommendations surely imply more funding to a program recognised for its value to indigenous higher education. Yet, instead, universities have received less money for ITAS than in previous years. Again, this is counter intuitive, and impossible to reconcile with a supposed Indigenous Advancement Strategy.

Of equal concern is ITAS funding methodology. Seeking to allocate ITAS funding by competitive tender is not appropriate, nor is it effective.

It makes no sense to require universities to compete for ITAS funding as they are not tendering to offer services: universities have an **obligation** to their Indigenous students and **ITAS was designed to support universities in fulfilling this obligation. This is why it has been allocated by formula.**

While the Go8 appreciates the Government’s efforts to lock in transitional arrangements for ITAS funding, these arrangements are themselves confusing and opaque (and deliver less funding than the formula-driven allocation mechanism before the IAS).

A longer-term solution must be in place as a matter of urgency to enable universities to plan beyond the immediate future.

Allocation of funding through formulae is a standard approach in the higher education sector, since student numbers and characteristics are important cost drivers. Formula funding allows all universities to make a contribution to program goals and avoids a zero-sum competition for limited funding. The Go8 therefore urges that future allocation of funding to support Indigenous higher education should be based on transparent formulae.
Go8 Recommendations

The Go8 makes the following recommendations to improve the operation of the IAS in the area of Indigenous higher education:

Include post-school education and training – including both higher education and VET – in the outcomes for the IAS and as measures of its effectiveness.

Tertiary education is relevant to IAS objectives to improve the Indigenous educational outcomes that drive increased opportunity. It is also critical to the objective of placing more Indigenous adults in jobs that match their abilities. Indigenous people deserve the opportunity a tertiary education can deliver them. Emphasising school completion is important, but an exclusive focus on school is outdated and narrow. It misses the point of what delivers true opportunity. The opportunity of post-school education is a necessary part of Indigenous advancement. In addition, it is logical that improvements in Indigenous participation in post-school education will drive improvements in school completion.

Ensure that funding for Indigenous higher education programs is delivered in a transparent, predictable way that is formula-driven wherever this is appropriate.

Predictable and sustainable funding is needed to drive effective efforts for long-term improvement in Indigenous participation in higher education.

Ensure coordination of IAS policy and program delivery.

This can be advanced by including higher education in the policy and program design (as recommended above), and by collaboration and consultation between PM&C and the Department of Education. We recommend a formal process for consultation between the two Departments: this would be an effective way to align the IAS with Indigenous higher education policy more broadly.

Move forward on development of a long-term response to the recommendations of the Behrendt Review of Higher Education Access and Outcomes for Aboriginal and Torres Strait Islander People.

The response to the Behrendt Review should be guided by the advice of ATSIHEAC. Major changes should not pre-empt recommendations in ATSIHEAC’s report to be delivered at the end of 2015.

In particular, policy and program design should consider the specific recommendations of the Behrendt Review on the Indigenous Support Program (ISP) and ITAS.

On ISP:

- Strengthen university accountability
- Increase transparency in the allocation of funding at the institutional level
- Provide universities with clearer guidelines on what ISP funding can and cannot be used for

On ITAS:

- Make the program more flexible so that universities are better able to provide support appropriate to their Indigenous student cohorts’ particular needs
- Increase the focus on retention and completion, and make universities more accountable for these
- Simplify administration of ITAS funding