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Senator David Leyonhjelm
Chair
Senate Select Committee on Red Tape
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Dear Senator

Thank you for the opportunity to provide a submission to the Senate Select Committee's inquiry into the effect of restrictions and prohibitions on business (red tape) on the economy and community.

Of the 154 schools in the Northern Territory (NT), 37 are registered non-government schools, servicing over 11 000 students. This represents over a third of the total primary, middle and secondary student population in the NT. Six non-government schools also provide boarding facilities and for some Aboriginal students living in remote NT communities, these boarding schools represent the only available option to further their education into middle and senior years.

The importance of non-government boarding schools to the NT education sector cannot be understated, illustrated by the recent commitment by the NT Department of Education (DoE) to increase annual supplementary funding to the six schools by \$1.85 million in 2018-19. DoE also provides funding to non-government boarding schools through the Isolated Students Education Allowance, paid at a rate of \$3312 per eligible boarder and indexed each calendar year.

Over 600 NT Aboriginal students boarded at NT non-government schools during Semester 2, 2017, many of whom live in difficult circumstances, where they are affected by multiple and overlapping disadvantage factors. The Commonwealth Government's ABSTUDY program provides an invaluable funding source for Aboriginal students needing to access the services provided by boarding schools. After consultation with the NT's non-government school sector, I would like to draw your attention to the report of KPMG's 2016 commissioned review of funding arrangements for non-government Aboriginal boarding schools in the NT for your consideration as part of the inquiry. The report, *Non-Government Indigenous Boarding Schools — Review of funding arrangements*, is available on the Department of Education's website at <https://education.nt.gov.au/education/reviews-and-consultations/non-government-indigenous-boarding-schools>

The report makes particular mention of the difficulties associated with claiming funding assistance under the ABSTUDY program and the associated high levels of administrative effort required by boarding facility administrators.

One of the report's key findings states:

"The administrative effort invested to meet requirements of Commonwealth funding provided through the Department of Human Services' ABSTUDY program places significant burden on boarding facility administrators. Furthermore, means testing of ABSTUDY creates difficulties for boarding facilities in understanding the funding they will receive for each student enrolled, as they are not privy to the financial affairs of a student's parents at the time of the enrolment."

The schools' attempts to engage with parents and community on student and education matters were also found to be hampered by the additional effort required to engage on tasks associated with obtaining ABSTUDY funding. Estimates of full-time-equivalent (FTE) resource absorption to deal with ABSTUDY issues ranged from 0.5 FTE employee for the smallest school to at least one FTE for larger schools.

This inefficient use of school resources is worth emphasizing because the KPMG report found generally that non-government boarding schools in the NT are underfunded by up to \$13 146 per student. Despite DoE's decision to increase supplementary funding, financial viability continues to be a significant issue for private providers of boarding services.

The administrative burden created by ABSTUDY administrative processes has placed a greater reliance on services provided by DoE. The department's Transition Support Unit (TSU), created under the department's ten-year *Indigenous Education Strategy 2015-2024*, to support remote Aboriginal students and their families to negotiate secondary school pathways, including boarding school, finds that its key business tasks are undermined by the significant resources expended assisting families with lodgement of ABSTUDY claims and troubleshooting various ABSTUDY issues. Current forms and processes do not fully accommodate Aboriginal cultural and contextual sensitivities, in particular:

- English may be a second or third language for families claiming ABSTUDY
- students may be in the care of family members other than those lodging the ABSTUDY claim
- despite most non-urban schools in the NT being considered 'bypass schools' for ABSTUDY purposes, families may be asked by the Department of Human Services for additional information during the application process, leading to confusion and delays in claim processing, e.g. to explain why the student cannot attend a local school, and
- the ABSTUDY travel policy provides no flexibility for students who must travel from the boarding school to a place other than their home community for medical or cultural reasons. For example, if a student must attend a family funeral on South Goulburn Island, but their home address is on Croker Island, ABSTUDY will only pay for travel to and from Croker Island.

In summary, the resources expended by non-government schools and DoE in assisting families with ABSTUDY administration could be better utilised in supporting students and their education outcomes.

I believe there are opportunities for increasing efficiencies in this area, including exploring options for simplifying ABSTUDY administration and making it more responsive to culturally sensitivities of Aboriginal students and families, and look forward to the outcomes of the inquiry.

Yours sincerely

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