Changes to the Education Maintenance Allowance (EMA) Program

What is changing?

In the 2013 School Funding Reform Agreement, signed with the Commonwealth, the Victorian Government committed an additional $5.4 billion school funding to change the way it helps low-income families with education expenses.

From 1 January 2015, the Government will support the learning needs of students from disadvantaged backgrounds by providing $34.5 million directly to Government schools.

Why is the EMA changing?

In 2013, the Victorian Government signed a $12.2 billion agreement for additional funding for schools in Victoria. This involves a $5.4 billion contribution from the Victorian Government over six years. The Government was able to secure this additional funding without subjecting Victoria to significant intervention by the Commonwealth, achieving an enormously favourable outcome for Victorian families.

In order to access Commonwealth funding, Victoria was obliged to shift as much education funding as possible into direct payments to schools. Had the Government failed to adhere to this condition, the entire additional funding agreed to by the Commonwealth would have been at risk for Victoria.

By making this change, and redirecting EMA payments from parents direct to schools, Victoria was able to secure this record increase in education funding which will benefit all students, and in particular those from disadvantaged backgrounds.

More information about the School Funding Reform Agreement can be found at: http://www.education.vic.gov.au/about/department/vlc/Pages/default.aspx (the link goes to TVLC)

When will the EMA program change?

From 1 January 2015, funding to support students from disadvantaged backgrounds will be distributed directly to schools, targeted through the Student Family Occupation (SFO) index. Funding will be provided to schools with the greatest densities of students from low socio-economic backgrounds, recognising their additional learning needs.

What funding for low income students will replace the EMA?

The Victorian Government will continue to support students from low-income families by distributing $34.5 million directly to the neediest government schools, in place of the EMA payment.

This equity funding for government schools will be allocated according to Victoria’s existing needs-based funding model, the Student Resource Package (SRP). The funding will be provided directly to schools via the SRP, targeted through the Student Family Occupation (SFO) index. To be eligible for SFO funding, a school campus SFO index must be greater than the statewide median SFO index.

Funding for the SFO is targeted at those schools with students whose readiness to learn is affected by a range of circumstances, including prior educational experiences and family or other personal circumstances.
The SFO was introduced in the 2005 SRP, based on findings from the University of Melbourne along with other key changes, in response to the need to better allocate equity resources. The SFO marker is constructed using parental occupation data that is submitted annually and weighted according to categorisation of occupations as per the Australian Bureau of Statistics.

The University of Melbourne’s key findings found that student outcomes are directly correlated with disadvantage and disadvantage is concentrated in certain schools. SFO, at present, is the best predictor of educational outcomes.

Funding is provided to schools with the greatest densities of students from low socio-economic backgrounds, recognising their additional learning needs. Consequently, SFO funding supports programs that focus on students at risk of not achieving success at school with particular emphasis on students with literacy problems.

Victoria will allocate its contribution to non-government schools through the Financial Assistance Model (FAM).


**How will students be supported by the payment?**

The Victorian Government will continue to support students from low-income families by distributing $34.5 million directly to the neediest government schools, in place of the EMA payment.

Funding will be used by schools to support students for school-based expenses previously covered by the EMA. These include educational items such as textbooks, stationery, uniforms and excursions.

**How will schools ensure the money is used for those students who previously attracted the EMA?**

School principals and councils will be responsible for ensuring that students, who previously attracted the EMA, are supported to participate fully at school.

Schools have complete flexibility, within their annual budgets, to address the specific needs of their students, and provide additional support, as required.

While this new approach will see a change in the way the previous EMA funding is allocated, it is still expected that all schools will provide the support required for their students from disadvantaged backgrounds.


From the start of 2015, parents can direct their questions about the new funding arrangements to their child’s school.

**How will schools in higher socio economic areas support children who previously attracted the EMA?**

Schools have complete flexibility within their annual budgets to address the specific needs of their students, and provide additional support as required.

Access to State Schools Relief Committee support is available via the principal to assist with clothing/uniforms for families in financial hardship.

The Commonwealth Government is primarily responsible for the provision of financial assistance to low income families through the Schoolkids Bonus, which is provided directly to eligible parents to assist with education costs. More information is available at [SchoolKids Bonus](http://www.education.vic.gov.au/management/financial/policy.htm).

**What support will be available to schools that don’t receive additional funding, to assist low income families?**


School councils have the responsibility to develop policies and plans to allocate their overall resources in accordance with the goals, targets and strategies outlined in their strategic plan. This includes the allocation of funding provided under the SRP, any other funding provided by the Department of Education and Early Childhood Development, and locally-raised funds.

Access to State Schools Relief Committee support is available via the principal to assist with clothing/uniforms for families in financial hardship.

The Commonwealth Government provides financial assistance to low income families through Schoolkids Bonus.

**How will families be informed about the changes?**

Information for parents will also be published on the Department’s website: [http://www.education.vic.gov.au/school/parents/financial/Pages/ema.aspx](http://www.education.vic.gov.au/school/parents/financial/Pages/ema.aspx). A letter from the School Council President to parents has been included as part of the 2015 Indicative SRP circular.