

Council of Australian Postgraduate Associations (CAPA)

**Submission to the Senate Inquiry into the
Social Security and Other Legislations Amendment
(Income Support for Students) Bill 2009**

October 2009

Compiled with the assistance of the staff and office bearers of the Council of Australian Postgraduate Associations (CAPA) and its affiliated member organisations.

The Council of Australian Postgraduate Associations (CAPA) is the national representative body for Australia's 270,000+ postgraduate students.

Prepared by Nigel Palmer, CAPA. Printed by CAPA.
Level 3, Trades Hall, 2 Lygon St, Carlton South, VIC, 3053
(03) 9650 7666 or 0425 823 144
www.capa.edu.au

Table of contents

Summary of Recommendations	2
1 Tertiary education opportunities and rural and regional communities	4
1.1 Access to opportunities for scholarship, teaching and research	4
1.2 Access to higher education via flexible delivery and open learning	6
1.3 Living expenses in urban centres: concession travel on public transport	7
1.4 Support services	8
1.4.1 Student housing and campus security	8
1.4.2 Student services	9
1.5 Summary	10
2 Income support measures and postgraduate students	11
2.1 Course eligibility requirements and income support	12
2.1.1 Coursework postgraduates	12
2.1.2 Research postgraduates	13
2.2 Scholarships amendments and related measures	15
2.3 Postgraduates and parenting payments	16
References	18
Appendices	20
Appendix I: Selected survey responses and correspondence	20
Appendix II: Taxation Laws Amendment (Scholarships) Bill 2005 [2008]	23

Introduction

The following is in response to the invitation for submissions to the Senate Inquiry into the Social Security and Other Legislations Amendment (Income Support for Students) Bill 2009, which has also adopted terms of reference from the Senate Inquiry into Rural and Regional access to Secondary and Tertiary Education Opportunities.

This submission will address the Bill and terms of reference with a focus on issues of relevance for postgraduate students and early career researchers. On matters more directly related to undergraduate students (and in regard to Youth Allowance in particular) CAPA endorses submissions to this and related inquiries by the National Union of Students (NUS).

Section 1 outlines issues relevant for rural and regional communities, while Section 2 addresses the detail of the Social Security and Other Legislations Amendment (Income Support for Students) Bill 2009.

Summary of Recommendations

Recommendation 1: That measures to boost participation in higher education in regional and rural communities should be matched by efforts to support students through their course of studies through to the successful completion of their degree.....5

Recommendation 2: That Government measures to support excellence in research do not compromise opportunities for high quality teaching and research at regional and rural universities.....5

Recommendation 3: That the Federal Government work with higher education providers in facilitating joint higher degree by research enrolments across institutions.....5

Recommendation 4: That the quality of degree programs offered via flexible delivery, and their associated fees and charges, be among the areas closely monitored by the proposed Tertiary Education Quality and Standards Agency (TEQSA).....7

Recommendation 5: All tertiary students should have access to concession travel on public transport, regardless of their location, residency status or type of enrolment.8

Recommendation 6: That the Commonwealth work with higher education providers in establishing national campus security standards, with a view to the development of minimum standards and guidelines for institutions.8

Recommendation 7: That the Commonwealth work with State and Territory Governments to ensure adequate student housing standards, and appropriate rights of students as tenants.9

Recommendation 8: That the Higher Education Legislation Amendment (Student Services and Amenities, and Other Measures) Bill 2009 be passed by the Federal Senate.	10
Recommendation 9: That the scope provided by the Student Services and Amenities Bill and Guidelines ensures all revenues from the proposed fee are invested in support of specialised student services and representation for all student groups.	10
Recommendation 10: That course eligibility requirements be amended to allow access to Youth Allowance and Austudy for students enrolled in a doctorate by coursework degree.	13
Recommendation 11: That the duration of entitlement for Youth Allowance, Austudy and Abstudy extend to the full duration of degree programs.	13
Recommendation 12: That course eligibility requirements be amended to allow access to Youth Allowance and Austudy for students enrolled in a higher degree by research.	15
Recommendation 13: Amend the threshold amount outlined under item 14, subsection 8AB of the Bill to the value of \$13,524 (indexed).	15
Recommendation 14: Ensure eligibility for Commonwealth Scholarships extends to all students receiving government benefits, including parenting, carer and disability support benefits.	15
Recommendation 15: Exempt scholarships as assessable income for the purposes of eligibility for parenting, carer and disability support payments....	15
Recommendation 16: Exempt scholarships and Commonwealth support payments as assessable income for the purposes of eligibility for a health care card.	15
Recommendation 17: That the Income Tax Assessment Act 1997 be amended to omit "full-time" in reference to research scholarships in Section 51-10 (table item 2.1A, second column), Section 51-35 (heading), and Section 51-35, as per the Taxation Laws Amendment (Scholarships) Bill 2005.	16
Recommendation 18: That any guidelines or advice discriminating against postgraduate study as an approved activity for any form of income support be amended.	17

1 Tertiary education opportunities and rural and regional communities

Universities are places where communities may directly participate in, and benefit from, efforts in testing the boundaries of knowledge. Australia's capacity for world class teaching and research also benefits from an ability to support participation in higher education in the broadest possible sense. Higher education in Australia reflects the aspirations of a society and a nation that are both innovative and inclusive, regardless of background, origin or geographic location.

1.1 Access to opportunities for scholarship, teaching and research

Participation has become a key theme in the Federal Government's equity agenda for higher education.¹ The participation of students from rural and regional backgrounds is no exception. Another key theme established in the course of the Bradley Review is the national importance of understanding Australia's higher education system as a system, an not as an aggregation of disparate and competing elements. This point is underlined by the notion that among the unifying characteristics of such a system should be the deliberate and systematic pursuit of quality. Finally, the Review also emphasised the importance of what is often referred to as the "teaching-research nexus" in ensuring the system is sustainable, and that opportunities to engage in and develop its strengths are shared by all.

It is important to ensure enough students from under-represented groups commence a degree. Mitigating student attrition is also important however in ensuring a "pipeline" effect for skilled graduates. Positive equity measures are wasted where students are unable to continue with their studies. Ensuring participation in the case of students from regional and rural backgrounds therefore means that measures to recruit students must matched with measures to retain them. Access to student income support is a vital means of supporting participation, among other measures tailored to and support students through to the successful completion of their degree. From there, both individuals and communities benefit from those graduates having the broadest range of opportunities possible, including opportunities for further study which may lead to a professional qualification in industry, or as a foundation for a career in teaching or research.

Sustainability is a key concern for regional and rural institutions. There is potentially a long-term negative impact where the education, research and career opportunities for rural and regional students are available only to those who relocate to large universities in major capital cities. Skilled graduates are of critical importance for rural and regional communities. They are also

¹ Bradley, Noonan, Nugent and Scales (2008). Review of Australian Higher Education: Final Report. Canberra, ACT, Department of Education Employment and Workplace Relations (DEEWR).

important in the context of the looming shortfall in the higher education teaching and research workforce.²

Recommendation 1:

That measures to boost participation in higher education in regional and rural communities should be matched by efforts to support students through their course of studies through to the successful completion of their degree.

Recommendation 2:

That Government measures to support excellence in research do not compromise opportunities for high quality teaching and research at regional and rural universities.

The Committee recommends that the Research Training Scheme guidelines be amended to enable higher degree by research students to enrol jointly at two institutions, with student load and completion credited to both institutions.

Recommendation 22, Building Australia's Research Capacity (p.91)

The above recommendation from the final report of the House of Representatives Inquiry into Research Training and Research Workforce Issues in Australian Universities entails a simple change that would have a significant positive impact, especially for regional and rural institutions.³ While the Federal Government has indicated that it will consider this recommendation as part of its research workforce strategy, it is important to emphasise the value of supporting innovation and research in regional and rural universities, and highlight that there are a range of simple strategies that can be employed to support this.⁴

Recommendation 3:

That the Federal Government work with higher education providers in facilitating joint higher degree by research enrolments across institutions.

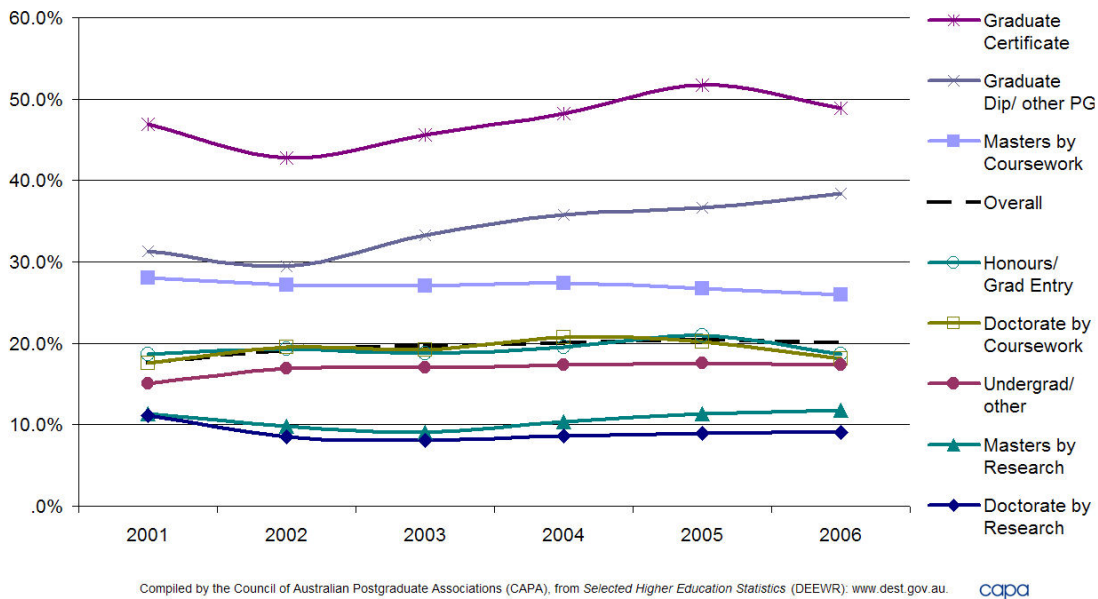
² House of Representatives Committee on Industry Science and Innovation (2008). Building Australia's Research Capacity (Final report of the House of Representatives Inquiry into Research Training and Research Workforce Issues in Australian Universities). Canberra, ACT, Parliament of Australia.

³ Palmer (2009). Overview of the Federal Government's response to Building Australia's Research Capacity. Carlton South, VIC, Council of Australian Postgraduate Associations (CAPA). (p.3).

⁴ Carr Senator the Hon. Kim - Minister for Innovation Industry Science and Research (2009). Australian Government Response to Committee report: "Building Australia's Research Capacity". House of Representatives, Parliament of Australia. (p.6).

1.2 Access to higher education via flexible delivery and open learning

Figure 1 External & Multi Mode as Proportion of Enrolments by Course 2001-2006



Flexible delivery initiatives in education, and the use of open learning techniques, offer a significant contribution to expanding access for groups who might otherwise be excluded from further study, including people in regional and remote locations. The use of communications technology can improve the flexibility of access to resources for students, and online delivery can be effectively used to make teaching materials available to students. Universities are increasingly also providing administrative services on-line, including the administration of enrolments.

Students have expressed concern however that the enthusiasm for many of these new initiatives may not have been matched by adequate investment in the quality of these programs, or in the infrastructure required for them to work effectively and be easily accessible. There often appears to be a lack of attention paid to the appropriate teaching and learning methodologies best suited to flexible modes of delivery.

Of particular concern is the potential for flexible delivery to offer institutions the opportunity to expand their fee-paying base, without the appropriate corresponding investment in quality. The developments of flexible methods of delivery should not be treated by education providers as a 'cut-price' option for the provision of postgraduate education. All modes of delivery must be driven by comparable investment in quality. A genuine concern with 'equivalence' in quality across modes of study should assist in reducing barriers to transfer between postgraduate programs, further enhancing both access and flexibility, and not simply become another "flexible" means of generating revenue. Consistent with this, off-campus or external students should not be subject to additional financial imposts in order to gain access to university or other facilities required to effectively pursue their course of study.

Recommendation 4:

That the quality of degree programs offered via flexible delivery, and their associated fees and charges, be among the areas closely monitored by the proposed Tertiary Education Quality and Standards Agency (TEQSA).

1.3 Living expenses in urban centres: concession travel on public transport

Am I eligible for concession travel on public transport?

capa Rating	State/Territory	Separate travel ID card required?	Health Care Card Holders Eligible?	Full time tertiary students					Part time students	External	Visiting interstate tertiary student
				Undergraduate	Postgraduate		International				
					Research			Coursework			
					Scholarship	non-scholarship					
Preferred Destinations	Northern Territory	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes (bus only)	Yes	Yes
	South Australia	No*	Yes (additional card required)	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes (additional card required)
	Tasmania	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No
Good	Australian Capital Territory	No	Yes (additional card required)	Yes	Yes	Yes	Yes	Yes	No	Yes	Some (NSW eligibility applies for NSW students)
	Western Australia	Yes	Yes (WA residents only)	Yes	Yes	Yes	Yes	Yes	No	Yes	No
	Queensland	Yes* (Varies by region)	No	Yes	Yes	Yes	Yes	Yes	No	No	No
Farcical	New South Wales	No (Providers issue Student ID stickers)	Yes (additional card required)	Yes	Yes	Some*	Some*	some (approved programs only)	No	No	Some (ACT students only)
Embarrassing	Victoria	Yes	Yes (VIC residents only)	Yes	No	No	No	Some (approved programs only)	No	No	No

Compiled by the Council of Australian Postgraduate Associations (CAPA) 2009. * Additional conditions apply. Full details available at www.capa.edu.au/transportconcessions.

Concession travel on public transport in Australia⁵

CAPA, in its supplementary submission to the inquiry, highlighted the uneven nature by which state governments support postgraduate research students through access to transport concessions **The Committee considers it absurd that there is such considerable variation in access to transport concession between the states.**

Recommendation 19: The Committee recommends that the Australian Government work with State Governments to support postgraduate students through the reduction of certain living expenses, in particular, through the provision of concessions for public transport travel. Access to transport concessions should be made available to all full-time tertiary students, regardless of type of enrolment or the level of course in which they are enrolled.

(Emphasis added) *Building Australia's Research Capacity* (p.86)

⁵ Pechenkina and Palmer (2009). Concession travel on public transport in Australia. Council of Australian Postgraduate Associations (CAPA).

When you are relocating to a major capital city and surviving on a very low income, every cent counts. That is just one reason why access to concession travel on public transport is so important.

As shown above, access to student concession travel varies for each state and territory in Australia. The Northern Territory has the most equitable approach to student concessions in the nation, closely followed by South Australia and Tasmania. Externally enrolled students are denied access to concession travel on public transport in Queensland, New South Wales and Victoria. At the bottom of the list are New South Wales and Victoria, where postgraduate and international students are denied the level of access to concession travel enjoyed by other students.

Recommendation 5:

All tertiary students should have access to concession travel on public transport, regardless of their location, residency status or type of enrolment.

1.4 Support services

1.4.1 Student housing and campus security

Many regional and rural students studying in metropolitan universities live on campus, and therefore join with international students in being heavily reliant on campus facilities and amenities, and, in turn, on security provided by their institution to ensure a safe, welcoming and collegial campus environment.

Institutions must take full responsibility for the security and safety of students and staff on campus. Adequate investment is required to ensure appropriate standards of safety and security are maintained. Institutions must also ensure adequate access to phones, alarms and security posts, escort and bus services. Security staff should include both men and women, and be sensitive to specific campus security needs. Institutions should provide security that extends beyond the institution's campus boundaries, including surrounding areas such as residential colleges and nearby parking.

All students housed in accommodation provided by universities, including on-campus university accommodation, residential colleges and halls of residence, should be afforded the basic rights of all tenants. These rights, and measures for ensuring appropriate general tenancy standards, should also be extended to accommodation providers recommended by institutions, even where they do not hold a direct interest in the provider.

Recommendation 6:

That the Commonwealth work with higher education providers in establishing national campus security standards, with a view to the development of minimum standards and guidelines for institutions.

Recommendation 7:

That the Commonwealth work with State and Territory Governments to ensure adequate student housing standards, and appropriate rights of students as tenants.

1.4.2 Student services

VSU has particularly affected certain groups of students. CAPA notes that postgraduate students are one of the most disadvantaged groups of students following the introduction of VSU. One reason for this is the risk of isolation for postgraduate students. CAPA noted that inadequate student services and support for a 'collegial research environment' can lead to isolation and declining completion rates.

Inquiry Report: Higher Education Legislation Amendment (Student Services and Amenities, and Other Measures) Bill 2009 [Provisions] (emphasis added)⁶

Support services are central to efforts in retaining and supporting students through to the successful completion of their degree. Students who live on campus tend to be among the high-frequency users of student services. This is partly a result of their being on campus full-time, and also because they are in greater need of services and support.

One of the unfortunate defining characteristics of postgraduate education, and in the case of students who relocate to study in particular, of is the risk of isolation. Where inadequate support services are in place, or where institutions fail to ensure reasonable measures to support a collegial learning environment, isolation remains a significant risk factor in postgraduate education: personally, professionally and academically.

Providers of support activities identified by PhD students⁷

Training type/providers	Department / faculty	Graduate school	PG student association	Professional organisation	Other
Seminar series	69	13	7	6	5
Social activities	45	4	26	6	19
Discussion group	60	11	8	7	14
Electronic network	27	11	12	23	27
Writing group	33	29	16	3	19
Other doctoral group	40	11	11	7	31

Student organisations play an important role in creating a sense of community for student groups. Postgraduate associations organise programs and events, as well as providing their own academic and professional development programs. Despite the impact of "VSU" on postgraduate-specific services, many student organisations continue to offer professional and

⁶ Senate Education Employment and Workplace Relations Committee (2009). Inquiry Report: Higher Education Legislation Amendment (Student Services and Amenities, and Other Measures) Bill 2009 [Provisions]. Canberra, ACT, Parliament of Australia.

⁷ Pearson, Cumming, Evans, Macauley and Ryland (2008). Exploring the extent and nature of the diversity of the doctoral population in Australia: a profile of the respondents to a 2005 national survey. *Quality In Postgraduate Research Conference: Research Education in the New Global Environment*. Adelaide (in press). (p.22)

academic development opportunities, social activities, advocacy and support services.⁸ They also play an important representative function for students: elected student representatives participate on relevant academic committees and work with faculties, administration and schools of graduate studies in providing the university with important feedback on the postgraduate experience, in support of retaining and supporting postgraduates at their institution.

Student engagement is not limited to engagement in the assessment tasks required to graduate from a course of study. A quality student experience is characterised by engagement in a broader range of activities, including academic and professional development activities, skills development, professional and social network building and other activities that support a quality student experience.⁹

Recommendation 8:

That the Higher Education Legislation Amendment (Student Services and Amenities, and Other Measures) Bill 2009 be passed by the Federal Senate.

Recommendation 9:

That the scope provided by the Student Services and Amenities Bill and Guidelines ensures all revenues from the proposed fee are invested in support of specialised student services and representation for all student groups.

1.5 Summary

Quality, equity and sustainability in higher education are key issues for regional and rural communities. Regional and rural communities face these issues from a unique perspective, and strategic measures by Government, working with higher education providers, are important in ensuring these challenges are not overlooked.

Important measures include removing barriers to participation, mitigating attrition, and recognising that the diversity of needs among the student population includes students studying from regional and rural areas, and those studying at regional and rural campuses. Skilled graduates are of paramount importance in sustaining regional and rural communities, as are the kinds of opportunities for scholarship, teaching and research that regional and rural universities provide.

⁸ Skinner, Chenco and Palmer (2007). *The Impact of VSU on Postgraduate Students*. Carlton, VIC, Council of Australian Postgraduate Associations. ; Palmer (2008). *The Impact of VSU on Services, Amenities and Representation for Australian Students (Response to Discussion Paper)*. Carlton, VIC, Council of Australian Postgraduate Associations.

⁹ Australian Council for Educational Research (ACER) (2008). *Attracting, Engaging and Retaining: New Conversations about Learning*. Melbourne, VIC, Australian Council for Educational Research (ACER).

2 Income support measures and postgraduate students

Domestic Internal Students by Course Type and Eligibility for Income Support

capa	2006 #	YA / Austudy	APA or equiv (Est.)	None
Doctorate by Research	29,942	28	12,284	17,630
Masters by Research	6,645	19	2,726	3,900
Doctorate by Coursework	822	-	-	822
Masters by Coursework	46,467	2,018	-	44,449
Graduate Certificate	11,226	11,226	-	-
Graduate Diploma/other PG	22,538	22,538	-	-
Honours/Graduate Entry	18,740	18,740	-	-
Undergrad/other	428,947	428,947	-	-
Total	565,327	483,516	15,010	66,801

Compiled by the Council of Australian Postgraduate Associations (CAPA) based on 2006 *Selected Higher Education Statistics* (DEEWR).

*Masters by Coursework data indicate actual numbers granted Youth Allowance or Austudy as at June 2008 (source: www.annualreport.deewr.gov.au).

Lack of income support not only significantly erodes students' ability to participate in higher education; it hampers their capacity to adequately engage in their studies, and in a broader educational experience. As reflected in CAPA's survey for its *Submission to the Senate Inquiry into Student Income Support Measures*, availability of income support is a key factor in electing to enrol part time, or further, abandoning a course of study completely.¹⁰

With an average age of 35 years, postgraduates are more likely to be living independently, more likely to have carer responsibilities, and therefore often struggle to meet basic living expenses including rent, electricity, water and phone services, food, clothing and transport.¹¹ As reflected in the table above, access to student income support for postgraduates is currently very limited. There were an estimated 45,395 coursework students attempting to complete a higher degree in 2006 without access to any form of income support at all. For Research students, that figure is estimated to be around 21,530.¹²

¹⁰ Bexley (2004). *Submission to the Senate Inquiry into Student Income Support Measures*. Horton. Carlton, VIC, Council of Australian Postgraduate Associations (CAPA). Selected survey responses have been included here in appendix I.

¹¹ Universities Australia (2007). *Australian University Student Finances 2006: Final report of a national survey of students in public universities*. James, Bexley, Devlin and Marginson. Melbourne, VIC, Centre for the Study of Higher Education.

¹² Palmer (2008). *Submission to the Review of Australian Higher Education*. Carlton, VIC, Council of Australian Postgraduate Associations.

2.1 Course eligibility requirements and income support

Course eligibility is described by legislative instrument, as provided for under section 5D the *Student Assistance Act 1973*.¹³ The current course eligibility provisions allow only a minority of postgraduate students access to Austudy or Youth Allowance.

2.1.1 Coursework postgraduates

The *Social Security Amendment (2007 Budget Measures for Students) Bill 2007* extended eligibility for Youth Allowance and Austudy to students enrolled in a limited number of masters by coursework programs. Only students in approved courses are eligible to apply for income support, and universities must apply to have their masters courses approved. Only masters courses required for entry to a profession, or that exist as a result of a course restructure, are considered for eligibility.¹⁴

Domestic Internal Students by Course Type and Eligibility for Student Income Support (based on Bradley Review Recommendation #5)

capa	#	YA / Austudy	APA or equiv (Est.)	None
Doctorate by Research	29,942	28	12,284	17,630
Masters by Research	6,645	19	2,726	3,900
Doctorate by Coursework	822	-	-	822
Masters by Coursework	46,467	46,467	-	-
Graduate Certificate	11,226	11,226	-	-
Graduate Diploma/other PG	22,538	22,538	-	-
Honours/Graduate Entry	18,740	18,740	-	-
Undergrad/other	428,947	428,947	-	-
Total	565,327	527,965	15,010	22,352

Compiled by the Council of Australian Postgraduate Associations (CAPA) based on
2006 Selected Higher Education Statistics (DEEWR)

More recently, 2009 Federal Budget announcements included the very welcome commitment to extend Youth Allowance and Austudy eligibility to all masters by coursework students, as part of the package of income support reforms currently before Federal Parliament. This measure is in response to recommendation 5 of the Bradley Review of Australian Higher Education, as outlined above.¹⁵

¹³ The Hon. Julia Gillard MP (2009). Student Assistance (Education Institutions and Courses) Determination 2009 (No. 1). Department of Education Employment and Workplace Relations (DEEWR), Commonwealth of Australia. ; Parliament of Australia (1973). Student Assistance Act. (p.8).

¹⁴ Chenco (2007). Submission to the Senate Inquiry into the Social Security Amendment (2007 Budget Measures for Students) Bill 2007. Palmer. Carlton, VIC, Council of Australian Postgraduate Associations (CAPA).

¹⁵ The extension of Youth Allowance and Austudy payment to students undertaking Masters programs by coursework is expected to be enacted by legislative instrument, and therefore does not appear as part of this Bill. See The Hon. Julia Gillard MP (2009). Explanatory

2.1.1.1 *Issues overlooked*

Although welcome, the changes overlook the limited duration of entitlement many of these students will have. Many students will have exhausted their entitlement for Youth Allowance or Austudy by the time they commence a masters by coursework program.

The changes also overlook the small number of coursework doctorate students, who join with coursework masters students in comprising the coursework postgraduate cohort. In 2008 there were 958 domestic coursework doctorate enrolments, with 50% in the field of psychology, and the remainder being distributed in very low numbers across a broad range of disciplines. The doctorate of psychology in particular is an extremely demanding degree, offered at a very high standard.

Students pursuing coursework doctorate degrees in psychology, osteopathy and postgraduate teaching degrees featured prominently in responses to CAPA's 2003 survey into student finances.¹⁶ Along with describing the hardship of attempting to complete a very demanding degree program without access to any form of income support at all, their responses suggest that many students are unaware at the commencement of their degree program that they would become ineligible for student income support part-way through the course of their studies (in most cases on completion of the bachelors component).

Recommendation 10:

That course eligibility requirements be amended to allow access to Youth Allowance and Austudy for students enrolled in a doctorate by coursework degree.

Recommendation 11:

That the duration of entitlement for Youth Allowance, Austudy and Abstudy extend to the full duration of degree programs.

2.1.2 Research postgraduates

*The Committee recommends that **access to Youth Allowance, Austudy or Abstudy be extended to all students enrolled in a higher degree by research**, noting that:*

- access to those schemes does not determine eligibility;
- candidates in receipt of a scholarship or other source of income above a determined assessment threshold would be ineligible; and
- access to those schemes should be regarded as secondary to access to a scholarship or award with an adequate living stipend.

Recommendation 18, Building Australia's Research Capacity (p.85)

Memorandum: Social Security and Other Legislations Amendment (Income Support for Students) Bill 2009. House of Representatives, Parliament of Australia.

¹⁶ Selected examples appear in Appendix I.

Due to the diverse range of scholarship providers (as reflected below), there is no national-level data available on the number of research students in receipt of a scholarship or award with a living allowance.¹⁷ Projections based on available evidence suggest that in 2006 there was a total pool of around 15,000 scholarships with living allowances available for domestic research candidates (including both full and part time awards for both masters and PhD).¹⁸ On these assumptions, there are approximately 21,530 postgraduates attempting a research higher degree without access to any form of student income at all.¹⁹

Distribution of scholarship holding within broad field of study (%)²⁰

Broad Fields Of Study/Type of Scholarship	APA/APAI/ IPRS	University	Other	No scholarship
Agriculture, Environmental and Related Studies	37	23	21	19
Architecture and Building	38	32	5	24
Creative Arts	42	16	7	35
Education	18	18	7	54
Engineering and Related Technologies	43	25	18	13
Health	27	19	22	31
Information Technology	24	32	9	34
Management and Commerce	21	25	13	42
Natural and Physical Sciences	40	31	14	14
Society and Culture	37	19	5	38

Access to income support is the most critical factor in supporting participation in higher education. It is a deciding factor for those considering pursuing a higher degree. It is also an enabling factor in supporting adequate student engagement, allowing students to get the most out of their experience in higher education. It is also a critical factor in supporting the quality of the contribution higher degree candidates are able to make through research. It is a major factor in mitigating student attrition. Finally, of course, access to student income support is a critical factor in supporting students to be able to achieve the successful completion of their degree.

¹⁷ A comprehensive overview of the current range scholarship providers in Australia is available from the *Joint Academic Scholarship Online Network* (JASON): www.jason.edu.au.

¹⁸ Assumptions based on available data including overall annual allocation data for APA and APAI scholarships and response ratios from recent surveys including those conducted by Universities Australia (2007) and Pearson et al (2008). Further detail on assumptions and modelling available on request.

¹⁹ Palmer (2008). Submission to the Review of Australian Higher Education. Carlton, VIC, Council of Australian Postgraduate Associations.

²⁰ Pearson, Cumming, Evans, Macauley and Ryland (2008). Exploring the extent and nature of the diversity of the doctoral population in Australia: a profile of the respondents to a 2005 national survey. *Quality In Postgraduate Research Conference: Research Education in the New Global Environment*. Adelaide (in press).; It should be noted here that the Pearson et al study surveyed doctoral candidates only (who are more likely than research masters candidates to be scholarship holders). Preliminary comparisons reveal the need for further research in developing more confident estimates on the number of overall research candidates in receipt of a living award.

Recommendation 12:

That course eligibility requirements be amended to allow access to Youth Allowance and Austudy for students enrolled in a higher degree by research.

2.2 Scholarships amendments and related measures

The fourth measure of the Social Security and Other Legislations Amendment (Income Support for Students) Bill 2009 is to exempt scholarships to the annual value of \$6,762 (indexed) from the income test under social security legislation, and includes a very welcome amendment in part 13 of the Bill, with the aim of providing “an incentive to individuals and organisations to fund scholarships for students”.²¹

Although welcome, CAPA recommends adjusting the scope of the proposed amendments in order to yield a far greater benefit for students at negligible additional cost. The amendments to the Bill proposed below would be more or less “budget neutral”, yet would yield significant improvements for students.²²

Recommendation 13:

Amend the threshold amount outlined under item 14, subsection 8AB of the Bill to the value of \$13,524 (indexed).

Recommendation 14:

Ensure eligibility for Commonwealth Scholarships extends to all students receiving government benefits, including parenting, carer and disability support benefits.

Recommendation 15:

Exempt scholarships as assessable income for the purposes of eligibility for parenting, carer and disability support payments.

Recommendation 16:

Exempt scholarships and Commonwealth support payments as assessable income for the purposes of eligibility for a health care card.

²¹ The Hon. Julia Gillard MP (2009). Explanatory Memorandum: Social Security and Other Legislations Amendment (Income Support for Students) Bill 2009. House of Representatives, Parliament of Australia.

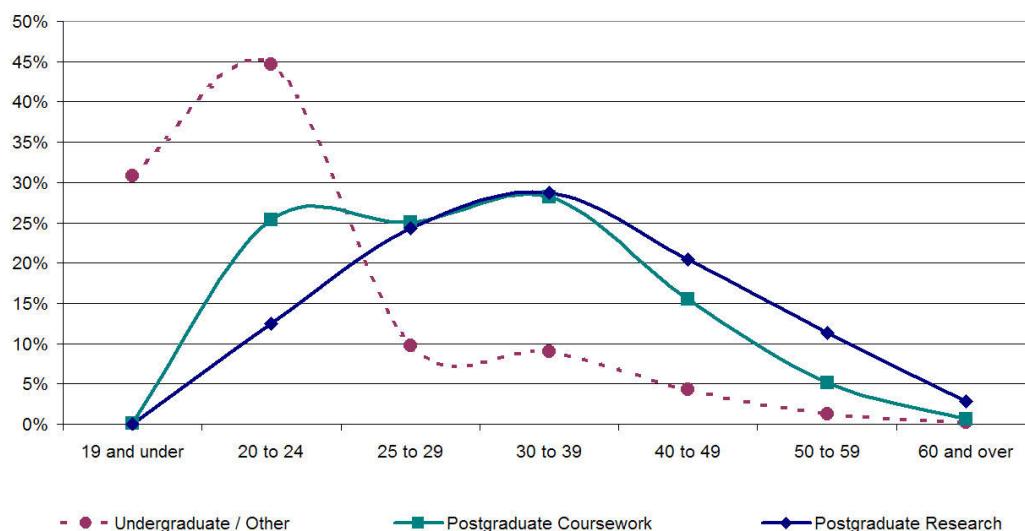
²² The text of the Taxation Laws Amendment (Scholarships) Bill 2005 is included here as Appendix II for the committee’s reference as background for recommendation 17.

Recommendation 17:

That the Income Tax Assessment Act 1997 be amended to omit "full-time" in reference to research scholarships in Section 51-10 (table item 2.1A, second column), Section 51-35 (heading), and Section 51-35, as per the Taxation Laws Amendment (Scholarships) Bill 2005.

2.3 Postgraduates and parenting payments

Figure 2 Students 2006: Proportion of Broad Level of Course by Age Group



Compiled by the Council of Australian Postgraduate Associations (CAPA), from *Selected Higher Education Statistics* (DEEWR): www.dest.gov.au. [capa](http://capa.org.au)

Among the characteristics shared consistently by postgraduates is distribution across age group by level of course. Across course type the distribution of age is consistently broad (as reflected in Figure 2 above).²³ Postgraduates are therefore much more likely to be balancing study with parenting and carer commitments.

CAPA has encountered a number of cases where students have had parenting payments stopped where they have reported undertaking postgraduate study.²⁴ The justification offered in each instance was that postgraduate study was deemed not to be a "suitable activity". Advice in these cases appears to have been drawn from an informational website jointly hosted by the Department of Families Housing Community Services and Indigenous Affairs (FaHCSIA) and Department of Education Employment and Workplace Relations (DEEWR):

"Note: While PP recipients with mandatory participation requirements are able to enrol in and complete higher degrees, such as a Doctor of Philosophy or most Masters degrees, this should be discouraged. PP

²³ Additional age data specific to research postgraduates is included as Appendix II.

²⁴ Selected examples appear in appendix I.

recipients should be encouraged to undertake courses that will help them get a job and which are of a vocational nature.”²⁵

Cases brought to an appeals process have been successful in reinstating eligibility for parenting payments. There appears to be no basis for this in the Act, and there do not appear to be any guidelines other Instruments that may determine this.

Recommendation 18:

That any guidelines or advice discriminating against postgraduate study as an approved activity for any form of income support be amended.

²⁵ Department of Families Housing Community Services and Indigenous Affairs (FaHCSIA) and Department of Education Employment and Workplace Relations (DEEWR) (2009). Guide to Social Security Law. Australian Government.

References

- Australian Council for Educational Research (ACER) (2008). *Attracting, Engaging and Retaining: New Conversations about Learning*. Melbourne, VIC, Australian Council for Educational Research (ACER).
- Bexley, E. (2004). Submission to the Senate Inquiry into Student Income Support Measures. S. Horton. Carlton, VIC, Council of Australian Postgraduate Associations (CAPA). www.capa.edu.au.
- Bradley, D., P. Noonan, et al. (2008). *Review of Australian Higher Education: Final Report*. Canberra, ACT, Department of Education Employment and Workplace Relations (DEEWR).
www.deewr.gov.au/HigherEducation/Review/Pages/ReviewofAustralianHigherEducationReport.aspx.
- Carr Senator the Hon. Kim - Minister for Innovation Industry Science and Research (2009). Australian Government Response to Committee report: "Building Australia's Research Capacity". House of Representatives, Parliament of Australia.
<http://www.innovation.gov.au/ScienceAndResearch/Documents/Building%20Australia%27s%20Research%20Capacity%20Response.pdf>.
- Chenco, C. (2007). Submission to the Senate Inquiry into the Social Security Amendment (2007 Budget Measures for Students) Bill 2007. N. Palmer. Carlton, VIC, Council of Australian Postgraduate Associations (CAPA). www.capa.edu.au.
- Department of Families Housing Community Services and Indigenous Affairs (FaHCSIA) and Department of Education Employment and Workplace Relations (DEEWR) (2009). *Guide to Social Security Law*. Australian Government. Accessed October 6 2009:
http://www.facs.gov.au/guides_acts/ssg/ssguide-3/ssguide-3.5/ssguide-3.5.1/ssguide-3.5.1.180.html.
- House of Representatives Committee on Industry Science and Innovation (2008). *Building Australia's Research Capacity (Final report of the House of Representatives Inquiry into Research Training and Research Workforce Issues in Australian Universities)*. Canberra, ACT, Parliament of Australia.
www.aph.gov.au/house/committee/isi/research/report.htm.
- Palmer, N. (2008). *The Impact of VSU on Services, Amenities and Representation for Australian Students (Response to Discussion Paper)*. Carlton, VIC, Council of Australian Postgraduate Associations.
www.capa.edu.au.
- Palmer, N. (2008). Submission to the Review of Australian Higher Education. Carlton, VIC, Council of Australian Postgraduate Associations.
www.capa.edu.au.

- Palmer, N. (2009). Overview of the Federal Government's response to Building Australia's Research Capacity. Carlton South, VIC, Council of Australian Postgraduate Associations (CAPA). www.capa.edu.au.
- Parliament of Australia (1973). Student Assistance Act. [www.comlaw.gov.au/comlaw/Legislation/ActCompilation1.nsf/0/2C298630D21311EFCA256FB90035E681/\\$file/StudntAssistnceA73_WD02.pdf](http://www.comlaw.gov.au/comlaw/Legislation/ActCompilation1.nsf/0/2C298630D21311EFCA256FB90035E681/$file/StudntAssistnceA73_WD02.pdf).
- Pearson, M., J. Cumming, et al. (2008). Exploring the extent and nature of the diversity of the doctoral population in Australia: a profile of the respondents to a 2005 national survey. *Quality In Postgraduate Research Conference: Research Education in the New Global Environment*. Adelaide (in press).
- Pechenkina, E. and N. Palmer (2009). Concession travel on public transport in Australia. Council of Australian Postgraduate Associations (CAPA). Accessed June, 2009: www.capa.edu.au/transportconcessions.
- Senate Education Employment and Workplace Relations Committee (2009). Inquiry Report: Higher Education Legislation Amendment (Student Services and Amenities, and Other Measures) Bill 2009 [Provisions]. Canberra, ACT, Parliament of Australia. www.aph.gov.au/Senate/committee/eet_ctte/higher_ed/report/report.pdf.
- Skinner, S., C. Chenco, et al. (2007). The Impact of VSU on Postgraduate Students. Carlton, VIC, Council of Australian Postgraduate Associations. www.capa.edu.au.
- The Hon. Julia Gillard MP (2009). Explanatory Memorandum: Social Security and Other Legislations Amendment (Income Support for Students) Bill 2009. House of Representatives, Parliament of Australia. http://parlinfo.aph.gov.au/parlInfo/download/legislation/ems/r4193_ems_876fcfe2-a156-463a-afe9-d9dca2929f27/upload_pdf/333871.pdf.
- The Hon. Julia Gillard MP (2009). Student Assistance (Education Institutions and Courses) Determination 2009 (No. 1). Department of Education Employment and Workplace Relations (DEEWR), Commonwealth of Australia. <http://www.comlaw.gov.au/comlaw%5Cmanagement.nsf/lookupindexpagesbyid/IP200941223?OpenDocument>.
- Universities Australia (2007). Australian University Student Finances 2006: Final report of a national survey of students in public universities. R. James, E. Bexley, M. Devlin and S. Marginson. Melbourne, VIC, Centre for the Study of Higher Education.

Appendices

Appendix I: Selected survey responses and correspondence

Selected correspondence from regional postgraduate students

Hi L,

As an APA scholarship recipient, did you know that despite being tax free, that Centrelink regard it as Income? As a single parent, my parenting payment has been considerably reduced.

I did appeal Centrelink's decision to use my APA scholarship as income.

The result is that as the APA is called 'living expenses' and in Centrelink's eyes this is income. Maybe if it was called a study allowance or something else it may be different. Basically it is in Centrelink's policy...and they are not changing policy on my account.

So I figure I took it as far as I could. But it still remains as income.

As a single parent and a casual academic, I declare my income fortnightly to Centrelink. The APA is \$785 a fortnight, which leaves about \$700 max a fortnight I can earn, otherwise the single parenting payment is lost, and very difficult to regain once one has been removed from it.

However, as a casual with SCU, there are times when I have no contract until a new semester begins, so it is important for to keep the single parents payment going, as it does increase when there is no income to declare, which is usually over the 4 month summer period.

My son is 14years old, and I don't receive any maintenance from his Dad (despite CSAs best efforts).

Also a tax accountant was very surprised that Centrelink called it income too, he did his own research into it too, to double check, and he also found that it is Centrlink Policy to call APA scholarships as income.

thanks for your support,

B of Arts (Hons), PhD Candidate
Southern Cross University
East Lismore. NSW, 2480

Hi N,

J is a sole parent with child six years or older. Under the changes introduced to Centrelink income support (as opposed to child payments) to sole parents in July (?) last year, sole parents with children six years or more old were required to find 15 hours a week work or undertake approved studies or would be put on Newstart.

Only TAFE or undergraduate studies are normally approved studies, apparently.

In July, J was completing a Masters by Research, but also worked more than 15 hours, so she continued on the Parenting Payment.

Now she's enrolled for a PhD and got a scholarship, and meanwhile her old job stopped. She told Centrelink. She was first told the postgrad studies wouldn't count as approved study, but about two weeks ago got a phone call (ie not in writing so this is her understanding of what was said) that a ruling "from Canberra" was that BECAUSE OF THE SCHOLARSHIP her case would be treated as unique and she would still be eligible (and because the scholarship income is not taxable, it would not affect payments). She's not getting the education supplement.

Why aren't postgrad studies "approved studies"? If anything they are more vocationally oriented than undergrad studies. This is discriminatory.

In this case the scholarship seems to have allowed a ruling to be made that the studies are like work. But that has still excluded payment of the education supplement.

Cheers,

[PhD Candidate]
James Cook University

Selected responses to CAPAs' *Student Income Support Survey (2004)*

Response 20

Based on academic merit, I was awarded a scholarship for \$6000 from the John Curtin School of Medical Research, to do an honours project in the field of cancer biology at the ANU. I declared this tax free scholarship to Centerlink, who, at the time, said that it would not affect my youth allowance payments. I also started working as a research assistant, for 12 hours a fortnight, to supplement the \$210 I was receiving from the government. However, when I declared these earnings to Centerlink, I was told that my tax free scholarship actually counted as an income, and that any money I earned through my casual job would be taken out from my youth allowance payment. (After the allowable earnings of \$236 a fortnight, I think the rate is 50cents out of every dollar up to \$100, then 70 cents out of every dollar thereafter.) Even though my scholarship is payed in two lump sums, Centerlink counts the scholarship as earning \$230 a fortnight. Thus, I can earn \$6 a fortnight before I lose money out of my youth allowance.

So, the scholarship money I was payed in February has all been spent on bills. Now I am supposed to live off \$210 a fortnight. I have considered finding an under-the-table job or deferring honour (and also my graduation) for a year. But at the moment, I am just riding my bike everywhere so I don't have to pay for petrol, and giving up any social activities that cost money. It is not exactly a fun way to end my university degree. Honours scholarships are supposed to be a bonus for achieving at university, and to make life a little easier financially in your final year. Counting tax free scholarships as income by Centerlink is really disadvantaging those students who do achieve academically.

I hope to see some changes to government policy to help future students!

Response 27

I am a 33 year old financially independent postgraduate student completing my Doctorate of Clinical Psychology at LaTrobe University, Bundoora campus, Victoria.

I am writing specifically about the plight of Doctoral Psychology students. Even though both Research PhD students and Doctoral Psychology students must both produce a PhD equivalent thesis, PhD students are more likely to receive scholarships even though the Doctoral enrolled students must also complete coursework and practicum during the same time-frame.

Doctoral (and Masters) Psychology student are only entitled to receive Austudy for the first 4 years of the 6 years training required by the Psychologist Registration Board of Victoria. There are rumours that Austudy may be available to Masters students in future, however Doctoral students will not be eligible. Medical student however receive Austudy for the full six years of their training.

Members of my faculty have told me that Postgraduate Psychology students really need to be supported by a partner or their family, however this option is not available to some (including myself). I commenced this course full-time in 2002 and the stress of the course load, the research load, preparation for practicum in addition to supporting myself financially directly contributed to the onset of a major depressive episode. This experience was devastating and while faculty members were supportive they were not able to offer any solution other than to defer for a year, recommence part-time the following year and extend my doctorate from 3.5 years to 7 years.

I also have personal knowledge of at least six fellow students (who also need to work), who have become very depressed, extremely anxious or have dropped out of the course altogether as they were not able to complete the research, coursework and practicum in addition to providing basic elements of self care (i.e., sleeping 8 hours a night, eating properly, having time to exercise or seek social support). These students also went without basic elements of clothing such as winter coats and shoes, even though they are expected to be well groomed when seeing clients.

It also concerns me a great deal that this inequity is directly contributing to producing a profession in which only a narrow margin of the community are represented (ie higher socio-economic status). However psychology, more so than most professions, needs to be represented by a cross-section of the community, in order to provide professionals who are able to relate to and understand the psychological hardship that accompanies financial difficulty. I am heartbroken to see that this profession is really only available to young affluent students.

Appendix II: Taxation Laws Amendment (Scholarships) Bill 2005 [2008]

The text of the taxation laws amendment (scholarships) bill 2005 [2008] appears below for the committees reference.

Details are available at: www.austlii.edu.au/au/legis/cth/bill/tlab20052008393/

Additional background can be found under section 3.3.5 of CAPA's Submission to the Review of Australian Higher Education (pp.36-37) available at: www.capa.edu.au/downloads/CAPA_Bradley_HE_Review_SUB_2008.pdf

TAXATION LAWS AMENDMENT (SCHOLARSHIPS) BILL 2005 [2008]

2004-2005

The Parliament of the Commonwealth of Australia

THE SENATE

Presented and read a first time

Taxation Laws Amendment (Scholarships) Bill 2005

No. , 2005

(Senator Stott Despoja)

A Bill for an Act to amend the Income Tax Assessment Act 1997, the Social Security Act 1991 and the Veterans' Entitlements Act 1986, and for related purposes

Contents

A Bill for an Act to amend the Income Tax Assessment Act 1997, the Social Security Act 1991 and the Veterans' Entitlements Act 1986, and for related purposes

The Parliament of Australia enacts:

1 Short title

This Act may be cited as the Taxation Laws Amendment (Scholarships) Act 2005.

2 Commencement

This Act commences on the day on which it receives the Royal Assent.

3 Objects

The objects of this Act are:

(a) to abolish the distinction between full-time and part-time scholarships and make all scholarships which satisfy the other criteria in the existing provisions tax free; and

(b) to remove the structural barriers to education, of particular concern to women, that taxing part-time scholarships cause; and

(c) to abolish the distinction between Commonwealth Learning Scholarships and university-based scholarships by making a new class of university scholarships, exempt from the social security personal income test.

4 Schedule(s)

Each Act that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

Schedule 1--Amendment of the Income Tax Assessment Act 1997

1 Section 51-10 (table item 2.1A, second column)

Omit "full-time".

2 Section 51-35 (heading)

Omit "full-time".

3. Section 51-35

Omit "full-time".

Schedule 2--University Equity Scholarships

Social Security Act 1991

1 After subparagraph 8(8)(zja)(ii)

Insert:

or (iii) a scholarship known as a University Equity Scholarship;

Veterans' Entitlements Act 1986

2 After subparagraph 5H(8)(hb)(ii)

Insert:

or (iii) a scholarship known as a University Equity Scholarship;

\\HOME2\SEN-ChamberDocs\bill\4567.doc 14/2/2008 4:29 PM

Taxation Laws Amendment (Scholarships) Bill 2005 No. , 2005