



**Isolated Children's Parents' Association of Australia (Inc)
"Access to Education"**

Submission

to the

Senate Standing Committees on Community Affairs

on the

**Social Services Legislation Amendment (More Generous Means Testing for
Youth Payments) Bill 2015**

from the

Federal Council

of the

**Isolated Children's Parents' Association of Australia (Inc)
ICPA (Aust)**

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The Federal Council of the Isolated Children's Parents' Association of Australia, (ICPA Aust), thanks the Senate Community Affairs Legislation Committee for the opportunity to contribute to the Inquiry into the ***Social Services Legislation Amendment (More Generous Means Testing for Youth Payments) Bill 2015***.

Our organisation supports the introduction of this bill, currently before the Senate and have expressed our gratitude to the Federal Government to remove the Family Assets Test, the Family Actual Means Test and the altering of the Parental Income Test for students who wish to access dependant Youth Allowance (YA). Our association views these changes as having a very positive impact for rural and remote students, as the removal of the Family Asset Test has been a long term objective for ICPA (Aust) in order to lift the participation rate of these students at university.

ICPA (Aust) is a voluntary parent body dedicated to ensuring all geographically isolated students have equity of access to a continuing and appropriate education. This encompasses the education of children from early childhood through to tertiary. The majority of member families of the Association reside in geographically isolated areas of Australia and all share a common goal of achieving equitable access to education for their children and the provision of services required to achieve this. Tertiary students whose family home is in rural and remote Australia, live great distances from their nearest tertiary institution and frequently must live away from home to access further education.

We believe engaging in tertiary education at an institution of their choice, should be an option for all Australian students who have the ability, ambition, motivation and desire to pursue their goals regardless of their socio-economic status or geographic location. Currently the aspirations of rural and remote young people are being driven and dictated by their ability to access financial support to assist with relocation and living costs while they study.

The following issues are major concerns for our members and highlight the hardships faced in accessing tertiary education and the benefits the measures in this bill will have for these students from rural and remote Australia:

- **The huge cost of accessing and continuing a tertiary education including high upfront costs of relocation. Currently students going straight to university from school or those receiving independent YA receive no financial assistance with relocating.**
- **Many rural businesses have a high asset base and this excludes students from meeting the criteria for dependent Youth Allowance even though these businesses often have a low annual net income.**
- **Currently there is little consideration given to families supporting other children living away from home, who are either completing secondary or tertiary studies.**
- **Rural students are deferring in order to meet the workforce participation criteria for Independent YA and not returning to their studies.**
- **Rural students are under-represented at university.**

Cost of Access and Continuing Tertiary Education

The high up-front costs of accessing and paying for accommodation, travel to access their place of study, along with the cost of living away from home, all impact on rural and remote student access. The greatest barrier to higher education is the lack of adequate financial means to fund the access. The current measures for student income support including Youth Allowance, do not adequately recognise the extra costs incurred by all rural and remote students attempting to access tertiary education.

Under the current system, very few rural and remote students are able to access dependent Youth Allowance due to the family farming business exceeding the asset limit. Removal of these unfair tests would allow more rural and remote students to be eligible to receive Youth Allowance and help address some of the cost barriers that rural and remote students face when seeking tertiary education.

These changes should enable a larger number of geographically isolated students the option to take up tertiary studies the year after finishing school and reduce the risk of not returning to study after deferring, by giving them some financial support. Once a rural and remote student qualifies for dependent Youth Allowance, they are then able to access the Relocation Scholarship and Student Start-up Scholarship thus further assisting this group of students to access university courses.

Asset and Income Test

Many of our members living in rural and remote Australia, operate businesses in an asset-rich but income-poor environment, their assets form a vital part of the operation of these primary production and rural businesses that are often highly illiquid. It is ICPA (Aust)'s view that the removal of these means tests will take into account actual family and business circumstances and a family's ability to pay. In addition, many rural families are having to bear the cost of several years of boarding school for their children's secondary education as well as paying boarding school fees for siblings simultaneously while older children study at university level. This measure is a more realistic system that will allow rural and remote families access to financial help to send their children away for tertiary studies, which is now widely recognised as being as vital a part of education as early childhood, primary and secondary education are.

See **Appendix A** – page 4. Case studies attached.

Impact of Deferral to be Eligible for Youth Allowance

Currently far too many young rural people are deferring to meet the workforce participation criteria for gaining independent Youth Allowance, due to their parents business assets exceeding the allowable limits, yet parents are not able to support students due to having a low net income. A high proportion of students are not returning to or simply do not even contemplate studying at tertiary level as it is often beyond their financial means.

Under-representation of Rural and Remote Students at Tertiary Level

The recent Interdepartmental Committee on Access to Higher Education for Regional and Remote Students' preliminary findings reinforced that rural and remote students remain under-represented in tertiary education.

ICPA (Aust)'s [Tertiary Access Research, May 2013](#)¹ findings showed the key factors in limiting access to tertiary education were financial costs of undertaking tertiary study underpinned by the concerns of distance and access to existing government support schemes. Key data from the member respondents included:

- 74% indicated they required government financial support to meet expense of tertiary relocation and ongoing living and university expenses
- 34% of students deferred, 74% cited financial reasons for deferral and 20% did not return to study or eventually withdrew from their course
- 47% were ineligible for dependent Youth Allowance due to assets

Summary

Removal of these tests will present more opportunities and improve access to tertiary education for the rural and remote cohort, who already have disproportionately lower participation rates when compared to metropolitan students. These changes will provide a predictable, straight forward pathway for families to access financial assistance that reflects fluctuations in income while they continue supporting their children, transitioning from school to further study.

ICPA (Aust) appreciates all measures introduced to increase participation in higher education and has no doubt that students living in rural and remote regions will benefit from them. For many years ICPA members have sent a clear message to those with the ability to make change; families in rural and remote regions value tertiary education and want and need access to financial assistance to do so.

We thank the Committee for the opportunity to comment on the Inquiry into the ***Social Services Legislation Amendment (More Generous Means Testing for Youth Payments) Bill 2015*** and look forward to the positive outcomes for rural and remote students when accessing a tertiary education. It is imperative that this legislation be passed as quickly as possible to assist in the planning of future study by rural and remote students who are about to finish their secondary schooling this year.

ICPA (Aust) would be happy to provide the committee with any further information it requires.

¹ Tertiary Access Research, ICPA, May 2013 www.icpa.com.au/module/documents/download/779

Appendix A: Tertiary Case Studies 2015

ICPA (Aust) Federal Council are currently updating our members' case studies on what is impacting students' access to university and at this early stage we are able to provide the following four case studies that relate to the *Social Services Legislation Amendment (More Generous Means Testing for Youth Payments) Bill 2015*.

Case Study 1:

TERTIARY ACCESS EXPERIENCE

- **Barriers to accessing tertiary education**

Our daughter is studying Veterinary Science which is not offered anywhere in the NT therefore she has no choice but to study interstate, Qld, to fulfil her aspirations.

- **What were the challenges?**

Financial: As we own a property in the NT, this asset made her ineligible for any allowances. Therefore, the family supports her financially with the cost of uni fees, rent, power and water, phone, internet, travel, course work placements and living expenses. This is approximately \$35 000 per year.

Part time work: As the course requires a full week of contact hours and exams on a continual basis, there is not a lot of time for Part time work to assist in the financial impact, though she manages to umpire AFL during the football season to try and help towards paying some of the costs. This was her decision to become involved in the local community and develop her leadership skills and hopefully not to the detriment of her studies.

Case Study 2:

We are farmers in Tasmania. We have 2 family properties and live on a small acreage which allows us to send our children as day students and not have to go to boarding school. My husband commutes to either farm, I work in town 2 days a week and help on the farm when needed.

We have 3 children, 23, 20 and 16. The eldest two are studying in Victoria and share a house with another student.

Due to assets, neither girls were eligible for dependent Youth Allowance.

The eldest is studying a double degree in Agricultural Science and Business which is not available in Tasmania, so she had to move to Victoria and is currently in her third year of the 4 year degree. She left school in 2010, worked as a jillaroo in the Northern Territory for a year then went to Hay, NSW for a year. She qualified for the Youth Allowance as an independent.

Our second child left school in 2013, she worked for a year to save to go to university. She is doing a part time online graphic design course and a fulltime degree in Business in Melbourne. She did not want to wait another year to start study to qualify for independent Youth Allowance.

Accommodation is a problem, the girls lease starts in November, about the time exams finish, so they pay rent for two and a half months while they are living and working at home in Tasmania. They also have to source seasonal work, difficult to get jobs for a short time to save to pay for the next year.

Youth Allowance would be such a help to our second daughter and we support her where we can.

Case Study 3:

I have been asked to share my experiences to highlight the challenges and barriers for remote students in tertiary study. My husband and I live outside Longreach on a cattle property. We have 2 boys, one in year 12 at boarding school (Brisbane) and the eldest is in his first year at QUT doing Law and Bio Medicine boarding at Kings College, UQ. Both our boys are interested in furthering their education in Brisbane at Uni, so of course have to leave family and home to do this, 1300 kms away. Both boys are 17 when graduating from secondary.

I must say my husband and I have been surprised at how difficult it is to find financial support once leaving the Secondary system. We had very little option but to choose independent youth allowance, like most of us in agriculture we don't meet the dependant criteria because of assets, even though we are in the middle of a raging drought!

I believe these young people should be encouraged, nurtured and supported into a positive learning environment so that we can have educated rural talent returning to agriculture. We are losing them at an alarming rate, without support from government for remote families and youth to enable them to continue study; we will not be sustainable for the future.

Case Study 4:

Our daughter has chosen to study Veterinary Science, which she was unable to study in Tasmania, the closest universities offering the course were in South Australia, NSW and Victoria.

In 2012 we travelled to Adelaide, Wagga Wagga and Melbourne to consider each course and the campuses. She applied for Adelaide and CSU as she wants to be a rural vet and they offered more appropriate courses. Applicants for the courses were short listed and then had to attend an interview which she did in 2013 to Wagga Wagga for an interview with CSU.

In February 2014 she had to relocate to Wagga Wagga, a two hour drive to Devonport, ferry to Melbourne, then a five hour drive to Wagga Wagga. In total, she was required to take two interstate trips prior to gaining a place a CSU. Each year she has to take the ferry across at the beginning and end of the year and she pays for train and return airfares for any trip home during the year as it is cheaper.

Neither Adelaide nor CSU allow students to defer prior to their year, so she was unable to meet the work requirements to become eligible for Independent Youth Allowance. We have been ineligible for Dependent Youth Allowance due to Assets and as Veterinary Science students have large contact hours and those hours are irregular, it is very hard to find part-

time work during semester and during semester breaks due to course placements. Most scholarships available at CSU require students to be on an allowance as evidence of hardship, or to be a permanent resident of NSW.

In summary, she had to relocate to mainland Australia in order to study her chosen course of Veterinary Science, is unable to access any form of allowance or to find part-time work to support herself. We are responsible for all her travel, accommodation, university fees and living expenses.