

Submission

to

Senate Employment, Workplace Relations and Education
Legislation Committee

Inquiry into the provisions of the Student Assistance Legislation Amendment Bill 2005

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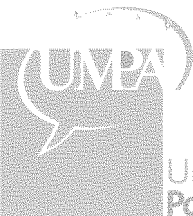
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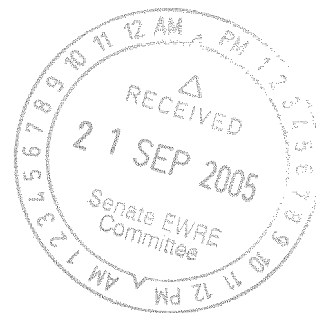
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Committee Secretary
Senate Employment Workplace Relations and Education Committee
Department of the Senate
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22nd September 2005

To the Committee Secretary

The University of Melbourne Postgraduate Association Inc. (UMPA) is pleased to present the attached submission to the inquiry into the provisions of the Student Assistance Legislation Amendment Bill 2005. An e-mail copy has also been sent to the committee.

Any questions about the submission should be addressed to me on 03 8344 8657 or at president@umpa.unimelb.edu.au, or to the UMPA Advocacy Manager, Steve Halliwell, on 03 8344 8597 or at s.halliwell@umpa.unimelb.edu.au

Yours sincerely,

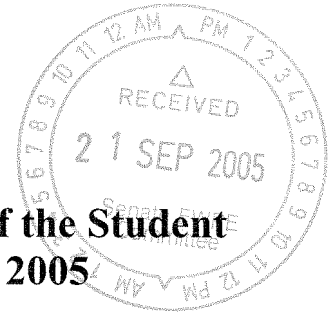
A handwritten signature in cursive script that reads 'Will Watson'.

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Submission to the Inquiry into the provisions of the Student Assistance Legislation Amendment Bill 2005



University of Melbourne Postgraduate Association

UMPA welcomes the opportunity to make a submission to this Inquiry. This brief submission will cover UMPA's main area of concern: that postgraduate students are disadvantaged by the fact that the Student Financial Loans Supplement Scheme has been closed and no new scheme has taken its place. Coursework postgraduate students in particular have to cope with particularly onerous course fee regimes and at the moment, part-time scholarships are taxed whereas full-time scholarships are not. Some of the obstacles facing potential students are outlined below, and UMPA makes three recommendations to the Inquiry.

Equity in postgraduate study

Postgraduate students with an average age of 33 often have dependents and financial responsibilities that the average undergraduate does not have. The limited amount of scholarships restricted to research students means that many potential students are deterred from studying. This tends to affect women more since they are less likely to receive support from employers while studying (Anderson, Johnson & Milligan 2000, GCCA 2004). There is evidence to suggest that people from a lower socio-economic background even with a first degree are deterred from studying because of their existing HECS debt and the level of fees (Anderson et al 2000). There is a flow-on effect here that will potentially affect the workforce in Australia. In particular, specialist nursing, architecture, midwifery and psychology are areas which now require postgraduate qualifications. Potential students may be discouraged from entering these fields because of the high course fees and the lack of any supplementary income or income support.

Course fee increases

The rise in course fees has been quite substantial at the University of Melbourne. In 2005 course fees for a year for a domestic full-fee paying student can range from \$10,290 for a graduate certificate in the Architecture Faculty to \$35,000 for a masters in veterinary Science. Analysis of courses from all Faculties at the University of Melbourne shows that from 2001 to 2005 fees rose **on average** by 64% and some rises were as high as 200%. These rises far outstrip cost of living and wage rises for the corresponding period. Even with the FEE-HELP scheme in place these fees involve a significant debt. This may deter students from studying especially when they have other financial concerns such as a mortgage or dependents.

Costs of living

The living costs of studying are often not accounted for in policy making. Only diploma students are eligible for Austudy and without rent assistance are often in a worse position

than those seeking Newstart allowance. It is estimated by the Financial Aid Office at the University of Melbourne that it costs \$15,818 per year to live in a shared house in the inner city. This excludes computer costs (\$10-15 a week) and the costs of running a car (up to \$50 or higher). Postgraduate students are also expected to factor in \$1000-2000 more for course costs and possible conference costs etc. Add to this the drop of income that may result when a student chooses to study instead of work and the financial burden of studying becomes considerable.

APA scholarships do provide research students with some income. With APAs, however, we once again see the iniquitous disadvantage imposed on student with family responsibilities. Many of these students wish to study part-time. The eligibility criteria for part-time scholarships are stringent with students needing to have family responsibilities or a disability in order to succeed in their application. To then tax these scholarships, particularly when full-time scholarships are tax-exempt, is a further imposition on students who already require part-time scholarships for genuine need.

Conclusion

There is already considerable evidence of the increasing costs of postgraduate study in Australia. Many postgraduate students are doubly disadvantaged as they forego income for a time in order to study and have cost increases imposed greatly in excess of cost of living or wage increases. To remove valuable services such as the supplementary loans scheme and replace it with nothing only adds to the disadvantage suffered.

Recommendations

Recommendation 1: UMPA recommends that rent assistance be provided for those on Austudy as per Recommendation 9 of the Student Income Support Senate Report of June 2005.

Recommendation 2: UMPA recommends that part-time scholarships be declared tax-exempt and thus be consistent with full-time scholarships.

Recommendation 3: UMPA recommends that a living stipend for postgraduate coursework students be introduced.

References

Anderson, D., Johnston, R. & Milligan, B. (2000) Access to Postgraduate Courses: Opportunities and Obstacles. Higher Education Council: National Board of Employment, Education and Training.

Graduate Careers Council of Australia (2004) Postgraduate Destination Survey.