

Submission

to

Senate Employment, Workplace Relations and Education
References Committee

Inquiry into student income support

Submission no: 57

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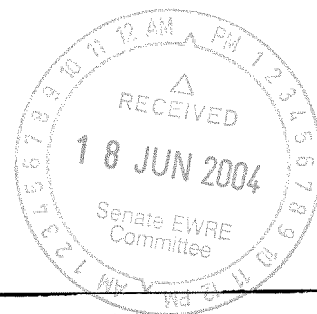
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18 June 2004

Senator George Campbell,
Chair
Senate Employment, Workplace Relations
and Education References Committee
Suite SG.52, Parliament House
CANBERRA ACT 2600

Dear Senator Campbell

Re: The student income support inquiry

The University of Sydney is deeply committed to the principle that no student should be unable to enter university or be forced to discontinue their studies because of financial difficulty.

To that end, the University has this year committed \$5.3 million in financial support through scholarships, loans, grants and bursaries, and is contemplating increases to this amount from 2005.

However, despite the provisions of the recent budget, which exempt fee-waiver scholarships from income testing under the *Social Security Act 1991* and the *Veterans' Entitlements Act 1986*, the University is still unable to provide scholarships and grants to students to help them meet the cost of their living and educational expenses without adversely affecting the level of their Centrelink payments.

In recent deliberations regarding future planning for the University's financial support strategy, we canvassed student opinion widely. Overwhelmingly, we heard that students preferred to receive a scholarship which provided them with cash up front, rather than to receive fee-waiver assistance. Scholarships and grants saved students from working and freed time for them to study, and it was this commodity they valued most in completing their education.

Disturbingly, students who receive an Access Scholarship funded by the University, which has very similar eligibility criteria to the Commonwealth Learning Scholarships, will have their scholarship assessed as income. They are thus significantly disadvantaged compared to students holding a CLS. The existence of the two schemes side by side creates an inequitable situation.

Given this inequity, the University of Sydney would strongly urge the Government to reconsider its criteria for assessing income for Youth Allowance, Austudy and Abstudy to maximise the benefit to students.

Yours sincerely,