

Submission

to

Senate Employment, Workplace Relations and Education
References Committee

Inquiry into student income support

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Isolated Children's Parents' Association of Australia (Inc)

FEDERAL COUNCIL
"Access to Education"

Submission



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Student Income Support Inquiry

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ICPA Australia is a voluntary organisation of parents and individuals working together for access to education and quality educational services for students from rural and remote Australia.

The Isolated Children's Parents' Association of Australia (ICPA Aust) thanks the Employment, Workplace Relations and Education Reference Committee for the opportunity to make a submission to the Student Income Support Inquiry.

The members of ICPA Aust. have long advocated that 'access to education' is integral to the development of rural and remote communities. Based at the centre of this, is the ability of rural and remote students to reach the point of that access. This inquiry addresses one of the major obstructions and challenges to higher education for these students – affordability. Not only do rural and remote students have the costs associated with further education – books, HECS, student service fees etc., they have the additional burden of cost of living away from home to access the higher education institution of choice. For many of these students this is the final obstacle that is often difficult or impossible to overcome.

At the ICPA Aust Federal Conference 2003 in Hobart, Tasmania a 'Tertiary Education' Workshop was conducted with the emphasis on access to post-compulsory education. A strong recommendation from this workshop was the need for a 'access allowance,' for rural and remote students enabling them to access higher education. There is the Assistance for Isolated Children (AIC) Boarding Allowance that offers financial support for some rural and remote students to access compulsory education. These students are identified by an eligibility criteria as requiring financial assistance to access their education. But on completion of Year 12 this assistance ceases. It is then the responsibility of the student and their family to provide the funds necessary

to access higher education. Just because a student completes Year 12 doesn't mean that financial assistance is no longer needed to help them have educational access. Higher educational access for rural and remote students is often more expensive as the students must travel further to access their relevant course of study and live away from the family home.

For example, a student living in rural Tasmania wanting to pursue a career in podiatry or physiotherapy or other fields of study, has to travel interstate to the nearest institution offering the course. In addition to the day-to-day university expenses incurred by all students these students must re-locate. They have to share a rental accommodation or live in a student residence. This additional financial burden of travel and re-locating is a deterrent for many rural and remote students.

ICPA Aust believes that the current measures for student income support, including Youth Allowance, Austudy and Abstudy aren't meeting the needs of rural and remote students. These payments offer monies for day-to-day subsistence living but don't allow for re-location and having to establish a residence outside of the family home. Often these students have to re-locate to the more expensive living areas of Australia i.e. the cities.

Youth Allowance is considered a welfare payment, which is a deterrent in itself for students to apply, as it comes under the Social Securities Act. We believe that Youth Allowance recipients should be treated as students and dealt with accordingly. There needs to be a payment system made to students that identifies their unique needs and circumstances. In most cases, particularly at larger higher education institutions rural and remote students are financially stretched to the limit to pay for food, residence fees or rent, and the incidentals such as toiletries, detergents etc. The latter of which are shared in a family home and extra when living away from home. To supplement Youth Allowance many students try to find work and survive doing part-time work and study. This puts an added burden on students having to work for subsistence living while trying to carry on with their study load and to acquire adequate grades to complete their course.

At present there is a problem with the amount of money a youth allowance recipient can earn before it affects the allowance. The amount is only \$6000 per annum. ICPA Aust believes that it is time this was increased to help students with work opportunities. If they had the chance to earn more in the 12-month period it would help alleviate the rising costs associated with living away from home. This initiative wouldn't be costly to the government and would help those students who can find work and fit it into their schedule to be hard working and self-sufficient. Of course there will be students with greater study loads who won't be able to find time to work while studying. These students should then be allowed to put more money in their income bank during holiday periods and use it as needed throughout the year without it affecting their Youth Allowance payments.

There are some discriminating aspects of the current thresholds for Youth allowance that disadvantage rural and remote applicants.

1. Unlike city students rural and remote students have no choice but to pay for accommodation when attending a higher education institution.
2. The assets test rules out many rural property holders.

3. Because the family home is exempt a city family can have a family home worth \$2 million and if their income falls within the range they can still claim Youth Allowance and the student could continue to live at home.
4. For the average rural family who has to send their children to boarding school the income threshold is low eg. if the family had two students away at boarding school and one wanting to attend university it would be very difficult for them to manage under the current income threshold.

The current system forces many rural and remote students to disengage from higher education for two years to qualify under the Youth allowance guideline as an independent student. The time required is 18 months work. ICPA Aust sees this as a disincentive to rural and remote students wanting to engage in higher education. After 2 years of work they are apprehensive to move away from the security in the local community to pursue higher education and have often hit their comfort zone after this period. For years our association has lobbied that this time factor is crucial and should be lowered to 14 months. This would enable a student after one year off from formal education and concurrent with the commencement of studies at the beginning of the University academic year to begin their higher education as an independent student and be eligible under the youth allowance guidelines. It is a documented fact from the Human Rights and Equal Opportunity Commission's (HREOC) National Inquiry into Rural and Remote Education, those students from disadvantaged backgrounds and/or from rural and remote Australia have a low tertiary participation rate. Our association believes if the government is serious about the well-being and sustainability of rural and remote communities it will look to the findings of the HREOC and other inquiries and act upon them.

Our association would like the inequities in the current Youth Allowance policy to be investigated and the anomalies addressed. For example there needs to be recognition of the different costs of living between students on independent Youth Allowance living at home versus those students having to live away from home to attend a higher education institution. Another area that has an affect on income support is the escalating cost of accommodation and the need for rent assistance to keep up with this escalation.

Many ICPA families are reeling from the effects of the drought and it will take years for these families to have their heads above water so to speak. With the burden placed on these families by the drought many students can't ask their family for financial assistance to access higher education the money just isn't there. Our association attended both the Drought Roundtable and the Regional Australia Summit wherein we were excited by the fact that access to education was highlighted. But the same issues were expressed at both gatherings and there have been limited education outcomes from the Summit. We are hoping that government will now support the importance of education to rural Australia. Our families (many still feeling the effects of the drought) - delete are seeking policy changes to the Youth Allowance guidelines and the establishment of an Access Allowance for rural and remote students. The funding for rural and remote students enabling them access to higher education will enable rural communities and their citizens to be sustainable now and in the long term.

Adequate income support measures for students from rural and remote Australia are urgently needed for these students to have an equitable access to higher education.

The only means of accessing higher education for many rural and remote students is to work long hours affecting their study load and grades thus making the time to acquire a degree or complete a course longer than normal adding to the expense of the course. ICPA Aust sees changes to the Youth allowance policy and the introduction of an Access Allowance for rural and remote students as a means of equitable access to higher education for our students.

The present income support system must be made more equitable. Why shouldn't families who currently qualify for AIC for primary and/or secondary schooling also qualify for living away from home allowance for higher education students. If governments are serious about providing equity and encouraging higher education for regional, rural and remote students then they should be promoting incentives for these students not putting obstacles in their way in that many are forced to delay their commencement of tertiary studies. Due to these obstacles some of these students do not go on to higher education study at all.

Conclusion

There were a number of key principles in the Regional Australia Summit Working Groups on Education and Training that this inquiry would be wise to revisit. Many of these points are still appearing as disadvantaging students from rural and remote areas when trying to access tertiary education.

The government has addressed many stumbling blocks in the Higher Education review for students wanting further education. It has overlooked the one major stumbling block for rural and remote students the one of affordability of access. The cost to actually get to the gates of our higher learning institutions to access the wonderful initiatives from the higher Education Review are still out of reach of many rural and remote students. To access these initiatives our students have to get there first.

ICPA Aust requests that this anomaly in accessing higher education be addressed for rural and remote students. The key to sustainable rural Australia lies in education and government must address this issue if it wants a sustainable rural Australia.