

Submission

to

Senate Employment, Workplace Relations and Education
References Committee

Inquiry into student income support

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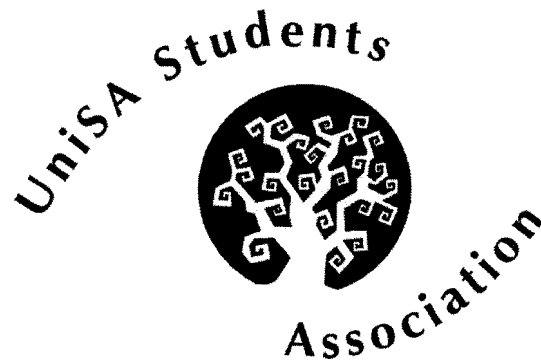
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University of South Australia Students Association



Submission

on the

Inquiry into Student Income Support

**Presented by Mr. Andrew Christie, President ,
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Introduction

The University of South Australia had over 31,800 students enrolled 2003¹. Of this number, 22.9% are students who come from a low Socio-Economic Status background and a further 13.1% of students are from rural or isolated areas². For the purpose of this submission, The Student Association felt it was pertinent to communicate the experience of UniSA students to gain an understanding of the areas which concern this inquiry. Two focus groups of 9 and 13 individuals respectively were formed by random selection, with additional information provided by mail-out survey.

Key Areas of Concern

- (a) *Current measures for student income support, including Youth Allowance, Austudy and Abstudy with reference to:*
(i) *the adequacy of these payments*

The Student Association contends that the amount of Austudy, Abstudy and Youth Allowance paid to students is insufficient. Students surveyed indicated that the cost of living far exceeds government assistance.

Table 1: Accommodation Cost Guidelines³

Private Rental	Cost Per Week
1 bedroom flat/unit/apartment	\$90 - \$210
2 – 3 bedroom flat/unit/apartment	\$130 - \$180
2 – 4 bedroom house	\$180 – 400
Furnished accommodation	\$40 - 80

The table above indicates the approximate costs for rental accommodation in Adelaide. This is comparable with survey data which indicated that the rental market in Adelaide was costing students an average of \$183 per fortnight. Assuming that a single student with no children receives the maximum amount of Austudy and Rent Assistance (\$318.50 + \$95.40) or Youth Allowance (\$417.40 – single with children, no rent assistance available) housing equates to over 40% of fortnightly income. The Student Association believes that this significant expense coupled with the initial outlay of security bond (which can be up to 6 weeks rent⁴) is a substantial proportion of student income and is placing a significant burden on student finances.

The Australian Consumer Price Index (CPI) for March 2004 clearly indicates significant rises in basic living expenses from December Quarter 2003 – March Quarter 2004. As indicated in Table 2 below, the cost of fruit and vegetables has also risen significantly in a relatively short period of time. Although government assistance is reviewed annually in line with CPI⁵, the Student Association contends that the base dollar provided to students is inadequate and therefore any CPI increases are insufficient.

Table 2: Consumer Price Index, Australia March 2004 - Overview of CPI Movements⁶

Vegetables	+13%
Fruit	+4.9%
Other Recreational Activities	+2.2%

¹ UniSA, Planning and Assurance Services. (2004) Environmental Scan. Table 27, p 63.

² UniSA, Planning and Assurance Services. (2004) Environmental Scan. Table 27, p 63.

³ UniSA Accommodation 'Accommodation Cost Guidelines' <http://www.unisa.edu.au>. Accessed: 10/06/04

⁴ UniSA Accommodation 'Accommodation Cost Guidelines' <http://www.unisa.edu.au>. Accessed: 10/06/04

⁵ Centrelink 'When are Payments Adjusted' <http://www.centrelink.gov.au>. Accessed: 15/06/04

⁶ Australian Bureau of Statistics 'Consumer Price Index, Australia Main Features March 2004' <http://www.abs.gov.au>. Accessed: 10/06/04

Additional statistics from the Australian Bureau of Statistics indicates a steady increase over the past 5 years in the cost of basic foods such as milk, margarine, bread, eggs and coffee⁷. One can only assume based on this trend that basic food costs will continue to rise.

Charges for gas, electricity and telephone form a substantial outlay for any student living on Government support. In addition to the set-up costs for gas (\$92.50) there is a ninety day supply charge of \$27.58 irrespective of any actual usage⁸. Statistics from the Australian Bureau of Statistics also indicate a positive increase by 4.8% in Gas and other household fuels from December 2003 to March 2004⁹. Electricity set-up fees are proportionally less but are nonetheless a significant outlay (\$61.40)¹⁰ in addition to usage charges. Telephone connection varies between \$59 and \$125 with a standard line rental costing \$23.50 per month again, in addition to any actual usage charges¹¹. The Student Association contends that these standard utility charges impact severely upon a household whose occupants are surviving solely on government support with students surveyed reporting that they could often not afford to pay their bills. Many students reported having outstanding accounts that they were struggling to pay – others were in 'bad' financial standing with the university due to their inability to pay their university fees.

Incidental costs were highlighted as a specific concern for the students surveyed. Often, students were forced to live in outer suburbs due to rising rental costs and therefore some distance from the campus they are educated at. This results in many students having to rely on personal transport (car, motorbike) to attend lectures and tutorials. Students believed that government support is not sympathetic to rising fuel costs (+3.4% from December 2003 to March 2004¹²), registration and insurance and the general maintenance required to ensure the safe running of a vehicle. Additionally, public transport costs for students relying on government subsidies were at times too steep, students reporting missing lecturers and tutorials due to the inability to afford concession tickets. Other students reported leaving lectures early to avoid using peak-hour tickets which are more expensive.

The Student Association further asserts that recipient attempts to supplement income through paid employment are subject to unrealistic and unreasonable restrictions. For students, fortnightly income between \$236 and \$316 reduces fortnightly allowance by 50 cents in the dollar. Income above \$316 reduces payment by 70 cents in the dollar¹³. Therefore students earning above \$120 per week gross are heavily penalised for working extra hours. Students surveyed earned an average of \$17/hr. As a result, the maximum amount that these students can work without affecting their payments is only 6-7 hours work per week. Employers often need to call on staff in emergencies and students are forced to compromise between their responsibilities as an employee, the time they need to dedicate to their study and the need to maintain the balance with their government payment.

In light of the cost of living rising, incidental costs and the perceived inadequacy of government support, the group surveyed reported that there was little merit in surviving on government assistance alone. Of the survey group who were managing both part-time work and relying on government assistance, there was still considerable financial hardship and a general inability to manage everyday living costs. 75% of students indicated that they could not afford to run heating and air-conditioning when required. Roughly half of students surveyed indicated that they had access to private medical and dental cover yet an alarming 50% of students claimed that they could not afford prescriptions or health remedies prescribed by doctors. This is hardly surprising when considering the rise in the cost of pharmaceuticals from the December 2003 quarter to March 2004 which was a 11.4% increase¹⁴. 55% of students surveyed admitted to skipping meals occasionally due to financial hardship which in turn affected their concentration levels and therefore the quality of their studies.

⁷ Australian Bureau of Statistics 'South Australia at a Glance' 2000-2004 <http://www.abs.gov.au>. Accessed: 10/06/04

⁸ Immigration SA 'Utility Charges' <http://www.immigration.sa.gov.au>. Accessed 10/06/04

⁹ Australian Bureau of Statistics 'Consumer Price Index, Australia Main Features March 2004' <http://www.abs.gov.au>. Accessed:10/06/04

¹⁰ Immigration SA 'Utility Charges' <http://www.immigration.sa.gov.au>. Accessed 10/06/04

¹¹ Immigration SA 'Utility Charges' <http://www.immigration.sa.gov.au>. Accessed 10/06/04

¹² Australian Bureau of Statistics 'Consumer Price Index, Australia Main Features March 2004' <http://www.abs.gov.au>. Accessed:10/06/04

¹³ Centrelink 'Income Test' <http://www.centrelink.gov.au>. Accessed: 10/06/04

¹⁴ Australian Bureau of Statistics 'Consumer Price Index, Australia Main Features March 2004' <http://www.abs.gov.au>. Accessed:10/06/04

With respect to the Centrelink advance payment of \$500 which is available to students who receive Abstudy, Austudy or Youth Allowance¹⁵, the loan was viewed favourably in times of dire need. However, the survey group considered the automatic recovery of the loan over 6 months to be 'crippling' upon their already limited finances. If the maximum loan of \$500 was advanced, this would equate to a deduction of approximately \$40 per fortnight. For students taking out the loan to cover urgent bills, medical payments or an incidental cost, this loan had a debilitating effect upon their future earnings.

13.1% of students at the UniSA come from rural or isolated areas¹⁶. As such, a number of students in the survey group commented on the lack of financial support available from Centrelink for country students who leave family to attend university in Adelaide. These students asserted that additional financial hardship was endured as they had to bear the cost of moving and establishing themselves in an unfamiliar city away from family and friends. Additionally, country students often found it difficult to obtain employment to supplement their financial assistance as they often had no prior experience or existing networks to draw upon. This data is supported by a study undertaken at RMIT University in 1998 which concluded that '...rural students do face extra costs over and above those faced by metropolitan students living at home by more than \$100 per week'¹⁷. UniSA's survey group discovered that students are often denied government assistance altogether due to the parental means test, although parental income is proportionally limited. This fact was supported by the paper that went on to claim that the need to earn income leaves little time for socializing, study and returning home to visit family¹⁸. Costs involved in accommodation set-up were cited as a key problem, along with transport, both to and from university and in commuting home. Due to a lack of emotional support, the additional cost of STD phone calls/faxes were also considerable¹⁹; a claim consistent both in the RMIT study and the survey group.

Many students are in a situation where they have to live on past savings just to meet daily living costs. This point was especially pertinent for students who are required to undertake work place practicum sessions as a compulsory part of their course which limits the ability to earn for weeks on end during the semester. One education student reported having to undergo unpaid practicum work for 5 weeks during the semester, bearing additional transport costs to and from the workplace and the devastating impact this had on his finances. Government support does not appear to cater to these exceptional circumstances (with the exception of the advance loan of \$500) and it can be said that this is placing students in a position of accumulating significant debt or falling into financial despair.

Overall, Centrelink assistance was cited as being an inequitable and inflexible system, where the criteria for eligibility had little relevance to the real needs of tertiary students. Inadequate income support was adversely affecting students' physical and psycho-social well being and that in order to qualify for payment under the current system, students are being forced to 'lie to survive'.

Furthermore, the consensus of opinion amongst this group was that the current system of government support did not "inspire loyalty" from students, and that the system was "not encouraging young Australians to make the most of themselves". This was said in light of the fact that dole payments outweigh Austudy payments by \$83²⁰ – a clear disincentive to study. They commented that it "makes it hard to get excited about the future". One student questioned the rhetoric of the government mantra of rewarding ingenuity- stating that this would be difficult to realize with the current level of support. Generally students expressed the view that the current system was not investing in Australia's future; that is, the future of the next generation of tax payers.

Recommendation 1: **That the basic cost of living is reassessed by Centrelink in light of the significant rise in staple food items, utility costs and incidental costs borne by students.**

¹⁵ Centrelink 'Advance Payment' <http://www.centrelink.gov.au>. Accessed: 15/06/04

¹⁶ UniSA 'Statistics on Students' <http://www.unisa.edu.au>. Accessed: 10/06/04

¹⁷ Pittman, J and Barker S. (1998) 'How Much Extra Does it Cost for Rural Students to Study in the City'

3rd National Equity and Access Conference Yepoon. <http://www.cgu.edu.au> Accessed: 15/06/04

¹⁸ Pittman, J and Barker S. (1998) 'How Much Extra Does it Cost for Rural Students to Study in the City'

3rd National Equity and Access Conference Yepoon. <http://www.cgu.edu.au> Accessed: 15/06/04

¹⁹ Pittman, J and Barker S. (1998) 'How Much Extra Does it Cost for Rural Students to Study in the City'

3rd National Equity and Access Conference Yepoon. <http://www.cgu.edu.au> Accessed: 15/06/04

²⁰ Australian Council of Social Services News. McCallum, Andrew (2004) 'Australia's Youth Deserve a Better Start'. Media Release <http://coss.net.au/news/acoss/> Accessed: 17/06/04

- Recommendation 2:** That the Centrelink advance loan of \$500 is repaid over an extended period of time to limit further repercussions on already inadequate support.
- Recommendation 3:** That those additional costs borne by rural students are addressed and factored into government support.
- Recommendation 4:** That additional financial support is put in place for students who are obliged to complete practical work as part of their course requirements and are therefore experiencing limited earning capacity.

(i) the age of independence,

Generally, the criteria for assessing eligibility for Independent Status were considered inadequate. Many students found themselves having to take a year off study between Yr. 12 and university to earn enough to be considered eligible for Austudy. Students are forced to earn a minimum of \$16,536 which is 75% of the Commonwealth Training Award Rate²¹ over an 18 month period, a task some undertook while studying; the majority finding this too difficult. Other criteria are similarly onerous or binding and all require building significant earnings over a period of time²². Students reported the risk of taking this time off to achieve status as highly pressured and a distraction from their ambitions. Indeed, significant disadvantages are linked to deferring study. A Queensland Government study into deferring tertiary study report these risks as losing valuable knowledge over time, especially where course content follows on from high school education; course changes may mean the course you want is cancelled and in the case where deferment is not guaranteed, students may miss out altogether on attending university to study their desired course²³. A number of students also reported cases where friends had taken time off study to become eligible for assistance, only to find the contrast between working and government assistance to be too extreme to adjust to.

A number of students asserted that they were by no means supported by their parents yet were unfairly disadvantaged by parental means testing and the compulsory requirements of achieving independent status. Students reported having to visit Centrelink psychiatrists and 'sell their parents out', that is, prove physical or emotional abuse to convince Centrelink they required support. Most students found this process caused an emotional family strain.

Individuals over eighteen are no longer legally bound to parents²⁴. This is also a significant age where individuals receive the right to vote, consume alcohol and get married amongst other things. It is unreasonable and often untenable to expect students to live at home and rely on parental support up until the age of twenty-five. Most students perceive university study as a personal choice, and as such should not be regarded as a family responsibility.

- Recommendation 5:** That the criteria surrounding eligibility for independent status be reviewed with a view to lowering the age of independence to eighteen.

(ii) the parental income test threshold, and

The Student Association contends that the threshold limit for parents undergoing the Parental Means Test is far too low and renders most families unable to access assistance for dependent children. The Student Association also contends that the additional dollar amount added to the threshold for each dependent child is insubstantial. The income test sets \$28,150 as the maximum allowable taxable income that is not affected by an income test. Additional children under the age of 16 add a further \$1230, \$2562, \$3792 to this figure respectively²⁵. A study which examined the cost of raising children in Australia states: 'A typical two parent family with two children spends two hundred and sixty-four thousand dollars getting the first to the age of twenty, and one hundred and eighty-four thousand on the second²⁶'. The Student Association believes that the Parental Means Test therefore is unrealistic in its expectation upon averages families to support children without assistance in their tertiary studies.

²¹ Centrelink 'Commonwealth Training Award Rates' <http://www.centrelink.gov.au>. Accessed: 15/06/04

²² Centrelink 'Commonwealth Training Award Rates' <http://www.centrelink.gov.au>. Accessed: 15/06/04

²³ The State of Queensland, Department of Education (2003) 'Deferring Tertiary Study' <http://education.qld.gov.au> Accessed 17/06/04.

²⁴ The National Youth Agency 'Leaving Home' <http://www.youthinformation.com/>. Accessed: 15/06/04

²⁵ Centrelink 'Parental Income Test' <http://www.centrelink.gov.au>. Accessed: 15/06/04

²⁶ Australian Broadcasting Corporation AM.(2002) 'Study Examines Cost of Raising Children'. Radio Program Transcript <http://www.abc.net.au>. Accessed 15/06/04

The survey group asserted that the Parental Means Test does not consider the outgoing costs families bear, merely focusing on income and assets. Assessing assets was seen as a serious threat to students whose families may have significant assets, for example a farm, but a small income. Students commented on parents struggling to meet mortgage repayments, feed and clothe children, afford recreational activities and repay other debts in light of the meager support offered by Centrelink.

The survey group also reported that family change in circumstance year to year impacted heavily on the amount of support parents could offer in addition to government assistance. As the Parental Means Test is based on the previous years' taxable income²⁷, major changes to family income or assets are not considered until 12 months later. Many students had experienced parental divorce, major illnesses within the family causing significant financial outlay and various other unexpected and unavoidable costs which impacted on the family's ability to contribute to the support of students.

Recommendation 6: That limits at which benefits are reduced be raised

Recommendation 7: That payments are eligible for reassessment if a change of circumstance occurs

Recommendation 8: That assistance is based solely on income, not assets such as retirement funds or farming properties

(iii) the ineligibility of Austudy recipients for rent assistance;

The Student Association believes that the increasing cost of rental properties in Adelaide is not reflected in the amount of government assistance available to students on Austudy, Abstudy or Youth Allowance. Additionally, the Student Association recognizes an unfair disparity between the combined maximum amount of Austudy and Rent Assistance received by a single person with no children - \$413.90²⁸ (Long-term unemployed, commencing full-time study rate) and the maximum amount offered to a single person on Youth Allowance - \$386.90²⁹ (Single, living away from home rate). The Student Association fails to see why students offered Youth Allowance are not privy to the same benefits as students on Austudy.

Recommendation 9: That Rent Assistance be made available to students who receive Youth Allowance.

Recommendation 10: That the amount of Rent Assistance available to students reflect the current rental market in South Australia.

(b) the effect of these income support measures on students and their families, with reference to:

(i) the increasing costs of higher education,

The buying of mandatory textbooks was the single-most burdensome cost borne by students in the group surveyed. All students admitted to difficulties buying compulsory textbooks and all students agreed that the abolition of the Educational Textbook Subsidy Scheme (ETSS) would decrease their chances of being able to do so in the future. Speaking on the ETSS in February, Senator Natasha Stott Despoja reported:

"A tax on books is a tax on knowledge. It is an irresponsible and punishing tax...this increase will price some students out of an education"³⁰.

However the scheme has not been renewed and students are now facing an extra 8% slug on their textbooks as of July 1st 2004. Even without the scheme in place, most students reported that they only bought 'absolutely necessary' textbooks, with most waiting until mid-semester to see assess if compulsory textbooks were necessary. Students saw the purchasing of textbooks as a waste of money, preferring to buy books that they can make use of through their whole course, or those with resale value. As a result, the majority of students reported

²⁷ Centrelink 'Parental Income Test' <http://www.centrelink.gov.au>. Accessed: 15/06/04

²⁸ Centrelink 'How Much Austudy Payment Do I Get'. <http://www.centrelink.gov.au>. Accessed 16/06/04

²⁹ Centrelink 'How Much Youth Allowance Do I Get'. <http://www.centrelink.gov.au>. Accessed 16/06/04

³⁰ Senator Natasha Stott Despoja. (2004) 'The PM Doesn't Know Taxes Will Rise for Textbooks?' Media Release <http://www.democrats.org.au/news> Accessed 17/06/04

completing only the required readings, rarely being afforded the luxury of purchasing 'extra' readings to bolster their learning. Additionally, many students were forced to resell valuable textbooks so as to afford new books required each semester. On average, students surveyed spent \$170 on textbooks per semester – the data collected ranging from as little as \$10 to \$600 depending on course requirements.

Photocopying, printing and other incidental study materials were highlighted as costs that students felt affected by. On average, the group surveyed spent between \$24 - \$25 per fortnight on printing, photocopying and stationery. To the average earner, this amount may seem small, however students reflected on the added strain such costs put on their already tight finances. The Student Association believes that government assistance is also blind to additional course costs that students are obliged to pay to professionally produce work. Such costs include, but are not limited to: the costs of video production, camp costs – accommodation and food, professional printing (ink cartridges and high quality paper), protective clothing such as lab coats, uniforms for placement, the purchasing of case studies, readers and professional presentation of documents such as binding. While some courses obviously avoid these additional costs, it is the courses that involve practical work that attract the highest added costs.

Many students commented that personal presentation was a vital part of achieving success in their course. Students commented that it is hard to appear professional and gain professional credibility when they are forced to wear op-shop clothes and are sick from a lack of nutrition. Many courses have volunteer work components or encourage work experience / placement for which students must dress in an appropriate and professional manner. Many students found themselves unable to meet basic dress requirements and felt they had missed out on career planning opportunities as a result. Many students experienced a lack of confidence, self esteem and an inability to relate to other professionals in their field. It is widely contested by image consultants that this inability to meet minimum standards of presentation in the work place may reflect your background, status, skills, abilities and education³¹. Students felt disadvantaged by the conflict between high expectations and modest earnings.

Transport costs were highlighted as a significant higher education cost that students had difficulty meeting. While this issue has been addressed earlier, it should be reiterated that even concession tickets for students surviving on a limited income are a significant burden. A staggering 65% of students sometimes missed classes due to the inability to meet the costs of both personal and public transport. Disappointingly, many students also reported an inability to attend extracurricular social, sporting and educational activities due to the transport costs incurred.

Family stress in supporting children through tertiary study was a common theme with the view held that inadequate government support negatively impacts the well-being of entire families. Students are burdened with feelings of guilt and their families with ongoing financial stress. The majority of students accepted handouts from parents to assist them in meeting the costs of higher education but realized that families were sacrificing their own livelihood and ambitions to do so. Most students experience feelings of guilt and anxiety when spending family money on recreational activity, and this does in some cases create family tension³². In a survey conducted in 1999, the majority of parents and students surveyed considered it the government's responsibility to financially support students in their higher education³³.

Recommendation 11: **That the ETSS be reinstated indefinitely due to the effects of GST on textbook prices.**

Recommendation 1: **That the basic cost of living is reassessed by Centrelink in light of the significant rise in staple food items, utility costs and incidental costs borne by students**

(ii) students being forced to work longer hours to support themselves, and

³¹ Jennifer Berry Image Consultants. 'Projecting the Right Image' <http://www.jenniferberry.com.au>. Accessed 16/06/04

³² Pittman, J and Barker S. (1998) 'How Much Extra Does it Cost for Rural Students to Study in the City'

³³ National Equity and Access Conference Yepoon. <http://www.cgu.edu.au> Accessed: 15/06/04

³³ Luteria, M and Boume, J. (1999) Financial Independence and Youth Allowance: Young People's and Parents' Views www.aifs.org.au/institute/afrc7/luteria.pdf Accessed: 17/06/04

Students reported multiple repercussions due to the need to work significantly long hours to support themselves. The first, and perhaps one of the most concerning was the fact that study and learning itself was suffering due to the need for students to fund their education. 65% of students reported missing lectures or tutorials due to work commitments. In addition, students felt unable to commit to additional educational programmes or complete extra readings due to the need to maintain a flexible schedule to fulfill work and study commitments. Generally, students felt that they were 'meeting the minimum requirements' and that their marks were suffering overall as a result of the balancing act between their work, study and social life. Students felt that they had missed vital aspects of their course and may be lacking knowledge in their field once they graduate due to the compromises they have been forced to make. At times, students who worked a significant number of hours failed to meet requirements altogether and failed subjects due to overloaded work commitments. Students suffering under this pressured environment often considered revising their enrolment status to part-time or complete withdrawal due to poverty related stressors. More experienced students have learned to navigate the system and only attend what they have to at university to 'make the grade'.

One of the most important aspects of achieving success at university was identified as the ability to form social groups and networks with peers and lecturers to support learning. The majority of students were aware of the need to build networks and relationships with their peers, professional bodies and academic staff for career planning, but were unable to afford either the time or money to do so. Students endorsed fostering close associations with lecturers as they realized that involvement with university academia creates beneficial partnerships which can foster learning and create job networks for the future. Students often felt that time-constraints they experienced left little time for seeking out and speaking to their lecturers/mentors.

The forming of peer groups also suffered as a result of ever-increasing work commitments. Students commented that if it wasn't them having to leave a networking session with peers for work commitments, it was someone else in their group. They commented on the increasing inability to organize study group sessions, become involved in meaningful discussions before/after lectures and catch up on things they may have missed during the semester. The consensus within the group surveyed was that they felt isolated from peers and were unable to develop vital support groups to encourage their learning.

Forming a balance between work, study and recreation was an issue for all students who worked part-time to supplement assistance. In particular, students felt that they had 'missed out on a whole segment of university life' by having to rush to work from lectures and tutorials. Essentially, students felt unable to become involved in university 'life' – for example, joining in on orientation days, seeing free bands or movies, attending barbecues, joining sporting and recreation clubs and other activities that universities host to ease the stress of full-time study and assist students in meeting new people. Students who make the time for recreation feel healthier, are less likely to use tobacco or drugs to bolster performance, are less stressed and have increased self-esteem and self-confidence³⁴. Students thrive on diversity; however the escalating need to work longer hours while maintaining study commitments is impinging upon this freedom.

Students recognized the need to become involved in voluntary work, or work experience regardless of discipline to enhance employment opportunities upon graduating. Most students acknowledged having the time to do 'bits and pieces' of voluntary work where possible, however they felt unable to commit substantial time to build a solid skills base and develop contacts and networks to achieve the maximum benefit.

Recommendation 1: **That the basic cost of living is reassessed by Centrelink in light of the significant rise in staple food items, utility costs and incidental costs borne by students**

(iii) the closure of the Student Financial Supplement Scheme;

The Student Association does not support the Student Financial Supplement Scheme and welcome its closure. However members of the group surveyed were disappointed at its closure, seeing it as the only means available to live reasonably without having to work excessively long hours. The Student Association contends that the scheme is designed for the satisfaction of immediate financial strain and students rarely assess the long-term impact of the debt accumulated. One student surveyed had already accumulated a \$20,000 debt from using the scheme and acknowledges that this debt could conceivably

³⁴Children and Youth Services in The Next Millenium: What's Your Stand? 'Importance of Recreation' Parks and Recreation Ontario Conference (1998) www.lin.ca. Accessed: 16/06/04

have grown to \$60,000 had the scheme continued. The Student Association believes some students have unrealistic expectations of graduate salaries and underestimate the time it will take to repay substantial debt. In addition, students experiencing financial hardship do not consider that their personal life choices may be limited after completing study as their personal debt grows. The Student Association believes that if government support is raised to adequate levels, students will not need to take out significant personal loans to cover daily living expenses.

Recommendation 12: **That the Student Financial Supplement Scheme not be reinstated or similar scheme initiated.**

Recommendation 1: **That the basic cost of living is reassessed by Centrelink in light of the significant rise in staple food items, utility costs and incidental costs borne by students**

Executive Summary

The submission by the UniSA Students Association has highlighted several issues related to the experience of students at the University of South Australia.

The Student Association has highlighted the need for the government to reassess the cost of living, the cost of utilities and incidental costs borne by students.
See Recommendation 1 and 4

The impact of repaying Centrelink advances on limited income.
See Recommendation 2

The additional costs borne by rural students.
See Recommendation 3

The inadequacy of the current system of assessing Independent Status for Austudy eligibility
See Recommendation 5

The need to reassess the income test, parental means test, and assets test.
See Recommendations 6, 7 and 8

The need to reassess the eligibility of students for rent assistance, and the amount this assistance is set at.
See Recommendations 9 and 10

The need to recognize the significant costs of textbooks borne by students.
See Recommendation 11

That the Student Financial Supplement Scheme created unnecessary and serious debt
See Recommendation 12