



UWA Student Guild Submission

to

Senate Employment, Workplace Relations and Education References
Committee

Inquiry into student income support

Submitters: Susie Byers (President) and Luke Ryan (Welfare Officer)
Authorised by: Susie Byers (President)
Organisation: UWA Student Guild
Address: 35 Stirling Highway Crawley WA 6009
Phone: (08) 6488 2294
Fax: (08) 6488 1041
Email: president@guild.uwa.edu.au or welfare@guild.uwa.edu.au

Contributors: Luke Ryan, Susie Byers, Arnold Lee, WASAC, various students.

Contents

Summary of recommendations	2
Introduction	3
Current measures for student income support	3
The effect of these income support measures on students and families	8
The importance of adequate income support measures	10
Alternative income support measures	15
Other issues	15
Conclusion	16
Bibliography	16
Appendix	17

Summary of recommendations

Recommendation 1: that there be a significant increase in the amount of Youth Allowance/Austudy/Abstudy allocated to students preferably to the level of the poverty line; if not at least to the level of the Newstart benefits.

Recommendation 2: that the amount of personal income at which Youth Allowance/Austudy/Abstudy payments begin getting reduced be increased and the rate at which it is reduced be decreased.

Recommendation 3: that the rules regarding eligibility for Centrelink payments based on a student's status be significantly broadened to consider inclusion of part-time students and unorthodox educational formats.

Recommendation 4: that the 'age of independence' be lowered to 18.

Recommendation 5: that same sex relationships be recognised for the purposes of qualifying for independence.

Recommendation 6: the general parental income thresholds should be increased substantially, while the methods of assessing this should be rendered less stringent and more appreciative of students' individual situations.

Recommendation 7: that Rent Assistance payments be immediately made available to recipients of Austudy.

Recommendation 8: that Centrelink establish a 'grants scheme' to cover one-off expenses such as textbooks, lab coats etc.

Recommendation 9: that this inquiry consider ways that the Government can construct a system of income support that not only allows students to survive but enables them to actively participate in university life.

Recommendation 10: that the Student Financial Supplement Scheme be reopened immediately, but in a form where students are not required to 'trade in' their benefits to access it.

Recommendation 11: that special consideration provisions are applied to students coming from rural areas i.e. an increase in the parental income thresholds and/or a decrease in the personal income threshold.

Recommendation 12: that parents who are studying should receive an increase in Centrelink benefits (especially if they are sole parents), as well as greater concessions in regards to Childcare and Healthcare allowances.

Recommendation 13: that where students living in a marriage or de facto relationship, the spousal income threshold should be increased.

Recommendation 14: that the operations of Centrelink be restructured to make the service more reliable, efficient and accurate.

Introduction

The UWA Student Guild welcomes the opportunity to contribute to this inquiry. The issue of students living in poverty has long been of concern to the Guild, but is one that seems to have been largely ignored by the Government. We are grateful that some kind of investigation is finally taking place into the matter.

In the preparation of this submission, we drew on various research that has been done into the issue, but we also made use of the personal stories of our members. We asked students to tell us of their experiences interacting with Centrelink and the effect that it has had on their lives. These stories are used as illustration throughout the submission, but are attached in full in the appendix. Also in the appendix are the results of a qualitative survey that we conducted.

(A) Current Measures for student income support, including Youth Allowance, Austudy and Abstudy, with reference to:

(i) the adequacy of these payments:

It is the contention of UWA Student Guild that the amount of Youth Allowance/ Austudy/Abstudy is inadequate for the needs of students. It has been widely documented that the amount of money received by students under these mechanisms constitutes an income substantially below the poverty line; comparisons made in late 2002 revealed this discrepancy to be around \$143.23 per week.¹ This disparity between students' required and received incomes results in a number of social inequities being inflicted upon students. Not only this, but the amount paid to students compares poorly with other benefits. The old-age pension, for example, is indexed to average weekly earnings, whereas Youth Allowance is indexed only to CPI. Students receive less income support than any other group², which does not provide an incentive for students to improve their life chances through tertiary study³.

Financial Hardship

From the e-mail correspondence and the responses received to the survey commissioned by the Guild, it was an almost universal complaint that students were regularly forced to forego important elements of their lives due to money constraints. A significant number of respondents reported having to go without food at certain points, or at the least without healthy food, a disturbing trend for student welfare. This occurred in some cases to the extent that students had needed to rely upon food packages from the Salvation Army (an unpalatable burden upon an already

¹ Brotherhood of St. Laurence, *Poverty Line Update*, May 2003, http://www.bsl.org.au/pdfs/poverty_line_update.pdf

² *ibid.*

³ Australian Council of Social Services, Submission to Senate Inquiry into Poverty and Financial Hardship, March 2004.

overstretched charity network). One student said “*Potatoes and rice figure prominently in my diet and I've lost 6 kilos in 3 months*”⁴.

There were also many reports of students sliding into significant amounts of debt due to the inability to keep up with household payments and their associated lack of savings with which to pay off incidental costs i.e. car repairs. One respondent even made the comment “*but show me a student who isn't in debt*”⁵.

Additionally, there were a number of students complaining of the inability to cover basic services such as heating, clothing or, in particularly unnerving circumstances, medical attention. Of course, a corollary of such an endemic lack of basic resources is that most students reported having a significantly limited, if not non-existent sporting and social life. While by no means the most important issue here, neither is it conducive to the establishment of a healthy lifestyle. As an example of these issues, one e-mail stated:

*“I'm still getting slowly into debt as Youth Allowance only just (and not always) covers my living expenses. I have to have dental surgery, which I can't pay for despite the increasing pain, and once my credit card is maxed I'll have to take 6 months off to work and pay it off ... [I] study despite often gnawing hunger and pain from a bunch of ignored ailments which I can't afford to get treatment for”*⁶

Another pointed out that once rent had been covered, she was left with “*\$130 a fortnight to buy food, pay bills and try to survive*”⁷.

It seems then that from a purely financial standpoint the payments seem woefully incommensurate with the standard of living most Australians would expect. Although such inconsistency is obviously ameliorated by the use of paid employment, the issue of students' overly-extensive work hours shall be dealt with under term (B) (ii).

Recommendation 1: that there be a significant increase in the amount of Youth Allowance/Austudy/Abstudy allocated to students preferably to the level of the poverty line; if not at least to the level of the Newstart benefits.

Personal Income Thresholds

The UWA Student Guild also believes the personal income thresholds on Centrelink payments should be slackened. Although a necessary supplement to students on Youth Allowance/Austudy/Abstudy, the efficacy of student employment is vastly complicated by the measures put in place by Centrelink. Due to the punitive rates of payment reduction incurred by students who earn too much, many students feel they are placed in a difficult position. As one student put it “*the money from Centrelink is not enough to live on, and it doesn't really matter how much you work, because after you've earned a certain amount of income, your Centrelink payments get cut*”⁸. The

⁴ E-Mail 24* the emails denote feedback received from students via email; these are attached in the Appendix.

⁵ E-Mail 7

⁶ E-mail 24

⁷ E-Mail 22

⁸ E-Mail 2

amount at which Youth Allowance/Austudy/Abstudy payments begin getting affected is remarkably low considering the already minimal nature of the payments themselves. The effect is that students are only able to approach the poverty line threshold (approximately \$600 a fortnight) by working excessively long hours, the consequences of which are obvious, but which shall be dealt with in further detail under term b (ii).

Recommendation 2: that the amount of personal income at which Youth Allowance/Austudy/Abstudy payments begin getting reduced be increased and the rate at which it is reduced be decreased.

Part-Time Students

The UWA Student Guild also has concerns over the manner in which students not fulfilling full-time student criteria are dealt with. There are a number of instances of people being put through significant financial hardships because of shifts in their classification. One student described it thus:

“It’s a bit of a catch 22 situation. I have to work to support myself while I’m at uni; however I can’t study full time because I have to work. Also, now as I am part time at uni, so I can work to support myself while studying, I am no longer at all eligible for youth allowance as you have to be a full time student. When I was full time, I was working 5 jobs at the same time.”⁹

These hardships are exacerbated by the arbitrary nature of some measures of student enrolment. For example, students doing combined degrees have different rules applied to them as against students doing a single degree. While an 18 point load in the former will be construed as part-time, in the latter it will be thought of as a full-time load. This means that despite external commitments, students doing combined degrees will often have to engage in significantly larger amounts of university work in order to continue to qualify for Youth Allowance/Austudy/Abstudy. A further example of inadvertent hardship being inflicted on students occurs when they engage in other unconventional degree structures. For example, where a student is studying a degree part-time while concurrently engaged in a diploma or TAFE course they will be seen as being part-time and thus ineligible for Youth Allowance/ Austudy/Abstudy despite having a similar total workload to most full-time students. In these situations, it is obviously inequitable to require a student to work full-time in order to sustain themselves, but this is a situation many people are forced into.

Recommendation 3: The rules regarding eligibility for Centrelink payments based on a student’s status should be significantly broadened to consider inclusion of part-time students and unorthodox educational formats.

(ii) the age of independence

At 25, the age of independence is substantially too high. To assume that a student is receiving financial support from their parents, and to adjust their payments

⁹ E-Mail 23

accordingly until their mid-twenties is naïve and out of touch with reality. It is a policy that seems aimed at encouraging students to stay living with their parents for as long as possible when each student should have the ability to decide what living arrangements best suit them.

Recommendation 4: that the ‘age of independence’ be lowered to 18.

Our concerns with the independence requirements are not restricted specifically to the age of independence. Many students have complained that unless they want to wait until they are 25, they have to earn around \$15,000 in 18 months to become independent: *“the way I see it is that you have to earn enough money not to need Centrelink before they will start to give you money”¹⁰.*

This system leads to distinctly inequitable outcomes, whereby some students who have not taken a gap year in order to work to earn over the threshold, or who haven’t been able to do it while balancing full-time study at the same time, are often unable to access benefits. Conversely, students who are living at home with their parents, aren’t required to pay board or support themselves in any way, receive the full benefits (minus rent assistance) if they have earned over the threshold. In order to be effective, these measures need to be targeted at those genuinely in need.

Same sex relationships

A student may qualify for independence by being married or living in a ‘marriage-like relationship’ for 12 months. In a despicable act of discrimination, same-sex relationships are not recognised at all by Centrelink, removing the possibility of qualifying for independence for many young gay and lesbian people.

Recommendation 5: that same sex relationships be recognised for the purposes of qualifying for independence.

(iii) the parental income test threshold

The UWA Student Guild believes that the criteria used for assessing the ability of students’ parents to support their children at university are overly stringent. This is an issue that generated a lot of consternation amongst the respondents, with many of them feeling unjustly done by because of the parental eligibility thresholds. The issue is exacerbated for students from rural backgrounds, for whom it is not feasible to remain at home, but this will be dealt with in more detail under section c (ii). One respondent described the inconsistency between the independence and the parental income criteria

“I believe the threshold to be considered financially independent is a bit high, especially if one isn't able to work full-time to achieve it (due to full-time study commitments, for example). The parental means test is set at a ludicrously low level, thereby denying many students access to payments, even if their parents don't support them.”¹¹

¹⁰ Email 1

¹¹ E-Mail 4

While some students obviously receive financial support from their parents, their remains a significant proportion who receive little or no financial backing. The effect of this is that ineligible students who live out of home must work a huge number of hours in order to meet expenses. Due to the low level of these parental income assessments, this means that many students who require financial support do not receive it because they have been unable to fulfil the other independence criteria (e.g. sufficient income, abusive domestic environment).

There is also very little consideration brooked of ameliorating circumstances, such as where parents have multiple dependent children, have made their children beneficiaries of trusts or have income tied up in crucial assets.

In regards to the former, in one case a family living on a modest rural income were putting 4 children through university, none of whom were eligible for Youth Allowance because of the parents' "modest income",¹² putting the family through significant hardship. One student reported that despite the fact that he received no income from a trust controlled by his father, the mere possibility that he could prevented him from qualifying, leaving him with very little capacity to provide for himself.

There were also a number of cases where students had been denied Centrelink benefits in spite of a very low parental income due to the parents' possession of various assets. One respondent explained that:

"Our parents were running a struggling business and because they had to have a lot of assets to run the business, Centrelink counted this as a form of income. So my parents were barely getting enough to support themselves but according to Centrelink they were earning more than they actually were because of the farm assets."¹³

In one case, a student was denied any benefits "because mum and dad's 'income' was too big last year because they had to sell one of our farms to pay debt".¹⁴ There seems to be the implication here that parents should be willing to mortgage their livelihoods in order to support their children through university. This hardly provides an incentive for parents to encourage their children to obtain a university education.

Recommendation 6: the general parental income thresholds should be increased substantially, while the methods of assessing this should be rendered less stringent and more appreciative of students' individual situations.

(iv) the ineligibility of Austudy recipients for rent assistance

It is the position of the UWA Student Guild that there is no good reason why recipients of Austudy should not receive rent assistance. People who are 25 and still studying are by and large just as likely to be renting property as those receiving Youth Allowance. This was of particular concern to one respondent who said:

¹² E-Mail 24

¹³ E-Mail 22

¹⁴ E-Mail 18

“I turn 25 in the middle of next year and so will be switched over to Austudy and hence lose my Rent Assistance, which makes up 20% of my income. I can barely survive now - I don't know what I'll do then. The rule is totally arbitrary and unfair. Am I supposed to own a house by the time I'm 25?”¹⁵

Another student determined that his \$150 a week of Austudy covered him for his rent and food alone, leaving residual costs wholly unaccounted for. This is an extremely important issue for students, with the trend of an increase in the cost of living and rent being a main drain on many students' budgets.¹⁶ Some figures show that in Melbourne and Sydney up to 43% of students' weekly budgets is being spent on rent.

Recommendation 7: that Rent Assistance payments be immediately made available to recipients of Austudy.

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

(i) the increasing costs of higher education

It should be recognised that beyond day-to-day living expenses, there are several one-off upfront costs that students must pay at the beginning of each semester. For example, the most common theme that emerged in the survey we conducted was that students very often (33 out of 91 respondents) don't buy textbooks. This situation will undoubtedly be exacerbated even further by the abolition of the Textbook Subsidy Scheme. A consequence of this is that students are increasingly required to spend long hours at the library, adding extra stress and time commitments to already crowded schedules.

Centrelink does have a loans scheme to assist with this, but it consists of 'advancing' some of your future benefits in a lump sum and then having your payment reduced by a certain amount until it is paid off. Unfortunately, this is not a viable option for many students who cannot afford to have their payments reduced even by a small amount.

Recommendation 8: that Centrelink establish a 'grants scheme' to cover one-off expenses such as textbooks, lab coats etc.

However, much feedback that student representatives receive from our members relates to the increasing inaccessibility of our Higher Education system itself. The recent publicity surrounding increases to HECS at different universities has highlighted the fact that many people feel that the lack of income support they receive combined with the ever-increasing debt they face at the end of their degree is putting a university qualification out of their reach. People coming from certain backgrounds, particularly low socio-economic backgrounds, are more likely to be unwilling to take on HECS debt. For this reason, many students for whom the HECS scheme was supposed to be an equitable mechanism whereby they could undertake university degrees choose to pay their HECS upfront rather than defer payments. The lack of income support provided by the Government makes it extremely difficult for students

¹⁵ E-Mail 24

¹⁶ *Paying their way: A Survey of Australian Undergraduate Student finances*, AVCC, 2000.

to do this. Most research into poverty seems to indicate that the best way to reduce poverty is through education¹⁷. Unfortunately the lack of support students receive combined with increases in the deterring factor of higher fees is rendering it even more out of reach of those who need it most.

(ii) **Students being forced to work longer hours to support themselves**

'Fatigue is the students' epidemic' (Survey respondent)

The amount that students are working and the effect this is having on their university studies and general well-being is now well-documented¹⁸. Due to the substantial disparity between student's allocated and required incomes, heavy working hours have become a constant in many students' lives. Unfortunately this often occurs to the detriment of their academic efforts. Most respondents to the survey reported regularly missing classes and rushing essays because of difficulties in balancing work and academic commitments. This is compounded because most students view their work commitments as more important than their academic obligations due to the need to support themselves. There is a mentality that they will be able to salvage their university work at a later date. But at the same time most of the respondents said they often felt run down or unable to cope because of trying to balance work and university. Some examples of people struggling to achieve this balance:

*"This dramatically cuts into my study time and when partnered with the close to hour and a half bus trips (during peak hour times, which is when I come to, and leave from, uni), it puts severe pressure on the time I have to complete my homework and allocated assignments. However, I can't quit my job because I need it to pay for my university and sporting commitments. Obviously, the answer to the time constraints would be to move to Perth, however this is an option that is beyond my financial ability to sustain."*¹⁹

This problem is worse for students taking courses such as medicine or engineering with heavy workloads, who must often work long hours in addition to over 30 hours a week of academic commitments. There were a number of complaints in this respect of lives that simply alternate between work and university with no respite. It seems an unpalatable corollary of the need to work such extensive hours that students' academic performance must be impacted, but most seem to accept it as a given. One student noted the marked improvement in her academic performance as soon as she cut back on work:

"However the biggest change has been my marks - I now have an average 12 percentage points higher than when I was working EVEN THOUGH then I was only studying 2 subjects and now I'm full-time... Part of this is the actual extra free (study) time from working less, and part of it is being able to immerse myself in uni life rather than running between uni and work."

¹⁷ ACOSS, *op.cit.*

¹⁸ *Paying their way, op. cit.*, and *Managing Study and Work: the impact of full time study and work on Australian Undergraduate students and their finances*, Department of Education, Science and Training, 2002.

¹⁹ E-Mail 1

However I can't do this indefinitely - I'm still getting slowly into debt as Youth Allowance only just (and not always) covers my living expenses."²⁰

The negative effect on students' academic performance is distasteful both in the sense that the concept of education is being degraded and also that in competitive courses, students that are required to work long hours are placed at a significant disadvantage. Students also face problems in that the type of work they do is often casual with no benefits, so if they need time off due to illness or the like they face a direct loss of income. This lack of stability means students have no ability to plan.

University Experience

The impact of students working hours is not just financial. Many students are finding that they aren't participating fully in university life, either academically or in terms of extra-curricular activities. The UWA Student Guild has always been strongly of the belief that university should develop students into not just graduates but active members of the community with a wide range of experience in sporting, cultural, activist, religious, political or social organisations. The amount of time students spend working means that they are often unable to participate in anything at university beyond their classes.

For this reasons, many student-run organisations therefore are beginning to suffer from a lack of involvement. 'Uni Camp for Kids', for example, is a UWA club affiliated to the Guild and is also WA's oldest registered charity. It relies entirely on student volunteers to run 3 day-long picnics and 3 week-long camps for children who are socially, financially, educationally, or emotionally underprivileged. This kind of activity is extremely important, not only to those at whom the programme is aimed, but at those who, in participating in it, broaden their educational experience and their understanding of the needs of our community.

In some courses, extra-curricular work experience is viewed as highly advantageous. For example, in law activities such as mooting significantly increase a student's chance of finding a job on graduation. There is a high level of inequality in these situations between students who have to work extremely long hours and students who don't.

Recommendation 9: that this inquiry consider ways that the Government can construct a system of income support that not only allows students to survive but enables them to actively participate in university life.

(iii) The closure of the Student Financial Supplement Scheme

The closure of the Student Financial Supplement Scheme has compounded the effect of these financial hardships resulting in a decrease in students' ability to balance the requirements of university and work. As one student put it:

*"The financial supplement scheme was the only thing helping me to stay afloat, and I am struggling even more so since it has been cut, and am forced to work as many hours as I can."*²¹

²⁰ E-Mail 24

²¹ E-Mail 2

Given the already inadequate payments received by students on Youth Allowance/Austudy/Abstudy, it seems unjust to essentially force students living away from home to take loans out from financial institutions in order to survive. However, the Financial Supplement Scheme was undoubtedly unfair policy where students were put in a situation of having to borrow twice as much money as they needed.

Recommendation 10: that the Student Financial Supplement Scheme be reopened immediately, but in a form where students are not required to ‘trade in’ their benefits to access it.

(C) The importance of adequate income support measures in achieving equitable access to education, with reference to:

(i) Students from disadvantaged backgrounds

Although the presence of Youth Allowance/Austudy/Abstudy has undoubtedly made it more feasible for students from disadvantaged backgrounds to pursue a tertiary education, the truth is that most of these students continue to struggle due to the insufficient amounts they receive. One student described the situation as:

“In consequence, I am not getting the most out of my Uni degree. It is nice that people who come from low-income or disadvantaged back grounds can attain a degree these days, but the fact is that most of these people struggle and work themselves to death”²²

While most students appreciate the fact that they receive assistance from the Government, there is a feeling that it is unnecessarily complex to access, overly punitive in nature and woefully inadequate. This has resulted in a situation where many people from working-class backgrounds, and particularly those hailing from rural areas, will not attempt to study because of the associated difficulties.

“While Centrelink has given me the opportunity to live away from home, I still feel that there has to be some kind of attitude change because students from country areas and poorer backgrounds are still certainly not given the same opportunities as city kids.”²³

When combined with the prospect of increasing HECS costs, this makes a university education increasingly disagreeable to students from disadvantaged backgrounds. This is more pronounced for students from unsustainable family environments, who due to their inability to cohabit with their parents are inserted into a system that is both punitive and almost unsustainable:

“I have been classified as independent from my parents due to a difficult home environment, but there is a review period, and although I am nearly twenty-one, I am still required to get my parents to fill out forms every now and then stating that I cannot live with them, with is painful and difficult... I desperately hope someone will pay attention soon, and reach out a hand to help the people

²² E-Mail 4

²³ E-Mail 12

who want and need an education to achieve their potential... I find it tragic that my ability to be educated is threatened by my need to survive."²⁴

Thus there remains a degree of bias in the system against students from disadvantaged and rural backgrounds.

(ii) Improving access to education

Aboriginal and Torres Strait Islanders

Aboriginal and Torres Strait Islander students face a number of unique challenges in successfully pursuing a tertiary education, many of which are corollaries of their generally lower socio-economic status and rural background. The following is the submission of the representative body of indigenous students at UWA, the Western Australian Students Aboriginal Corporation (WASAC)

A large number of Indigenous students are enrolled in courses such as law and medicine, which involve high levels of study commitment. Having such a commitment in turn means less opportunity to work part time. Students therefore have to rely on Centrelink benefits, which are often barely enough to cover living expenses, let alone expensive study costs. Moreover, the average cost of a medicine or law text book, for example, is around \$150. Indigenous students are finding it increasingly difficult to afford all the current course materials on such low incomes.

At UWA there are a large number of young and single Indigenous parents, therefore many living benefits received from Centrelink commonly go towards the family's expenses. While this may not be preferable, it is unfortunately a reality for many low income earning Indigenous students.

Many of the Indigenous students have had to relocate from country areas to Perth to study at UWA. Therefore they are immediately faced with expensive accommodation costs, which is even more difficult without the support network a family provides. Accommodation located near the university is fairly expensive for many of the Indigenous students. Many choose to live in colleges, and while this may be convenient, it means many have to survive on a reduced living allowance. For those who have to live in the outer suburbs, they are faced with high travel expenses. Many students cannot afford vehicles, therefore have to rely on public transport, which is not always reliable and does not run frequently on public holidays. More specifically, travelling by bus or train in the early hours of the morning or late at night, while carrying text books is not always convenient, nor safe.

On the whole, Centrelink and Abstudy benefits, relative to required course material, family, accommodation and travel expenses, are not nearly enough for many of the Indigenous students to sustain an easy lifestyle.

The changes to Abstudy led to a drop in the number of students receiving it. The removal of Abstudy benefits from bridging courses seems to have been a major

²⁴ E-Mail 2

contributor to this. A further anomaly in the Abstudy is the lack of access to crisis payments, meaning that Indigenous students do not have the funds available to remove themselves from potentially harmful situations. Indigenous Australians are already under-represented within higher education and without adequate income support and other measures there will be no improvement in the enrolment, retention and completion rates of Indigenous people.

Rural Students

Coming from a rural background was perhaps the most oft-cited reason for students facing financial hardship. While facing the same issues as regular students, due to their inability to live at home they were also forced to incur the extra expenses of living independently, which most found almost impossible on the amount granted by Centrelink, if they were even entitled to Youth Allowance/Austudy/Abstudy in the first place. A number reported not being able to access Youth Allowance, despite their parents' small income, because of the amount of agricultural assets they possessed. This was compounded in situations where there were a number of children at university at the same time. The consequences for rural students were high work hours, poor living conditions and generally higher levels of stress. While the existence of the assistance in the first place was a primary factor in enabling many of them to pursue a tertiary education, most felt they were still subject to a number of hardships due to the tiny amount they received. Many students were forced to take substantial amounts of time off their degrees in order to finance the remainder of their education (one reported taking four years off in between her 1st and 2nd year). Others attempted to pursue their education part-time but found the loss of Youth Allowance benefits meant that they were forced to work unsustainably long hours. This was seen as a substantial disincentive for students from a rural background to actively pursue an education. One student pointed out "only 2 people from my year (graduating 1999 from North Albany SHS) actually made it to UWA"²⁵. This hardly speaks for the presence of equitable access to education. This disillusionment was articulated by one respondent:

"I live pretty much independently, 400km from home with no support, while some people I know live in places like Subiaco, Nedlands and Fremantle with their parents and still receive youth allowance... the maximum income that the parents [of students from rural backgrounds] are allowed should also be higher on this type of payment as it costs so much more to support a student in this situation than when they are able to live at home."

Recommendation 11: that special consideration provisions are applied to students coming from rural areas i.e. an increase in the parental income thresholds and/or a decrease in the personal income threshold.

In this way it is hoped that some of the imbalances left in the system may be ameliorated.

Parents and Partners

²⁵ E-Mail 12

Single parents and students living with partners and/or children face a number of issues in achieving equitable access to education. There were concerns drawn about the mechanics of the Family Tax System and how they impacted upon parents attempting to pursue an education. One respondent described her situation as follows:

“I am a full time honours student at UWA. I have a three year old daughter, and my husband has recently graduated from a Commerce degree at Curtin University. He has entered the workforce on an income of \$27 000 per annum. I receive no government assistance whatsoever. My Austudy has been cancelled, as has my health care card. Our child care fees have gone up significantly since my husband completed his studies and went from part time work to full time.”²⁶

While another said:

“I have to work. I would prefer to be at home with my son and study but it is impossible to afford a mortgage on one salary and I cannot get any youth allowance because of my husband’s income, which I think is pathetic. And because I work, I pay more for childcare as well because income decreases my CCB Allowance.”²⁷

As an example of the concern over such financial pressures, some students reported lying about their marital/relationship status because they would lose their benefits and then be unable to continue pursuing their education.

“Perhaps it's not what society expects from partners, but we have totally separate finances - every single aspect of our life may be intertwined and permanent but in regards to finances he might as well just be a platonic flatmate. That's my decision - we've had to put off buying a house and starting a family because I wanted to go to uni... I have to lie, which I hate doing and find morally abhorrent, and tell Centrelink that I am single or they'd force my partner to support me. However the choice I am given is to live with my partner who makes my life heaven and then make him support me on his paltry wage, lie, or live apart.”

Thus, it seems that parents and partners who attempt to study are subject to a number of extra pressures on top of those they already face as students.

Recommendation 12: that parents who are studying should receive an increase in Centrelink benefits (especially if they are sole parents), as well as greater concessions in regards to Childcare and Healthcare allowances.

Recommendation 13: that where students are living in a marriage or de facto relationship, the spousal income threshold should be increased.

(D) Alternative income support measures

²⁶ E-Mail 13

²⁷ E-Mail 10

We do not believe that the current system need be replaced with an entirely new one; rather that the current system should be re-examined in the light of concerns raised in this submission and elsewhere. A common theme emerging from the feedback (emails and surveys) received from students is that although frustrated with the inadequacies of the system, without it they wouldn't be here, so students are grateful for the aid they receive. It is vital that the development of changes to the system be done in consultation with those directly affected – the students.

(E) Other issues

Dealing with Centrelink

Much feedback from students, both in their emails and through casework done through our Student Centre, relates to the problems they had dealing with Centrelink. Although the inefficiency of Centrelink as an organisation has now been exposed²⁸, students continue to suffer from their mistakes. The most common complaints we hear from students are that Centrelink has overpaid them by their own mistake and now expects students to pay them back, that Centrelink has mistakenly 'breached' them and therefore cut their payments for no apparent reason, or that Centrelink has given them bad advice (a frequent question asked by students is 'why is it that when I call Centrelink they never tell me the same thing twice?'). Stories of Centrelink losing students' forms and then claiming never to have received them are commonplace.

In one case dealt with by a student representative, a student who wanted to move out of home had signed a lease after being told over the phone by Centrelink that they would qualify for independence. After the 12 month lease was signed, she called Centrelink again to find not only that a mistake had been made, but the person she spoke to had never heard of the rule by which the first person had told her she could become independent. The student was forced to take out a supplement loan as she was only eligible for the 'at home' rate and now has a \$7,000 debt to add to her HECS debt.

It is not only the mistakes but the waiting periods that frustrate students. Students have to wait hours in queues when visiting Centrelink in person and usually 45 minutes to an hour on the phone. This makes it all the more frustrating when forms have to be submitted twice because the first one has been misfiled. It should be noted that Centrelink has been working on remedying this issue, and that the ability for students to submit forms online is a new and welcome development.

Recommendation 14: that the operations of Centrelink be restructured to make their service more reliable, efficient and accurate.

Conclusion

We have many issues of concern to do with student income support that are too many to be raised here. Ultimately, what we believe is needed is a complete review of the structure of benefits that includes consultation with the stakeholders themselves.

²⁸ 'The Australian, 'Millions of Mistakes by Centrelink', 14 February 2004.

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Appendix

Student Survey

We collected 91 surveys, in which we asked for written responses to certain different responses.

Importantly, while in terms of the emails we were only expecting feedback from students who had had contact with Centrelink or were in some way involved in the system, the survey was completed by a random selection of students, and so is a more accurate cross-section of our constituents.

Below is a brief summary of the comments we received:

Do you generally find the rate of Youth Allowance/ Austudy you receive sufficient to survive on a day-to-day basis?

Yes*:	<u>14</u>
No:	45
Don't receive it:	32

*Note: several 'yes' responses were qualified with "survive – yes; live – no" or comments to that effect.

As a student, have you ever had to forgo important elements of your life due to a lack of money (eg food, textbooks, household facilities etc)

No:	27
No comment:	2
Yes:	62

Of those who answered yes, the following were the most commonly 'done without':

Textbooks:	33
Food:	19
Medical Expenses:	2
Clothes:	3
<u>Household items:</u>	<u>4</u>

Have you ever encountered problems with the eligibility thresholds for Youth Allowance/ Austudy? If so, in what way?

No/ N/A:	<u>42</u>
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Of those who answered yes (49), the most common complaints were that full time students do not have enough time to earn enough money to earn the independence threshold, that if living with a member of the opposite sex they were supposed to be supported by them and therefore were ineligible for benefits, that the idea that parents financially support their children until they are 25 is ridiculous and that the parental income thresholds are too strict.

Do you think you have to work too much to support yourself?

Yes: 56
No: 31
Don't work/ NA: 4

The most common comments received from those who answered yes were that they didn't have time to study, that they were working more than one job, and that they had trouble balancing work with study.

Do you ever need to compromise your education because of work? If yes, in what ways?

Yes – non-specified: 6
Yes* – skip classes: 29
Yes* – Assignments late/ last minute: 7
Yes* – too tired to pay attention in class: 6
Yes* – don't have time to study/ poor quality study: 7
No: 25
No response: 15

*Note: respondents weren't restricted to one answer.

Do you ever feel run down or unable to cope because of university commitments?

Yes: 49
No: 25
No answer: 17

Emails from students

1

Date: Mon, 3 May 2004 18:39:54 +0800

Since you asked, I thought I might throw in my two cents.

My beef is with the rules for independence. It doesn't make a whole lot of sense to me. The way I see it is that you have to earn enough money not to need Centrelink before they will start to give you money. Also, I can't work out why people who "actively look for work" are paid supplements from the government, yet students who study full time in order to build a foundation from which to launch a career get a whole lot of nothing. Students who "actively look for work" don't, to my knowledge, receive any kind of bonus from the government, either. In order to pay for my textbooks, bus fees (which are relatively high since I commute from Mandurah 8 times a week), etc, I have to work throughout the weekend and during after-uni hours, too. This dramatically cuts into my study time and when partnered with the close to hour and a half bus trips (during peak hour times, which is when I come to, and leave from, uni), it puts severe pressure on the time I have to complete my homework and allocated assignments. However, I can't quit my job because I need it to pay for my university and sporting commitments. Obviously, the answer to the time constraints would be to move to Perth, however this is an option that is beyond my financial ability to sustain.

In short, I'd like to know why the government feels its ok to give handouts to people

who aren't actively improving their or anyone else's lives (I understand that not everyone is a dole bludger – but come to Mandurah and you'll see what I mean), yet at the same time, deny financial aid to tertiary students.

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2

Date: Mon, 3 May 2004 18:54:31 +0800

To: "UWA Guild President" <president@guild.uwa.edu.au>

Hi

I am an independent student who has been struggling to get a university degree for the past two and a half years. I have had to stop studying on one occasion because I simply could not afford to live anymore. The money from Centrelink is not enough to live on, and it doesn't really matter how much you work, because after you've earned a certain amount of income, your Centrelink payments get cut, which should not be the case. I have to travel to get to my job, because I can't afford to give it up, which means I cannot study 3 out of 7 days a week and I have to get deferrals on exams, etc. Stresses of not having enough money have driven me to despair, and I often wonder if I will be able to complete my education at all.

Not only this, but Centrelink have falsely cancelled my payments at least three times, stating that I have failed to return forms which I have returned in person, and seen people enter the details into the computer at the time. This means I have to spend extra time travelling to Centrelink, and making phone calls to sort out these mishaps. Whenever I ring, I am given misinformation, or speak to someone who knows even less about the system than I do.

I have been classified as independent from my parents due to a difficult home environment, but there is a review period, and although I am nearly twenty-one, I am still required to get my parents to fill out forms every now and then stating that I cannot live with them, which is painful and difficult.

The financial supplement scheme was the only thing helping me to stay afloat, and I am struggling even more so since it has been cut, and am forced to work as many hours as I can.

In consequence, I am not getting the most out of my Uni degree. It is nice that people who come from low-income or disadvantaged backgrounds can attain a degree these days, but the fact is that most of these people struggle and work themselves to death trying to achieve what people from privileged families get given to them on a platter. I am surrounded by private school students who still live at home, won't cook if their parents don't do it for them, and have everything paid for them. It is fair enough that their parents wish to do this for them, but what about people who don't take their education for granted? Centrelink treats you as though you're constantly on probation - one false move and your whole world comes down around you. No education, no nothing. I feel bad that I cannot concentrate fully on my degree, and I feel worse that I am being told by lecturers that they cannot make allowances for my work arrangements, because "uni should be your first priority if you are here". How can it be? I can't even afford to go to the dentist or buy clothes.

I am not, despite being told it all the time, of a generation that expects everything

given to them on a silver platter. I am not ignorant of the advantages we have in this country, as opposed to others which are torn with war, and people are starving. I am angry at the mentality that public school students are not as intelligent as private school students, and that what's important at uni is getting drunk, and doing as little work as possible - which is what I can see in students who don't have to struggle for every day they are allowed to remain there.

I desperately hope someone will pay attention soon, and reach out a hand to help the people who want and need an education to achieve their potential. I am not saying that privileged students are less deserving of an education. I am saying I find it tragic that my ability to be educated is threatened by my need to survive.

Please do what you can to get the government to listen. Good luck.

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3

Date: Mon, 03 May 2004 19:39:21 +0800

To: president@guild.uwa.edu.au

Subject: Government Financial Support

I'm a first year this year, so I'm just getting used to the cost of uni. My dad doesn't make much (don't know how much so I can't give you an idea) and my mum doesn't work often because of a serious back injury. She gets worker's comp for this, but it doesn't really cover things. I don't have a job because my uni hours and travelling time have excluded me from all of the ones I've applied for so far. Because our family makes just enough to be over a certain threshold, I receive youth allowance - a whopping \$20 a week. My bus fares to and from uni every day five days a week amount to \$15.20. Thus, Centrelink has donated a generous \$4.80 per week for me. I only get this much because I'm not 18 for a few more months. When I called recently to try and find out if there was anything I was missing out on, I spent a total of 45 minutes being shuffled from person to person and being put on hold. I've got clinical depression, which means I'm exhausted and unmotivated most of the time, making uni a bit of a struggle already. Financial concerns on top of this are making my life a lot harder than it needs to be. I'm having to make a decision between continuing like this or taking a year off to work and get enough money to finish my degree. I know heaps of people have it worse off than I do, and I'm not looking for unfair handouts, but I'd at least like to think when I call up Centrelink to ask for advice, I'd be able to get some.

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4

Date: Mon, 3 May 2004 20:46:31 +0800

To: president@guild.uwa.edu.au

Subject: Student Income Support Inquiry Submission

I live away from home (ex-country student), and receive Youth Allowance and Rent Assistance. I only qualified for these payments in late 2002, when I finally reached the amount considered for financial independence.

I believe the threshold to be considered financially independent is a bit high, especially if one isn't able to work full-time to achieve it (due to full-time study commitments, for example). The parental means test is set at a ludicrously low level,

thereby denying many students access to payments, even if their parents don't support them. There are other means to be considered independent, but they are usually for special (extreme) circumstances.

Of the two payments I usually receive in a month, just over one of them goes on rent. The rest goes entirely on bills and food. I also work – on average 8 hours/week - which makes up the shortfall in bills, plus allows for things like a mobile phone, and other "luxuries" (like the odd bottle of wine). Until I graduate, there's very little opportunity for me to save up for anything like a car, or perhaps a holiday (save the trips to visit my parents).

I find it odd that Centrelink actively penalises those who try and save a bit more money by working extra hours. I have friends who have to turn down extra hours at their workplaces, because it would affect their Centrelink payment for that fortnight. In addition I have friends who work incredibly long hours, often to the detriment of their studies, so they can afford to have even the basics, like food.

My housemate was in the same situation as me, and for her, the effort of trying to supplement her Centrelink payments with work whilst studying for an Architecture degree (one that involves a large amount of time and study) was too much. She's taken this year off from her course to try and earn enough money to live above the poverty line over the next 2-3 years. This is a sorry situation, and if there were adequate levels of payments, or less overly punitive rules, she would be still at uni.

On the plus side, however, I'm pleased that Centrelink has provided other ways of submitting various forms than having to deal with the queues in the offices. The phone, and especially the Internet, methods are quite useful.

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5

Date: Mon, 3 May 2004 21:35:46 +0800

To: president@guild.uwa.edu.au

Subject: Centrelink

I was reading the G-News and it said to write if u had anything to say about Centrelink. I just wanted to voice my opinion about the way they allocate money to students. I don't receive any money from Centrelink because my parents are just over the threshold, but I know so many people who don't have to work because they receive payments from Centrelink. There is no way my parents can afford to give me the amount of money Centrelink gives out, and that forces me to work a part time job, which I don't have time for as a music student, or just suffer (which I suppose most students do). The other scheme they have is if you earn some ridiculous amount of money- like 14 grand in 18 months u are deemed to be independent and therefore receive more money? Go figure...

Unless I quit uni for a year and worked full time, there is no way I could earn that amount of money, and my conscience won't let me lie like other people I know have. I'm sorry to whinge, but I don't understand Centrelink's system of giving out money. I don't want to have those people who really need it get gypped, but I don't understand the 14 grand one.

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6

Date: Tue, 4 May 2004 07:25:58 +0800

To: president@guild.uwa.edu.au

Subject: Centrelink

I am doing medicine and the HECS increase has hit me hard. I was hoping to pay upfront for a few years to get the 75% off but now that will be impossible. I am a first year and recently tried to go for Austudy. I wasn't eligible because my parents earn over the bracket. To be considered for independence I would have to earn over \$15000 in 18 months. Now so far I have been working... 15 hours on the weekend, 7 on Saturday and 8 on Sunday but the work load has gotten to great and I have recently cut back to only one day. This has made it impossible for me to even consider earning enough to get help from Centrelink. Many people say that you should have been working in yr 12 but that also wasn't possible for someone doing 6 TEE subjects trying to get into med. So now I will have a huge HECS debt when I leave uni at 25 when I will still be living at home because I don't earn enough to move out or rent. I think that other things should be taken into consideration for Austudy.

7

Date: Tue, 4 May 2004 08:09:38 +0800

To: president@guild.uwa.edu.au

Subject: Student Income

I'm 20, have worked 'part-time' the first three years of my degree (Part time being as much as thirty hours a week at night), and decided not to work during Honours as the hours are way to long to allow for work, sleep and study. I applied for Youth Allowance and got it- I qualified easily for independence by earning a large amount in the tax year before. I was out of home, but moved back in with my family when my car broke down and had to pay \$2500. My family are supportive, but not financially- I don't have to pay rent or bills, but I can't get money off them unless I'm absolutely desperate...ie, the car's plates are about to be taken away. Now I get \$170 a fortnight, of which \$55 goes straight to the car loan. Of the other \$120 I buy petrol and multi-riders, and anything else left over means I can have a drink with friends.

I think without the loan I'd be fine- but show me a student who isn't in debt (It's made a bit worse through the fact I am in debt through no fault of my own, just a dishonest family member). When you add up things like car rego, insurance, amenities fee (even \$55 is a lot when you only have \$60 a week) then buying stuff like clothes (bras, underwear...things you need) becomes impossible. At the same time, I know that there are countries where the idea of getting money off the government is laughable, and at least this is better than nothing. Plus, I am lucky to have the choice of living at home, which a few of my friends don't. I hope this is useful,

8

Date: Mon, 3 May 2004 17:24:08 -0700 (PDT)

To: president@guild.uwa.edu.au

Subject: Centrelink

Interesting to see an enquiry is happening into Centrelink! I thought I'd write in and share my views considering the problems I am having with them at the moment.

Last Wednesday I received a letter from Centrelink notifying me that I owe them \$906.00 (I don't even earn that in a month!). This debt was supposedly incurred as I received Youth Allowance (for a Full-time Student) while I was a Part-time Student. It is true that in second semester last year, on the 2nd of September I changed to Part-time study, but I notified Centrelink three days after, and my payments were ceased. However the period they are charging me for is from the beginning of semester two, till the 2nd of September, in which I was definitely a full-time student. I have all of my documentation from Uni proving this, and all of my income lodgement statements (and receipt numbers) from that period. It is such an open and shut case, yet they are trying to drag it out and make it a huge ordeal. On the day I received the letter I called Centrelink to try to discuss the debt, only to be told I needed to speak with Mirrabooka about the debt. On calling Mirrabooka, I was told it was Innaloo I needed to speak to about the debt. On calling Innaloo, I was told I needed to speak to the person I originally had spoken to who'd told me to call Mirrabooka! Eventually I found out that it was the Innaloo Student Service Centre who'd raised the debt. I went in there on Thursday letting them photocopy all of my proof. I spent at least half an hour in there (not to mention the inconvenience I had getting to the office) discussing my situation with the lady, only to then receive yesterday a letter saying I needed to pay \$40 to lodge an appeal. I called up Centrelink again asking what on Earth was going on. They said "Oops", just ignore that letter, it was sent by mistake. I've heard Oops from them far too many times (for example a few weeks ago my Youth Allowance was cut, because "Oopsie Daisy" the system had placed me down as being a Job Seeker - my Youth Allowance was a week late, and so consequently was my rent!). I have neither the time nor the money to be dealing with these sorts of things, and it's not the first time Centrelink has been hunting me for money that I didn't owe them. If I actually had incurred the debt, I'd be happy to pay it, but instead it is costing me to contest something which I don't even owe. I am being put out of pocket (in terms of phone calls, car trips) because of a mistake they have made, and I doubt I'll be reimbursed for it either. It's also taking time away from my study (and what an awful time to stress someone out, right before exams!).

Also, when I went to part-time study last year, I was actually doing two courses part-time (Arts, and a Business Certificate III). I was also working 48 hours a fortnight which left me two hours under not having to search for another job. I ended up not getting paid any youth allowance because the hassles I had to go through were not worth it. Everytime they had one of their seminars on (and I'd already attended one!), it was while I was working, or at Uni, and I wasn't able to attend. I tried to explain this to them but they felt that I should just miss work (and lose the job I already had!?). I'd seen them and given them all of my documentation of the courses I was doing (which combined with my work should have entitled me to some youth allowance without having to find another job), yet they made it so difficult for me, in the end I just didn't bother. I think they do this to a lot of students, knowing that with the little time we have, we're not going to bother trying to get what we're entitled to if it starts affecting the time we have to study. It's really wrong. I have seen so many unemployed youth wrought the system by pretending to look for jobs (during my year off after high school, we'd have drugged out people coming in to the bookstore asking for work, and upon being told no (who's going to employ someone who's high!?) they wrote us

down as references on their Centrelink forms!). It's sad that the people who are going to be the next generation of big tax payers are the ones who are getting the hard time now. I could just quit Uni and get a job that doesn't earn much (and consequently doesn't contribute much back to the system), but once I'm educated, after a few years of Uni I'll have paid back in tax far more than I received from the government. They need to think logically and give us a fair go. Otherwise no one is going to be bothered trying to better themselves (if they receive no support), and we'll end up slowly becoming a national of lowly educated people trying to live off the government.

In terms of how much Youth Allowance students receive, it's enough to cover the immediate expenses such as rent, food, bills, but in terms of trying to pay your car rego/insurance, purchase textbooks, buy clothes, it's impossible. I'm very strict with budgeting my money, so fortunately I always manage to get the immediate things covered. I survived through semester one last year living off Youth Allowance, and it was utterly depressing. I found a job over the winter holidays, as I was tired of having to borrow money from friends/family to try to get my insurance, etc. paid. I've been working at the same job ever since, and could not see myself being in a financial situation through Centrelink which would allow me to not have to work. I transferred my degree this year to Architecture, and wanting to keep my German from my Arts degree, also started a Diploma in Modern Languages. However, having to also keep working to support myself I just didn't have the time to put in the necessary amount of study. I ended up having to quit doing the Diploma, which was something I was really intent on doing.

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9

Date: Tue, 4 May 2004 12:12:59 +0800

To: president@guild.uwa.edu.au

Subject: Centrelink stories

I'm a fourth year student right now, but geez I never thought I would get this far due to Centrelink's efforts. Here are some of the horror stories I've had.

In second year I was living in Kingswood College (now Trinity) and having to pay \$215 a week. I had to get a student supplement loan to support myself and that wasn't too hard, oh no, the hard part was getting Centrelink to switch my payments to the away from home rate. Back in 2001, of course, the Centrelink office in Perth didn't even bother having chairs for their customers to sit on while waiting for two hours (I'm not joking here), and you'd always see a line stretching from their front desk to the door. Often a lot of people would shout and complain about their time being wasted, and I'd always think that a fight was about to break out, the environment was that tense.

Anyway, it took me a whole month just to convince the bastards that I actually needed the away from home rate. At the first meeting the guy behind the counter said that it would be taken care of. Waited two weeks, hey what do you know, it hadn't. And conveniently enough that rent assistance form I submitted happened to get lost in their office too! Went back for seconds, was told that I didn't actually deserve the away from home rate or rent assistance because I couldn't prove that I was actually living at Kingswood! When I then proceeded to show them my bill from the college

(which clearly indicated that I was paying rent to them) their faces visibly fell, I couldn't help smirking at that later on. Obviously flustered that some dole bludging uni student had actually interfered with their power trip they then made up some crap about me having to fill in an unreasonable to live at home form, even after I told them that my parents live in a country town about 800km away. Said form asked, not about the distance I was from my parents house, but whether I had moved out due to physical or sexual abuse at their hands! Finally I had to get the dean's secretary to intervene and actually prove that I needed the away from home rate.

In 2003 I became a part time student because I needed to repeat some units to get into fourth year. My advice to everyone is: don't become a part time student, it is absolute hell. As is commonly known, the kindly and benevolent wankers at Centrelink have nothing but contempt for full time students, and even more contempt for part time students. You will be treated, not as a student, but as unemployed. This means, that despite the workload you will be required to do (and even as a part time student it's still a fair bit) you will also need to look for full time work. And hey, if that work happens to occur on the days you have classes, well that's too bad my friend, you'll just have to whore yourself out to Macca's (or some other minimum wage brothel) instead of bettering yourself through education. Oh, and don't even think you can get away with just doing casual work, oh no, Centrelink will not stop hounding you until you're on a 9 to 5 grind five days a week, until your ambition of tertiary graduation become a distant dream.

Anyway, thanks for letting me rant (assuming you've read this far) I think it would be in everyone's best interests to see these dogs hang from the highest tree, or maybe the bell tower...

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10

Date: Tue, 4 May 2004 12:28:11 +0800

To: <president@guild.uwa.edu.au>

Subject: Centrelink

Centrelink makes it impossible to study!!! Particularly if you are a parent! The Family Tax system is so screwed up that thousands of family's each year end up being "overpaid" and then lose their benefits the following year to repay the debt!!! This has a devastating effect on finances.

This happens because to qualify for Family Tax Part B, one person must earn less than around \$8,000. If you and your partner become unemployed, you are automatically paid all of Part A and Part B. At the end of the year, if you both earned over \$8,000 you are forced to repay all of the part B you were paid while both unemployed, even though you badly needed that money at the time!!!! This is the way the govt encourages mothers to stay home or only work a little. HOW RUDE!

I have to work. I would prefer to be at home with my son and study but it is impossible to afford a mortgage on one salary and I cannot get any youth allowance because of my husband's income, which I think is pathetic. And because I work, I pay more for childcare as well because income decreases my CCB Allowance.

I think we should push for lower CCB for parents who study – then we wouldn't need

to work so many hours. And also push for the Family Benefit Scheme to be completely overhauled. There should be one scale only – not part A and Part B. I also think there should be extra assistance to those parents who study.

When I was single and received youth allowance, I survived because my parents paid my rent and helped with bills. The amount is not enough to survive on by itself, particularly when you consider petrol, parking fees, rego, insurance, books etc etc

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11

Hi,

On the matter of dealing with Centrelink.

This semester has been the worst in getting finance but finally things seem to be sorted. My situation is as follows: Having only one unit left to do to complete my degree I only had a .25 loading (254:401 is double unit) and didn't classify for full time study benefits. So I enrolled in 2 modules at TAFE to make up the work load time. But Centrelink does not recognise the fact that although I am doing the same amount of contact hours because my courses are at separate institutions. Hence I was required to work approx. 20hrs per week as well as look for and apply for jobs that I couldn't except because I didn't have the time to work. My studies were affected. Only by accident did I discover that I could apply for short course approval meaning that I could still get newstart but didn't have to look for work or do the 8week long job seeker training course that I was about to start. I was very close to cancelling my benefits and working more hours or even dropping out of University.

This is my tales of terror with Centrelink.

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12

Date: Tue, 4 May 2004 14:12:35 +0800

To: president@guild.uwa.edu.au

Subject: Centrelink experiences

I'm a student from the country who has been living off Centrelink payments for the past 4 years, and with parents who are unable to lend me any financial support, I would probably be working at some mindless job by now, instead of completing a university degree! So while Centrelink has opened up a whole lot of new experiences and options for me, I still feel that there is still a degree of discrimination against student from backgrounds like mine dealt out by the system. Should I be under financial scrutiny by the government just because my parents don't have enough money to support me? Why should I have to have the added problem of budgeting for things like meals out, textbooks, bills, car registration, etc just because i am from a working class background- aren't we all supposed to be on equal footing here?

While Centrelink has given me the opportunity to live away from home, I still feel that there has to be some kind of attitude change because students from country areas and poorer backgrounds are still certainly not given the same opportunities as city kids. I think the fact that only 2 people from my year (graduating 1999 from North Albany SHS) actually made it to UWA kind of speaks for that.

So at the moment I am expected to live on about \$8000 per year, but I work casually to supplement that income. Without this casual work I am fairly certain that it would be impossible for me to afford things like car registration, study resources (I.e. it is now a bit of a disadvantage not to own an electronic dictionary for my Japanese class), and to be able to do normal, everyday things that people not living on Centrelink can afford to do, like buy a VCR, new clothes, or have enough money to have a drink at a pub without having to calculate whether you'll have enough food money for the next week!

Sorry that this emails extremely long and it might be a bit incoherent, but if I don't send it now I'll never remember. I hope you can get some information that you're looking for out of it.

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13

Date: Tue, 4 May 2004 16:03:05 +0800

To: <president@guild.uwa.edu.au>

Subject: Re: support for students

I am a full time honours student at UWA. I have a three year old daughter, and my husband has recently graduated from a Commerce degree at Curtin University. He has entered the workforce on an income of \$27 000 per annum. I receive no government assistance whatsoever. My Austudy has been cancelled, as has my health care card. Our child care fees have gone up significantly since my husband completed his studies and went from part time work to full time.

I would like to know what the incentive is for people to try and better their lives and their communities through study when they are destined for poverty, unless they have a wealthy family they can place the burden upon?

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14

Date: Tue, 4 May 2004 17:05:04 +0800

To: <president@guild.uwa.edu.au>

Subject: Centrelink stuff

I had to seriously work my butt off in first year uni to get independence while trying to do a double major at the same time. I live with my mum and because she was earning just over the threshold (which is buggar all) I was getting \$50 a fortnight, which wasn't even covering my fuel in a week! Even now, it isn't easy. I live in Safety Bay (about 45 mins from uni on a good day) and cant move closer to uni while I'm doing honours (this year) because I can't afford it. If you work too much Centrelink chop your youth allowance but if you don't work enough you cant pay the rent and bills, but they still expect you to do well at uni??!! There is no assistance to help students from a low SES background that live a fair distance from uni. Even now to cover fuel, insurance, parking, fees etc and still try and have a life is a mission.

Thanks for the opportunity to have a say, I'm definitely not the type who complains about their circumstances but I really think it is time the Howard govt had a good look at how it really is and saw what is really happening to us uni students.

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15

Date: Tue, 04 May 2004 20:28:55 +0800

To: president@guild.uwa.edu.au

Subject: Re: Student Income Support

As a student who has had to move to Perth from the country in order to go to Uni I do not think enough support is given to people in my situation. I am ineligible for **any** government support whatsoever due to my parent's income (which isn't really that substantial considering that they also have three other children to support). I live pretty much independently, 400km from home with no support, while some people I know live in places like Subiaco, Nedlands and Fremantle with their parents and still receive youth allowance! There should be some special allowance for country students who are forced to leave home and become independent in order to continue their studies - the maximum income that their parents are allowed should also be higher on this type of payment as it costs so much more to support a student in this situation than when they are able to live at home.

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16

Date: Wed, 5 May 2004 09:11:20 +0800

To: "president@guild.uwa.edu.au" <president@guild.uwa.edu.au>

Subject: centrelink

I lived out of home for my first year of uni (straight after high school). I applied for youth allowance wanting to live closer to uni and I had problems at home. I saw a counsellor (at Centrelink), applied and moved out. I was also working casual 15 hrs per week at McDonalds. It wasn't until 8 months later they reviewed my assessment and because I was a full time student, I was classified as "dependent" - which was different to the "independent" assessment they had wrongly made. As a result I acquired a \$3,800 debt. I went to a lawyer but the conclusion was that they would claim it as administration error so I had no case.

I felt it was not only unjust that it was on their part they had made the wrong assessment, but also that it took them 8 months to notice their mistake. I think it's very unfair that they punish those of us who are wanting study, yet someone who leaves school early receives payment. Research has also shown that the majority of people who do not go to uni straight after high school eventually never return to their study. I do not doubt you will receive many more stories similar to mine.

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17

Date: Wed, 5 May 2004 09:24:00 +0800

To: president@guild.uwa.edu.au

I was on independence in 2003, because I actually had to take the year off in 2002 just to earn enough to be eligible for independence.

After months and months of being cancelled, re-started and cancelled again, I was finally told I was ineligible because my dad has a trust that "potentially" pays me money every week, which (combined with the \$50 I was ACTUALLY receiving from wages) put me over the limit.

So even though I don't live with my dad, and the only money I see from him is when I work for him (the \$50/week, which I can't even do now cos of my uni timetable), they still give me nothing.

I don't get a cent from his trust, but they say I COULD be getting some, so they won't pay me. People with rich parents COULD be getting money from them for everything they want, but independence doesn't look at how much you can get from your parents, it looks at how much YOU earn, and if you can get by on that or not.

And I can't.

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18

Date: Thu, 6 May 2004 11:30:28 +0800
To: president@guild.uwa.edu.au
Subject: Re: G-News -- Monday 3 May 2004

I'm a first year and my parents have given up on trying to get youth allowance for me because of the specifications. We are from the country and because we part own our farm, apparently we have too many assests or something, even though we've hardly had any crops anyway due to drought. Also they said I couldn't get it this year because mum and dads 'income' was too big last year because they had to sell one of our farms to pay debt. So because we cant pass the actual means test they said i would have to be independent to get any allowence. Well coming straight out of boarding school where your not allowed to have a weekend job makes it pretty impossible to have earnt \$15 000 during the year.

At the moment i work thursday, friday, saturday nights and Sunday afternoons, and that covers the rent, and not much else. Obviously this takes a lot of time out of study and prevents me having a life, so if the government is serious about having a 'knowledge nation' as they put it, i think they need to follow through on the financing a bit more.

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19

Date: Thu, 06 May 2004 15:38:45 +0800
To: president@guild.uwa.edu.au
Subject: Centrelink student support

hi, I think the grounds for independence is unfair. I've been working literally since the day I was 14 and 9 months (the minimum legal age), and am still working. I can't receive any support from Centrelink because I still live with my parents, left high school less than 18 months ago, and my parents earn too much money. The only support I receive off my parents is free rent, and they helped me buy my car. The free rent is great, except for the fact that we live in Rockingham. So not only do I have to travel for about an hour and a half on the bus (or drive and pay for petrol and

parking), but I also need to work in order to be able to afford my books, travel costs, and food through the week (I get dinner if I'm home when its served, otherwise I'm on my own). I can't afford to move closer to the uni, because the amount that Centrelink would pay wouldn't cover the extra costs of rent and bills. The 18 month rule is stupid, because it is during the first year or so of uni that we need the most help - adjusting to the higher workload and longer hours (I'm doing med) has been made excessively more difficult by the travel and work time, that takes away from study. And I NEED TO STUDY! I can't even get a health care card, because in order to have enough for my textbooks, I worked practically every day over the Christmas break, including some double shifts. So now my income is too high, with me living at home, for me to qualify for a health care card. They don't really care about the fact that I can't work a 40 hour week while I'm actually at uni. My average wage is now under \$200 a week, and that's only because I'm lucky enough o have a decent job. Too bad for other people working in the food industry and retail, on minimum wage.

Anyway, that's my little whinge about Centrelink. Summary: they give me nothing because I actually try to support myself. I'd get more if I was a slack ass milking the system. But because I'm not, I don't deserve anything from the government. Stupid system. I'm even part of a workforce that's desperately understaffed, according the government - aged care. Yet they still don't give a damn.

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20

Date: Fri, 7 May 2004 15:20:13 +0800

To: president@guild.uwa.edu.au

I am a final year medical student and I read today your calls for interactions with Centrelink. From my perspective it is very difficult this year to balance study and work because our timetable changes every 4 weeks and often encompasses irregular after hours times (eg during emergency we are rostered on at night and on the weekend and during rural GP we have to go away for 4 weeks whilst continuing to pay rent etc in Perth without being able to work at all). There is also the issue of increased load of study. I pay \$80 per week in rent and then food, bills etc there is not much left which will mean i will take out a loan this year to help as i simply do not have the time to devote to extra work. There is also the issue that if you work too much or earn too much money the Centrelink payment gets cut.

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21

Date: Sun, 9 May 2004 21:52:58 +0800

To: president@guild.uwa.edu.au

Subject: Centrelink Comments

I have received youth allowance for a few years now after working long hours in 1st year to reach one of Centrelink's criteria for 'independence' (whereby I earnt over \$15,100 in an 18 month period) . I have rarely had problems with receiving my payment however I have a few thoughts regarding Youth Allowance (YA):

1. It seems a bit silly that once you prove you can earn a fair sum of money that you

then qualify to receive additional money from the government. Although this was the criteria I fulfilled to qualify for YA and I am grateful to receive this assistance, it is a difficult target to meet for students who are time-poor and cannot afford to work long hours while studying full time. I know of several students who have deferred a year just to earn the cash to qualify for YA.

2. The fact that I can only earn \$236 per fortnight before my YA is docked is a HUGE disincentive for me to work and therefore contribute to the workforce, economy, etc. I think people willing to work longer hours should not be penalised by cutting their YA. It only takes a 7 hour shift each week before my YA starts to be docked by 50 cents in the dollar.

3. The money that I receive is not enough, hence I work around 20 hours a week to supplement my YA income. This undoubtedly disadvantages me relative to other students who have 20 hours more per week to focus on study. Once I pay my parents \$60 a week for board (which I cannot claim rent assistance for), spend \$50 a week on food, \$40 on fuel & parking, you can soon work out that the \$105 a week I get from Centrelink is grossly inadequate to fund necessities alone.

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22

Date: Wed, 12 May 2004 14:31:38 +0800

To: president@guild.uwa.edu.au

RE: Centrelink

I have been on Centrelink benefits since Year 11 and I am still receiving them now - just!

My first year at uni my sister and I lived in Claremont in an apartment that cost \$400/fortnight. For those of you that can't do the math, that was \$200 each a fortnight. Our parents were running a struggling business and because they had to have a lot of assets to run the business, Centrelink counted this as a form of income. So my parents were barely getting enough to support themselves but according to Centrelink they were earning more than they actually were because of the farm assets. My parents did not have enough money to support me or my sister, but apparently they were in Centrelink's standards. This cut into my sisters and my payments from the Government and we had to survive off #330 a fortnight.

So that was \$130 a fortnight to buy food, pay bills and try to survive. Not only did we have no money but because our parents income fluctuated due to the small business our family was forced to fill out forms after forms every two months. This was very stressful for my parents cause if they made an bad estimate - we got penalised. On a number of occasions our Centrelink payments got cancelled. And we were left with no money to eat.

But this is just our story there are thousands of people out there with similar stories. Oh! and another thing, a bit of advice for others on benefits - always get a receipt number from Centrelink, cause every person says a different thing. Some say you don't have to bring in a form, others say that because you didn't bring in a form they'll cancel your payment. The whole system needs an overhaul - starting with making sure

that every employer has the same information.

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Confidential

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Firstly: my sister was ineligible for Youth Allowance as she was classified as a dependent and my parents earn above the threshold (despite being on a pretty modest income and having 4 kids at uni concurrently), so she worked for 18 months to support herself while at uni - about 20 hours a week on top of a pretty full-on degree.

Her work really interfered with her study (especially towards the end of the 18 month period when she was trying to study for exams but needed to earn the last grand or so to get over the income test for independence) so she calculated very finely the balance between work/study/income so that she would just reach the income threshold for independence. If she's worked much more than that she would probably have failed her exams.

In her cute anal-retentive way she managed to calculate it so closely as to get about \$20 over the amount needed to prove her independence (she clarified the amount about 3 months before this with Centrelink) and so she merrily submitted her paperwork for Youth Allowance, at the same time handing in her two week notice at work.

However, the person she'd spoken to at Centrelink had quoted the wrong figure for the income test threshold and she was about \$400 under and hence couldn't get Youth Allowance. Because she hadn't been a Centrelink "customer" when she received the advice she hadn't been able to get it recorded on file and so couldn't prove that this was in fact the advice she'd received.

Thankfully she got her job back after grovelling, but with fewer hours so she's had to get another one to try and make enough money to get over the (real) income threshold and try and prove her independence again - a task made even harder by the fact that she'd had a month off frigging around while dealing with Centrelink, during which time she lived off her credit card. Meanwhile her degree (which she studies in a different city to where my parents live) will be a pass/credit one rather than the distinctions she could get if she didn't work 20 hours a week.

I'm on Youth Allowance too - I worked for 4 years between the 1st and 2nd years of my degree which made the whole independence thing a whole lot easier, but I still have some problems. Last semester I worked to support myself, working 24 hours a week (3 days). I only studied 2 subjects and had the best boss in the world who let me take exams off and then make up the time over Christmas. I got an 80 average in my subjects. This semester I quit my job and went on Youth Allowance - I find I can just survive on Youth Allowance and Rent Assistance. Potatoes and rice figure prominently in my diet and I've lost 6 kilos in 3 months. I've also only been out 3 times in 3 months, and every time my friends buy me drinks. The rest of the time I'm confined to sculling goon at home. Hardly the point I know but I do feel I'm missing out. However the biggest change has been my marks - I now have an average 12

percentage points higher than when I was working EVEN THOUGH then I was only studying 2 subjects and now I'm full-time. I'll probably drop down a bit during exams but the moral is I'm a much better student when I'm not working. Part of this is the actual extra free (study) time from working less, and part of it is being able to immerse myself in uni life rather than running between uni and work. However I can't do this indefinitely - I'm still getting slowly into debt as Youth Allowance only just (and not always) covers my living expenses. I have to have dental surgery, which I can't pay for despite the increasing pain, and my once my credit card is maxed I'll have to take 6 months off to work and pay it off. In the end I am grateful to be getting some support but it seems grossly unfair that those with rich parents get supported, full-fees paid and lower entrance scores, food and textbooks provided and tutoring when they need it and I work my ass off for my marks and study despite often gnawing hunger and pain from a bunch of ignored ailments which I can't afford to get treatment for. It's easy to scapegoat rich kids, they're no more responsible for their position than anyone, but it does highlight that those with money end up with better marks just because, among other things, they get to eat when they need to.

I've gotta say though, one of my biggest peeves is having to lie about my partner. I live with my boyfriend but tell Centrelink that I live alone. Perhaps it's not what society expects from partners, but we have totally separate finances - every single aspect of our life may be intertwined and permanent but in regards to finances he might as well just be a platonic flatmate. That's my decision - we've had to put off buying a house and starting a family because I wanted to go to uni, and so I don't want to also make him pick up the slack for my loss of income as well as all the sacrifices we've made as a couple for me to study. But Centrelink doesn't give a crap about this of course, and would make him support me. So . . . it gives me the heebie-jeebies that I have to lie, which I hate doing and find morally abhorrent, and tell Centrelink that I am single or they'd force my partner to support me. However the choice I am given is to live with my partner who makes my life heaven and then make him support me on his paltry wage, lie, or live apart. None of the options are attractive or fair. It also means we can't get married because it would make us too poor, which is pretty ironic given the nuclear family breeding creed of the last budget. It's also pretty funny because last time I was in a relationship where our finances WERE intertwined it was with a girl, which Centrelink didn't care about. The Government seems so keen to judge the relationships of income support recipients, yet good old Trish Draper gallivants around Europe with a bonking buddy on my partner's tax dollar.

And one last thing . . . I turn 25 in the middle of next year and so will be switched over to Austudy and hence lose my Rent Assistance, which makes up 20% of my income. I can barely survive now - I don't know what I'll do then. The rule is totally arbitrary and unfair. Am I supposed to own a house by the time I'm 25? I obviously got confused and used my Rent Assistance to pay rent rather than meet the negative gearing gap on an investment property. My mistake.

I guess in summary the system's pretty shit. I think a fair student income support system needs to ENABLE students rather than disable them - although I might be getting tougher and thinner :) on Youth Allowance, it's not the primary objective of university to teach you 47 ways to prepare potatoes, or the cost-benefit analysis of living on bread and vitamins or spending an extra \$40 a fortnight to get some decent food so you can skip the vitamins. Of course there are always going to be rich kids

who can buy extra tutoring etc and hence buy better marks and I'm not arguing that everyone at uni should have equality of income, but there is a basic standard (ABOVE the current level of YA) which I think you do need to be able to make the most of a university education. If I have to go back to working to support myself and my marks drop below 75 I'd drop out - it's irrational to put myself through that much stress and hardship to get a degree which is way below my capabilities. All I want is to be able to study - and that means not having to constantly do the arithmetic about how much food I need to write an essay or study for a test, and what vitamins I should buy to ensure I don't get sick from under nourishment.

I'm happy to have this passed on but I'd like to remain as anonymous as possible, as I said I'm lying to Centrelink about my partner and we'd be totally fucked if they found out.

Sorry it turned into a bit of a rant, someone complained in class this morning that they weren't getting VALUE for their HECS payments and it's totally got up my nose. The increasing corporatism of our education system is seeping down to students, and YA is just another area I feel we're losing the battle.