

# Submission

to

Senate Employment, Workplace Relations and Education  
References Committee

## **Inquiry into student income support**

---

**Submission no:** 92

**Received:** 21/06/2004

**Submitter:** Mr Nigel Palmer  
President

**Organisation:** Flinders Postgraduate Students' Association

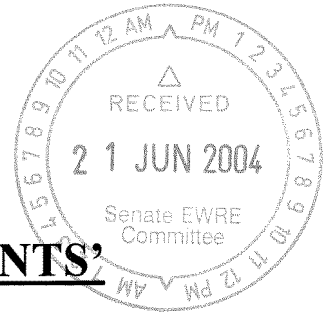
**Address:** GPO Box 2100  
ADELAIDE SA 2001

**Phone:** 08 8201 3174

**Fax:** 08 8201 3104

**Email:** [postgrad.assoc@flinders.edu.au](mailto:postgrad.assoc@flinders.edu.au)

---



**FLINDERS POSTGRADUATE STUDENTS'**  
**ASSOCIATION**

**SENATE INQUIRY INTO STUDENT INCOME**  
**SUPPORT**

Submitted by: Mr Nigel Palmer, President  
Flinders Postgraduate Students' Association

Address: GPO Box 2100  
Adelaide, SA 5001

Phone: (08) 8201 3174  
Fax: (08) 8201 3232

Email: [postgrad.assoc@flinders.edu.au](mailto:postgrad.assoc@flinders.edu.au)



## **RECOMMENDATIONS**

1. That Austudy eligibility requirements be extended to include university study at all levels including coursework and research higher degrees.
2. Increase the duration of APAs to 4 years full time and 8 years part-time for research higher degrees.
3. That the Income Tax Assessment Act 1997 be amended to allow all stipends to be tax exempt, regardless of enrolment status.
4. That the number and level of the APA stipend be increased by 10%.
5. That additional Australian Postgraduate Scholarships for Coursework degrees with a research component be made available  
  
That government funded equity schemes are established to cover the cost of tuition fees for postgraduate coursework students on low incomes.
6. That the Education Textbook Subsidy Scheme be restored.

## **Submission to the Senate Inquiry into Student Income Support**

The AVCC's survey of undergraduate student finances, conducted in 2000, found that students were facing considerable financial hardship and were having to engage in paid work to a greater extent than in the past. It was also reported that for many students, their educational choices were governed by their financial circumstances.<sup>1</sup>

Despite the number of submissions in recent years detailing student poverty recommendations to improve income support have not adopted.

The PGSA fully supports any recommendations to improve the financial position of undergraduate students but would like to take this opportunity to point out that, by comparison the financial hardship suffered by postgraduate students has been woefully neglected.

The issues that the PGSA is concerned primarily about are as follows:

### **1. AUSTUDY ELIGIBILITY REQUIREMENTS**

Most postgraduate coursework students who are required to pay significantly high levels of tuition fees are ineligible to apply for income support, such as Austudy or youth allowance. Currently PhD and Masters Research Higher Degree students are denied access to income support through Austudy. This is the case regardless of whether or not they have ever received commonwealth support for previous degrees.

People in the workforce and those who are returning after periods engaged in family responsibility are encouraged, both by employers and government, to update their qualifications and skills. For many of these, postgraduate study is their first experience of higher education, and we are aware that up-front fees are a barrier to participation by people on low incomes. It seems unreasonable and unfair to promote a life long learning philosophy and not provide income support to enable members of the community to participate equally. Flinders PGSA considers that this is an equity issue and makes the following recommendation:

***That Austudy eligibility requirements be extended to include university study at all levels including coursework and research higher degrees.***

---

<sup>1</sup> M Long and M Hayden, *Paying their way: a survey of Australian undergraduate university student finances*, AVCC, October 2001.

## **2. SCHOLARSHIP DURATION**

Under the Research Training Scheme, PhDs are funded for four years. By contrast APAs only provide support for 3 years for PhD students with a possible extension of up to 6 months. In our experience, students rarely complete within the 3 years and when scholarships run out, most are forced to either intermit to take up full time paid work, or go part-time because they need to work longer than the allowed 8 hours. Therefore, it is vital that students are provided with adequate financial support for the duration of their candidature. Since timely completions are considered important we propose that:

*The duration of APAs be increased to 4 years full time and 8 years part-time for research higher degrees.*

## **3. LEVEL OF APA**

Through our contact with students the PGSA is aware that research higher degree students typically invest substantially more of their own personal funds to pursue their own research than is covered by allowances provided under the RTS. As a result of funding their research, many research higher degree students are experiencing financial hardship and a fall in living standards. We propose, therefore, that:

*The number of APAs be significantly increased.*

*The level of the APA stipend be increased by 10%.*

## **4. TAXATION ON PART-TIME SCHOLARSHIPS**

Holders of Commonwealth APAs are only allowed to enrol part-time under special circumstances. Under DEST guidelines, parental and family responsibilities and incapacitating medical conditions are two of the special circumstances under which scholarship holders are allowed to enrol part time.

Students who go part-time under these conditions are often receiving other government benefits in the form of parental income support, sole parent benefits or disability allowances. This group of students is doubly disadvantaged for the following reasons. Firstly, part-time postgraduates, in contrast to those who are enrolled full-time, have to pay tax on their scholarships. Secondly, since part-time scholarships are considered as income for taxation purposes, these students may have their benefits significantly reduced or removed altogether. We believe this is grossly unfair and discriminatory and propose that:

*That the Income Tax Assessment Act 1997 be amended to allow all stipends to be tax exempt, regardless of enrolment status.*

## 5. COURSEWORK STUDENTS WITH A RESEARCH COMPONENT

Fee-Paying Coursework students with a research component to their degree contribute significantly to the research output of the university. Despite this these students receive little or no funding to support their research, and are not recognised under the Research Training Scheme.

In addition there are currently no equity schemes available to coursework students. The majority of coursework students at Flinders, and no doubt elsewhere are women, many are returning to study after long periods in the workforce or caring for families. It is also well documented that women are over-represented among low-income earners and that this, in addition to up-front fees, decreases their opportunities to participate in higher education.

In recognition of their contribution the Flinders PGSA believes:

*That additional Australian Postgraduate Scholarships for Coursework degrees with a research component be made available*

*That government funded equity schemes are established to cover the cost of tuition fees for postgraduate coursework students on low incomes.*

## 6. TEXTBOOK SUBSIDY

One of the most common requests the Flinders PGSA receives from fee-paying coursework students relates to financial assistance, particularly to purchase essential study material such as textbooks. In the past two years the Flinders PGSA has distributed \$10,000 per annum to coursework students suffering financial hardship. A survey of applicants who received these grants in 2003 shows that the majority had incomes between 0-\$200 per week, with the average weekly income being \$188.00 per week. It was found that just over 40% of applicants reported they had no regular income and relied on welfare benefits, personal savings/loans, parental/spouse support or casual work for their daily survival needs. It was also found that females comprised the largest group of applicants that reported they had no regular income.

In 2003 the majority of grants awarded were used to purchase essential textbooks. The cost of individual textbooks required for courses ranged from \$39.00 to \$197.00, while the most commonly quoted price for essential reading material was in the range of \$80 to \$90 per book. Most students requesting funding for books listed 3 essential texts per topic.

Textbooks are an essential item for any academic study and clearly impose a large economic burden on students. The removal of subsidies on textbooks will have a

negative impact not only on individual students' ability to purchase essential study material, but also on the University's ability to provide sufficient library resources for students.

The Flinders PGSA strongly opposes the removal of the textbook subsidy and proposes that:

***That the Education Textbook Subsidy Scheme be restored.***

## **7. INTERNATIONAL STUDENTS**

It is evident that international students are experiencing severe financial hardship, and we receive many requests for financial assistance. Funding is requested for essential food, medical and clothing items, as well as assistance to pay fees and meet academic costs. Increasing education costs are obviously impacting negatively on international students' standards of living and ability to study effectively.

International students are a major source of revenue for this country. It is therefore a poor indictment of existing government policies and practices that international students are forced to subsist well below their usual standard of living while studying in Australia.

The Flinders PGSA fully supports the recommendations put forward by CAPA relating to international students.

## **8. INDIGENOUS STUDENTS**

It is well documented that indigenous Australians are under-represented within the tertiary sector if this is to be overturned tertiary study must be made more achievable and attractive to Indigenous Australians. Increases to the cost of tertiary education will obviously have a negative impact on enrolment and completion rates for Indigenous Australians.

To this end the Flinders PGSA believes that Abstudy should be provided to more Indigenous Australians, the duration of this support be increased, and that Scholarships for Indigenous students should not be income assessed by Abstudy.

The National Indigenous Postgraduate Association Aboriginal Corporation (NIPAAC), is the peak body representing Indigenous Australians and the Flinders PGSA fully supports their recommendations.