

Submission

to

Senate Employment, Workplace Relations and
Education References Committee

Inquiry into Higher Education Funding and Regulatory Legislation

Submitter: Brian Sandstrom - President

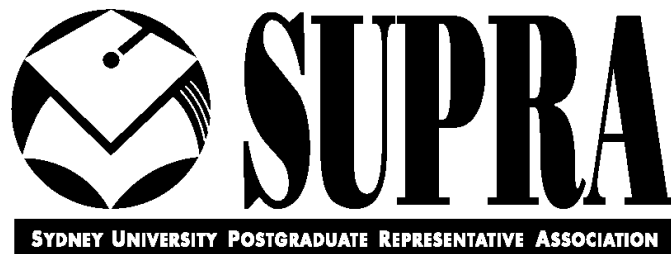
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I am finding cures that will help save millions of lives and yet I am expected to live below the poverty line to do it. The government doesn't value the research that is performed predominately by postgraduates.

PhD Candidate

Introduction

The Sydney University Postgraduate Representative Association (SUPRA) welcomes the opportunity to comment on the current status of student income support. As the peak representative organisation for postgraduate students at the University of Sydney, we will focus on the plight of postgraduate students and the competing demands on them as they struggle to balance study, work and family commitments. In an environment where a higher education degree can no longer guarantee employment and the rewards after graduation that is often used to justify the increasing costs of education, we have witnessed through our members the increasing financial hardship faced by students. We believe that the Government has failed to keep pace with the changing climate of the Higher Education sector and the needs of students.

Since the election of the Howard Government in 1996, postgraduate student numbers at Sydney University have increased considerably. However, the figures reveal the boom in coursework places has significantly changed the profile of the student population. In 1996, 42.3% of postgraduate students were research students; in 2003 as a percentage of the student population they are now 22.8%. In real terms, the number of research students has fallen from 3294 in 1996 to 3270 in 2003 while coursework student numbers have nearly trebled from 4494 to 11090 in 2003 representing 77.2% of the postgraduate population.¹ This can be attributed to the large numbers of International Students and the introduction of PELS but also reflects the increasing needs of students to gain further qualification when faced with increasing credentialism in the workplace. While trying to balance study and maintain a financially viable lifestyle students are severely disadvantaged by attending this institution as Sydney has the highest cost of living in Australia for basic items such as food and rental accommodation. Accommodation close to campus tends to be expensive and transport costs are reasonably high for students who choose to live in the cheaper suburbs away from campus (which can mean potentially up to four hours travelling per day). As a consequence, students are either forced to work long hours on top of their study or live in conditions far below the poverty line to the detriment of their physical and emotional health as well as their study.

Casework experience from our student advisors has shown an alarming increase in the students who are seeking help in financial matters. Each year students seek advice from SUPRA as to ways of surviving through their study. Most students are told that there is no way they can gain access to Government

¹ University of Sydney Statistics 1996
University of Sydney Annual report 2003

support and if they can, most do not take it because it is too low to survive in Sydney. If they do take it, there are such limitations upon it that it makes life extremely difficult to survive. As such, there is little incentive for people from disadvantaged groups to utilise these payments as they are too low to feasibly survive in Sydney and limited in availability. By extension, past and ongoing reforms to Abstudy in 2000 have also led to a reduction in indigenous student participation in higher education. The limited number of postgraduate courses that are actually eligible for income support is indicative of how the Government has failed to respond to the changing needs of the population and many students are forced into precarious situations both financially and emotionally because of the demands of trying to gain further qualification.

In preparation for this Senate submission, SUPRA conducted a survey of local postgraduates (see appendix a). The responses had common themes of stressful time commitments, competing responsibilities, depression, financial troubles leading to fights within families, inability to pay for medical treatment and huge sacrifices made to undertake their study. The decision to study further has a huge impact on every facet of the student's life. The following student's commented:

Inadequate financial support for me means that a part of my spouse's income goes to supporting me as well. We have put off having children because we simply cannot afford to at the moment. I also have to work weekends to contribute financially to the household. This means that I hardly have time to spend with my spouse. Also, I would not have had enough rest/had a break before going back to doing research on weekdays. In other words, I have NO LIFE!!

PhD Candidate

To be aged 32 and still be living with such a low income sometimes impacts on my self-esteem when the quality of my clothing, food and premises is compared with my full-time working peers. Depression impacts on my study, I continue to be an occasional drain on my parent's or other's income and it makes me want to discontinue and get full-time work straight-away just to have some money.

PhD Candidate

The single common ongoing expense for over half of the respondents was rent, further highlighting the inadequacy of the current system, as rent assistance is not available to Austudy recipients. Further, many students are unsure that undertaking the study will actually result in any greater outcomes for them post graduation and a large number of respondents stated that the quality of their work suffered because of need to fund their study. This is true of both research and coursework students, the former stating that current Government scholarships are too few and too low to be able to adequately support a student through the rigours of a PhD.

SUPRA calls upon the Government to review the current availability of income support to postgraduate students and increase its investment in education through financially supporting students through their postgraduate study. Regardless of whether a student is looking to further their education for employment purposes or undertaking postgraduate study for pleasure, the

Government must recognise that postgraduate study is becoming more and more essential and is the cornerstone of the Higher Education sector. Notions of life long learning and Australia reaching the forefront of research worldwide will be dependent on the Government's willingness to support students through their years of study. The current system of support for these students is regressive and undermining the quality of our research and graduates. As such, we urge the Government to commit greater funds to assist these students while increasing the adequacy and scope of the current payments.

Response to the Terms of Reference

The living costs of students enrolled in full-time and part-time courses and in particular:

(a) current measures for student income support, including Youth Allowance, Austudy and Abstudy with reference to:

(i) The adequacy of these payments

Since Austudy is so minimal, it makes no sense to gain this benefit as you are severely limited to the amount of money that you can make in addition to this. Employers do not want part timers and casuals, so a full time job is my only option. This has meant that I am unable to study full time.

Graduate Diploma Student

SUPRA feels that the current levels of income support is inadequate for multiple reasons. Firstly, the income support system has failed to keep up with significant changes in course provision in the higher education sector. Secondly, from a postgraduate perspective, there are few opportunities to receive income support for students wishing to obtain further qualification highlighting a fundamental failure for policy to keep pace with the changing student profile and needs of higher education. Thirdly, current legislation sets up multiple barriers for students to gain sufficient support. Fourthly, the level of support has failed to keep pace with the standard of living and increasing costs of education to the extent that students are forced to live well below the poverty line. Fifthly, changes to Abstudy have led to a decline in indigenous participation in the sector. Finally we will talk about the Australian Postgraduate Award Scheme.

While there are a number of graduate programs that attract Government income support, very few Masters programs and no Doctorate courses do. DEST still maintains that the purpose of Youth Allowance and Austudy is for an 'initial tertiary qualification only.' To be eligible for payments, a course needs to be regarded as a 'qualifying' course for Centrelink purposes. Students may qualify for receipt of Austudy or Youth Allowance whilst enrolled at the level of Graduate Certificate or Graduate Diploma (subject to income, assets, residency and other tests). A few masters courses are articulated in that students who enroll in a graduate diploma or certificate may progress to a Masters should their progress be suitable. In this case, the subjects completed towards the certificate or diploma are counted towards the Masters. However, once they enrol in the Masters they are prevented from continued access to Austudy/Youth Allowance payments. Very few courses however are articulated.

There has been a radical change in the nature of the higher education sector since the formulation of the Austudy legislation in 1973. In 1973, the majority of postgraduates were enrolled almost exclusively in research degrees. Now 77.2%

of postgraduate students at the University of Sydney are enrolled in postgraduate coursework degrees and more than half of these students are enrolled in Masters degrees. The Department of Education Science and Training continues to regard a Masters coursework degree as a *higher* degree. Unsurprisingly, the majority of Masters courses are not regarded as 'qualifying' courses for income support which puts these students at a severe disadvantage over other students. This is unfair when a large number of Masters degrees contain material similar to undergraduate courses. In terms of industry training, postgraduate degrees have failed to keep pace with the changes in the community. There is little logic in which Masters courses are deemed to be qualifying for Centrelink payment and which do not. Examples of the inconsistencies are provided below.

The Masters of Teaching is deemed to be an Austudy/Youth Allowance course for the first three full-time semesters. Since students have the option of taking out a Bachelor of Teaching at that point, they currently do not qualify for Austudy/Youth Allowance course for the fourth semester. However SUPRA often gets complaints from students who do their final practicum-teaching module (in order to get the Masters) and have had their Austudy/YA cut. The final practicum is full-time and without income support it is difficult to work enough hours to support oneself (if you can find paid employment at all) attend the practicum and do the required preparatory work for class.

Admittedly students are sometimes able to get around this problem by applying for Newstart Allowance. But this is a convoluted way to solve the problem of getting income support. Not all students know about Newstart and even for those who do the process of waiting to find out if you have been successful put stress on students for no good reason. Please refer to section D below for a more detailed discussion of the inadequacies of Newstart.

Meanwhile, a Masters of Law student can plausibly undertake a three-year undergraduate degree and then enter graduate law assuring at least several years of income support. For instance, a student completes a 4-year Bachelor of Arts (Hons) degree and performs sufficiently well to gain entry into the Graduate Bachelor of Law program at Sydney University. They study for a further 3 years and, upon completing the LLB, are eligible to register as a Solicitor (in NSW) subject to successful completion of a course of Practical Legal Training (through the College of Law or other prescribed organisation). This student can in total study for 7 years so that they could practice in the profession of their choice. So long as they fulfil other normal criteria set for access to Austudy/Youth Allowance they will receive Government income support for the entirety of both degrees.

While the entirety of the Graduate Law program and three of four semesters of the Masters of Teaching attract income support, there are a large number of degrees that a student requires for professional registration which don't. While similar to the aforementioned courses in that they are ostensibly equal to their undergraduate equivalents, masters' degrees in areas such as pharmacy,

physiotherapy and occupational therapy cannot attract Austudy or Youth Allowance support despite being a requisite for employment in those fields. These Masters courses are not articulated (ie completion of part of it does not allow a student to opt to qualify as a bachelor, grad cert or grad dip) and therefore not one semester of the course qualifies the course to be a course eligible for Austudy and Youth Allowance under existing Centrelink rules.

For instance, a student completes a 4-year Bachelor of Science (Hons) degree and performs sufficiently well to gain entry into the Masters of Pharmacy program. They study for a further 2 years and, upon completing the Masters, are eligible to register as a Pharmacist, subject to completing 2000 hours of supervised practice. This student in total studied for 6 years (a shorter period of time when compared to Graduate Law) so that they could practice in the profession of their choice. So long as they fulfil other normal criteria set for access to Austudy/Youth Allowance they will receive Government income support for the first degree but not the Masters.

This highlights the inequitable and illogical application of current payments to postgraduate students. SUPRA strongly believes that the Government should extend income support to all coursework masters courses as a bare minimum as the increasing requirement for these credentials without any form of Government support places these students at risk of extreme hardship and poverty.

Further, the cumbersome process of application coupled with the near impossibility for postgraduate students to receive full income support is a major disincentive to students for applying for benefits. As the means test is so low and the inadequacy of the payment essentially forces students into work which further cuts into their benefit. This the most distressing aspect for students as the rate of income support is far too low and forces students into unreasonable living conditions and undertaking work to supplement their income at the expense of their study and families. This has been uniformly recognised by students as having a detrimental impact on their university work. For example, the following students stated:

My scholarship does not allow me to work [more than] 20 hours/week. It is not practical for me to work weekdays due to research commitments. So, have to work weekends. This does not allow me to have any days off (for leisure and other activities) in the week. I would say this have had some impact on my research.

I have to take extra shifts in my part time employment when money is a bit tight, which means I have less time to spend on my studies.

[I find] sometimes when my eyes are sore from working on a computer in my day job, when other students are relaxing (I've heard one of them say that she never works after 5pm), that's when I go home and do my thesis at night. I also have the "joy" of doing it at weekends. I don't want to go on to a PhD if it's going to be like this again or if I will have to be impoverished while doing it.

The work I undertake is flexible so I can do it at home in the evenings and over weekends... having to do this however, places strain on my personal relationships as I do not have much time

to spend with family and friends. Having to carry out the work is also often distractive for my studies.

I qualify only for a small govt benefit- \$140 a fortnight as my income prior to studying was 'annualised' and is seen as representative of income I will earn for the rest of the tax year- even though I now do hardly any work b/c I have taken up fulltime study. I'm working as a stripper (true) and do this in preference to other work given I can change my shifts at a moment's notice should my uni workload rise. What I find most difficult in scheduling monetary work is the effect of that work on my subsequent capacity to study ie being tired.

I only work part-time but it is four shifts per week and I could be doing three shifts and having more time to study. At the moment it is a very crowded schedule as I have very young children as well.

Given that Austudy is so minimal, it was imperative that I study part-time and work full-time to support myself through the Grad Dip of Education. Being one of the few postgraduate courses where Austudy is available, it is shame not to utilise it - especially as it is a requirement that I have this diploma in order to be qualified.

I have no time to relax. I work all day every day be it on my research or working to supplement my income. I do research full time so there isn't much time left once you factor in sleeping.

As the most likely income support postgraduate students would be eligible for is Austudy, it is astounding that moving from Youth Allowance to this benefit will see a decrease in real income due to no rent assistance. Further, being older sees a significantly larger number of students with commitments such as families and mortgages that depend on regular reasonable incomes. As all income support is well below the poverty line, students cannot rely on this and with competing responsibilities, it is inevitable that the quality of the student's study will suffer. This was strongly indicated through our survey and can have unforeseen circumstances such as those recounted by the following student:

Money is very tight, and this results in reduced marks. For instance, my printer ran out of ink on the day an essay was due. I didn't have enough money to buy the ink on the day, so I had to wait. As a result, the essay was late and I received an automatic ten percent reduction of the mark. Lack of money affects me in such simple ways very often. I don't think lecturers and the University understand this.

SUPRA contends that all Government income support should be reviewed and increased with appropriate indexation to be able give students to focus on their studies without having to live in poverty. The further income support slides behind the cost of living, the greater damage is being doing to the lives of students and the quality of our graduates because of their reduced capacity to concentrate on their studies.

Since the regressive changes to Abstudy made by the Howard Government which came into effect in 2000, there has been a significant decrease in indigenous participation in higher education in Australia. As the NUS submission reports, there was 8.3% decrease from 1999 to 2001. The University of Sydney's indigenous numbers fell from 333 in 2001 to 307 in 2002 slightly below this drop. This number has subsequently increased to 371 in 2003 but this number is far

behind the increases across all students at the institution thus in real terms, indigenous participation is going backwards. By bringing Abstudy closer to Austudy and putting unreasonable conditions on the Away from Base component, the Government has placed major barriers for indigenous peoples to attain higher education degrees. SUPRA strongly advocates for the removal of the disincentives that were introduced to Abstudy in the 1997/1998 budget and with consultation with indigenous communities, Abstudy should be reviewed to insure greater participation and appropriate levels of income. Finally, the Australian Postgraduate Award (APA) is the form of income support made available to domestic postgraduate research students in Australia.

The introduction of the Research Training Scheme and its attendant time frames is not synchronised with the currently available duration for an APA award. The duration of an APA is two years EFTSU (Equivalent full-time) for Masters students and three years EFTSU for Doctoral students, as set out in the *Higher Education Support Act 2003: Guidelines For Commonwealth Scholarships*. However, under the Commonwealth funded Research Training Scheme (RTS) funding for Masters students is two years EFTSU (the same as for an APA) while it is *four* years EFT for Doctoral students as set out in the Department of Education, Science and Training, *Research Training Scheme Guidelines For 2004*. As the following student observed:

In my particular case and in the case of those PhD students who I know, 3 years is not a sufficient time to complete a PhD in the sciences. I feel the financial support should extend to a minimum of 3.5 years with an additional 6 months if needed. It is my understanding that in the USA a typical PhD takes 5 years. The fact that our financial support is only for such a limited time results in the cheapening of the PhD degree in Australia with students having to finish quickly rather than fully explore their research.

While a further six months extension of an APA scholarship is provided for this is not automatic and requires students to apply for another six months extension. Those students who take the maximum time allowable to complete a PhD are not provided with adequate provision to an APA scholarship.

Universities offer similar awards to an APA and many use the criteria for award of an APA for their own scholarships. An extension of the availability of an APA for the maximum of four years, in line with the maximum funding made available for PhD students under the Research Training Scheme would also encourage individual institutions to extend the availability of their own awards to research students.

Another barrier to research students is that part-time scholarships are classified as taxable income. Research students and various higher education organizations have longed argued for removal of this classification on the grounds of equity. An Australian Postgraduate Award (APA) is only made available at a part time rate to students with carer responsibilities or those with documented medical reasons. These include caring responsibilities for a pre

school child, caring responsibilities for an invalid or disabled spouse, child or parent and a medical condition supported by certification, which limits the student's capacity to undertake full time study. From these regulations it is obvious that students who are part time are doing so with valid reason and taxation places a further stress on what is a marginal income in Sydney.

The APA rate for 2004 is \$ 18 909 (full time) and subject to indexation (CPI) on an annual basis. SUPRA believes there should be an immediate review of the *per annum* amount provided for an Australian Postgraduate Award. As the following students reported:

For students paying rent and associated costs, APA scholarships cover only the basic costs. In order to get the full experience of postgrad work (conferences, time in other labs) we are dependent on Supervisors having money or other scholarships being available. Whilst it seems a number of students get top ups from their supervisors to help with these things, those who don't are really left behind. Money from the government is greatly appreciated, but increases in financial support would definitely be beneficial to the "postgrad research experience"

There aren't enough APAs. APAs do not provide students with enough to live off, even though they tend to require full-time study. Students have to pay for more than just basics - (in the humanities) they usually have to pay for equipment ie. computers, paper, photocopying. Scholarships for PhDs are based on unrealistic expectations of how long it takes to complete a PhD - students often run out of money within 6 months of completion, but this 6 months turns into a year because students have to do paid work to cover basic living expenses & therefore have less time to work on their PhDs.

I find that we are penalised for wanting to study further. In an international climate where Australia is already suffering a brain drain, with most scientists leaving for overseas, those of us who wish to extend ourselves for the good of our own country are not being rewarded.

Such a review should seek comprehensive commentary from the higher education sector and engage in detailed analysis of such things as living costs and the impact of the payment of ancillary study costs that many research students must bear. Further, to stimulate more research students, an increase in the number of APA's is justified and from our responses appears to be needed urgently. As one student observed:

The low financial support (for most students) from APA scholarships, lack of Healthcare concession card for many students, and poor assistance with textbooks and equipment necessary to complete a research degree show that government has no idea what students require. The \$19 000 that many students get on the APA (unless you happen to be a medical or dental graduate) is not enough to live on in Sydney. Why is it that there are different APA rates for people who have an Arts or Science degree compared to people with a Medical or Dental degree? Besides why can't postgraduates get Youth Allowance or Austudy (or whatever they're calling it these days)? I find it VERY frustrating that someone who is trying to better their job prospects (and therefore their chances of paying taxes) can't get a government benefit while people who are unemployed (and not in study) can. It seems like the government is punishing people who want to study and therefore improve the society in which we live.

Therefore SUPRA advocates that the APA for PhD and Masters by research students should be extended to cover the full length of a students' candidature

and thus ensure synchronization with the time limits set out in the Research Training Scheme. Further, there should be a removal of taxation of scholarships for part-time students, an increase in the number of APA's available and a review of the *per annum* figure of the APA Scholarship.

(ii) The Age of Independence

I receive no income support at all because of the government's presumption that I am 'dependant' on my parents. This is not true as my parents do feel that at 24 I should be able to pay for most of the things I need and I have been forced to rely on what they can give me which is never quite enough. I feel the government would rather hoard its money than help me pass which is rather strange, given that one day I will be earning money and contributing to the very funds and to the society I am being denied access to now.

Under 25 Masters Coursework Student

The age of independence has long been a source of inequity for students and is essentially age discrimination in the Social Security Act. Where there is general acceptance that young people are considered adults at the age of eighteen through their right to vote, access alcohol and the like, students are bound to their parents to the age of twenty-five. This seven-year gap causes students to be reliant on the generosity of their parents for an extended period of time impacting not only on the quality of life and independence of the student but also having a generally negative impact on the family. Further, with the incredibly low Parental Income Test, this makes it almost impossible for students under twenty-five to receive the full benefit and have some semblance of independence from their family. Students do have options to claim independent youth allowance but generally they are either at the expense of time (working for eighteen months) or support (moving to institutions in other areas).

Further, students moving from Youth Allowance to Austudy may be faced with a decrease in their payment because rent assistance is unavailable. As students tend to have more commitments as they get older, it is an ironic and bitter experience for students who have finally managed to attain independence in the eyes of the Government but need to increase their reliance on their support networks because of this.

For students who move directly to postgraduate study after their undergraduate degree, this represents a considerable challenge. Considering the low rate of benefits across the board this can result in extended periods of marginal living well below the poverty line. The stress on both the student and their family is acute. With the mounting costs of education, the policy is causing familial break down and tension because of financial strain. This is particularly pronounced in Sydney as the cost of living is prohibitive for students to make a break from their families and be truly independent. Responses to our survey stated:

Being my age [I] have to ask for money from my mother and father. I want to drop my studies and find a job.

Under 25 PhD Candidate

...if I can't find a job I am very worried I won't be able to continue which would be a waste of the university's money as well as mine and my family's. I am studying teaching and don't know how I'll be able to fit in work while I'm on practicum considering that I could be sent to a school that's nowhere near my place of employment. If I'm not from a low socioeconomic background and I experience difficulties than I don't know how poorer students can be expected to cope at all. Inequity increasingly restricts access to education and undermines the purpose and the functions of this institution.

Under 25 Masters Coursework Student

The current age of independence also acts as a major deterrent for students who wish to continue or enhance their qualifications after completing undergraduate studies. We believe that there are increasing demands on young people to engage in postgraduate study and combined with the relative few postgraduate courses that qualify for income support, the age of independence is a major hurdle for students to gain access to education. Not only is the legislation out of step with the rest of Government policy, it seriously inhibits the knowledge base of Australia. With the recent passing of the Age Discrimination Act which makes such inequity explicit, we believe the Government needs to urgently review this policy and immediately lower the age of independence to a level that does not act as a disincentive for entry into higher education.

(iii) The Parental Income Test Threshold

SUPRA believes that the current threshold for Youth Allowance of \$27,400 is perilously low and far removed from the reality of students and their families. While this legislation would only affect a small number of postgraduates, we believe that the detrimental impact on all students is of great concern to all in the Higher Education sector. It means that students whose parent's income is very low can be entitled to the full benefit. Our understanding is that the current threshold is based on 1991 levels after indexation and even at this time they were considered to be a very poor measure.² This is a major disincentive for students from not just low socio-economic backgrounds but students who come from families who would fall outside this category. We believe that this affects not only participation and entry into higher education but forces families into untenable financial positions to support their children through their University education. It is imperative that this be reviewed immediately and changed to more fairly reflect the reality of the Australian community.

(iv) The ineligibility of Austudy recipients for rent assistance

[As] rent assistance is unavailable to Austudy recipients, so this makes it extra hard to afford to study in Sydney. Ultimately, I would like to not work and to receive Austudy benefits and the benefits of a travel concession card, but it is financially non-viable.

² Callaghan, V. "Government Financial Support for Students – The case for radical reform" in *People and Place*, Vol. 11, no. 3, 2004. p17.

In our survey of students, rent was identified as their biggest obstacle in day to day living. The majority of postgraduate students who are eligible for income support would receive Austudy and the absence of rent assistance has a profound impact on the student's quality of life. Students in Sydney are particularly disadvantaged by having no access to Rent Assistance because of the exorbitant rental costs of this city. As the following students commented:

[The] main issue is that I pay a high proportion of my income in rent. I can only afford to live where I do (near uni) by living with 3 other people. Even then rent is about 40% of my scholarship. I certainly couldn't think of buying a home or having a family.

I'm doing ok financially but only just. The rent in Sydney is a killer - I pay more than 1/3 of my income on it - and sometimes I think that scholarships should have extra to take account of high rental costs in big cities.

Sydney is a city with very a high cost of living, and the government should take into account the higher rent, more expensive food and greater public transport costs! The only concessions we are given is for transport. What about concessions for medicines, bills etc?

The increasing price of rent is the greatest impact on income - there is no rent assistance scaled to the demands of rent payments.

No rent assistance, no living allowance, lack of science jobs in Australia, have led to financial hardships.

The provision of rent assistance would go a long way to easing this financial burden for a large number of students but this does not address the geographical disparity of rental prices. Recent changes to NSW land tax laws and a slowing in the property market have resulted in a large number of tenants facing a rent increase in Sydney.³ Students are generally expected to live in abject poverty by living in poor conditions, living with parents although they are well beyond the age of independence or forced to travel extremely long distances to access cheaper rents in the outer suburbs of Sydney. Students have recounted travel times of up to two each way to attend classes because they cannot afford to live closer to campus. The cheaper rent found in these areas is often offset by the high cost of transportation in Sydney.

It is not enough to extend rent assistance provisions to Austudy as this measure would need to be done in tandem with a review the current rates available to students. Access to rent assistance can have a marginal impact as students feel that they have not kept pace with the rising cost of living. For example, a respondent to our survey stated:

As an undergraduate I was forced to take part-time/casual work in order to survive, as Youth Allowance barely covers Sydney rent prices. I had to borrow money... whilst on Youth Allowance

³ Pryor, L. "It's tax down, rent up in landlord land" in *Sydney Morning Herald*. Page 1, June 15, 2004.

(independent, away-from-home rate) for any extra living expenses (glasses, for example), as after paying inner-city rent prices, I had very little money left over for food & clothing, let alone "luxuries" such as going to the dentist or buying new glasses-lenses because the old ones were no longer strong enough.

It is apparent through SUPRA's work that students are suffering because of this inequity. The investment in both time, finances (including lost income while studying), emotional and physical energy for all students is large and the impact of poor finances have a very real detrimental effect on their wellbeing. SUPRA believes that some of this stress would be relieved with a widening of these provisions.

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

(i) increasing costs of higher education

Higher education costs for postgraduate coursework students at the University of Sydney have increased significantly, and given current trends will continue to increase significantly as the University pursues its ambition of being an elite institution. In the eyes of University management, an elite university is not only based on the quality of its education but equates high course costs as some barometer of prestige. Postgraduate coursework fees have risen significantly since 1996 and it is not uncommon for tuition fees to have risen twenty per cent in one year and. The introduction of PELS in 2002 was specifically designed not to be a reason for Universities to carte blanche raise fees beyond CPI. However postgraduate fees have risen extensively at the University of Sydney since this time. It is not uncommon for students to face fees of \$2000 or higher for each subject they enroll in. For a twelve-subject Masters degree this is \$24000. Our casework experience shows increasing numbers of prospective or newly admitted students contacting SUPRA about how to finance their studies. Most had been prepared to pay fees, but were unaware that there was no income support available. This, combined with the fact that the PELS scheme requires repayment when they reach a wage of \$25,348, is a major disincentive. Many express the view that while their study may improve their employment prospects and level of enjoyment from working in their chosen field, they may not necessarily be paid at a level that will compensate for the high cost of study.

With these increased base costs of education, it appears that this trend is set to continue. The prevalent philosophy appears the benefit of tertiary education accrues only to the private individual and this is justification for the rising costs of higher education to be transferred onto students. It ignores the community and social benefits such education has traditionally provided. However, as students have noted:

I don't think students disagree with the idea of contributing to one's education, however having government assistance available, but being unable to utilise it is problematic. I would like to take the opportunity to give back to my community through the role of teaching and training young minds. I am also a tax payer.

I am doing further postgraduate study required by the registration board so that I will provide services to a professional standard. It is amazing that I am forced to struggle financially at this point in time when my ultimate goal is for society, not to mention the enormous income tax I will be paying once I actually start working.

Postgraduate research students, who undertake the bulk of all research in Australia, struggle to finance the associated costs of their research including attendance at conferences to deliver research papers, and buying computers and specialist software. These general big research expenses are additional to the

struggle of paying for smaller day to day expenses which are both reflected below:

I cannot afford to go to see the places I am studying. I simply have no financial backing at all. Obviously this impacts on the form of my research and its quality as well as not allowing me to attend conferences.

When you have to choose between buying a zip disk to save your work and whether you'll eat for a few days.

Many research students find that they must either suspend their studies or enroll part-time so they can work to support themselves financially.

The Postgraduate Education Loans Scheme covers only tuition fees, not the other expenses which are significant and contribute to the financial disincentive for postgraduates to study. Other higher education costs include not only tuition fees, but also a host of ancillary fees such as photocopying, field trips, workshops, technological fees. For instance, The Faculty of Engineering this year has introduced an additional \$4000 for a compulsory one- week Master Class for one of their postgraduate courses. Such ancillary fees can add significantly to the overall cost of the course.

I feel very insecure financially even to the extent of not being able to afford to buy a PC and connect to the internet at home since my course in 'on-line' off-campus distance learning.

In addition the Textbook Subsidy Scheme has recently been abolished adding further expense to students.

I am doing without expensive books and materials for my course. I am not able to save for the future or pay off my fairly significant HECS debt.

I have borrowed money to cover the cost of additional course resources, such as the online workbook and expensive textbooks over the cost I had estimated. Printing credit/ download costs were also costs I had not, or had inadequately budgeted for.

The increasing higher costs of education are having a significant impact on postgraduate students and their families. Many students find that they have no option but to suspend their studies or to study part-time to earn money before completing their studies. Such delays are disruptive and detrimental for the student and the economy. A recurring theme of students who responded to the SUPRA survey was that if they did not have a family (parents or partner) who could help them out financially or if they did not have a scholarship, they would not be able to undertake their study. Even with this support, students report significant financial and other difficulties.

I wanted to cover my own expenses now that I was in a postgraduate course but it was impossible. Thanks to my supportive parents and my supervisor (with whom I am working as a research assistant), I am able to manage for the meantime. I would be wonderful if I can receive more government support so I don't have to be dependent on my parents.

My study is adversely impacted because I need to take time away from it to study at every chance I get, because I have to think about money not my work and because I'm under treatment for stress... My family is affected because I have to borrow money from them and because my stress levels affect them.

For students from a disadvantaged background, acquiring debt through PELS is an even greater disincentive and many do not apply and others discontinue their studies. Others face disruption to their studies as they suspend their studies for six months or a year to try to earn money to afford to complete their degree. The number of equity scholarships which allow students to pay HECS instead of fees are minimal at the University of Sydney and the student still acquires further HECS debt.

Further, many postgraduate students are in the 25 to 34 year age group, a time when many of their peers who are not studying have the opportunity to consolidate their careers, accrue superannuation, build their wealth and establish families. Many postgraduates believe that sacrificing these years is a massive disincentive to take on and complete postgraduate study. The economy and society will benefit from their study, but as individuals they face large debts.

I am 30 and still a student, I have yet to have a full-time job, I am in debt. This requires my family to help from time to time. The work I do takes me time away from my study... I hope that in the future I will eventually earn enough to pay my HECS debt off, but environmental science isn't paid too well

I have no ability to save at the moment (rather its the other way around - am using savings occasionally to cover expenses). After time spent doing undergrad, and now doing a PhD, its a long time to spend without accumulating savings or even (e.g.) superannuation. Thats probably going to make an impact on how much money I'll have to retire on later in life. Having not much money for awhile makes me appreciative of what money can buy though and how hard it is not to have much!

A further consideration is that there are a significant number of postgraduate students over 35. While the government has abolished the retirement age, encourages re-skilling and life-long learning, such policies would be enhanced through support to postgraduate students. Many postgraduate courses are in effect rebadged undergraduate degrees which can be completed in a shorter time frame. However the increasing cost of postgraduate (and undergraduate degrees) is a major disincentive to older people undertaking postgraduate study when they are aware that they need to fund their future older years.

I am draining all savings and drawing on all investments previously made to complete my study. This places an added burden on my husband as the sole bread winner, and whilst supportive of study, it severely limits such thing as investment in our superannuation and for our retirement

I study full-time because I am already 36 years old and I need to get into the workforce with a full qualification before I get close to retirement age.

SUPRA is convinced that the increasing costs of education are being transferred of the individual student and this is having a negative impact that can resonate for years after the degree is completed.

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

Those few students who are enrolled in graduate certificates and diplomas find that the level of Austudy and its personal income threshold allowed before losing the benefit is so inadequate in meeting their expenses that they forgo such benefits and are forced to work.

Since Austudy is so minimal, it makes no sense to gain this benefit as you are severely limited to the amount of money that you can make in addition to this. This has meant I am unable to study full time.

In addition, no access to adequate income support is a major barrier to undertaking postgraduate study for many students and most are forced to undertake work. Many Australian coursework and research students are forced to work long hours to support themselves. Two-thirds of all postgraduate students at the University of Sydney are enrolled part-time. As the following student observes:

Study has been slowed down because of necessity for paid work in addition to research and writing and because of inability to afford childcare. Family tensions have arisen from wages foregone to write the thesis.

However some courses only allow full-time enrolment and/or have extensive block placements in a practice setting that in effect precludes employment elsewhere. Many such placements are unpaid and students struggle as they cannot acquire regular employment. This is the case for many Masters Courses that on completion enable registration in a profession. Combining work and study impacts on their families and study commitments can leave little time for family and other commitments. Students frequently report that they cannot always attend class, that they cannot put the hours into their study that they believe it warrants and that their grades reflect this. The financial and time commitments required puts strain on family relationships with partners, children, parents and friends. This student recounts states:

I simply am unable to work more than I do as I am expected to attend classes 9-5om most days, and am inundated with coursework studying in my non-contact hours. The 6 hours a week that I do work already significantly interferes with my study. My mother had to take a mortgage on her house to contribute to my own savings that were not enough to live on

SUPRA Caseworkers frequently see that many of the reasons students fail or do not complete their studies are related to financial difficulties, family conflict and health issues such as depression. Other students find that they need to suspend their studies to help them with the demands they face as responses to the SUPRA survey suggest:

I have no social life at all, which led to depression and potentially other mental problems.

Luckily, I haven't needed any health care, but I do feel like I can't look after myself as well as I would like to. I have also found myself so depressed about my whole situation that I have wished for awful things like to trade my 'nice' partner in for a 'rich' one – something I would never do.

The financial circumstances I am under mean that there are more arguments at home re money. Stress levels are increased substantially because of the long hours I have to work to make ends meet.

The need to work to support my family through my degree has placed significant stresses on my home life and has impacted negatively on my ability to pursue my studies to the best of my ability.

Because I have to work, I cannot devote the hours that they deem necessary towards my degree, something like 40 hours a week, to study, but I make about 20 because of work. Having to study and work mean I still live at home and places a burden on my parents, Not earning money places me behind my peers in that whilst they are buying houses etc, I'm still at home and it doesn't look like I'll be leaving any time soon.

Money is very tight and this results in reduced marks. For instance, my printer ran out of ink on the day an essay was due and I didn't have the money to buy the ink on the day. I received a ten percent penalty for handing it in late.

Having to carry out work is often distractive for my studies and places strain on my personal relationships as I do not have much time to spend with family and friends.

A family is certainly out of the question while I am completing education. And, the more educated I become, the more in debt I am to the government. Housing is also particularly u affordable even in the greater Sydney district, being qualified as a high school teacher with reasonable low pay will be of no help when I try to pay back my SFSS, HECS debts.

Of those few who say they are not forced to work, it is often because they are in living at home and have supportive parent or partner who are able to help financially.

I would be forced to work longer hours if I was not living with the kindness of my parents.

Even though I live with my parents, I still have to pay for food, clothes, travel, car etc. I am also trying to save to go to a conference in the USA as I have been unsuccessful in obtaining travel funding.

I have been unable to move out of home since I don't have the time to work and do a PhD and can't afford to move out on the scholarship allowance.

I need to work to cover my basic living expenses, at this moment I'm using some of money from my boyfriend, but it can't last long, I can't depend on him (financially) for a long time, otherwise we both haven't got enough money. Though I want to do full-time study to finish my course quicker, I can't! I need to work more in order to get more money, otherwise who can pay for me?

I have recently taken unpaid leave from work to finish my PhD. This was possible because a) I'd save some money and b) my partner got a higher paid job and could pay some expenses. But the rest of the time I have had to work to ensure I had enough to live/pay rent etc.

Overwhelmingly students said they were either forced to work longer hours or face family stress or severe poverty. SUPRA believes that the current income

support measures do little to offset this and have a negative impact on a student's ability to adequately undertake their studies.

(iii)The closure of the Student Financial Supplement Scheme (SFSS)

When I was an undergraduate and eligible for Austudy... I unfortunately took out a Student Financial Supplement Loan which was a ruse to ensure that poor student are even further in debt once they finally graduate.

The University of Sydney has very few postgraduate students undertaking a course eligible for Austudy or Youth Allowance. Only graduate certificates or diplomas are qualifying courses for Austudy and Youth Allowance purposes. The SFSS was linked to these payments. A major flaw of the scheme related to trading a dollar Austudy for a \$2 loan, was in effect a debt trap for those students who were already struggle financially. But for all its faults, for many students the loan scheme offered a choice between being a poor student, and not being a student at all. While this is less a problem for postgraduates, students who undertook that option in their undergraduate degree are now struggling to cope with the growing burden of debt from the SFSS and the cost of their further education.

An alternative scheme that overcomes such flaws is required so that students can access additional funds without facing spiraling debts which will impact on them for years to come. There are currently few alternatives for students who are struggling financially. A side issue of this is that a large number of indigenous students took the option of SFSS and now it has been withdrawn there are few options for these students but to give up their study. SUPRA supports Ms Speechley-Golden of NIPAAAC's call for ABSTUDY to be raised to a real living wage and reversing the ABSTUDY cuts that were made in 1998 and 2000.

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

(i) Students from disadvantaged backgrounds, and

Introduction

Built within the Australian psyche is an understanding of equity and related issues. In a simplified form one can see this understanding in the penchant for giving someone a 'fair go,' or being 'fair dinkum' with one another, or one can see it in the iconic (and laconic) greeting of 'mate' which tends to be indiscriminately splashed evenly over strangers, close friends and family alike. In other words, one could say that Australians have commonly believed that 'egalitarianism' is stamped at the heart of our society and that belief has been so pervasive that it threads its way through our idioms of speech.

Keeping the above, somewhat circumspect, musings in mind one could ask the following question: Given that access and equity must be at the heart of any society that can genuinely call itself egalitarian, ***in relation to Higher Education, are Commonwealth funded (student) income support provisions adequate and effective in supporting access and equity across the sector?***

When we use the word 'egalitarian' we are indicating the desire for a fair and equal Australian society. In such a society we should continually strive to narrow the gulfs between rich and poor, powerful and powerless, educated and uneducated: in short, we should support people in overcoming disadvantage of all sorts. The recent experiences of SUPRA and its members lead us to contend that current Government Student Income Support measures do not do enough to help bridge the gulfs that disadvantaged Australians face. This *does not* lead us to call for the scrapping of the system as a whole. *What we do want is a new and improved income support system that genuinely helps people to overcome disadvantage.*

We present our case in support of these claims below:

Undergraduate Students

Postgraduate study does not exist in a vacuum. Whilst SUPRA represents Postgraduate Students at the University of Sydney, we cannot engage in a sensible discussion about access and equity in Postgraduate Education without giving some consideration to Undergraduate access and equity. After all, if you cannot manage to 'get it right' when people are studying at University for the first time then students from disadvantaged backgrounds are never likely to qualify for Postgraduate study *at all*. And, quite frankly, when we look at what is happening

in Undergraduate education we have grave cause for concern. Our areas of concern include the inadequacy of Austudy/Youth Allowance (YA) provisions, increasing hours of paid work disadvantaged students need to undertake, cost of living (particularly in major capital cities), increasing levels of debt, HECS and other fee increases, increasing disincentives and other barriers to study. Many of these areas are mentioned elsewhere in our submission so we shall only comment here on the access and equity implications for disadvantaged students.

Different research indicates slightly different things in the area of income support and cost of living for students. But what it tends to agree on is that income support is generally not sufficient, and the relative cost of living (for students) is ever increasing (particularly in major capital cities). Indeed, our own experience indicates that high costs of living and working many (often poorly) paid hours to, is the rule rather than the exception amongst students. In relation to paid employment available statistics from various Universities, as well as research commissioned by the AVCC, conclude that the average number of hours a student spends in paid employment is somewhere in the region of 12.5 to 14.5 hours per week. At that level of paid work many students are working more hours (to supplement the woefully inadequate Youth allowance/YA) than is recommended for adequate application to study programs.

Given that the *average* student is working more hours than is good for their study one wonders about what happens at either extreme of student experience. It is reasonable to think that if the average is 14.5 hours per week there must be many poorer students who also work one, two and more jobs, and clock up many more than 14.5 hours worth of paid employment. There should be little doubt that many students in this situation come from the disadvantaged groups within our society: That is, one can hardly imagine relatively privileged students needing to work so many hours.

However we cannot assume that no one tries to get by on Austudy/YA alone. Some students, even in Sydney, try to make it work because of an admirable commitment to their studies and a determination that they are going to devote as much time as possible to learning all that they can at University. If such students live independently and their only source of income is an Austudy allowance (NB. Unlike their youth allowance counterparts they will not receive rent assistance) it is a simple statement of fact to say the following: *they are living in Poverty*. At \$159.25 per week (single rate) that is not enough money to pull a student above the Henderson poverty line and, in Sydney at least, it is barely sufficient to cover weekly rent in a share apartment.

Students living in such circumstances might be tempted to take out bank loans at unattractive rates of interest that compound until one pays it back years down the track, loans from financial assistance offices and student organizations at Universities or (previously) a financial supplement loan from Centrelink – which was an important source of income for students although we have always been

unhappy with the fact that you needed to 'trade in' part of your Austudy/YA benefit to get it. So, in effect, the paucity of income support forces students who do study hard into poverty and debt. And please note that we haven't even mentioned HECS yet which, with a 25% increase across almost all courses at University of Sydney next year, leaving students with even larger debts in years to come, or else they will simply judge that the price of education is too high and they will not go to University.

If research within Australia is to be believed our experience of HECS thus far (prior to the 2005 increases) tells us that equity of access, generally measured by participation rates, has not been negatively effected. One should make at least two broad qualifications to such claims. Firstly, one cannot know how many more students from disadvantaged backgrounds would have entered the higher education system if they did not have to pay tuition fees at all. Secondly, the research that has come to these conclusions has often only looked at the broad picture without what taking into account some of the nuances one can perceive from a closer investigation. More research on the intimate details of the sector would probably allow a very different picture to emerge.

Let us use University of Sydney as an example. There are many local reasons why access to University of Sydney might be relatively more restricted for those from disadvantaged backgrounds. The situation is certainly not helped by the fact that main campus is located in one of the more expensive parts (in terms of cost of living) of the most expensive city in the country. Notwithstanding such barriers where we feel that steps can be taken to remove blockages to access we have and will attempt to suggest/lobby for/work on those areas where we feel improvements can be made. However there is only so much that the University can do alone. We believe that the Federal Government, if it had the will to do so, could make a big impact on improving access and equity by properly funding income support for students.

Expressed in other terms it should be a Government priority to assist more disadvantaged students to gain entry to University and particularly to Go8 Universities. After all it is hardly a secret that going to one of the Go8 Universities opens up many opportunities in life that other Australian Universities cannot. Amongst the reasons for this phenomena one could cite the prestige of members of the Go8, which might mean that graduates get a 'head start' despite the fact that a smaller or less prestigious University might have just as good a program in a given area. Other reasons include the relatively better funding and resources that Go8 institutions attract. If access to the best institutions in the country is cut off for disadvantaged students then we have cut off one of the best routes to overcoming disadvantage.

Just as not all Universities are created equal, neither are the courses they offer. We are concerned that access to the most prestigious courses is becoming more difficult for disadvantaged students. Courses such as Law and Medicine tend to

have very high UAI cut off marks which are increasing all the time due to increased demand and full fee places which allow richer students to gain access even if they have not achieved the UAI cut-off: effectively taking a place that should have been offered to a more qualified student. So, for those who cannot afford to pay full fees one would think their best chance of gaining entry is to attend a school that consistently perform better in the NSW Higher School Certificate. When one looks at what type of schools perform best you find that year in and year out Private Schools and Government Selective High Schools (in absolute terms) achieve the best academic results. Students of both kinds of schools overwhelmingly are not from the most disadvantaged and downtrodden groups in our community.

Finally, in relation to Undergraduate study, let us consider some slightly more intangible blocks to access and equity. Such intangibles include the effects wrought when a young person lacks a role model who has been to University. Where a potential student comes from a community that has traditionally either not accessed higher education or has not accessed higher education opportunities at some of the more prestigious Universities (and in the more prestigious courses) such a student will not enjoy the benefits of a role model (within that community) who has 'paved the way' for them. Other blocks include a perception that some professions are still dominated by a masculine culture that is not open to equal participation from women. Or, for a rural student, even if physically moving to a city to undertake University study is financially viable, one has to overcome problems of transition to a new and very different environment. One cannot forget these kinds of barriers and, along with a properly funded student income support system; resources should be devoted to breaking down barriers of this kind.

Postgraduate Students

Much of what has been said about Undergraduates applies equally to Postgraduate students. Both Research and Coursework Postgraduates: face high costs of living in major cities; often receive no or very little income support from Governments; work increasingly long hours in paid employment; face, if anything, even larger debt burdens; and must contend with many other barriers to entry (such as those noted above). In addition there are many further barriers that Postgraduate students face in relation to Access and Equity. We shall attempt to explore some of those other barriers:

Ever since the first Australian PhD degree was awarded by University of Melbourne in 1951 Postgraduate Study has been dominated by Research (either Masters by Research or PhD). Limited numbers of Postgraduate Coursework degrees have been available for a long time, but historically the number of degrees available, and the absolute numbers of students taking part in them, has been low. In recent times this has completely changed and one would be justified in saying that Postgraduate study, both in terms of number of courses

and enrolment numbers, is now dominated by Postgraduate Coursework programs.

Despite the changes Research numbers have remained strong and we think they will continue to grow steadily for the foreseeable future. Yet at the same time Coursework enrolments have been growing *exponentially*. Amongst the reasons for growth in Postgraduate Coursework one can include the following:

- Students who would have previously done a second Undergraduate degree are finding that they can more quickly achieve their goals through a (shorter) Postgraduate qualification.
- Students who would have been previously trained on the job or in the Vocational Education Training (VET) sector can now do specifically targeted courses (which previously did not exist) at University.
- Those who want to retrain and get back into a new field of work can often do so more quickly by doing a Postgraduate degree.
- In the jobs market, and particularly in Sydney, competition for positions is fierce and often a Postgraduate degree can mean the difference between getting and not getting a promotion. Indeed in some fields it is impossible (or almost impossible) to get a job without a Postgraduate qualification.
- Related to the above point, there is an increasing atmosphere in the community that one must have strong credentials from formal study in order to access many jobs (often described as a 'credentialisation' of the work force)
- There has been strong demand for Postgraduate Coursework degrees from International Students.
- The introduction of PELS meant that local students can defer payment of upfront fees to a later date.

When you combine these (and no doubt more) factors together we begin to get a picture that explains why growth in Postgraduate Coursework has been so strong. The strong demand, and the starving of funds from Government, also helps to explain why increases in fees at University of Sydney have been so steep. Indeed there have been rises in some Masters programs in the order of 20%+ over the past year. Any consideration of student income support measures for Postgraduate students, and specifically their effect on improving access and equity, must take into account these dramatic changes in the nature of Postgraduate study.

Even though the growth in Research student numbers has been relatively more modest, one should not ignore recent changes to Research study either. For example, in 2001 the Research Training Scheme (RTS) introduced a number of changes that are directly relevant to questions of access and equity. Its provisions include: new time limits that reduce the maximum length of candidature from five to four years; a new funding formula that heavily links Commonwealth funding for each candidature to completion of the degree and

publications along the way; And an allocation of funded places that is heavily biased towards the large, research intensive, Go8 universities.

Aside from RTS the following are some important areas to consider: the failure of Australian Postgraduate Award (APA) scholarships to provide research students with a living wage; length of APA funding (at only three years when a PhD student has up to four years to complete); paucity of scholarship funding in areas such as the humanities; deteriorating resources in areas that have been starved of Government funds and are not 'commercially viable'; exploitation of students for excessive teaching and marking duties; lack of funding for important National and International Conferences; charges for resources that should be free.

We shall consider Coursework and Research students in turn:

Coursework Students

Having noted that there are all kinds of reasons why students undertake Postgraduate Coursework programs we would like to focus on two (broad) reasons that are prominent amongst local students. These two reasons are: the increasing availability of specialised courses that can allow students to train/retrain themselves for the workforce and; a desire to do more generalist Masters programs which can be completed more quickly than a comparable Undergraduate option. We believe that investigation of these two areas will supply us with more than enough justification for our claim that Postgraduate Coursework students should become HECS liable and they should also receive Austudy/Youth Allowance or similar income support.

As noted above, part of the growth in Postgraduate Coursework degrees can be attributed to inroads that Universities have made into areas that were typically covered by the VET sector. There are new courses on offer in almost any kind of specialty area you could think of. Many of these courses offer graduate students a fast-tracked way to retrain and start a new career. Think for example of the Masters of Commerce (major in Accounting) degree which can be completed in 18 months when compared to the 3 years need to complete a Bachelors, or a Master of IT which used to be 12 months (now back up to 18) instead of the Bachelor of Science majoring in IT which takes 3 years to complete. It is not hard to understand the attraction of the postgraduate over the undergraduate degree.

In many of these new programs the Masters qualification gives you the same (or close to the same) professional standing in your chosen field of expertise as the equivalent Bachelors. For example we have recently become familiar with a new Masters of Pharmacy degree at University of Sydney. You need to have completed a relevant degree (typically a B. Science) and have undertaken particular Science and Medical Science subjects in order to gain entry. On the basis of advanced standing given by this background the Masters takes 2 years

to complete and at the end of it the degree is recognised by the *Pharmacy Board of NSW*. Registration with the board, for both Bachelor and Masters students, is conditional upon successful completion of 2000 hours of supervised practice. Thus making it very difficult to distinguish between the Postgraduate and Undergraduate programs in terms of professional outcomes: though it is clear that the Masters gets you qualified and ready to practice in a shorter amount of time (so long as one disregards the Undergraduate study). We present two (actual) cases to illustrate our points:

Case 1

We were approached by a student who applied for both the Masters of Pharmacy, and Graduate entry to the Bachelor of Pharmacy program (both at Usyd).

Despite the fact that the Masters (nominally) provides the more advanced qualification in a shorter period of time the student told us that, given a choice, they would have much preferred to study for the Bachelors. She told us that the reason for this is that the Graduate Bachelor can be covered by HECS and, given the right circumstances; Austudy/YA income support could also apply.

Unfortunately she did not gain Graduate entry to the Bachelor degree. She was told that, as she was competing with a large number of highly qualified school leavers, mature age applicants, and other Graduate students, competition for admission was very strong and she had just missed out. Despite missing out on entry to the Bachelor Degree she did gain admission to the Masters of Pharmacy. This is perplexing given that one would have thought that Masters entry standards would be higher than bachelors and not the other way around.

Despite thinking that this situation was somewhat odd she accepted the place and has been working hard towards her degree and supporting herself by working part time and relying on assistance from her family.

But, instead of paying (or deferring) HECS and receiving Youth Allowance payments plus rent assistance, she has to pay full fees at the rate of \$44 000 for two years (deferred through PELS) and she receives no student income support whatsoever.

To make the above conundrum ever more clear consider the following comparison between a student who chooses a slightly different course of study (student 1) to the student who is the subject of this case (student 2).

S t u d e n t 1

Students 1 completes a 4-year Bachelor of Arts (hons) degree. They perform sufficiently well to gain entry into the Graduate Bachelor of Law program at Usyd. They study for a further 3 years and, upon completing the LLB, are eligible to register as a Solicitor (in NSW) subject to successful completion of a course of Practical Legal Training (through the College of Law or other prescribed organisation).

In total Student 1 studied for 7 years so that they could practice in the profession of their choice. So long as they fulfil other normal criteria set for access to Austudy/YA they will receive Government income support for the entirety of both degrees.

S t u d e n t 2

Students 2 completes a 4-year Bachelor of Science (hons) degree. They perform sufficiently well to gain entry into the Masters of Pharmacy program at Usyd. They study for a further 2 years and, upon completing the Masters, are eligible to register as a Pharmacist, subject to completing 2000 hours of supervised practice .

In total Student 2 studied for 6 years (a shorter period of time when compared to student 1) so that they could practice in the profession of their choice. So long as they fulfil other normal criteria set for access to Austudy/YA they will receive Government income support for the first degree but **not** the Masters.

There are large differences in the amount of support both students get from Government despite the fact that, in our opinion, the principles to be applied should be the same in both case.

Case 2

We recently worked with a Master of Arts student who strongly desired a place in the Graduate Law Program at University of Sydney. Indeed it had been her goal to gain entry to Graduate Law from the moment she began her Bachelor of Arts degree (and possibly before). She knew that she would probably need a Bachelors degree with a good honours marks to gain entry and she tells us that she studied as much as she could right from the beginning.

She received Youth Allowance and Rent Assistance but found that in order to cover necessities she had to work extra hours in a variety of casual jobs just to get by. Despite her best efforts, she fell only a couple of marks short of the average required to gain entry to the Honours program. Undeterred she looked at further options and decided that completing a Masters of Arts would be a good alternative route to attaining her goal.

She enrolled in the Master of Arts and worked hard during the year. At the time she contacted SUPRA with her average marks were hovering at about distinction level which should have made her competitive for entry to Law. We examined her course of study and found that she was following a very similar path, in terms of subjects, content of degree and research (dissertation) requirements, as her counterparts who had followed the path of studying a Bachelor of Arts and then undertook an honours year.

During the MA year her finances deteriorated considerably. She had borrowed as much money as she could from the University's Financial Assistance Office and, in the later part of her degree, she was working more than 20 hours a week in a fruit shop (at terrible rates of pay) just to pay for rent, books, travel, food and other necessities.

Partly because of pressures caused by work and other commitments, and partly because of a Social Security Act provision that meant she could not receive Youth Allowance for Graduate Law if she completed a Masters, she did not complete the dissertation and consequently (to this day) has not graduated. Nevertheless she applied for Graduate Law and, unsurprisingly, she was not able to gain entry.

However she did gain entry to a Master of Law at UTS and, seeing as UTS has an excellent Law program with a very good reputation, she took up the offer. She is even able to receive Youth Allowance whilst studying through the earlier parts of the degree because it is regarded as 'Masters Qualifying Study' which does attract income support.

Indeed we are pleased that she has the opportunity to achieve her dream of becoming a lawyer with a qualification from an excellent Law school. However there are still a couple of serious reservations we have about the things this students has had to endure.

It is bad enough that this student cannot 'take out' the MA she worked so hard for if she wants to continue to receive income support. But what is much worse is, because of the anomalies in the way Youth Allowance/Austudy works, in order to study at a top University in Sydney she now needs to pay \$42 000 for the degree (deferred through PELS) which will be a debt that follows her for years and years to come.

Both of the above cases present slightly different issues in relation to Access and Equity. However one of the things that is common to both of them is that students who are working hard and are determined to make the most of their study experience are being punished by anomalies in the system that make no rational sense. These absurdities act as disincentives for disadvantaged students to study. Coursework Postgraduate Students deserve better support.

Indeed the only equitable way that we can see to give them a fairer deal is to make all Postgraduate Coursework degrees HECS liable (and not just a couple of targeted courses) and make Austudy, Youth Allowance or similar income support available at a descent rate to all Postgraduates.

Research Students

Once again, in relation to Research students, we can begin with the comment that much of what has been said above is relevant. As such what remains is to make several brief points in areas that are specifically relevant to Research students:

- The RTS scheme made it increasingly unattractive for Universities to take on any student in a research program who is at higher risk of not completing. This can effect students from disadvantaged backgrounds. With extra barriers to jump they often require more resources, more flexibility on the part of the University and extra time to complete. With new RTS guidelines allocating 40% of the funding upon completion, 10% for publications performance and a shorter time to complete (4 years instead of 5), RTS gives Universities little incentive to take on disadvantaged students.
- The scheme is also competitive, meaning that RTS allocations are more favourable for the larger (normally meaning Go8) universities. Having already noted that there are significant barriers to accessing Go8 Universities one must ensure that there are adequate RTS places available at all of the Universities in the country: we are yet to be convinced that this is the case under the current scheme.

Aside from RTS the following are some important areas to consider:

- The failure of Australian Postgraduate Award (APA) scholarships, at \$18, 484 per year, to provide research students with a living wage. This means that research students, who have often already studied for four, five, six and more years of study, are forced to live in relative poverty (particular in

- major capital cities) for the duration of their PhD: unless they compromise their research by taking on too much paid employment to supplement their income.
- APA's only last for three years. Quite simply this is not long enough. The average time it takes to complete a PhD is considerably longer than this at every University for which we were able to find statistics. This means that the average Doctoral candidate will run out of scholarship funds right at the time when they are at their busiest: writing up their thesis. APA funding should be brought into line with the RTS allocation. In the case of PhD that means four years of funding.
 - Paucity of scholarship funding in areas such as the humanities, and any other area which are not 'commercially viable,' means that research students in these disciplines are amongst the most disadvantaged in the sector. This is because, on top of the lack of scholarships, funding in areas like arts is sometimes not enough to keep physical and human resources at the adequate levels.
 - In order to make up for the funding shortfalls, students sometimes work more hours than they should on teaching and marking duties. This leads to overwork and stress and is ultimately not in the best interests of the students, the University or Government: because it delays the completion of research.

Summary

To sum up this section briefly one can say the following:

Any comprehensive attempt to create a Student Income Support System that genuinely helps people to overcome disadvantage and contributes to the 'egalitarianess' of Australian Society must address needs in a wide variety of areas. Austudy/Youth Allowance or similar schemes must be extended and HECS (or complete abolition of tuition fees) should be extended to Postgraduate Coursework students.

But, as we have shown, this is not the only area that requires attention. Some of the other areas the Federal Government could focus on include: decreasing hours of paid work undertaken by students; taking into account actual cost of living (particularly in major capital cities); dealing with increased levels of debt; removing barriers like artificially high UAI cut-offs; grasping the importance of more intangible things like good role models and support in transition to University study; developing fairer RTS provisions; giving more APA and similar scholarships, particularly in the funding starved humanities; and ensuring that there are strong external Government institutions that continue to address issues of equity, diversity, human rights, harassment and discrimination.

(D) Alternative student income support measures.

SUPRA would briefly like to address the problem of students on Newstart. The Guide To Social Security Law indicates both full-time and part-time study may be used as an approved activity for the purposes of fulfilling the activity test for job seekers receiving a Newstart Allowance (NSA). NSA provides a safety net for people who are unemployed and looking for suitable work. It is not intended as a payment for students. Full-time students are often unaware that Newstart may be a possibility and this is understandable given that Austudy and Youth Allowance are widely known as payments to support students.

Students can request that their study be regarded as an approved activity for the purposes of a Preparing For Work Agreement (PFWA). It seems that the assessment of it being an approved activity by Centrelink varies tremendously.

For example the Guide to Social Security Law (<http://www.facs.gov.au/guide/toc/guiderew.htm>) states:

If a full-time student transferring to NSA has exhausted all options for a study payment and NSA is the only payment option, then they can continue their full-time studies whilst receiving NSA for a maximum of 6 months. The student does not need to justify that completing the course will increase their employment prospects. This policy should also be applied to people who are currently in receipt of NSA and have less than 6 months remaining of their course... Not all students with over 6 months but less than 12 months of full-time study remaining of their course will be able to have this approved as a NSA approved activity in their PFWA. Approval should only be given if completion of the course would clearly improve the recipients' employment prospects. Each case will need to be decided individually taking into account the person's particular circumstances.

It also states:

It is not intended that approval should be given to allow a person on NSA to complete a higher degree, such as a Doctor of Philosophy or most Masters degrees.

However, some undergraduate courses include a Masters component essentially as part of an undergraduate course. Examples include (but are not limited to) some physiotherapy and psychology courses.

With these courses, the undergraduate degree cannot be considered complete until the student has undertaken the Masters component and they will be unable to work in their professional field without it. This means that a person must be UNABLE to use their undergraduate degree on it's own (without the Masters component). In these cases, Masters study can be included as part of a PFWA where the student has less than 12 months of full-time study remaining.

The professional Masters courses at the University of Sydney do not designate specific components as undergraduate and are not articulated. Such guidelines

are confusing and appears have been interpreted differently by Centrelink offices.

Appendix A: Quantitative Results from SUPRA Survey

§1: Demographics

$n = 118$ (local students only)

Gender

Male: 28.1%
Female: 71.9%

Age

Under 25 28.1%
25 – 29 40.4%
30 – 39 15.8%
40 – 49 13.2%
50 – 64 2.6%
65 > 0%

Living Arrangements

Rent alone	13.2%
Share house	36%
Board/hostel	0.9%
Live with significant other	28.1%
Live with parents	17.5%
College	0%
Other	4.4%

Degree Type

Graduate Certificate	1.8%
Graduate Diploma	6.1%
Masters	21.1%
PhD	68.4%
Professional Doctorate	2.6%
Non Award	0%

Mode of Study

Coursework	23.7%
Research	76.3%

Enrolment Status

Full-time	75.4%
Part-time	21.9%
Suspended	2.6%

Identifying Categories*

Non-English Speaking B/ground	21.1%
Disability	4.4%
Aboriginal/Torres Straight Islander	0%
Woman studying in non-trad area	15.8%
Rural/isolated background	7.9%
Low socio-economic b/ground	11.4%
None of the above	57.9%

(* Respondents could choose more than one response here)

Reason for Undertaking Postgraduate Study

Obtain specialist qualification	21.9%
To be registered in a profession	7%
Retrain in a different field	6.1%
Increase employment/promotion	20.2%
Improve performance in current job	1.8%
Interest in area of study	37.7%
Keep pace with changing field	0.9%
Encouraged by employer	0%
To earn more money	1.8%
Other*	2.6%

(* Other responses included training to be an academic)

§2: Paying for the Course

How have you paid for your course this semester?

Full local fees upfront	9.3%
Deferred fees (HECS/PELS)	19.6%
Paid partial fees upfront & deferred rest	0%
Received a scholarship	23.4%
Had a HECS exemption	42.1%
Other	5.6%

If you received a scholarship that pays your fees, who is it provided by?

Not applicable	57.9%
The Australian Government	20.6%
The University	9.3%
Industry	2.8%
A combination of the above	6.5%
Other	2.8%

If you paid for your course, how did you fund it?

Not applicable	86.9%
Personal income/savings	7.5%
Employer funded	0%
Partner/spouse/family	2.8%
Loan (other than HECS/PELS)	0.9%
Other	1.9%

Do you receive a travel concession?

Yes	71%
No	29%

How much HECS/PELS do you owe?

No debt	37.4%
\$1 - \$5,000	6.5%
\$5,001 - \$10,000	10.3%
\$10,001 - \$20,000	25.2%
\$20,001 - \$30,000	15.9%
\$30,001 - \$50,000	4.7%
> \$50,000	0%

How much other debt do you have?

No debt	30.8%
\$1 - \$5,000	39.3%
\$5,001 - \$10,000	9.3%
\$10,001 - \$20,000	2.8%
\$20,001 - \$50,000	0.9%
\$50,001 - \$200,000	12.1%
> \$200,000	4.7%

*How often have you had to borrow money to cover **basic** living expenses while you have been studying your current course?*

Never	41.1%
Rarely	15%
Sometimes	34.6%
Always	9.3%

§3: Income While You Study

What is your main source of income?

Working	27.7%
Savings	7.9%
Loan	2%
Partner/spouse/family	7.9%
Scholarship	48.5%
Government benefit	2%
Other*	4%

(* Other responses included a combination of the above – especially scholarship plus own money)

How many paid hours do you work per week?

0	22.8%
1 – 5	23.8%
6 – 10	19.8%
11 – 15	4%
16 – 20	11.9%
21 – 25	3%
26 – 30	4%
31 – 35	4%
> 35	6.9%

What impact, if any, does (or would) undertaking paid work have on your studies?

An intensely positive impact	1%
A positive impact	9.9%
No impact	12.9%
A negative impact	54.5%
An intensely negative impact	21.8%

Has the closure of the SFSS had any effect on you?

Never heard of it	80.2%
No	16.8%
Yes	3%

Have you applied for any Aust Government income support during your current study?

Yes	15.8%
No	84.2%

If yes, were you successful in your application?

Yes	37.5%
No	62.5%

§4: Government Income Support

NOTE: For this section only, $n = 19$ (i.e., this is only applicable for those who were successful in their applications for Australian Government income support)

Which Government benefit do you receive now?

Scholarship	31.6%
Jobseeker/Newstart	0%
Youth Allowance	10.5%
Austudy	0%
Abstudy	0%
Disability Pension	10.5%
Widower Pension	0%
Veteran's Pension	0%
Other	47.4%

Do you receive Rent Assistance?

Yes	10.5%
No	89.5%

If you receive Abstudy, have the changes in the last few years had any impact on your income?

Positive	0%
Negative	0%
No change	0%
Have not received it before	100%

How adequate is the amount of Government support you receive in supporting your living expenses while undertaking your current study?

Not adequate	73.7%
Adequate	26.3%
Greater than your living expenses	0%

§5: Financial Commitments

What ongoing financial commitments do you have?

Housing rent	66.3%
Housing mortgage	19.8%
Course related exp (excl. HECS/PELS)	45.5%
Childcare	5%
Public Transport	72.3%
Private Transport	62.4%
Electricity/Gas bills	79.2%
Phone (incl. mobiles)	97%
Health	81.2%
Food	93.1%
Other*	35.6%

(* Other responses include loans, credit card payments, internet access, computer payments, health insurance, other insurance, supporting dependents, pets, clothing)

What is the **single** greatest ongoing financial commitment you have?

Housing rent	56.4%
Housing mortgage	17.8%
Course related exp.	6.9%
Childcare	1%
Public transport	2%
Private transport	4%
Electricity/Gas bills	0%
Phone (incl. mobiles)	2%
Health	3%
Food	5.9%
Other	1%

§7: Your Say

In your opinion, do you think the Australian Government provides enough income support and concessions for postgraduate students?

Yes	2%
No	83.7%
Don't know	14.3%