



**Submission to the Senate  
Employment, Workplace  
Relations, Small Business  
and Education References  
Committee**

**Inquiry into student  
income support**

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The Monash Student Association would like to acknowledge the assistance of the following people without whom this submission would have been less comprehensive.

Students of Monash University  
Office Bearers and Staff of the Monash Student Association

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## **Executive Summary**

### **Current Measures of Student Income Support**

The MSA finds that current measures of student income support are deficient in a number of areas. Most prominent amongst the deficiencies of current student income support measures is the low rates of Centrelink benefits. Further, there are problems in terms of accessibility particularly in reference to the independence level, as well as from Centrelink administration practices. The MSA also notes that international students currently do not have any assistance despite often living in very difficult circumstances. Underpinning the inadequacies of current measures are false perceptions of the life of students.

Students are eligible for a maximum of \$413.90 per fortnight, most can not access this level of support, yet even for those that can it is too low to adequately support a studying student.

### **Income support in Context**

The low level of support is compounded by the increasing financial cost that students must bear, and the consequential need for excessive paid employment outside study. Students are currently facing increased costs to them from their universities and other sources. In reaction to this and the generally low level of support provide by current income support measures students are taking up excessive paid employment. The extra work from paid employment takes its toll on the quality of students lives and the quality of education they are able to achieve. Changes to current income support measures are needed to ensure tertiary students are able to receive a quality education without sacrificing their health and well being.

### **Equity Considerations regarding Adequate income support**

An inadequate student income support system acts as a deterrent to taking up tertiary education. Without change current student income support measures result in many people from, low socio-economics status backgrounds deferring study or not taking up the option at all. This is in conflict with values of egalitarianism that as Australian's we cherish.

## **Summary of Recommendations**

### **Section 1:**

Recommendation 1: That income support levels be raised to more closely match poverty line indicators.

Recommendation 2: That income support levels are set as a percentage of average weekly earnings.

Recommendation 3: All students, regardless of age, be able to access the same levels of support.

Recommendation 4: That Centrelink be advised to provide clearer and more widely available material on accessing student income support measures.

Recommendation 5: That Centrelink be advised to endeavour to provide on-campus offices regularly throughout the year.

Recommendation 6: That Centrelink be directed to improve the handling of young people in order to ensure all eligible people receive their entitled benefit.

Recommendation 7: That Centrelink be advised to take into account the reasons for a student's financial circumstances when dealing with breaches.

Recommendation 8: That Centrelink be advised that when dealing with debts incurred by breaches, the level of support provided to students is not reduced.

Recommendation 9: That the age of independence be reduced to 18 in line with community standards.

Recommendation 10: That Centrelink be advised to take into account the special circumstances of queer students.

Recommendation 11: That the liquid assets test be reworked to accommodate those who save money in order to help support themselves during study.

Recommendation 12: That in conjunction with a rise in student support levels more leniency is allowed in the ability of students to earn needed money from paid employment.

Recommendation 13: That in conjunction with a rise in student support levels, more leniency is allowed in the ability of students to earn needed money from paid employment.

Recommendation 14: That the committee look into alleviating the hardship experienced by international students.

Recommendation 15: That limits be placed on universities charging ancillary fees on students.

**Section 2:**

Recommendation 16: The committee advise that there be an increase in the level of public funding for universities.

Recommendation 17: That the ETSS be reinstated without a sunset clause.

Recommendation 18: That the federal government provide resources to improve public transport infrastructure nation wide.

Recommendation 19: That investment into cheap student accommodation be provided.

Recommendation 20: That the rights of casual and temporary workers be developed in legislation.

Recommendation 21: That an investigation into the unique circumstance of student employment be undertaken.

Recommendation 22: That student workers are granted rights in order to assist in balancing paid employment and tertiary education.

**Section 3:**

Recommendation 23: Income support measures for students must be structured in such a way so as not to act as a disincentive to study.

Recommendation 24: Income support measures for students must take into consideration the future lives of students.

Recommendation 25: Income support measures for students must take into consideration the participation, and value of such participation of students within universities.



## **Introduction**

### **MSA<sup>1</sup>**

The Monash Student Association (MSA) is the peak representative body of Monash University students on the Clayton campus. Formed in 1961 and funded through a compulsory amenities fee, the MSA is controlled by annually elected student representatives. As well as providing representation for students, the MSA provides a number of services. All activities of the MSA are aimed to assist students, defend their interests and maximise their educational experience.

The extensive range of services cover three broad areas: student life; student support and services; and student representation.

#### Student Life

- Activities
- Clubs and Societies
- Student Radio (DIY Radio)
- Student Newspaper (Lot's Wife)
- Orientation Program (Host Scheme)
- Student Theatre

#### Support and Services

- Short Courses Centre
- Mature Age and Part Time Student Support
- Post Graduate Support
- International Student Support (MUISS)
- Student Rights
- Child Care (SWiCH)
- Transport
- Student-run restaurant (Wholefoods)
- Second-hand Book Store (Co-operative Bookshop)
- Discount card scheme (Survival Card)

#### Representation

- Environment
- Education
- Welfare
- Womyn
- Queer
- Social Justice
- Environment & Social justice : Refugees

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<sup>1</sup> For a more detailed outline of the MSA's history and mission see MSA (2001) *MSA submission to Senate Employment, Workplace Relations, Small Business and Education References Committee: inquiry into the Capacity of Public Universities to Meet Australia's Higher Education needs. (Universities in Crisis) Submission 278*

## **MSA Welfare Department**

The MSA Welfare Department, through its committee comprised of elected students, is responsible for:

- a) *engaging in policy formulation, liaison, initiatives and action on any matter concerning the social and economic welfare of students, and in particular the issues of safety on campus, equal opportunity and the provision of emergency child care;*
- b) *providing a forum for the discussion of issues relating to student welfare;*
- c) *promoting the spread of knowledge of welfare issues relating to student welfare; and*
- d) *considering, developing and recommending to the MSA policies on welfare matters and issues of interest to students.*<sup>2</sup>

In addition to these tasks the Welfare department has responded to the student poverty problem with the provision of a number of services including:

- Free Food Mondays: a free dinner provided to students on the Clayton campus on Monday nights.
- Free Breakfast Service: a free breakfast provided to students on Wednesday mornings.
- MSA Survival Centre: a service offering free food, clothing, computers and other items all of which are subject to the generosity of donors from the university and community.

Over the past two years the reliance on these services has increased noticeably with the Free Food Mondays program regularly servicing over 100 students.

The MSA and the Welfare Department are in a unique position in commenting on matters of student welfare and income support. This is due to the close relationship and interaction that the MSA and Welfare Department has with students. Within Monash University, there is no other body with such insight and connection. Hence, the MSA is proud to offer its knowledge of the students and their experience with the income support measures provided. The MSA would also be pleased to assist verbally during the Inquiry's hearings.

## **Monash University**

Monash University is the largest University in Australia<sup>3</sup> with a student population of 42,950 in 1999<sup>4</sup>. The university teaches in a range of areas with students in ten faculties: Art and Design; Arts, Business and Economics; Education; Engineering; Information Technology; Law; Medicine; Pharmacy; and Science. Currently the University operates eight campuses including two overseas sites (Monash South Africa and Monash Malaysia) as well as Centres in Prato and London.<sup>5</sup>

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<sup>2</sup> Paragraph 29, Monash Student Association (Clayton) Incorporated Constitution.

<sup>3</sup> Monash University, (2000). *Distance Education 2001 A Guide to Courses*. p.2.

<sup>4</sup> Monash University, (2000). *Student Enrolments by Campus (as at 31 March)*. Statistics 1999. p.2.

<sup>5</sup> Monash University, (2004). *About Monash University* <http://www.monash.edu.au/about/>

Monash university has long been recognised as a university with an interest in internationalisation and since the mid 1990s, Monash has been considered the Australian leader in international education<sup>6</sup>.

Prominently displayed outside the Robert Blackwood Hall at Monash University is a quote from the University's namesake Sir John Monash:

“Adopt as your fundamental creed that you will equip yourself for life.  
Not solely for your own benefit, but for the benefit of the whole  
community”.

Given the current income support measures available to students, this statement is becoming difficult to live up to.

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<sup>6</sup> Marginson, S. (2000). *Remaking the University Monash*. Melbourne: Allen and Unwin. pp144-154

## **Section 1: Current Measures For Student Income Support**

### **Problems in Level of Support**

Many students at Monash University depend on government income support measures in order to continue their studies<sup>7</sup>. However, the levels of support have proven to be deficient, failing in many cases in their purpose of allowing people to obtain a tertiary education. In illustrating the low levels of support, the MSA shall draw the committee's attention to a comparison with the Henderson Poverty Line, a comparison with other benefits, the unfair difference in AUSTUDY, and the need for many students to take out loans in order to study. The MSA finds that a crucial element in any reform of student income support would include a monetary increase.

### **The Henderson Poverty Line**

The poverty line is a monetary estimate of the amount of money required by individuals in order to cover essential living costs. This measurement represents the most basic of living standards<sup>8</sup>. People on incomes below those identified by the Henderson Poverty Line are considered to be in poverty<sup>9</sup>. Table 1.1 details the most recent update to the poverty line and illustrates the inadequate level of income support provided to students. Most readings of the poverty line take students to be assessed as 'head not in workforce' however, given the cost that students bear in engaging in study it is more appropriate to make the comparison with the poverty levels assessed as 'head in workforce'. Yet either way the poverty line for students is assessed, student income support levels fall well below the poverty line.

Currently the maximum rate of Youth Allowance (YA) is \$318.50 per fortnight and, if assessed eligible for rent assistance students can receive up to a further \$95.40 a fortnight<sup>10</sup>. Hence, students can be eligible for up to \$413.90 a fortnight under current income support measures. When this amount is compared to the fortnightly poverty line for a single person not in the workforce; \$493.48; we observe students are clearly in poverty if living on YA alone. However, if the costs of study are taken into rough account and we compare the maximum YA support level with the 'head in the labour force' single person poverty line of \$604.92, the problem becomes clearer. Unfortunately those students who are receiving this level of support are the 'lucky' ones.

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<sup>7</sup> Currently 31.9% of full time student at Monash University receive Youth Allowance. Source: Michael Long, (2002). *Paying Their Way, A survey of Australian Undergraduate University Student Finances, 2000 Institutional report for Monash University*. p.6.

<sup>8</sup> Brotherhood of St Lawrence (2004) *Poverty Line Update*  
[http://www.bsl.org.au/pdfs/poverty\\_line\\_update\\_Apr04.pdf](http://www.bsl.org.au/pdfs/poverty_line_update_Apr04.pdf)

<sup>9</sup> Melbourne Institute of Applied Economic and Social Research (2004), *Poverty Lines: Australia March Quarter 200*, p.1.

<sup>10</sup> This is the maximum amount for a single non-Aboriginal or Torres Strait Islander student under the age of 25. Source: Centrelink, (2004). *A Guide to Australian Government Payments*, Department of Family and Community Services and the Department of Education Science and Training

The current levels of YA mean that even those “lucky enough to receive income support can be up to 37% below the poverty line.”<sup>11</sup> Such poverty is unacceptable and it would be remiss of this committee, not to advise that the levels of YA be adjusted to more accurately provide for student’s living needs.

**Table 1.1 Henderson Poverty Lines: Australia March Quarter, 2004**  
**The Henderson Poverty Line**  
**Australian dollars**

Life Circumstances	Henderson Poverty Line	
	per week	per fortnight
<b>Head in the labour force</b>		
Single person	302.46	604.92
Couple	404.61	809.22
Couple with one child	486.36	972.72
Couple with two children	568.11	1136.22
Couple with three children	649.86	1299.72
Couple with four children	731.61	1463.22
Single parent with one child	388.30	776.60
Single parent with two children	470.00	940.00
Single parent with three children	551.75	1103.50
Single parent with four children	633.50	1267.00
<b>Head not in the labour force</b>		
Single person	246.74	493.48
Couple	349.50	699.00
Couple with one child	431.75	863.50
Couple with two children	513.99	1027.98
Couple with three children	596.24	1192.48
Couple with four children	678.49	1356.98
Single parent with one child	333.04	666.08
Single parent with two children	415.29	830.58
Single parent with three children	497.53	995.06
Single parent with four children	579.78	1159.56
<b>Maximum YA + Maximum Rent assistance.</b>	<b>206.95</b>	<b>413.90</b>

Sources: Melbourne Institute of Applied Economic and Social Research (2004), *Poverty Lines: Australia March Quarter 2004*. and Centrelink, (2004). *A Guide to Australian Government Payments*, Department of Family and Community Services and the Department of Education Science and Training

**Recommendation 1: That income support levels be raised to more closely match poverty line indicators.**

**Recommendation 2: That income support levels are set as a percentage of average weekly earnings.**

#### **Comparison with Other Benefits**

Many students of Monash University find it perplexing that there is such a large difference between the levels of support provided to students and the levels provided

<sup>11</sup> Bessant, Judith. *The Problem of Poverty Amongst Tertiary Students: Why it's Missing From the Poverty Agenda*, Melbourne Studies in Education, vol. 44, p.71.

to others in the community. The MSA has also consistently argued that this situation is unjust stating in 2002 that “those who are willing to forgo a number of short-term advantages in order to gain a tertiary qualification, should not be disadvantaged relative to other individuals in receipt of income support.”<sup>12</sup> Currently the Newstart Allowance stands at a base rate of \$389.50 a fortnight which is \$70.70 more than the base rate for YA<sup>13</sup>. This difference can be seen as a deterrent to entering study. There is no justification for this difference and it results in people studying suffering greater hardship compared to others in need. Further people are faced with the prospect of living on less if they choose to move to full time study after being unemployed due to the difference between benefits.

### **Austudy Levels**

People aged 25 or older who commence tertiary education become eligible for the Austudy benefit. The base rate for this benefit is exactly the same as that of YA, standing at \$318.50. The only difference is that Austudy recipients are not eligible for rent assistance. This anomaly means that students who commence study at the age of 25 have a maximum possible rate (benefit plus rent assistance) that is \$95.40 less than students who commence study prior to turning 25<sup>14</sup>. There is no justification for this and the anomaly serves as a disincentive for older people to return to study.

The MSA sees this situation as unjust. The living and study expenses of students over 25 are no different from those under 25. By leaving this anomaly unrectified a disincentive is created for people returning to study. The absurdity of this anomaly can be seen in the situation where a person who commences study at 24, and has been studying for 2 years and is now 26, is eligible for up to \$95.40 more than a person who commences study at 25, has been studying for one year and is now 26. MSA believes that this committee must advise that this situation be rectified.

### **Recommendation 3: All students, regardless of age, be able to access the same levels of support.**

#### **Need for Loans to Supplement Income**

The MSA has observed that the inadequacy of income support measures has led to many students being forced to take out loans in order to have enough money to cover living expenses and study costs. In 2002 research conducted at Monash and across other universities nationally, revealed that 8.9% of full time students at Monash and 11.7% of full time students nationally took out a loan in order to study.<sup>15</sup> The uptake of extra debt illustrates the inadequacy of student income support. The government is obliged to rectify the situation. A situation where students are forced into taking up loans to cover essential living and study costs is unacceptable.

### **Problems in Centrelink administration**

#### **Difficulties in Application and Information Provision**

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<sup>12</sup> MSA, (2002). Submission to the Crossroads Higher Education review, p48

<sup>13</sup> Centrelink, (2004). *A Guide to Australian Government Payments*, Department of Family and Community Services and the Department of Education Science and Training

<sup>14</sup> *ibid.*

<sup>15</sup> Michael Long, (2002) *Paying Their Way*, A survey of Australian Undergraduate University Student Finances, 2000 Institutional report for Monash University, p. 14.

At the beginning of every year the MSA deals with many students requiring assistance and advice on dealing with Centrelink. In terms of accessing Centrelink, students find it very difficult to obtain clear, concise information on the available income support measures for their particular situation. A result of this is that students unclear of the rules regarding Centrelink benefits neglect to apply for their eligible benefits. Exacerbating this problem is the lack of face to face contact students have with Centrelink. Currently Centrelink operates on the Clayton campus for 4 weeks at the beginning of semester 1, a move which is greatly appreciated, but is not available on campus for the rest of the year. Centrelink must take steps to ensure that all eligible students are aware of their entitlements so as to reduce the numbers suffering unnecessarily. This is a problem that the MSA has consistently pointed out to the senate<sup>16</sup>.

**Recommendation 4: That Centrelink be advised to provide clearer and more widely available material on accessing student income support measures.**

**Recommendation 5: That Centrelink be advised to endeavour to provide on-campus offices regularly throughout the year.**

#### **Defensive Attitude of Centrelink**

For many students that the MSA has contact with, Centrelink is seen to take a suspicious and defensive attitude to students. Especially in regards to the independence criteria, the approach of Centrelink to students discourages them from applying for deserved benefits. For instance, students that have grounds to claim independent status on the basis of unable to live at home may be unable to find an appropriate authority figure to vouch for their situation and Centrelink will not accept a statement from a friend or peer. This can result in students being either forced to stay at home in negative conditions, move out and rely on excessive part time work or discontinue study in order to work full time. The rationale behind a defensive attitude is to save tax payers money from those that are trying to abuse the system. The MSA, however, believes that it is far better to have a few people abusing the system than having even a few people living in dire poverty due to the attitude of Centrelink.

**Recommendation 6: That Centrelink be directed to improve the handling of young people in order to ensure all eligible people receive their entitled benefit.**

#### **Breaches**

For many students, the inadequate level of payment forces students to find ways of making ends meet which often results in them breaching conditions of the YA. The result of a breach is a Centrelink debt that must be paid back and is often done through cuts to fortnightly payments<sup>17</sup>. In its submission into the 2003 Senate Community Affairs Reference Committee into Poverty and Financial Hardship, the National Union of Students noted that “more than 17,000 of Youth Allowance debts

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<sup>16</sup> See MSA submission to the Crossroads Higher Education Review and MSA submission to the Inquiry into the capacity of Public Universities to Meet Australia’s Higher Education Needs.

<sup>17</sup> The Centrelink Fact Sheet, *How to avoid a breach penalty of Newstart and Youth Allowance*, states “You could lose from \$48 up to your whole payment, each fortnight for up to six months”.

were related to study issues”<sup>18</sup>. The way that Centrelink deals with these problems results in less income support for the student and when lack of income support brought them into this situation in the first place, such action is unjust.

**Recommendation 7: That Centrelink be advised to take into account the reasons for a student’s financial circumstances when dealing with breaches.**

**Recommendation 8: That Centrelink be advised that when dealing with debts incurred by breaches, the level of support provided to students is not reduced.**

### **Problems with Independence Criteria**

YA recipients are determined to be either dependent or independent. This status affects the levels of support and, in many cases the ability to access support. To be independent, students must fit one or more of the following criteria:

#### **Criteria for Independence<sup>19</sup>**

- are, or have been, a member of a YA couple, OR
- have, or have had, a dependant YA child. That is a child who is, or was, wholly or substantially dependent on them or their partner, OR
- aged 25 years or over, OR
- orphan, OR
- parents cannot exercise their responsibilities because they are in prison, a psychiatric hospital or similar institution, OR
- refugee, OR
- young person in state care, OR
- unreasonable to live at home, OR
- are, or have been, self-supporting through employment, OR
- aged 18 and over, and have a work history but who experience education or employment disadvantage.

The full amount of YA is only available if the student is classified as independent or is able to claim the living away from home rate. Dependent students also have their parent’s income and assets taken into account when assessing the request for support. This is done regardless of whether the parents provide actual support or not.

The MSA finds the independence criteria far too strict and it results in many students living on substantially inadequate budgets. Further, the automatic independence age of 25 fails to take into account community standards and expectations. The associated assumption that parental support will continue until 25 must also be questioned. Additionally the independence criteria fails to take into account the unique situation of Queer students.

### **The Independence Criteria is too Strict!**

Access to necessary income support is restricted by the strict nature of the independence criteria. Many students in need of support are denied it by this set of

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<sup>18</sup> NUS, (2003). NUS Submission to the Senate Community Affairs reference Committee Inquiry into Poverty and Financial Hardship.

<sup>19</sup> Department of Family and Community Services, Guide to Social Security Law, <http://www.facs.gov.au/guide/ssguide/32510.htm>



criteria. This denial of independent status can be seen as the cause of family problems. It has been noted that “counsellors and student financial advisors consistently report tensions between students and parents which can be traced back to expectations and tensions about income and competing family needs”<sup>20</sup>. The MSA finds it disappointing that students are denied access to need support due to what appears, in many cases, to be arbitrary decisions based on fiscal frugality.

The arbitrary nature of the conditions can be illustrated by the option of being declared independent under the paid employment category which is:

### **Paid employment category**<sup>21</sup>

A young person is considered independent for YA purposes, if they have supported themselves through paid work consisting of:

1. Employment of at least 30 hours per week (i.e., full-time employment) for at least 18 months during any period of 2 years, OR
2. Employment of at least 15 hours per week (i.e., part-time employment) for at least 2 years since the person last left secondary school, OR
3. Employment within an 18 month period with cumulative earnings totalling at least 75% of the appropriate maximum Commonwealth Training Award rate (i.e., more than 75% of \$15,095)

This category is used as a back door to the income support provided by being considered independent. The perceived rationale behind this is that students who have done this have proven their ‘independence’. It is the opinion of the MSA, however, that students have a right to live independently and it is unfair for them to have to prove this status.

### **Independence and Community Standards**

It is generally considered that a person becomes an independent adult at the age of 18 yet for student income support purposes this is unjustly delayed for seven years. As stated to previous committees, “the MSA believes that the default age of independence is unreasonable, and cannot be justified on any basis other than overtly restrictive fiscal policy”<sup>22</sup>. This has been backed by many commentators including Callaghan who stated in 2003 that, “it is clear that a definition of independence starting at 25 years of age is unfair and unjustified”. A student should be considered independent at 18 which is in line with community expectations. Anything higher puts undue pressure on students and their families that are required to support them.

### **The Assumption of Parental Support**

Underwriting this assessment of independence and dependence is the assumption that parents of students will support their student child through tertiary study. Many parents cannot as their incomes are too low (refer to the problem in the parental

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<sup>20</sup> Callaghan, Vincent, Government Financial Support for Students – the case for radical reform, People and Place vol. 11, no. 3 2003 p 18

<sup>21</sup> Department of Family and Community Services, Guide to Social Security Law, <http://www.facs.gov.au/guide/ssguide/32580.htm>

<sup>22</sup> op cit MSA (2002) p46

means test, addressed below). Additionally many parents choose not too, as in their eyes, their child is independent and should support themselves.

Those not considered independent have their parent's income and assets taken into account which often leaves students and their families in financial trouble. The parental means test reduces the available support by \$1 for every \$4 over a base rate of \$28,150 that the parent earns. Many parents over this threshold are simply unable to support their student child(ren).

*Not all parents earning above the threshold can provide the income support needed to underwrite a young adult enrolled into a university program because they have other financial commitments.<sup>23</sup>*

It is unfair to assume that parents will fund their child's life well into adulthood which is what an independence age of 25 does. The result of current policy is an increased burden on families and students.

### **Queer Students and Independence**

The MSA finds that the independence criteria unduly affects queer students in the community. For many students, coming out as queer may severely affect their ability to live at home hence forcing them to move out. The independence criteria however often means such students are either stuck at home or survive on terribly low budgets.

A student in this situation can be considered for the independent rate on the basis of 'unreasonable to live at home', however three problems have been identified that often make this difficult<sup>24</sup>. Firstly, such students become subject to repeat high levels of disclosure to multiple persons. This is a stressful issue and the requirements of Centrelink unduly exacerbate this. Secondly, there is a perception that Centrelink presumes students are being dishonest. Thirdly, there is a reluctance on the part of Centrelink to consider statements from non-authority figures such as friends or partners as appropriate evidence.

**Recommendation 10: That the age of independence be reduced to 18 in line with community standards.**

**Recommendation 11: That Centrelink be advised to take into account the special circumstances of queer students.**

### **Other Problems of Accessibility**

The greatest problem in accessing income support comes from the unfair independence criteria, however, other rules further limit students ability to access adequate income support. The MSA has identified two other areas of concern that must be addressed: the threshold of the parental income test and the liquid assets test.

### **Level of Parental Income Test Threshold**

The department of Family and Community Services states in its Guide to Social Security Law that "regardless of whether a person is paid under the family's actual

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<sup>23</sup> op cit Bessant p.75

<sup>24</sup> These problems are identified in the NUS 2003 Submission to the Senate Community Affairs reference Committee Inquiry into Poverty and Financial Hardship.

means or parental income they are considered to be paid under the Family Actual Means Test” and if parental income exceeds \$28,150 then YA will be reduced<sup>25</sup>. With the income test at such a low level, many students are unlikely to receive much support at all if they are classed as dependent. This low level also puts undue financial pressure on families as well as students.

### **Liquid Assets Test**

A further obstacle to obtain adequate income support is the liquid assets test. The liquid assets test applies to those applying for Newstart, YA and Austudy and can result in a 13 week waiting period<sup>26</sup>. The liquid assets test measures the amount of monetary resources a person has and, over \$2,500 for singles and \$5,000 for couples<sup>27</sup> applies a waiting period, delaying when support payments can be accessed. Hence, in a situation where a person moves from work to study after saving an amount to assist with study costs, they may be denied access to income support for up to 13 weeks, which is the length of a semester at Monash. This is an unfair obstacle that acts as a deterrent to study for this cohort of people.

**Recommendation 12: That the liquid assets test be reworked to accommodate those who save money in order to help support themselves during study.**

### **Problems in extra earning power of students**

Perhaps in recognition of the inadequacy of income support measures, students are permitted to earn up to \$236 a fortnight extra from part time work as opposed to the \$62 a fortnight from the Newstart allowance. This is supported by the income bank which allows students to accumulate any unused portion of the \$236 a fortnight.<sup>28</sup> This extra income is still too low to meet the needs of students and effectively puts a limit on the ability of students to earn enough to study.

Students take up extra employment to the detriment of their chosen path of higher education. Part time employment is taken so as to allow students to gain an income that they can live on. As Callaghan points out, “it is difficult to appreciate the rationale of putting a restriction on a students’ earnings when those earnings are assisting students to survive in their course and succeed academically”<sup>29</sup>. The current limit and income bank level actually causes further detriment to study.

Currently the earning limit set as it is means that YA payments are reduced if a student needs to earn more than \$236 thus forcing them to undertake more work in order to meet student expenditure levels. This can lead to the situation where students face the choice of working to earn the maximum amount and studying on an insufficient income, or working to the point where study is affected to undesirable levels due to strains on available time.

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<sup>25</sup> Department of Family and Community Services, Guide to Social Security Law [www.facs.gov.au/guide/ssguide/11f10.htm](http://www.facs.gov.au/guide/ssguide/11f10.htm)

<sup>26</sup> See [http://www.centrelink.gov.au/internet/internet.nsf/factors/assets\\_liquid.htm](http://www.centrelink.gov.au/internet/internet.nsf/factors/assets_liquid.htm) for details

<sup>27</sup> Source: [www.centrelink.gov.au](http://www.centrelink.gov.au).

<sup>28</sup> Centrelink (2004)

<sup>29</sup> Callaghan (2003). P.19

In 2002 the MSA stated that “the additional earning power generated by the income bank, is not sufficient to meet the basic expenses students regularly incur.”<sup>30</sup> Again the MSA reiterates this point. Further the existence of the income bank and the extra earning power is an effective admission that income support levels are inadequate. It is unfortunate that students are expected to take on part time work to the detriment of their studies. Especially when students are defined as studying “full-time”.

**Recommendation 13: That in conjunction with a rise in student support levels, more leniency is allowed in the ability of students to earn needed money from paid employment.**

### **The ‘false narrative’ of student life**

The MSA is of the opinion that the underlying cause of much of the inadequacies of the income support measures is due to a ‘false student narrative’<sup>31</sup>. “This narrative about the identity of university students has been influential in policy making communities”.<sup>32</sup> Specifically, students as a social group do not have the victim status that can be attached to other groups in society. In fact, there is a general perception that poverty is somehow good for students and that students are a privileged lot. This myth needs to be dispelled before adequate income support is viable and the first step towards this is greater research into student poverty and its effects.

### **Lack of Victim Status**

Students have been unable to present themselves as appropriate victims. This is based on such ideas as that the experience of poverty is ‘character building’ for them. Unfortunately, the true nature of poverty means that educational achievements are limited and health is endangered. The notion that the experience of poverty is healthy is deplorable and appears to be a convenient scapegoat for frugality on the part of government.

### **The Need for Further Research**

In order to clear up the misconceptions of student poverty amongst the policy community, it is necessary that further research be undertaken. This is a point highlighted by Judith Bessant who calls for further research beyond statistical information and in particular ethnographic research into the student poverty issue<sup>33</sup>. Illustrating this lack of research is the fact that, “the commonwealth government, which outlays an extremely large amount of tax payers’ money on student financial benefits has not actually assessed the effectiveness of these schemes in almost 12 years”<sup>34</sup>.

**Recommendation 14: That this committee advise that further research, especially ethnographic research, be commissioned.**

### **International students**

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<sup>30</sup> MSA (2002) p.46.

<sup>31</sup> This idea is articulated in Bessant, Judith. *The Problem of Poverty Amongst Tertiary Students: Why it’s Missing from the Poverty Agenda*, Melbourne Studies in Education, vol. 44, pp. 69-88

<sup>32</sup> *ibid* p.9.

<sup>33</sup> *Op cit* Bessant p.79.

<sup>34</sup> *Op cit* Callaghan (2003) p.19.

An increasingly marginalised group of students are international students. Despite the contribution that international students make in broadening the international influence of Australia and its domestic graduates, international students are increasingly being treated as sources of quick revenue without regard to their support. It is remiss of the government to ignore international students who struggle in extremely difficult circumstances given the amounts they must pay and the conditions placed on them with through their visas.

**Recommendation 15: That the committee look into alleviating the hardship experienced by international students.**

**i.e. Increase the number of hours students are allowed to work (currently at 20 hours).**

### **The removal of the Student Supplement Loan Scheme**

The Student Supplement Loan Scheme (SSLS) was an offer of extra money in the form of a loan in exchange for giving up a portion of the YA. As of January 2004 the SSLS no longer exists. This was an inadequate system, however without an associated increase in YA its removal has meant that there is now no other option other than part time work for students in need of an adequate income to live and study on. If the SSLS is not going to be reintroduced then it is crucial that YA is increased.

## **Section 2: Income Support in Context**

In a consideration of income support measures available to students, it is important to set the context in which these measures operate. Two central themes in this context are prominent: the increasing costs to students and the influence of participation in paid employment. In addition to these concerns are the influence of the removal of the Student Supplementary Loan Scheme (SSLS). After setting this context it becomes clear that the current measures of income support are no longer sufficient and require radical reform.

### **Increasing Costs to Students**

The MSA has witnessed the steady increase in the costs to students of tertiary education, not only in terms of deferred debts but also in terms of immediate costs. Costs to students essentially come from two sources. Firstly, a shifting of the cost of running universities to students via increases in ancillary fees and changes in the way the university conducts education. Secondly, in the increasing associated expenses of tertiary education such as transport, housing and web access. What is evident when these costs are considered is that, “the amounts of money students can access from Centrelink have not kept up with the costs they need to pay for rent, food, text books, printing, web access etc.”<sup>35</sup>

### **Cost Shifting by Universities to Students**

In February of 2002 Anna Burke, Federal Member for Chisholm (the electorate of the Clayton Campus of Monash University), criticised the universities ancillary fee increases, stating:

*Monash University has long been recognised as a leader. But unfortunately, Monash is now leading the country in cost shifting to students and revenue collecting.*<sup>36</sup>

The increases that she was talking about included a \$95 graduation fee, a \$130 reinstatement of enrolment fee, a \$70 late subject change fee, a \$25 ID card fee, a \$10 fee for a letter stating that a student is enrolled, \$10 for Academic transcripts, a \$250 fee for variation of enrolment outside of semester, a \$250 fee for overseas exam changes and a \$250 fee for distance education exams at other than defined venues. This problem is symptomatic of a problem that is rooted in a lack of public funding for universities: “in an increasingly tight budgetary climate, [universities] are introducing and seeking cost recovery by putting more and more costs on to students”<sup>37</sup>. This lack of public funding also affects other areas of the university which places a further burden on students.

In order to minimise costs, universities have restructured their operations. For Monash this has seen an increased reliance on electronic delivery of services, the reduction of access to teaching staff and the reduction of access to resources. All of which indirectly shift the cost of tertiary education onto students. For example, by forcing students to use the internet in order to complete course requirements the university

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<sup>35</sup> op cit Callaghan (2003) p.15.

<sup>36</sup> Anna Burke, 18 February 2002. Press Release: *Monash University Ancillary Fees Attacked in Federal Parliament.*

<sup>37</sup> op cit Callaghan (2003) p.15.

shifts the costs of teaching, such as building maintenance to the student who must pay for internet usage and the necessary hardware to participate.

However, as the situation stands, there is insufficient computer access available. To demonstrate the extent of this problem it should be said that the situation is currently worse than the minimum goal the University has expounded of one computer per 60 students.

The MSA does not believe that the remedies to the funding crisis lie in the recent Higher Education Support Act (HESA) changes, rather problems are exacerbated by them. The HESA changes encourage universities to continue to recover costs from the students themselves<sup>38</sup>. For a more detailed examination of this problem, the MSA would like to point out the article *The Make a Desolation and They Call it F. A. Hayek: Australian Universities on the Brink of the Nelson Reforms* by Simon Marginson.

**Recommendation 16: The committee advise that limits be placed on universities charging ancillary fees on students.**

**Recommendation 17: That there be an increase in the level of public funding for universities to alleviate the need to obtain money from students.**

#### **Associated Costs of Study**

As well as the increasing costs being imposed by the university students are bearing other increasing cost associated with study. This includes the costs of books, transport, housing and food and other essentials. These costs are unavoidable, are not luxury items and all add up to put a heavy financial burden on students.

#### **Books**

Despite efforts to digitise academic material, students are still in need of textbooks for many subjects. Often however prices can be prohibitive. The cost of books is already high and the impact has been magnified more so by the scrapping of the Educational Text Book Subsidy Scheme<sup>39</sup> (ETSS) which was introduced to alleviate the effect of the GST on books. Due to the removal of the ETSS students are now effectively being taxed for buying textbooks necessary for study. Not helping the situation is the lack of book grants to support students at Monash University Clayton. Despite having high demand in previous years the Book Grants were not reinstated after a restructuring of how the University provides most of its amenities to students.

**Recommendation 18: That the ETSS be reinstated without a sunset clause.**

#### **Transport**

Transport costs are a continual burden for students. Monash University students suffer from being located in an area with less than adequate public transport infrastructure. For students the cost of transport is two fold, firstly in time and secondly in monetary expense. A recent survey by the MSA, in conjunction with Monash University, into the main bus route to the university, found that on average 8.2% of passengers had to

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<sup>38</sup> Simon Marginson, (2004). *They Make a Desolation and they Call it F. A. Hayek*, Essay for Australian Book Review.

<sup>39</sup> The Australian, *Beware: The Price of Books is About to Jump – Budget 2004 Preview*. 05/05/2004

wait for a second bus as the first was over capacity.<sup>40</sup> The inadequacies of public transport in this instance result in students missing classes, hence affecting their studies. It further seems unfair that students need to pay out \$80 for a concession card, to prove that they are poor and can not afford full fare.

Further, the MSA has fielded numerous complaints about unfair parking fines being issued. There have been \$8000 worth of fines levelled at students after having already purchased the appropriate \$80 permit. This occurs every year and is yet another symptom of inadequate transport imposing difficulties on students.

**Recommendation 19: That the federal government provide resources to improve public transport infrastructure nation wide.**

### **Housing**

Another cost that many students must endure is housing. This cost is three fold, for many students they are forced to live at a distance which is too far from the university they attend. Research from the Australian Housing and Urban research institute found that 19.1% of students who don't receive independent rates of YA felt their housing was too far away from their tertiary institution.<sup>41</sup> For others the cost of rent can amount to over half of their income. Lastly, many students are forced into inadequate housing due to the excessive costs of rent. This induces temporariness which means students are forced to endure the costs of moving far too regularly as well as being denied the essential comforts of a quality home.

**Recommendation 20: That investment into cheap student accommodation be provided.**

### **Food on Campus**

On top of the above mentioned increases in costs are other essential items that students are increasing having to pay more for. In 2003 the MSA conducted a survey on the food services provided on campus. This survey revealed that 58.76% of students found the food available on campus expensive and a further 34.31% found the food very expensive. Additionally 42.3% of students found the quality of food below average while a further 18% found the quality poor<sup>42</sup>. The lack of quality cheap meals is a significant issue for many students who are often forced to skip meals due to the cost.

### **The Influence of Part Time Work**

The MSA notes that students increasingly find it difficult to fully participate in the university experience. The idea of a full time student has disappeared to the detriment of the educational experience. Over the past 20 years it has been observed that student participation in the paid workforce has increased dramatically<sup>43</sup>. As well as the increase in general participation in paid employment, students are also likely to be engaged in insecure temporary, casual and even illegal work to supplement their

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<sup>40</sup> MSA, (2004). Huntingdale Bus Study

<sup>41</sup> Terry Burke, Sarah Pinkney and Scott Eweing (2002), *Rent Assistance and Young People's Decision Making*. Australian Housing and Urban Research Institute, p.21.

<sup>42</sup> MSA, (2003). Monyx Food Survey

<sup>43</sup> Michael Long, Martin Hayden (2001). *Paying Their way: A Survey of Australian Undergraduate University Student Finances, 2000 Executive Summary*. AVCC.



income. These facts result in an effect on student's ability to study as well as their ability to participate fully in the university.

### **Increasing Participation**

As a result of inadequate income support measures students have increasingly turned to part time work to provide themselves with an adequate income for studying. In 2001 the AVCC reported that

*The incidence of paid work during semester has increased by just under 50% during the 16 years between 1984 and 2000. Not only are more students in paid employment during the semester, those who are employed are working longer hours. In 1984 full time undergraduate students worked an average of about five hours per week during semester. By the year 2000, full time students worked an average of 14.5 hours a week – nearly three times the hours worked by students in 1984.<sup>44</sup>*

The level of employment is directly related to the inadequate levels of payment, hence an increase in the level of income support for students would help alleviate this problem .

### **Nature of Student Employment**

A significant problem in student employment is the nature of work taken up. In order to work around study students often take low paid, casual, part time and temporary work, additionally many students are involved in illegal cash in hand jobs<sup>45</sup>. These jobs cause a number of problems for students, significant is the issue of the insecure nature of student employment. Due to the nature of casual employment relationships, students have little rights in regards to their employment; there is currently no system which caters for the student worker. This necessity to work and the nature of such employment has an effect on the ability of students to participate in the university experience.

### **Effect on Students**

The necessity to engage in paid employment results in students compromising their studies and their ability to fully participate as students. In 2002 the MSA stated in the Crossroads Higher Education Review that students worked an average of 18.4 hours and that 71.2% of students believed that this had a detrimental effect on their capacity to perform in their degree programmes.<sup>46</sup> This is further illustrated in Table 2.1 and Table 2.2 which detail the effect of paid work on study.

Students are now reliant on insecure employment and in such circumstances “their capacity to plan and attend regular tutorial, lectures or simply to be on campus at set times is extremely difficult”<sup>47</sup>. This results in the quality of education received being undermined, and this is a situation that cannot remain unattended to.

In addition to the difficulties of participating in set classes and academic classes the impost of part time work also detracts for the general university experience. It has been noted that there is “a pattern of less attachment and commitment to university

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<sup>44</sup> Ibid p.13.

<sup>45</sup> noted by Bessant p.71.

<sup>46</sup> MSA (2002) p.46.

<sup>47</sup> Bessant, p.73.

life and study on the part of students working long hours in paid employment”<sup>48</sup> The full student experience involves more than just the required classes, all students should have the ability to participate in at least some of the myriad of extra curricular activities available at tertiary institutions. These activities are important in ensuring that graduates are job ready, the part time work students engage in is often unskilled and does not improve their life skills or contribute to making them job ready. A reduction in the part time work students are forced to undertake, is necessary to ensure that students are healthy and graduate job ready.

**Recommendation 20: That an investigation into the unique circumstance of student employment be undertaken with the purpose of finding the full effects of paid employment on students in terms of their educational achievements and lifestyle.**

**Recommendation 21: That student workers are granted rights in order to assist in balancing paid employment and tertiary education.**

**Table 2.1**  
**Adverse effect on study due to paid work during semester for Monash Students**

	Full time students	Part time students	All students
no work	16	11.2	12.8
not at all	26.3	11.4	16.1
somewhat	45.1	48.6	47.5
a great deal	12.6	28.9	23.6
TOTAL negative			

Source: Michael long, Paying Their Way, A survey of Australian Undergraduate University Student Finances, 2000 Institutional report for Monash University) February 2002,page 24

**Table 2.2**  
**Missing class due to paid work during semester for Monash Students**

	Full time Students	Part time students	All students
no work	15.8	15	15.4
never	35.5	33.8	34.4
rarely	19.8	12.7	15
sometimes	23.6	22.2	22.5
frequently	5.3	16.3	12.8

Source: Michael long, Paying Their Way, A survey of Australian Undergraduate University Student Finances, 2000 Institutional report for Monash University) February 2002,page 26

<sup>48</sup> McInnes and Hartly, (2000). *Managing Study and Work*. p.39.

### **Section 3: Important Considerations Regarding Adequate Student Income Support**

Income Support levels have significant impact on the equity and nature of participation in tertiary education. Inadequate income support results most seriously in an inequitable higher education system, as the inability to support oneself is a great disincentive to study. Also, given the commitment that tertiary education places on students an adequate income support system must not put undue pressure on the livelihoods of students nor their capacity to participate fully in the higher education experience.

#### **Equity and Income Support**

In the MSA's opinion an equitable Higher Education system is crucial, current income support measures do not provide this and hence reform is needed. The current system of student income support can be seen to act as a disincentive for people from lower socio-economic levels as well as those wishing to return to study from participating in Australia's tertiary education institutions. Further there is evidence that currently universities represent different socio-economic levels inequitably, this is an unjust situation and demands rectification.

Under the current system of student income support many have noted that the costs of supporting oneself during study represents a major disincentive to taking up tertiary education. It has been observed that "41% of lower socio-economic background school students believed their families probably could not afford the costs of supporting them at university"<sup>49</sup> this is a disturbing figure but is backed by others<sup>50</sup>. Bob Birrell et al argues that "it is likely that many who come from families who cannot afford to help with living expenses, or who are unwilling to do so, do not take up the opportunity of a university place."<sup>51</sup> The data present in table 3.1 further illustrates the effect of financial considerations in regards to the uptake of tertiary study. The MSA believes that income support levels should be set at a level so as not to act as a disincentive to study.

In addition to these general disincentives to study are the high costs associated with returning to study. When compared to the rates of other benefits student income support levels present a deterrent to study. As previously pointed out by the MSA a person wanting to return to study faces a lower benefit, are subject to the liquid assets test and if they are over 25 years of age are not eligible for rent assistance.<sup>52</sup> Those wanting to return to study should not be disadvantaged compared to those that make other choices.

Without an adequate income support system tertiary education will remain inaccessible to specific cohorts of the community, and this is a proposition that cannot stand. Australian's value egalitarianism and an income support system which results

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<sup>49</sup> University of Melbourne Centre for the Study of Higher Education (2002), *Submission into Review of Australian Higher Education*. p.2.

<sup>50</sup> those that support this point

<sup>51</sup> Bob Birrell, Ian Dobson, Virginia Rapson and Fred Smith, Submission into the Higher Education at the Crossroads Review

<sup>52</sup> MSA (2002) pp.47-48.

in people being excluded from the tertiary education system based on financial circumstances is intolerable.

**Recommendation 22: Income support measures for students must be structured in such a way so as not to act as a disincentive to study.**

**Table 3.1**

<b>The Influence of Financial Circumstances in Decisions Relating to Under Taking Tertiary Education</b>		
	<b>% of all Monash Student</b>	<b>% of all Students Nation Wide</b>
<b>Financial circumstances influenced choice of course</b>	12.6	11.1
<b>Financial circumstances influenced choice of university</b>	15.4	17.4
<b>Financial circumstances influenced mode of study</b>	38.8	23.3

Source: Michael Long, (2002). *Paying Their Way, A Survey of Australian Undergraduate Student Finances, 2000 Institutional Report for Monash University*. pp.18-22.

### **Quality of Students' Lives**

Income support for students must ensure that students are able to live at a level comparable to the rest of the community. Current measures fail to live up to this measure. The MSA, backed by Bessant<sup>53</sup> and Calaghan<sup>54</sup> argue that the financial problems faced by students under the current system impact negatively on their health and consequently on their ability to study. Further, the independence criteria in particular, which means most students are reliant on their parents for the whole of their course, "has a considerable influence on their feeling of independence and their self-esteem"<sup>55</sup>.

It must not be forgotten that this experience of poverty is not temporary and will have long term effects on a student's life. By being forced to reduce study loads and/or take on additional, debts the nation's future graduates may be paying for their tertiary education for the rest of their lives. Students delaying the completion of their tertiary education put off participating in the community as professionals as well as fulfilling goals in life such as partnering and parenting<sup>56</sup>. Women, in particular, are clearly of a greater financial disadvantage than men, with 66% of women never able to pay off HECS.

<sup>53</sup> Bessant p 72

<sup>54</sup> Calaghan p 15

<sup>55</sup> ibid

<sup>56</sup> Birrel et al p.5.

**Recommendation 23: Income support measures for students must take into consideration the future lives of students.**

**Quality of Education**

Those reliant on income support measures have the same right to quality education as those in a position not to worry. Inadequate income support means that students are unable to fully participate in their education, hence reducing the quality of that education. Ultimately this problem will rebound back to the community as the quality of tertiary graduates is reduced. In order to ensure a quality education for all an adequate income support system is need, the current measures have significant problems that demand reworking.

**Recommendation 25: Income support measures for students must take into consideration the participation, and value of such participation of students within universities.**

## **Student Testimonials**

The following student testimonials are offered to the Committee for Consideration

### **Annabel**

Annabel is an international student at Monash University, who is required to pay \$15000 a year to study her undergraduate bachelor in psychology/criminology. Her parents agreed that they would pay the university fees when they are able to, however Annabel is required to support herself in every other way.

She has to pay rent of \$180 for a flat that she shares with her boyfriend and other expenses include bills, food and car expenses. She needs a car to get from university to work quickly as she has to try and fit everything in together, in a very busy week to get by.

Because Annabel is an international student, she does not get any government support, in the form of a student allowance, however she is still required to pay taxes.

She is allowed to work up to 20 hours a week, if she works anymore than that her visa will be cancelled and she will be forced to leave the country. She is also required to pass all of her courses, to keep her visa, as she is a full time student.

She complains that it is hard to find work, especially when she has to tell her employer that she can never work more than 20 hours a week; or even less, if she is trying to find a second job. Most employers don't like that as they want their staff to be flexible and be available to fill in shifts if they are ever required to do so.

Working: until this weekend, had only less than five hours a week, cleaning houses and is now starting barista work. She cannot plan how many hours she will be working now, she assumes about 16 to 17.

She is worrying about the really strict conditions on her visa. She is constantly worried about making one mistake and her student visa being revoked and not being allowed to finish her course... she does not feel very secure

She volunteers at the cafe at Wholefoods and is able to get meals for free, however at home, she cannot even afford coffee. She has also lived for 6 weeks without a fridge; she got almost everything else in her apartment from hard rubbish, including her plates and furniture, but she was not able to find a fridge and had to survive for six weeks without one, until she saved up enough money to buy one.

She says she is very cold in her apartment but does not turn on the heater because she cannot afford to pay the expensive electricity bills, so she uses a hot water bottle instead, however this does not always keep her very warm.

To save up money to come to Australia, Annabel was working at four different jobs at home, and also surviving without any comforts, living on bare necessities

On top of working, she actually needs to study a lot harder than her Australian peers to pass her subject because her English is still not perfect and sometimes she finds it

difficult to keep up with the lecturer. As a result she has to listen to lectures that she's been to, on line and rewinds bits that she did not understand until it is all made clear. This is also problematic because Annabel does not have a computer and has to drive to university, which is a fair distance away from her house, every time she wants to do some homework

She is so overworked (payed work and school work) and tired from having to drive backwards and forwards that the other day, in the computer lab, Annabel fell asleep behind the computer.

She saves money by not enjoying the same things that other student her age do such as going to gigs, clubs and other social events.

She is also not very healthy as fruit an vegetables can be too expensive, some weeks, and she finds herself eating cheap canned and packaged food, instead of what she would like to be eating.

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### **Conner**

Conner is 19 and is a 1<sup>st</sup> year arts student at Monash University  
She went straight from school to uni.

She is from Yarra Valley, and does not qualify for Centrelink because she has made just under the required amount to claim independence.

She has applied to Centrelink three times and has been rejected on the basis that together the income of her mum and step dad is sufficient. However they cant afford to support her as they are supporting themselves and her little brother and two step kids. Mum is a social worker and does not make enough to support her daughter living in the city and studying.

Conner has worked up to 32 hours a week while she is studying.

She works day and night Friday to Monday and at Uni all through the week Tuesday to Thursday.

She finds herself really tired and antisocial and out of tune with study and people around her.

"I found it hard interacting with other people because I was just too tired and working so hard, I barely made any friends when I first moved to the city".

Currently, Conner lives in a cold bungalow in a backyard of a Richmond dump. She shares a 20m square property with 6 other students but it is an improvement from the garage that she was living in Ringwood.

She still works a lot and finds it hard to balance work and studying and especially cannot afford to spend much time with her friends or take part in any other activities that she is interested in.

**Mari**

I live in the Latrobe Valley, Gippsland and am a full time student at Monash University in Churchill. This is my third and final year as undergraduate in BA: Communications.

My main source of income is the youth allowance benefits I receive from Centrelink. I get a little over \$300 from Centrelink every fortnight.

It took a while before I started receiving rent assistance as well, there is a lot of red tape and without the means for travel it was easier just to let it go, my rent assistance now is \$3.95 which is no where near sufficient.

I occasionally get \$100 or so from a casual administration job at the university.

I pay \$85 p/fortnight rent at the moment as I have 3 other housemates. This will soon change and my rent will go up.

Shopping varies, by it is overall expensive a small example is the price of an avocado-\$2 each, and there is only one shop, unless I travel to another town.

Travel between towns is inexpensive a little over a dollar, however it is very infrequent, usually every hour, only till one on Saturdays and only one bus on Sunday's.

Finding a job has only been successful for me in the last two years, and I was able to find a casual, job at the university itself. This is extremely convenient as there is very little chance in securing a job without the ability to travel between towns. The jobs that are available and accommodate for transport inadequacies are often low paying and illegal opportunities, this makes dealing with Centrelink impossible and are not worth giving up the Centrelink payments for.

Mainly the difficulties I face are transportation, difficulty in communication and dealing with excessive red tape of my income provider Centrelink, making things more difficult in terms of my receiving appropriate benefit amounts and keeping them informed as much as possible. Also the lack of jobs and job security, I find a lot of these are interlinked.

**Simon**

Simon's sole income comes from working at Coles (in a night fill position / this starts at 12 at night and finishes anywhere between 4 and 7 in the morning) anywhere between 1 and 3 nights a week; giving me an income of between \$80-240 and mum supports him by providing \$50 a week as that is all that she can afford.

He pays \$90 rent a week and some weeks he only has \$40 to spend on food, bills and transport? As a result he doesn't eat very well and sometimes cannot afford to buy tickets for public transport. Currently, student concession cards costs \$90 and he cannot afford that so he ends up having to pay full fair, which on some weeks is beyond his means. He has been in some desperate situations when he cannot afford his rent and as a result has built up a substantial debt. Simon is not on Centrelink, although he is eligible to claim independence he has not been able to do so all year. This is because his past employers and superannuation fund weren't particularly forthcoming with the papers required to prove his independence. He needed to get a form from superannuation fund, REST superannuation, whose office is in Sydney and the forms, due to a bureaucratic mistake took 7-8 weeks to arrive. Similarly, the past 8



weeks of paycheques are required and Coles, his employer, throws them out every 2 weeks, which delayed the process even further.

As a result Simon has had to survive by working night shift. This has been detrimental to his studies and his health as sometimes he goes up to 2 days without sleep, having to do night shift and go to class during the day. As a result he finds it hard to concentrate in class, because he is rundown and stressed. He also now owes up to \$650 in met ticket fines because he could not afford full fair tickets. As he cannot pay these fines they have accumulated and now he is being taken to the Perin Court.

He feels that he may be able to pay this fine back in instalments, however the system will only allow for this to occur once another \$75 is added on top in administrative costs and once it has reached court order status. Meanwhile, Simon is struggling financially and has failed a subject that he will have to repeat next semester as a result of this.

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**Authorship**

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