

Chapter 3

Barriers to accessing tertiary education opportunities in rural and regional Australia

Restricted access to education, especially higher education, has been identified in the 'increasing social exclusion of many rural young people', resulting in their being 'shut out of the global marketplace and limited to local labour market opportunities'.¹

Introduction

3.1 The Review of Australian Higher Education (the Bradley Review) stated that: People from regional and remote parts of Australia remain seriously under-represented in higher education and the participation rates for both have worsened in the last five years.²

3.2 The Department of Education, Employment and Workplace Relations' (the Department) submission stated that the underrepresentation of regional and remote students in higher education is more related to their lower likelihood of applying for higher education than their likelihood of receiving or accepting an offer.³

3.3 In responding to the Bradley Review, the Australian Government has set the following targets for participation and attainment:

- that by 2025, 40 per cent of all 25-34 year olds will hold a qualification at bachelor level or above; and
- that by 2020, 20 per cent of higher education enrolments at the undergraduate level will be of people from a low socio-economic status (SES) background.⁴

3.4 In relation to this second target, the Department's submission noted that regional institutions will play an important role in achieving this ambition, given the higher proportion of low SES students in regional areas.⁵

1 National Centre of Science, Information and Communications Technology, and Mathematics Education for Rural and Regional Australia (SiMERR), University of New England, *SiMERR National Survey*, 2006, p. 7.

2 Professor Denise Bradley et al, *Review of Australian Higher Education: Final Report* (Bradley Review), December 2008, p. 31

3 *Submission 523*, p. 27.

4 Department of Education, Employment and Workplace Relations (DEEWR), *Submission 523*, p. 22.

5 *Submission 523*, p. 22.

3.5 However, the committee has heard during this inquiry that rural and regional students face significant barriers in participating in tertiary education. The committee has considered these challenges from two perspectives:

- the financial and social costs to students, their families and their communities in accessing tertiary education opportunities; and
- the barriers to tertiary institutions providing tertiary education opportunities to students in regional Australia.

3.6 This chapter of the report looks at access to tertiary education opportunities from the perspective of the student, their family and their community. The chapter starts with a brief overview of the tertiary education alternatives for rural and regional students and then discusses some of the financial costs to students accessing education opportunities. The context of this discussion is that a large number of students from rural and regional areas are required to move away from home in order to access tertiary education, and this imposes substantial costs on the student and their family. The chapter then moves to a discussion of the government assistance available to students to assist them in accessing tertiary education. The chapter concludes with a discussion of the financial and social costs to students, families and communities of students moving away from home in order to access tertiary education opportunities.

3.7 Chapter 4 of the report discusses the barriers to tertiary institutions providing education opportunities to students in regional Australia.

Tertiary educational alternatives for rural and regional students

3.8 Submissions to the inquiry highlighted the lack of alternatives in terms of educational alternatives in rural and regional areas. For example Gippsland East Local Learning and Employment Network put the tertiary options in that area into the following context:

If a young person from East Gippsland wishes to attend university, they are forced to move away. The closest university, Monash Gippsland, is two hours travel (one way) from Bairnsdale, 3 hours from Orbost and even further from the Omeo Region and Mallacoota, so young people from these parts of East Gippsland need to live away from home to study, even to attend their closest university. The only viable commute would be from Sale to Monash, which is a distance of 70 kilometres, with an approximate driving time of one hour and ten minutes. Some Far East Gippslanders study in Canberra or Albury. A portion of these students return to their communities on weekends to participate in work, sport and community life.

...Locally, East Gippsland TAFE (EGTAFE) offers a range of courses from Certificates I – IV, and a limited range of diploma courses are offered. Degree level courses are not offered at EGTAFE. Most Year 12 completers

who are able to go onto tertiary study must leave the region to pursue courses of their choice...⁶

3.9 Similarly, the Remote Area Planning and Development Board, located in Central Western Queensland outlined the limited training options in that area:

Students from this region currently have no option but to leave the region to attend TAFE or University. The Australian Agricultural College (Longreach campus) provides practical training and development of people working in rural and associated industries. Areas of training include: rural business management, mechanics and welding, building construction, sheep and wool, goat production, cattle and horses, and station activities.

...A new initiative in the region, the Australian College of Outback Tourism (ACOT), aims to supply training in hospitality and tourism. It has a cooperative approach to addressing skills and training shortages in the tourism and hospitality industries in the central west region. ACOT is a partnership between industry, [the Remote Area Planning and Development Board], schools and training organisations with the aim of building capacity in the region and retaining the population through the local delivery of quality accredited training.

ACOT is currently working towards becoming a Registered Training Organisation (RTO) [but there is currently] no funding available for an organisation to become an RTO.

Other issues relating to provision of such training in Central Western Queensland, lies in tourism being exempt from current Department of Education, Employment and Workplace Relations (DEEWR), training funding. A proposal for a mobile trade training centre has been halted as tourism is not regarded as a trade (and therefore not eligible for funding) and yet tourism is one of the main industries and employers in this region.⁷

3.10 The submission from Charles Sturt University stated that course availability was the major factor in students choosing to relocate from rural and regional areas to metropolitan universities.⁸ The issue of course availability at regional institutions is discussed in detail in Chapter 4 of the report.

3.11 However, the committee also notes the comment in the submission of the University of New England that a 'large proportion' of students move to metropolitan

6 Gippsland East Local Learning and Employment Network, *Submission 522*, p. 6. See also Gannawarra Shire Council, *Submission 556*, pp 5-6 which outlines the distances and travel times to tertiary education providers and concludes that young people in that shire 'do not have the option to obtain a university degree or further education while living at home', and Glenelg and Southern Grampians Local Learning and Employment Network, *Submission 474*, p. 5.

7 *Submission 695*, pp 8-9.

8 *Submission 537*, p. 25.

areas for 'social reasons' or out of preference for a metropolitan university and not because they are required to do so to find the course of choice.⁹

3.12 The committee also spent time during the inquiry investigating distance education options for rural and regional students. A number of universities have a significant proportion of their students studying via this means. For example, Southern Cross University has one third of its students studying externally¹⁰ and the University of New England has 80 per cent of its students studying by distance education.¹¹ The committee notes the observation of Professor Bryan Rothwell, Head of Campus, Tweed and Gold Coast, Southern Cross University that 'distance' education is not only for the geographically isolated:

I have been with external or distance education - whatever words you want to use - for many, many years. We really have to forget about those terms. My colleagues here know exactly what I mean about this. The real problem is that we are educating for circumstance - persons who have circumstances which dictate what and how they study. The fact that we call it 'distance' education is wrong; it is not necessarily distance at all. It could be just 10 minutes away. We are having to fund and deliver to persons who have circumstantial difficulties. They can be anywhere, of course.¹²

3.13 Further, the committee was told that many students want the face-to-face experience. For example Ms Barbara Black, Director of the University of Western Australia's Albany Centre, highlighted the importance of face-to-face contact for students studying for their first post-secondary qualification:

School leavers often want more of a social interaction. There is research...that for the first degree, particularly for school leavers, they want the face-to-face experience. Usually after students have done their first degree they cope better with online courses for postgraduate study.¹³

3.14 The committee recognises that there is a place for distance education study, but does not feel that it should replace on-campus study where that is a student's preferred study option. The committee further explores the role of distance and multi-model delivery of courses in Chapter 4.

3.15 The lack of educational opportunities in rural and regional areas means that many students from these areas are forced to move away from home, either to a metropolitan area or another regional area in order to access tertiary education

9 *Submission 558*, p. 3.

10 *Submission 244*, p. 2.

11 *Submission 558*, p. 6.

12 *Committee Hansard*, 2 September 2009, pp 49-50.

13 *Committee Hansard*, 21 September 2009, p. 51. See also Professor Phillip Steele, Pro-Vice-Chancellor Campus Coordination, Campus Director Berwick and Peninsula, Monash University, *Committee Hansard*, 11 November 2009, p. 10 who stressed the importance of the on-campus student experience.

opportunities. The remainder of this chapter examines the barriers to students being able to make this move in order to pursue tertiary education. The main barrier which was raised with the committee and is discussed in this chapter, is the financial costs involved with relocation. The discussion also includes an outline of the financial assistance available to students and the adequacy of this assistance.

3.16 In addition to the financial costs associated with moving away from home, students, their families and their communities face social costs. These social costs are discussed at the end of this chapter.

Financial costs of students moving away for tertiary education

3.17 Overwhelmingly, the committee heard that the greatest barrier to rural and regional students pursuing tertiary education was the financial cost if the student was required to move away from home in order to pursue the course of their choice.

3.18 The *Regional Young People and Youth Allowance: Access to Tertiary Education* report estimates the annual cost for students to study away from home to be \$15-20,000, plus a vehicle. Those costs include:

- Start-up expenses of \$3-6,000 for travel and accommodation to enrol, attendance at Orientation week and sourcing accommodation, bond, computer, moving costs, setting up a house and a vehicle.
- Living expenses of \$250-400 per week either in private rental accommodation, or university residential accommodation, parking fees, phone, transport, clothing sporting fees, work uniform and travel, health, socialising and unexpected expenses.
- Study related expenses such as printer, internet connection, stationary, lecture notes and text books, short courses, and student association fees.
- Travel home and travel and accommodation costs for family to visit.
- Tuition fees including upfront TAFE fees and Higher Education Contribution Scheme (HECS)- Higher Education Loan Program (HELP) fees (if not deferred).¹⁴

3.19 A number of submissions also quoted figures of \$15,000-\$20,000 per year for students to relocate for tertiary studies.¹⁵ Some witnesses put the figure in the range of

14 Naomi Godden, with the Centre for Rural Social Research and Monash University Department of Social Work, *Regional Young People and Youth Allowance: Access to Tertiary Education*, November 2007, p. 10.

15 See for example Ms Clare Wagner, *Submission 102*, p. 2, Ms Susan Matthew, Careers Advisor, Young High School, *Submission 369*, p. 1, St Joseph's College Mildura, *Submission 745*, p. 1, and Professor Neil Otway, Director, Centre for Regional Engagement, University of South Australia, *Committee Hansard*, 23 September 2009, p. 34.

\$25,000 or more.¹⁶ It was not always clear if these figures included HECS-HELP course fees. However, in relation to HECS-HELP fees the Bradley Review stated:

Any discussions of financial support must start with the recognition that the current option to undergraduate students to defer payment of fees or student contributions through income contingent loans removes one of the most significant financial barriers to participation. However, the additional living and study costs associated with higher education enrolment, particularly for those students who need to move away from home to study, are considerable.¹⁷

3.20 The committee accepts the findings of the Bradley Review that the HECS-HELP removes one of the significant financial barriers to participation. The committee intends to focus on those additional costs faced by rural and regional students relocating for tertiary study.

3.21 In relation to TAFE courses, the committee does note that it received evidence to the effect that the payment of up-front fees for these courses can be a disincentive to participation.¹⁸ However, it was also noted that the move towards income-contingent loans and vocational education and training (VET) FEE-HELP scheme would assist these students.¹⁹

Accommodation costs while studying

3.22 The main expense for students relocating to study is the cost of accommodation. In addition to the expense of accommodation, the committee was also told of the lack of affordable on-campus accommodation and the difficulty in sourcing suitable private rentals for students.

3.23 The two most common options for rural and regional students discussed in the course of the inquiry were on-campus accommodation and private shared rentals. The

16 See for example Ms Jessica Baikie, student at Launceston College, *Committee Hansard*, 11 November 2009, p. 53, quoting figures from the Monash University website, Mr Denis and Mrs Margaret Riddle, *Submission 61*, p. 1 and Ms Janet Westland, *Submission 152*, p. 1. The Victorian Parliament's Education and Training Committee estimated the study and living costs for a student living away from home for a three year degree to be \$82,382-\$101,519, depending on whether the student lived in shared rental accommodation or on-campus accommodation, see Victorian Parliament, Education and Training Committee, *Inquiry into Geographical Differences in the Rate in which Victorian Students Participate in Higher Education*, July 2009, p. 171.

17 Bradley Review, December 2008, p. 47.

18 See Ms Margaret Mibus, General Manager, Aboriginal Access Centre, TAFE SA, *Committee Hansard*, 23 September 2009, p. 20 and Dr Ruth Schubert, General Manager, TAFE SA Regional, *Committee Hansard*, 23 September 2009, pp 24-25.

19 Mrs Robyn Dyer, Institute Director, Barrier Reef Institute of TAFE, *Committee Hansard*, 10 November 2009, pp 33-34.

committee got some indication of costs of different types of on-campus or university residence accommodation at various locations around Australia:

- Residential fees at Murdoch University Student Village in 2010 will range from \$95 per week for a double (share) room in a self-catered apartment of 5-6 residents to \$290 per week for a one bedroom apartment. Additional fees include an application fee of \$35; a one-off 'residential program fee' of \$170; a utility fee of \$15 per week; and an annual security fee of \$500.²⁰
- Residential fees at James Cook University's Western Court in 2009 were \$260 per week for full board in a single room for the academic year (40 weeks). Compulsory additional fees included an administration fee of \$220-300; a Resident Student Association fee of \$80; and a security deposit of \$300.²¹
- Fees at Aquinas College in Adelaide are \$330 per week for the academic year (fully catered). Other fees include telephone rental at \$50 per term; and application fee and bond of \$625.²²

3.24 Submissions and evidence highlighted the benefits of the pastoral care aspects of on-campus accommodation for students living away from home, particularly in their initial years of tertiary study:

For a student who has just finished school and left home to attend university or TAFE this type of accommodation is crucial for the academic and social success of the student and is an ideal first step to independence.²³

20 Murdoch University Student Guild, answer to question on notice, 22 September 2009 (received 24 September 2009). The annual security fee is potentially refundable and will be refunded at the end of the year if the final inspection following departure is satisfactory, and all apartment and room furniture and fittings are considered to be of satisfactory condition, taking account of general wear and tear.

21 Rural Health in the Northern Outback, Tabled Documents, 10 November 2009. A semester rate (18 weeks) is available at \$280 per week and a calendar year rate (52 weeks) is available for \$250 per week. Discounted rates also apply for pre-payment. Full board rates include a meal component of 21 meals a week during the academic year.

22 South Australian Government, *Submission 436*, p. 14. Aquinas College is affiliated with the University of Adelaide, Flinders University and the University of South Australia. The application and bond are only payable by students entering the college for the first time and the bond of \$500 is refundable.

23 Isolated Children's Parents' Association of WA, *Submission 443*, p. 9. See also Ouyen P-12 College Parents' Association, *Submission 532*, p. 1 and Ms Susan Barrett, *Submission 597*, p. 2, Ms Jan Andrews, Deputy Chief Executive, Schools and Children's Services, Department of Education and Children's Services, South Australia, *Committee Hansard*, 23 September 2009, p. 3, Professor Andrew Vann, Senior Deputy Vice-Chancellor, James Cook University, *Committee Hansard*, 10 November 2009, p. 25. See also Professor Phillip Steele, Pro-Vice-Chancellor Campus Coordination, Campus Director Berwick and Peninsula, Monash University, *Committee Hansard*, 11 November 2009, p. 12, discussing the support offered by Monash Residential Services including student mentors, student wardens and a range of academic and social support for students.

3.25 Submissions and evidence highlighted the limited availability of on-campus residential accommodation.²⁴ Professor Phillip Steele of Monash University noted that one of the challenges facing the universities is finding the capital to fund an increase the level of residential accommodation.²⁵ Professor Andrew Vann of James Cook University noted that university had been investigating the possibility of public-private partnerships to build new residences on-campus, however, these plans are currently on hold.²⁶

3.26 Ms Karen Dickinson, Managing Director of Kimberley TAFE, spoke to the committee about funding which has been provided for accommodation in the north-west of Western Australia:

There is quite a large investment being made in the north-west of Western Australia. We have residential accommodation. It is not just going to TAFEs; it is going into educational facilities, so it can be used for TAFE or for any other registered training organisations.

...It is the Western Australian government - the Department of Housing and Works and the Department of Education and Training - and the Australian government...I think the initiative is 'Safer Housing for Indigenous Australians'. We will have 74 beds available specifically for students to come in from areas and study; they will be at Fitzroy Crossing, Halls Creek, Derby and Broome.

...We are negotiating some of the scope at the moment, because often when groups come in there will be a mixture of Indigenous and non-Indigenous, so there has to be some flexibility. Primarily it will be available for Indigenous people coming in from the communities, but there will be non-Indigenous faces there as well.²⁷

3.27 Ms Wendy Burns, Managing Director of South West Regional College of TAFE, noted that a particular issue in relation to TAFE students is their age and ability to self-cater:

...university students are old enough for self-catering facilities, but TAFE students are younger and are not really old enough - or have questionable abilities - to self-cater. They need supervision or whatever, and that is quite expensive.²⁸

3.28 The committee also notes there is concern surrounding the increase in universities outsourcing accommodation services to private operators. The President

24 See for example University of NSW, *Submission 467*, p. 2, Dr Stephen Weller, Pro-Vice-Chancellor Students, Victoria University, *Committee Hansard*, 11 November 2009, pp 12-13.

25 *Committee Hansard*, 11 November 2009, p. 12. See also Professor Joyce Kirk, Pro-Vice-Chancellor Students, RMIT University, *Committee Hansard*, 11 November 2009, p. 13.

26 *Committee Hansard*, 10 November 2009, p. 24.

27 *Committee Hansard*, 21 September 2009, p. 67.

28 *Committee Hansard*, 21 September 2009, p. 68.

of the Edith Cowan University Student Guild explained to the committee that this arrangement could leave students in a tenancy 'loophole':

Under the Residential Tenancies Act, higher education facilities are exempt because they are covered by the university's pastoral care requirements, appeals processes et cetera. But when the university outsources it, which has happened in the last couple of years, [students] are suddenly not covered under the Residential Tenancies Act and they are not covered by the pastoral care and appeals processes of the university. The buck does not stop with the university; it stops with this commercial provider and whatever is in their contract. If you complain and you do not like it, they will kick you out and put in another student.²⁹

3.29 At its Perth hearings the committee was told that students sometimes did not find out if they had a place in university residences until December the previous year, or even early in the year they commence study. This leaves students who do not get a place in a university residence limited time to find alternate accommodation.³⁰

3.30 For many students, the alternative to residences is private rental accommodation, often shared with other students. Similarly to the situation with on-campus or university residences, private rental accommodation comes with start-up as well as ongoing costs:

If renting privately Bond (4 weeks rent) plus an additional 2 weeks rent in advance. Bond or deposit maybe required for telephone line, water and electricity. Rent is payable for the full year even during the University holidays whether they are there or have come home for the holidays. Set up costs of the rented premises, such as furniture, household items and food from scratch, purchasing a whole 'pantry' of basics to start off with...The cost of phone calls, emails or text messages actually keeping in touch.³¹

3.31 Private rental places can be limited and students need to compete with others on the rental market, meaning that rents can be expensive.³² The comment was also made to the committee that rental agencies look less favourably on university students

29 *Committee Hansard*, 22 September 2009, p. 50.

30 See Mr Dwayne Richards, Member, Albany Youth Advisory Council, *Committee Hansard*, 21 September 2009, p. 29 and Miss Basha Stasak, President, Guild of Students, Murdoch University, *Committee Hansard*, 22 September 2009, p. 49.

31 Ms Narelle and Ms Paige Riley, *Submission 412*, p. 1.

32 See for example Miss Anna-Jane Gordon, Publications Officer 2009, Rural Health in the Northern Outback, *Committee Hansard*, 10 November 2009, p. 8 who stated that in Townsville while there is the opportunity for students to live off-campus places are limited and prices expensive because the Defence Forces based in the area also require accommodation. See also Ms Jan Andrews, Deputy Chief Executive, Schools and Children's Services, Department of Education and Children's Services, South Australia, *Committee Hansard*, 23 September 2009, pp 3-4 and Dr Peter Havel, Principal, Albany Senior High School, *Committee Hansard*, 21 September 2009, p. 9

as tenants. Students also need to continue to pay for rental accommodation through holiday periods when they return home if they want to retain the accommodation.³³

3.32 Aside from the affordability and availability of accommodation for students at their primary campus, the issue of the cost of accommodation for students on block release or clinical placements was also raised with the committee. For example, the University of Sydney in its submission outlined how this impacts on its final year veterinary degree students:

The cost of attending rural placements appears a major concern for most students completing their veterinary degrees. In their final year, student 'interns' are required to spend almost half their working year in the Sydney and Camden clinics...These units ensure our graduates develop an understanding of rural community issues prior to graduation, but our surveys of their learning experiences consistently identify that the costs of frequent relocation are considerable and increased debt burdens on new graduates, particularly as the relocations compromise their ability to hold part time employment positions in Sydney to support their training. There is limited financial support for these students during this important year of experiential learning.³⁴

3.33 It was noted that for some courses assistance is available to cover these costs, for example, medical students at James Cook University receive some assistance with travel and accommodation while on clinical placement.³⁵ However, similar assistance is not available for nursing, allied health and pharmacy students, who do clinical placements largely at their own expense:

Nursing students, allied health students, pharmacy students and so on will undertake placements all around northern Queensland and indeed elsewhere in the state and the country. They do so largely at their expense. If you are dependent upon a minimum wage job in the hospitality industry of an evening but you then need to be away for eight, five or two weeks, it puts that employment at risk. You cannot give your share house accommodation up. You will need to keep paying that rent. You may well have to also pay for accommodation in the clinical placement site to which you are going.³⁶

3.34 The submission of the TAFE Directors Australia also noted a similar issue in relation to block release for TAFE students:

33 Isolated Children's Parents' Association of Queensland, *Submission 402*, pp 3 and 6. See also Beth and Peter Simpson, *Submission 215*, p. 2 who noted the reverse problem with on-campus accommodation not being available during holidays and students needing to find alternate accommodation if they were going to stay and work.

34 *Submission 524*, pp 3-4.

35 Ms Heather Hanks, Year 4 Medical Student, James Cook University, Rural Health in the Northern Outback, *Committee Hansard*, 10 November 2009, p. 12.

36 Associate Professor Richard Murray, Head of School, School of Medicine and Dentistry, James Cook University, *Committee Hansard*, 10 November 2009, p. 8. See also TAFE Directors Australia, *Submission 527*, p. 5.

The costs of travel and accommodation for students attending universities away from home are prohibitive for many, possibly the majority of, people in many regional and rural communities. In terms of TAFE provision this affects not only those who move to larger centres for full time study, but the majority of part-time students in the trade programs that require blocked periods of institution-based training for rural students who cannot attend on a daily or weekly basis.³⁷

Travel Costs

3.35 In addition to accommodation costs while at university, transport costs are also an important factor in a student's budget. Types of transport costs which add significantly to budgets are the purchase and maintenance of a car and the cost of travelling to and from home during semester or on semester breaks.

3.36 Witnesses and submissions described for the committee the reasons that rural and regional students could not necessarily rely on public transport and needed their own transport. For example, Ms Susan Matthew, the Careers Adviser at Young High School, stated that the lack of public transport in Young meant students were required to provide their own transport:

There is NO public transport in Young. We do not have rail or coach services. The last remaining coach link between Young and Canberra was terminated last year. Rail services are only available to Harden, (30km), Cootamundra (50km) or Yass (85km) There are no buses which link with these services to Young. This means that students have to have their own transport which is an additional major cost.³⁸

3.37 The committee heard that students often felt it necessary to purchase a car to use while studying in situations where public transport is inadequate and students needed their own transport to ensure safe travel at night.³⁹

3.38 The committee also heard that not owning a car can, along with other factors, impact on a student's ability to undertake work during semester. For example, Ms Robin Muller explained that a lack of transport contributed to her son's difficulty in finding part-time work:

He has experienced more difficulty than he expected finding part time work to supplement his payments. The economic downturn has impacted on the availability of part time hospitality work in the inner city area. He is limited to the inner city because he does not have a car in Melbourne as it costs extra to garage a car at his accommodation. His course has 25 hours a week in contact hours, with some lessons finishing as late as 9pm as well as

37 *Submission 527*, p 4. See also Mrs Roxanne Morrissey, Federal President, Isolated Children's Parents' Association of Australia, *Committee Hansard*, 22 September 2009, pp 19-20.

38 *Submission 369*, p. 1.

39 Ms Narelle and Ms Paige Riley, *Submission 412*, p. 1.

homework and a fieldwork component. This also limits his availability for part time work.⁴⁰

3.39 In addition to the cost of purchasing a car, students would then need to be able to fund the incidental costs such as maintenance and parking.

3.40 The committee heard in Western Australia that air travel was often the only practical way for students to travel from home to university on breaks:

Albany is a 'mere' 400 kilometres from Perth, but if a student is living up north the distances are huge and the only way they can travel - apart from spending two days driving, if they can afford a car, or on the bus - is by flying, and regional airfares in WA are a lot more expensive than they are in the rest of the country.⁴¹

3.41 Submissions also noted that, due to transport costs, students were not able to travel home as often as they might like:

It is too costly for her to return home for the mid semester breaks. Needless to say she misses all the family celebrations.⁴²

Income support for students

3.42 There are a number of different types of income support that are available to students. This inquiry has principally focussed on Youth Allowance, which is discussed in depth in this section. The other forms of support that students may be eligible for are Austudy and ABSTUDY, and these are discussed at the end of this section.

Youth Allowance

3.43 The committee has recently tabled a report into the provisions of the Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009

40 *Submission 713*, p. 1.

41 Ms Barbara Black, Director, Albany Centre, University of Western Australia, *Committee Hansard*, 21 September 2009, p. 54. See also Mr Gary Downsborough, Principal, Broome Senior High School and Representative of Australian Secondary Principals Association, *Committee Hansard*, 22 September 2009, p. 79, discussing the cost of airfares between Perth and Broome ranging from less than \$200 to \$300-\$400 each way.

42 Name withheld, *Submission 340*, p. 1.

(the bill).⁴³ In that report, the committee outlined the income support available for students through Youth Allowance.⁴⁴

3.44 Youth Allowance provides assistance for people aged 16-24 years old who are studying full-time or undertaking a full-time Australian Apprenticeship. The maximum rate of Youth Allowance for a single student living away from home is \$371.40 per fortnight.⁴⁵

3.45 Currently, eligibility for Youth Allowance is based on a parental means test, or by applicants meeting criteria that demonstrate their independence.

3.46 Students can demonstrate independence through family or economic (workplace participation) criteria. Family circumstances that qualify a student for the Independent Youth Allowance include: being married or living in a marriage-like relationship for at least 12 months; or having a dependent child.

3.47 Currently, for students to demonstrate independence through workplace participation criteria they must:

- (a) have worked full-time (at least 30 hours a week) for at least 18 months in the last two years (30 hours a week for 18 months criterion); or
- (b) have worked part-time (at least 15 hours a week) for at least two years since leaving school (part-time for two years criterion); or
- (c) have been out of school for at least 18 months and have earned at least 75% of the maximum rate of pay under Wage Level A of the Australian Pay and Classification Scale in an 18 month period (fixed amount in 18 months criterion).

43 The Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009 is currently being considered by the Senate. The Government has introduced another bill, the Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009 [No. 2] into the House of Representatives. The Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009 [No.2] contains the amendments that the Government proposed in the Senate to the Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009, however, those amendments were not accepted by the Senate.

44 Except where otherwise referenced the following paragraphs are extracted from Senate Rural and Regional Affairs and Transport References Committee, *Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009 [Provisions]*, October 2009, paragraphs 3.6-3.9.

45 See Centrelink Factsheet, *Youth Payment Rates: Youth Allowance*, 20 September -31 December 2009. Available at: [http://www.centrelink.gov.au/internet/internet.nsf/filestores/co035_0909/\\$file/co035_0909en.pdf](http://www.centrelink.gov.au/internet/internet.nsf/filestores/co035_0909/$file/co035_0909en.pdf), accessed 25 November 2009. This factsheet sets out the rates of Youth Allowance and additional entitlements that a student may be eligible for as well as outlining the eligibility requirements for Youth Allowance.

3.48 The amendments to Youth Allowance proposed in the bill would remove the part-time for two years and the fixed amount in 18 months criteria as a means of establishing independence for Youth Allowance. If the bill is passed, the only workforce participation criterion which will be retained for students to qualify for Independent Youth Allowance is to work for 30 hours per week for 18 months in a two year period. The committee notes the evidence of the Department of Education, Employment and Workplace Relations that the intention in leaving the 30 hours a week for 18 months criteria in the legislation is not to encourage students to take a gap year:

The intention is to reflect that people who have been in the full-time labour market for a few years, who later form an intention to study, can return to study. Their independence as a full-time worker over a sustained period of time should be the basis on which they are granted independent status.⁴⁶

3.49 Aside from the changes to the workforce participation criteria in the bill, the bill would make the following changes to Youth Allowance:⁴⁷

- Increase the annual parental income threshold for non-independent Youth Allowance recipients to get the maximum rate of Youth Allowance from \$32,800 to \$44,165.
- The parental income reduction for Youth Allowance will also be changed from a taper rate of 25 per cent per person, to a taper of 20 per cent apportioned between the members of the family who are subject to the parental income test. This change will reduce the effect of parental income on a Youth Allowance recipient, particularly where the same parental income applies to multiple recipients in a family. It will also mean that the point at which a person's parental income disentitles them to Youth Allowance will be raised.
- The personal, income-free area for Youth Allowance and Austudy students and Australian Apprentices will increase from \$236 to \$400 per fortnight. This means that students and Australian Apprentices will be able to earn up \$400 per fortnight without having their payments reduced. The increased income-free area will be indexed to the CPI.
- The age at which a person is automatically deemed independent will be changed from 25 to 22 years. It is intended that the change will be phased in, so that the age of independence will be reduced to 24 years in 2010, 23 years in 2011 and 22 years in 2012.

46 Ms Robyn Shannon, Branch Manager, Income Support Policy Branch, Department of Education, Employment and Workplace Relations (DEEWR), *Committee Hansard*, 12 November 2009, p. 50.

47 The following information is extracted from from Senate Rural and Regional Affairs and Transport References Committee, *Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009 [Provisions]*, October 2009, paragraphs 1.12-1.21.

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- All students receiving Youth Allowance or Austudy while undertaking an approved higher education course will receive a student Start-up Scholarship. In 2010, the scholarship will be \$1,127 for each six months of study – a total of \$2,254 for the year. In addition to the student Start-up Scholarship payment, some students receiving student income support will receive a relocation scholarship to assist with the cost of relocating for study. The scholarship will be \$4,000 for a student's first year, and then \$1,000 per year, in subsequent years, up to four years.⁴⁸
 - Merit and equity based scholarships will be exempt to a threshold of \$6,762 per year, and the threshold will be indexed.

3.50 The bill was amended and passed by the Senate on 17 November 2009. On 18 November 2009 the House of Representatives considered the amendments put by the Senate and agreed to the following:

- The inclusion of a Review of impact of student income arrangements in the legislation (the Review). The Review must start by 30 June 2012 and be completed within 3 months. A report of the Review must be tabled in Parliament.
- That in terms of the remaining workforce participation criteria, applicants will be required to work full-time, *on average* 30 hours per week, instead of working full-time, *at least* 30 hours per week.

3.51 On 24 November 2009, the Senate considered further amendments to the bill proposed by the Government. Those amendments were not accepted by the Senate. The Government has introduced an amended bill (Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009 [No. 2]) into the House of Representatives encompassing the original amendments made by the Senate,

48 The Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009 [No. 2] provides that in 2010 the amount of the Student Start-Up Scholarship will be \$717 for each six months of study. See Schedule 2, Part 1, Item 4 of the Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009 [No. 2] which inserts a new section 592H (Amount of student start-up scholarship payment) into the *Social Security Act 1991*.

as well as the proposed amendments by the Government which were rejected by the Senate. Both bills are still before the Parliament.⁴⁹

Austudy

3.52 A student may be eligible for Austudy if they are aged 25 or over and are:

- studying an approved full-time course at an approved institution, or
- undertaking a full-time Australian Apprenticeship.

3.53 Full-time secondary education courses, graduate courses, undergraduate courses, and some Masters, diplomas, and TAFE courses are approved for Austudy. Unlike Youth Allowance, there is no independence test for Austudy. If a person qualifies for Austudy they are considered independent. This means the parental means test does not apply.⁵⁰ The maximum rate of payment for Austudy is \$371.40 per fortnight for a single person.⁵¹

ABSTUDY

3.54 A student may be eligible for ABSTUDY if they are of Aboriginal or Torres Strait Islander descent, or identify as an Aboriginal or Torres Strait Islander person and:

- were aged 14 years or more on 1 January and are studying at primary school, or
- are doing secondary school studies, or
- are studying full-time or part-time at a TAFE, university or tertiary institution, or

49 For more information on the progress of the Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009 see:
<http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query%3DId%3A%22legislation%2Fbillhome%2Fr4193%22>, accessed 11 December 2009. For more information on the Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009 [No. 2] see:

http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;adv=yes;db=;group=:holdingType=:id=:orderBy=priority,title;page=:query=Dataset%3AbillsCurBef%20SearchCategory_Phrase%3A%22bills%20and%20legislation%22%20Dataset_Phrase%3A%22billhome%22%20Decade%3A%222000s%22%20Year%3A%222009%22%20Month%3A%2211%22%20Day%3A%2225%22;querytype=:rec=7;resCount=, accessed 11 December 2009.

50 See Centrelink Website, *Austudy: Eligibility*. Available at:
http://www.centrelink.gov.au/internet/internet.nsf/payments/austudy_eligible.htm, accessed 25 November 2009.

51 DEEWR, *Submission 523*, p. 44. For more information on rates of Austudy see Centrelink, *Education Payment Rates: Austudy, ABSTUDY, Crisis Payment, Pensioner Education Supplement, Assistance for Isolated Children*, 20 September - 31 December 2009. Available at [http://www.centrelink.gov.au/internet/internet.nsf/filestores/co033_0909/\\$file/co033_0909en.pdf](http://www.centrelink.gov.au/internet/internet.nsf/filestores/co033_0909/$file/co033_0909en.pdf), accessed 25 November 2009.

- are undertaking a full-time Australian Apprenticeship, or
- are doing a distance education or correspondence course, or
- are studying for a Masters or Doctorate degree.⁵²

3.55 ABSTUDY recipients living away from home may receive and away from home rate payment that is aligned with the Youth Allowance rates for students under 21 years of age. Students aged 21 years and over, living away from home to study, can receive a maximum ABSTUDY Living Allowance of \$453.30 per fortnight.⁵³

Other income support measures

3.56 As part of the proposed reforms to income support for students, the Australian Government has also announced two scholarships:

- the Student Start-Up Scholarship will be available to all students receiving income support through Youth Allowance, Austudy or ABSTUDY. The Student Start-Up Scholarship will be valued at \$2,254.⁵⁴
- the Relocation Scholarship will be available to students receiving Youth Allowance or ABSTUDY who are required to move away from home. The Relocation Scholarships are valued at \$4,000 in the first year of study, and \$1,000 in the subsequent years.

3.57 The Student Start-Up Scholarship and Relocation Scholarship replace the current Commonwealth Education Costs Scholarship and the Commonwealth Accommodation Scholarship respectively.⁵⁵

3.58 Students receiving Youth Allowance, Austudy or ABSTUDY may also be entitled to a range of other payments, including:

- Rent Assistance of a maximum of \$111.20 per fortnight for a single person living alone or \$74.13 for a single person in shared accommodation.⁵⁶

52 See Centrelink Website, *ABSTUDY: Eligibility*. Available at: http://www.centrelink.gov.au/internet/internet.nsf/payments/abstudy_eligible.htm, accessed 11 December 2009.

53 DEEWR, *Submission 523*, p. 44. For information on rates of ABSTUDY see Centrelink, *Education Payment Rates: Austudy, ABSTUDY, Crisis Payment, Pensioner Education Supplement, Assistance for Isolated Children*, 20 September - 31 December 2009. Available at [http://www.centrelink.gov.au/internet/internet.nsf/filestores/co033_0909/\\$file/co033_0909en.pdf](http://www.centrelink.gov.au/internet/internet.nsf/filestores/co033_0909/$file/co033_0909en.pdf), accessed 25 November 2009.

54 The Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009 [No. 2] provides that in 2010 the amount of the Student Start-Up Scholarship will be \$717 for each six months of study. See Schedule 2, Part 1, Item 4 of the Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009 [No. 2] which inserts a new section 592H (Amount of student start-up scholarship payment) into the *Social Security Act 1991*.

55 DEEWR, *Submission 523*, p. 20.

- Fares Allowance for tertiary students who live away from home for reimbursement of the cost of the cheapest practicable form of public transport to cover the cost of travelling to educational institution at the start of the course and travelling home once studies have finished for the year. Students may also be entitled to a return trip home during the year.⁵⁷

3.59 The Department's submission also includes information about the Living Away From Home Allowance (LAFHA) which provides assistance to eligible Australian Apprentices in their first three years of an Australian Apprenticeship, if they have to move away from their parent's or guardian's home in order to take up or remain in an Australian Apprenticeship or to receive essential supplementary on-the-job training with another employer. Australian Apprentices eligible to receive the allowance receive \$77.17 a week for up to 12 months, \$38.59 a week for a further 12 months and \$25 a week for a third 12 months.⁵⁸

Discussion on the adequacy of income support available to students

3.60 The committee heard evidence and received submissions that the cost of students living away from home for study is so expensive, that many rural and regional students are unable to afford to relocate without some form of financial assistance, usually independent Youth Allowance. The following is an example outlining the importance of Youth Allowance to a student who has relocated for tertiary study:

I write to you from the perspective of student, from a Rural area, who had no choice but to leave home and study in a major centre university. At present I am in my 3rd Year of a Dental Degree at Griffith University and I receive Independent Youth Allowance. Initially I qualified for Dependent YA, when I started my degree. After great financial struggles...I am now in receipt of Independent YA. With absolute honesty I can say I would not be at University if I did not have the support of Independent YA. I also qualify for the Commonwealth [Accommodation] Scholarship. Even with these 2

56 DEEWR, *Submission 523*, p. 44.

57 Fares allowance for one return trip to the educational institution may also be available to external students who are required to attend a compulsory residential component of their course. See Centrelink, *Austudy Brochure*, p. 13, information accurate as of July 2009, available at [http://www.centrelink.gov.au/internet/internet.nsf/filestores/st003_0907/\\$file/st003_0907en.pdf](http://www.centrelink.gov.au/internet/internet.nsf/filestores/st003_0907/$file/st003_0907en.pdf), accessed 25 November 2009 and Centrelink, *Youth Allowance Brochure*, p. 15, information accurate as of June 2009, available at [http://www.centrelink.gov.au/internet/internet.nsf/filestores/st002_0906/\\$file/st002_0906en.pdf](http://www.centrelink.gov.au/internet/internet.nsf/filestores/st002_0906/$file/st002_0906en.pdf), accessed 25 November 2009. Different arrangements are in place for fares allowance for ABSTUDY recipients.

58 *Submission 523*, p. 43. See also TAFE Directors Australia, *Submission 527*, p. 5 which notes that in most jurisdictions apprentices receive assistance towards their costs for accommodation. See also Western Australian Government, *Submission 528*, p. 2 which describes the Travel and Accommodation Allowance that state has available for apprentices.

support mechanisms life is no easy street! With a part time job, that folded earlier this year with [Global Financial Crisis], I manage.⁵⁹

3.61 These are not costs that are faced by students in metropolitan areas who can continue to live at home while attending tertiary studies. On this point, the committee again highlights the evidence of Mr Kent Spangenberg, Principal of Loxton High School, which it referred to in the report on the bill, which illustrates this inequity:

...if you look at the inequity between two families on the same income, - one in a metropolitan area and one in a rural area - the rural family, by the mere fact that they are living rural, has to find some significant additional financial income support or whatever for their child to access the same quality of tertiary education as an urban family. There has to be a baseline there or a benchmark around where that increased cost for accessing tertiary education must be addressed in any sort of solution. It does not matter whether you are earning \$50,000 or \$70,000 in an urban or a rural setting, the rural person has to find additional moneys to have their child study in Adelaide.⁶⁰

3.62 As the committee stated in its report on the bill, it does not believe it is appropriate that a welfare measure, such as Youth Allowance has become the principal means of addressing the inequity between rural and regional, and metropolitan students.

3.63 The committee must point out that receipt of Youth Allowance, even at the maximum rate, does not cover students living costs. Students are supplementing Youth Allowance with part-time work and parental assistance.⁶¹

3.64 In addition, while representatives of the Department referred to students receiving rent assistance of \$111.20 throughout the hearing, the committee notes that this is a maximum amount, and also notes the circumstances in which rent assistance will be reduced:

...if they are a sharer - if they are living in a share house. Like most social security payments, there are different rates depending on your living circumstances, so, if you are living by yourself, the amount you get might be higher than if you are living in a share household, on the basis that you have the ability to split the cost of the rent amongst the renters. If you have private income, or I guess if you are at a point with your parental income, where all of your youth allowance has been withdrawn under the income

59 Name Withheld, *Submission 338*, p. 1. See also Name Withheld, *Submission 84*, p. 1, Ms Therese Francis, *Submission 158*, p. 1 and Ms Ashlinn Mason, *Submission 171*, p. 1.

60 *Committee Hansard*, 23 September 2009, p. 70.

61 See for example Name Withheld, *Submission 7*, p. 1, Name Withheld, *Submission 16*, p. 2, Mr Paul Haarburger, *Submission 392*, p. 1, Isolated Children's Parents' Association of WA, *Submission 443*, p. 5, and Mr Daryl Headlam, *Submission 636*, p. 1. See also Naomi Godden, with The Centre for Rural Social Research and Monash University Department of Social Work, *Regional Young People and Youth Allowance: Access to Tertiary Education*, 2007, p. 92.

test and all that is left is your rent assistance, as the parental income goes up, what is left of your rent assistance will slowly fade out. Rent assistance is actually the last bit of your payment to be removed.⁶²

3.65 The committee was also informed of the inadequacy of ABSTUDY:

That income cap is really quite problematic for a number of students. Often Indigenous students come from rather large families, and so while the dollar amount might seem adequate in some ways it has to be spread across an awful lot of kids. It is a problem. In fact anecdotally the information is that Abstudy is hardly worth dealing with. A lot of people stay away from it; it is just too hard. I do not have any strong figures about that but clearly there is a very strong perception amongst our Indigenous academics that work with us that the changes to Abstudy which were made a number of years ago have impacted quite negatively upon achieving the goal of supporting Indigenous students, particularly in the higher education space.⁶³

3.66 Submissions also commented that the travel subsidies on offer were inadequate. For example, one submission stated that travel subsidies twice a year were not 'worth the trouble/effort to apply for'.⁶⁴ TAFE Directors Australia stated that the travel and accommodation allowances for apprentices were inadequate:

In most jurisdictions apprentices are given some assistance towards their costs but this is not sufficient to cover the costs of accommodation. There are several reports of young apprentices living in and out of their cars while on block study away from home. For part time students other than apprentices, there is no assistance available.⁶⁵

3.67 The committee notes that even prior to the announcement of the proposed changes to Youth Allowance in the Budget, the eligibility criteria for Youth Allowance were considered a barrier for rural and regional students in accessing tertiary education. The *Regional Young People and Youth Allowance: Access to Tertiary Education* report described the overwhelmingly negative attitudes towards Youth Allowance of participants in that study:

Although payments are helpful, the eligibility criteria are far too strict, and Youth Allowance does not address the needs of regional Australians, creating a barrier to tertiary education. Participants feel unsupported, ignored, and believe tertiary education is inaccessible for middle-income regional families.

...

62 Ms Robyn Shannon, Branch Manager, Income Support Policy Branch, DEEWR, *Committee Hansard*, 12 November 2009, pp 64-65.

63 Pro-Vice-Chancellor Don Zoellner, Vocational Education and Training, Charles Darwin University, *Committee Hansard*, 23 September 2009, p. 51.

64 Ms Julie Fibbins, *Submission 36*, p.1.

65 *Submission 527*, p. 5. See also Isolated Children's Parents' Association of Australia, *Submission 264*, p. 4, and Remote Area Planning and Development Board, *Submission 695*, p.11.

If young people are 'Dependent' Youth Allowance eligibility is assessed against their parents' assets and income. Universally, participants believe the income and assets thresholds are very low and unrealistic, as middle-income parents above the threshold cannot provide \$10-15,000 a year to each child studying away from home...The Dependence criteria make income support inaccessible for many regional families, forcing families to meet the independence criteria.

...

To meet the [fixed amount in 18 months criterion] regional young people defer their studies for one to two years to work...or work intensively during semester and university holidays. Participants identify many issues with the Independence criteria...all participants express concern that if young people defer, there is an increased likelihood they may not return to tertiary education...Further, the 18-month period is too long, as most young people who defer are not eligible for Youth Allowance until May of their first year of study, causing significant financial burden, particularly with high start-up expenses. Additionally, the income amount is too high, specifically for young people working during full-time study. Some students have failed university while working to cover living costs and meet the criteria. Finally, many regional young people cannot find consistent, well-paid work to earn the target amount, particularly in isolated and drought-affected communities. With unnecessarily complex requirements, the Independence Criteria is a significant barrier for regional access to tertiary education.⁶⁶

3.68 The committee has discussed at length in its report on the bill the concerns that it has in relation to the proposed changes to Youth Allowance and the impact that these changes would have on rural and regional students.⁶⁷ Those concerns centre around:

- The availability of work in rural and regional areas to meet the 30 hours a week for 18 months criterion.
- The impact of a two year deferral on a student's likelihood of commencing tertiary study.
- The level of the parental thresholds and whether students would be able to get an equivalent amount of support compared with if they received Independent Youth Allowance.
- The nature and perceptions in relation to students being 'dependent' on their parents income.
- The lack of any adjustment being made to the Family Assets Test.

66 Naomi Godden, with the Centre for Rural Social Research and Monash University Department of Social Work, *Regional Young People and Youth Allowance: Access to Tertiary Education*, November 2007, p. 11.

67 Senate Rural and Regional Affairs and Transport References Committee, *Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009 [Provisions]*, October 2009, Chapter 3.

- The linking of access to the Student Start-up and Relocation Scholarships to eligibility for Youth Allowance.
- The replacement of the Commonwealth Accommodation Scholarships with the Relocation Allowance.

3.69 The committee does not intend to further expand on these issues in any details and refers readers to the discussion of these points in its report on the bill.

3.70 In its report on the bill the committee indicated it would use its deliberations for this inquiry to explore other options to minimise the inequity for rural and regional students wanting to access tertiary educational opportunities.

A Tertiary Access Allowance

3.71 The committee was informed of a number of different models of 'Tertiary Access Allowance'. Such an allowance has been recommended in the *Regional Young People and Youth Allowance: Access to Tertiary Education* report:

The Tertiary Access Allowance, a one-off payment for all regional young people when they begin tertiary education, would support regional young people in covering the start-up costs to relocate from their home (including furniture, travel and a computer), costs which are estimated at \$6,000.⁶⁸

3.72 The ICPA has also lobbied for a Tertiary Access Allowance:

The Tertiary Access Allowance advocated by ICPA (Aust) is to enable the student to access their place of study. Access would include securing a place of accommodation, assisting with relocation expenses, travel and other costs associated with leaving home to study. This allowance should ideally:

- Be an annual payment for the duration of the student's full time course on proof of initial enrolment.
- Be a minimum of \$6000 per year (indexed to [the Consumer Price Index]).
- Not be classed as income and hence not jeopardise the student's eligibility for existing support payments such as Youth Allowance.
- Be a non means tested allowance due to current means testing criteria being excessively restrictive.⁶⁹

3.73 The committee explored with witnesses the feasibility of a Tertiary Access Allowance and an appropriate structure for such an allowance. Many witnesses were supportive of the concept of a Tertiary Access Allowance. For example, Mr Gary Downsborough, Principal of Broome Senior High School and Representative of the

68 Naomi Godden, with the Centre for Rural Social Research and Monash University Department of Social Work, *Regional Young People and Youth Allowance: Access to Tertiary Education*, November 2007, p. 120.

69 *Submission 264*, p. 4.

Australian Secondary Principals' Association explained the difference that such an allowance would make to rural and regional students:

...A number of our students I know have not gone away to tertiary education, have stayed in town and have got jobs around town. They were good enough to do university. Their families may earn enough money to send them away, but they saw it as a burden on their families, so they did not go. If there were some incentive or assistance I believe more students from the country would go on to university, and maybe set their aspirations slightly higher or whatever.

If we lived in Perth, our daughter would be attending university. She would probably be living at home. The government already gives us a small amount of money towards accommodation and so on, which is fair enough. But to get some funding to what are called the extra costs of running a second home with the student away from your household would be beneficial. It would help her focus on her work and not have to do extra work. We obviously support her and she does not have to do much extra work. But I know that there are families out there who see it as a burden. They do not have enough money to actually do it.⁷⁰

3.74 Other feedback that the committee received on a proposed Tertiary Access Allowance is that it should not be means tested:

We would argue that any solution that involves a country student allowance based on a definition of rurality should not be means tested. If you have a doctor in the country who has a colleague living in the city and the country doctor says, 'I will have to pay \$30,000 or \$45,000 because I have two or three kids who are studying in the city,' they will compare that with their city counterpart and the decision will be pretty easy - they will go back to the city.⁷¹

3.75 An issue which was drawn to the committee's attention is that it is not only rural and regional students who are required to move away from home to access the tertiary education courses of their choice. The committee received a very small number of submissions relating examples of metropolitan students who would need to relocate to another metropolitan centre, or a regional centre, to access the course of their choice. Below are some examples from these submissions:

We point out that these proposed changes to the Independent eligibility test for Youth Allowance affects not just rural students, but also some city

70 *Committee Hansard*, 22 September 2009, p.84. See also Mr Dominic Rose, Guild President, Student Guild, University of Western Australia, *Committee Hansard*, 22 September, p. 46, Ms Barbara Lawrence, Director, Navigate, Central Queensland University, *Committee Hansard*, 10 November 2009, pp 26-27, Mr John Clark, Principal, School of Distance Education, Charters Towers, *Committee Hansard*, 10 November 2009, pp 44-45, and Ms Rachael Wilkinson, Student, Launceston College, *Committee Hansard*, 11 November 2009, p. 56.

71 Mr David Crouch, Member, Renmark High School Governing Council, *Committee Hansard*, 23 September 2009, p. 78. See also Mrs Gail McHardy, Executive Officer, Parents Victoria, *Committee Hansard*, 11 November 2009, p. 62.

students, particularly those who wish to pursue a career in a discipline or course which is not often in their local city, eg Vet Science is not offered in Adelaide.⁷²

My city-based son has been accepted into Charles Sturt University, Bathurst to study a course that is offered at no other university in Australia. Therefore, for him to undertake this degree, he is not able to live at home and will need to bear not only the costs of attending university, but the basic cost of putting a roof over his head. We are a middle income family and we just do not have the means to provide him the necessary funds to do this.⁷³

3.76 The committee believes that these students face the same inequities in access as rural and regional students, and any Tertiary Access Allowance should also cover these types of situations.

3.77 Some witnesses raised with the committee issues in relation to the parameters of a Tertiary Access Allowance, in particular the extent of safeguards on the allowance to ensure that students who received the allowance were 'required' to move away from home to study. Mr John Clark, Principal of the School of Distance Education, Charters Towers noted that a Tertiary Access Allowance would need to be based on the student attending the nearest university offering the course in which they had been accepted, otherwise students would be 'picking and choosing which universities they wanted to go to based on social or family reasons'.⁷⁴

3.78 Ms Jessica Baikie, a student at Launceston College, highlighted that any Tertiary Access Allowance would need to be sufficiently defined so students who lived within a commutable distance of a tertiary institution were not excluded from receiving the allowance because they moved away to attend university because the local university did not offer the course they wished to study.⁷⁵

3.79 Associate Professor Richard Murray, the Head of the School of Medicine and Dentistry at James Cook University, also expressed concern that measures not be developed that provide an incentive for students to leave rural and regional areas:

For instance, we would be very much in favour of greater income support and eligibility for rural origin students going to university where they have to relocate. But we would want to be careful to make sure that that was not sort of an incentive to go to Brisbane. That would, in a sense, undo the things that are important about building regionally based production and

72 Kirby Financial Solutions, *Submission 728*, p. 1.

73 Ms Catherine Priestly, *Submission 605*, p. 1.

74 *Committee Hansard*, 10 November 2009, p. 45.

75 *Committee Hansard*, 11 November 2009, p. 56.

intellectual capital that is community-building, nation-building and provides workforce.⁷⁶

3.80 Other options which the committee considered include automatic access to independent Youth Allowance for students required to leave home or a low interest or interest-free HECS-HELP style loan to assist students with living expenses.

Automatic access to independent Youth Allowance for students required to move away from home.

3.81 Many submissions suggested that the eligibility criteria for independent Youth Allowance should be amended to provide that a person was eligible for independent Youth Allowance if they were required to move away from home for their tertiary course. The following are examples taken from submissions of the reasons for such an amendment:

Our kids work harder and do more hours than most adults to try to qualify for Independent Youth Allowance under the current rules. Why make it any harder? The government should be looking at ways to encourage more Rural and Regional students to attend University and put in place ways to support them more readily – not making it more difficult. Any students wishing to attend University away from home should automatically qualify for Youth Allowance – no questions asked.⁷⁷

We have, and will consistently argue that rural and regional students should automatically receive full Youth Allowance because of the additional costs and barriers to accessing and succeeding in higher education. These measures would significantly aggravate the current inequity between rural and city students access and success at tertiary study.⁷⁸

All students from rural and remote Australia who have to relocate for tertiary study should be automatically eligible for the independent rate of Youth Allowance.

Rural and remote students face extreme financial and emotional hardships in their endeavour to access and complete tertiary education. Research suggests that these students are more likely to return to their communities of origin, helping to serve the health needs of rural and remote Australia. In order to build strong rural and remote communities with better health outcomes and access to education, we must ensure that students studying medicine, allied health, nursing, and other vital occupations such as teaching, law and accounting return to rural and remote communities.⁷⁹

76 *Committee Hansard*, 10 November 2009, p. 4.

77 Ms Delia Jenkins, *Submission 37*, p. 2.

78 Loxton High School Governing Council, *Submission 446*, p. 4.

79 Rural Health in the Northern Outback, *Submission 559*, p. 20.

3.82 The committee notes that the Victorian Parliamentary Committee in its *Inquiry into Geographical Differences in the Rate in which Victorian Students Participate in Higher Education* recommended that young people who are required to relocate to undertake tertiary students be eligible to receive Youth Allowance. The Victorian Parliamentary Committee concluded:

...due to the substantially higher cost of living away from home, costs constitute a greater concern for young people from non-metropolitan and interface areas. Many participants from rural Victoria argued that the high cost of study, combined with inadequate financial support, were the most important causes of geographical differences in higher education participation rates.

The Committee believes that a fair and accessible system of student income support is of fundamental importance...The Committee believes that income support payments should be increased to take account of the costs of living and relevant poverty indicators. It is also the Committee's view that all students who are required to relocate to undertake tertiary studies should be eligible to receive Youth Allowance.⁸⁰

3.83 The arguments for automatic access to independent Youth Allowance outlined above centre on addressing the inequity of students being required to relocate to access tertiary education opportunities. As the committee has noted in paragraph 3.62, and in the bills report, the committee does not believe that it is appropriate that students rely on social welfare measures as a means of addressing the inequity in access to tertiary education options.

3.84 The committee's preference is for a measure that is aimed directly at addressing the inequity in access.

Low-interest or interest-free loans

3.85 The committee also discussed with witnesses the possibility of low- interest or interest-free, HECS-HELP style, loans being made available to students as a means of financial assistance. The committee was told how this system operated in other jurisdictions:

In the United Kingdom you are able to access a certain amount of financial assistance from the government that you pay back at zero per cent interest. This system is similar to HECS; however, it is targeted at retaining students by minimising disadvantage. This ensures that people who fall through the cracks in the system can at least access some kind of assistance off their own bat. The maximum anyone can get is close to £8,000 a year with the minimum being about £3½ thousand. This loan system minimises

80 Education and Training Committee, Parliament of Victoria, *Inquiry into Geographical Differences in the Rate in which Victorian Students Participate in Higher Education*, July, pp 200-201.

disadvantage and allows students to take responsibility for their own debt. A similar system exists in New Zealand as well...⁸¹

3.86 Witnesses expressed the concern that this option would leave students in debt before they started to work.⁸² Some witnesses also suggested to the committee such a scheme would not appeal to students from low socio-economic backgrounds:

Our concern with that would be that a lot of rural and regional students - particularly low-socioeconomic students - are debt-averse anyway, so I do not think that a HECS system would assist them with overcoming the barrier of incurring a debt. I do not think it would address the issue for low-socioeconomic students to attend university. I think a HECS system would assist some students. Students like me, who do not come from a low-socioeconomic background, would probably be able to spend more time studying rather than working. But I do not think it would be of any assistance for students who are in absolute need.⁸³

3.87 The Bradley Review considered extending the income contingent repayment HECS-HELP scheme as a means of providing additional income support. The Bradley Review concluded:

On balance, while the advantages of extending income support with the use of income contingent loans is conceptually attractive there are currently important questions associated with how this might best, and most equitably, be adopted.

The panel is not drawn to making recommendations on the introduction of a loans supplement scheme or using FEE-HELP as an instrument for income support on the basis of the information available to it at this stage. However, these are matters which would benefit from further consideration and more detailed analysis of their impact on students.⁸⁴

3.88 The committee notes that the Victorian Parliamentary Committee in the *Inquiry into Geographical Differences in the Rate in which Victorian Students Participate in Higher Education* supports the conclusions of the Bradley Review.⁸⁵

81 Ms Rachael Wilkinson, Student, Launceston College, *Committee Hansard*, 11 November 2009, p. 50.

82 See for example Mrs Gail McHardy, Executive Officer, Parents Victoria, *Committee Hansard*, 11 November 2009, p. 63 and Mrs Helen Walton, Publicity Officer, Federation of Parents and Citizens Associations of NSW, *Committee Hansard*, 12 November 2009, p. 7.

83 Ms Michaela Edwards, President, Deakin University Student Association, *Committee Hansard*, 11 November 2009, p. 42.

84 Bradley Review, December 2008, p. 65.

85 Education and Training Committee, Parliament of Victoria, *Inquiry into Geographical Differences in the Rate in which Victorian Students Participate in Higher Education*, July, p. 197.

Committee View

Tertiary Access Allowance

3.89 One of the most significant stories in relation to the barriers for rural and regional students accessing tertiary education opportunities was related to the committee during the course of its hearings for this inquiry:

With regard to strategies to overcome some of the cost burdens of going to university, again, the majority of property owners will buy a house in Townsville and their child will stay there and then rent out the other rooms to get additional income to support them at university.

The strategy of students whose parents are average wage earners, or are basically wage earners, is scholarships. If they do not get a scholarship then their third option is a gap year. Anecdotally, from talking to a deputy principal who has been at the school for a while, the take-up rate once students start gap-year employment is then diminished probably by another 50 per cent. Those students are usually lost to full-time employment because their pathways and life choice change is around that.

As I have said, currently, out of our cohort of about 100, we probably have 20 students who are eagerly awaiting scholarship notifications. Probably 10 of those students have not even told their parents they have applied for university, because they know there is no affordable way that they can do it. Again, from talking to a deputy, anecdotally a lot of students do that; they just apply. If they get a scholarship they will tell their parents; if they do not get a scholarship, no-one knows anything about it.⁸⁶

3.90 It is the committee's strong view that students should not be forced to lessen or stifle their ambitions for a tertiary education because of financial barriers to accessing educational opportunities. The limited options for tertiary education in rural and regional areas mean that many students need to relocate to metropolitan or other regional centres in order to access tertiary education courses. This relocation comes at great financial cost to the students and their families. Until now, independent Youth Allowance has provided a means by which students could, to some extent, lessen the financial barrier that might otherwise prevent them from accessing tertiary education.

3.91 The potential loss of the fixed amount in 18 months criteria as a means of establishing eligibility for independent Youth Allowance has brought into sharp focus the fact that there are no specific means in current government policy through which to address the inequity in access that exists between rural and regional, and metropolitan students.

3.92 The committee notes that the proposed changes to the workforce participation criteria for independent Youth Allowance will particularly impact on middle income

86 Mr Jeffrey Capell, Acting Principal, Ayr State High School, *Committee Hansard*, 10 November 2009, p. 64.

families in rural and regional areas. These are families whose household income means that students will not be entitled to the full rate of dependent Youth Allowance, yet the families do not have the financial resources to fully support a child while they are living away from home to attend a tertiary institution.

3.93 The committee is therefore strongly recommending that the government take action to address this inequity. The committee has considered a number of options for assistance that would be appropriate. As the committee has indicated, this is an equity and access matter, not a social welfare issue. The committee therefore recommends that the Australian Government introduce a Tertiary Access Allowance for students who are required to move away from home to access tertiary education. The committee believes that the Tertiary Access Allowance should be equivalent in value to the rate of independent Youth Allowance as the committee has heard that this amount, while not covering all a student's cost, does contribute in a substantial manner to those costs.

Recommendation 4

3.94 The committee strongly recommends that the Australian Government introduce a Tertiary Access Allowance for students who are required to move away from home to access tertiary education.

3.95 The committee recommends that a Tertiary Access Allowance be structured in the following way:

- Be a total annual amount of \$10,000, indexed to the Consumer Price Index.
- Not be linked to a student's eligibility for any other income support payment.
- Be available to any student required to move away from home to access the tertiary course of their choice.
- Not be subject to a parental means or assets test.

3.96 As noted above the total amount for the Tertiary Access Allowance would be \$10,000 a year. The Tertiary Access Allowance would be paid in instalments of \$5,000 at the beginning of the year, \$2,500 at the end of semester 1 and \$2,500 at the end of semester 2. Payment of the Tertiary Access Allowance would be conditional on the tertiary institution certifying that a student is making satisfactory progress in their course. For the majority of students, this requirement of 'satisfactory progress' would be met by demonstrating that they had passed their courses. The committee recognises that for a small number of students, grades may not be the best way in which to demonstrate 'satisfactory progress', and so the committee believes that a student can also meet this requirement if they satisfy their institution that they have applied themselves to their studies through other means such as attendance, completion of assignments and participation in practical components. The committee believes that linking the Tertiary Access Allowance to a requirement that students continue to make satisfactory progress in their studies will provide an important check in the system.

3.97 In terms of the condition that a student be 'required' to move away from home, the committee recommends that a student would not qualify for the Tertiary Access Allowance where an equivalent course to the one which the student wishes to enrol in is available at a tertiary institution within 90 minutes travel by public transport from the student's home. The committee believes that where an equivalent course is available to the student within 90 minutes of travel by public transport from the student's home, then the Tertiary Access Allowance should not be used to fund the student's choice to relocate.

3.98 The committee notes that it has previously recommended that the fixed amount in 18 months criteria for independent Youth Allowance be retained for students required to move away from home.⁸⁷ That recommendation was made in order to give the committee time to consider the merits of a Tertiary Access Allowance in the course of this inquiry. The committee considers that, in the event that the Government does implement a Tertiary Access Allowance in the terms set out in this report, it will not be necessary to retain the fixed amount in 18 months criteria for independent Youth Allowance.

3.99 The amount of \$10,000 a year provides an approximately equivalent amount of support to students as the independent rate of Youth Allowance, which the committee understands is sufficient in most cases to contribute towards addressing the inequity for rural and regional students in accessing tertiary education opportunities. The committee recognises that \$10,000 a year will not cover all a student's costs associated with relocation. The committee has heard that students receiving independent Youth Allowance also support themselves through part-time work, and in some instances supplementary financial assistance from parents. The committee does not intend that the Tertiary Access Allowance will replace these forms of assistance to students. The committee also notes that some students may also be entitled to dependent Youth Allowance, which will be of benefit to those students from families with low incomes. The committee believes that this is the proper context for Youth Allowance – as a social welfare measure for financially disadvantaged students.

3.100 In the absence of a Tertiary Access Allowance along the lines set out in this report being put in place, the committee maintains the position that the fixed amount in 18 months criteria for independent Youth Allowance should be retained.

Addressing the shortage of accommodation

3.101 As the committee heard in the course of this inquiry, it is not only the cost of relocation that students struggle with, it is also the difficulty in accessing suitable and affordable accommodation close to their tertiary studies that is an issue for students.

87 Senate Rural and Regional Affairs and Transport References Committee, *Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009 [Provisions]*, October 2009, p. 43, Recommendation 1.

3.102 The committee notes the comments from universities with regards to the difficulties in accessing capital funds in order to establish more student accommodation on-campus.

Recommendation 5

3.103 The committee recommends that the Australian Government investigate the establishment of a capital works program to assist tertiary institutions to increase the stock of affordable housing for students.

Support for students on clinical placements or block release

3.104 An important issue raised during the course of this inquiry was the financial difficulties that students face in covering expenses while they are on clinical placement or block release. The committee believes that this is an issue requiring further investigation with a view to implementing a form of temporary income support for students while they undertake these important components of their course. The committee does not envisage that this temporary form of support will cover all a student's expenses while they are on placement or block release but the committee does believe that some level of support is essential.

Recommendation 6

3.105 The committee therefore recommends that the Australian Government investigate the implementation of a form of temporary income support for students while they are on clinical placements or block release.

Family and community impacts

3.106 The committee heard that there are significant family and community impacts associated with students relocating away from home to attend tertiary studies. Some of these impacts are financial and some are social. These impacts are discussed in this section of the report.

Financial impacts on family and community

3.107 Submissions noted that plans for a student to leave home to study were often made a number of years before the student graduated high school and factored into the family budget. For example, Ms Lynne Patten-Malouf set out for the committee the planning and expense which went into her daughter's decision to do medicine:

Financial planning for the families of country students, who intend to study away from home at TAFE or university, is not done overnight. Our family planning for Saada (her desire to become a doctor) started in her year 10, with private school tuition fees, subject selection, extra tuition...and final Med Entry [Undergraduate Medical and Health Sciences Admission Test] course in year 12, all at added expense. It has cost us financially for her to even get into Monash medicine, let alone the cost of her studying in Melbourne...We also must consider our son Jakob who is also likely to go

to university and be there at the same time as Saada. Our family will have 2 students living away with associated costs.⁸⁸

3.108 It was also pointed out to the committee that money spent supporting a student towards and through tertiary studies, is money that is diverted away from local communities. For example, in its submission the South West Local Learning and Employment Network included notes from a community forum outlining the impact on the local economy of families supporting students:

[One participant spoke] on the amount of assistance required for students studying away from home and the impact on the local economy. He calculated that for about 1000 local students leaving home to study in the City, @ \$20,000 p.a., equates to \$20M out of the regional economy. Understanding the impacts of taking \$20M out of the local economy cannot be underestimated.⁸⁹

Social impacts on students and their families

3.109 In addition to the financial costs on a family and communities, submissions and evidence also stressed the emotional toll that moving away from home and their family and social support mechanisms could have on a student:

Regional students when they travel to the universities in the cities suffer cultural and family displacement. They are travelling hundreds of kilometres to attend university, thereby removing their source of financial and emotional support. It is a major disincentive with no family around and no family support, especially when things go wrong, which they invariably do at that age.⁹⁰

3.110 In this context, the committee notes the importance of support services for students. As Deakin University explained in its submission, this support comes at a cost to the institution:

Of the students studying at Deakin from rural and regional areas, a staggering 63% are the first in their family to study at university. School leavers and others from rural and regional areas embarking on university study for the first time require appropriate support. Deakin's experience is that with [the] right support to engage students early in their studies, this group goes on to achieve at the same level as other students. Residential

88 *Submission 136*, p. 1.

89 *Submission 507*, Attachment, p. 6. See also Ms Robin Muller, *Submission 713*, p. 2, who outlined the items that she believed her family would not be spending on in the local community while her son is at university including, vehicle replacement, participation in social events and membership of clubs and recreational activities.

90 Ms Merry Dickins, Parent Representative, Mount Gambier High School Governing Council, *Committee Hansard*, 23 September 2009, p. 69. See also Dr Peter Havel, Principal, Albany Senior High School, *Committee Hansard*, 21 September 2009, p. 2.

accommodation can provide a supportive environment that helps students become engaged in their study.⁹¹

3.111 RMIT University explained in its submission the package of measures it has to support students once they are enrolled which include an online learning lab, English language elective courses for students who may experience difficulty with academic language and Peer Assisted Learning that supports the transition into higher education and improve retention and success of rural and regional students.⁹²

3.112 As indicated in paragraph 3.41, the cost of travel home often meant students did not get to return home as often as they might like to see family and friends. Another reason that students were unable to return home was that they had obtained work in the place that they were studying and were unable to take time off to return home.⁹³

Community impacts

3.113 One of the key community issues highlighted throughout this inquiry, was the importance of providing rural and regional students with access to tertiary education opportunities, so that they would return to the community to work. For example, Ms Anna-Jane Gordon of Rural Health in the Northern Outback (RHINO) of James Cook University told the committee of RHINO's survey results regarding the numbers of students wishes to return to practice in regional areas once they had graduated:

...an online survey that was distributed to approximately 1,500 students studying medicine, dentistry, physiotherapy, occupational therapy, speech pathology, pharmacy, nursing, and sports and exercise science. We had 232 surveys completed. According to the rural and remote and metropolitan area classification of postcodes for secondary schooling, 11 per cent of the respondents were from an urban area, 46 per cent were from a regional area, 30 per cent from a rural area and 11 per cent were from a remote location. Our research results have come from people who have faced the barriers to university education and 96 per cent of them have reported that they would like to return to a regional, rural and remote area upon graduation.⁹⁴

3.114 The committee also notes the work of the 2008 Graduate Pathways Study, referred to in University Australia's submission, supporting the submissions that the committee received in relation to the likelihood of rural and regional students to return

91 *Submission 691*, p. 5.

92 *Submission 546*, p. 3.

93 Ms Linda Phillips, *Submission 29*, p. 1.

94 *Committee Hansard*, 10 November 2009, p. 2. See also Ms Kathy Maslin, *Submission 276*, p. 1, Ms Anne and Mr Steve Longworth, *Submission 377*, p. 1, Mr Grant and Ms Carol Ballam, *Submission 394*, p. 1 and Ms Melanie Williams, *Submission 421*, p. 1.

to regional areas following graduation.⁹⁵ The 2008 Graduate Pathways Study, commissioned by the Department, found:

By the fifth year following graduation, the majority of those who grew up in a remote area of the country are living in one of Australia's state or territory capital cities. Most of those who were from metropolitan areas were also living in capital cities. However, among those who grew up in regional towns, less than half were living in a capital city by the fifth year after graduation.⁹⁶

3.115 The committee also received some submissions from organisations outlining their experiences with students returning to regional areas following graduation. For example, Gippsland Lakes Community Health told the committee:

...we have been able to successfully recruit a podiatrist, dietician, IT worker, health promotion and nursing staff over the past two years – all who came from various regional areas and have moved back to the country as new or recent graduates.⁹⁷

3.116 The committee also notes that while the 2008 Graduate Pathways Study did show that less than half of the students who grew up in regional towns were living in a capital city five years after graduations, this still means that a number of graduates did not return to rural and regional areas following graduation. For this reason, the committee also recognises that a number of submissions and witnesses felt that if educational opportunities were not available to students in the regional where they lived, and they were required to move away from home to study, then students might disengage or disconnect from their community and be less likely to return to work in the area once they have completed their studies. For example, Mr Paul Barnett of the University of Tasmania told the committee:

One of the things that we really want to focus on is the need to support and develop regional communities - some of the solutions to access to higher education that might involve, say, students from the north-west coast in Tasmania all getting places in Hobart do not actually address those issues within the communities because many students who move away from home do not return to those communities. We are really keen to focus on links

95 *Submission 384*, p. 3.

96 Australian Council for Educational Research, Report for the Department of Education, Training and Employment, *2008 Graduate Pathways Survey: Graduates' education and employment outcomes five years after completion of a bachelor degree at an Australian university*, April 2009, p. 95. Available at: <http://www.deewr.gov.au/HigherEducation/Publications/Documents/2008%20Graduate%20Pathways%20Survey.pdf>, accessed 1 December 2009.

97 *Submission 681*, p. 2. See also Leslie Tilbrook, Career Adviser, St Philips College Alice Springs, *Submission 615*, p. 2.

back into those communities - work placements, practicum placements and whatever else within our programs helps to maintain that connection.⁹⁸

3.117 As discussed in Chapter 2, the committee was also told of the community impact of 'the churn of professionals' as families relocated from rural and regional areas to metropolitan areas to enable students to access education opportunities. In particular, this situation breaks the connection that students have with the community and means that they are less likely to return to the area following completion of secondary studies:

We know we have a churn of professionals in regional communities. People come for a short time and then they will leave or because their children need education they will go back to the city, or we have a one-way drain with youngest and brightest people because they cannot come back. This is a constant problem in our communities.⁹⁹

Committee view

3.118 The committee appreciates the immense financial and social cost that students moving away from home to pursue tertiary education options places on students, their families and their communities.

3.119 The committee is of the view that it is not always going to be possible for students to remain at home while pursuing tertiary education. However, the committee has significant concerns that in order for students to access tertiary education opportunities, families are considering relocation to metropolitan areas not only for the students, but for the whole family. As Mrs Jane Fuchsbichler of the WA Farmers Federation explained to the committee, this is a matter that impacts on the vibrancy and sustainability of the whole community:

Also, from an education point of view, we are farmers, but as farmers we want a vibrant community. The educational opportunities are not there for our accountants - we have not got an accountant in Bruce Rock anymore; we are a bit short of bank managers as well - or for all of those people. I think we will lose the physiotherapist soon, because the children are just getting to the stage where they will need to go away. If it is not possible to have equal opportunity in education because of where we are located, we lose the vibrancy of having other people in our communities. It is not just about the farmers; it is about everybody in our community.¹⁰⁰

98 *Committee Hansard*, 11 November 2009, p. 85. See also Ms Margaret Crisp, Chief Executive Officer, North East Local Learning and Employment Network, *Committee Hansard*, 24 September 2009, p. 24 and Ms Gail McHardy, Executive Officer, Parents Victoria, *Committee Hansard*, 11 November 2009, p. 68.

99 Dr Ruth Schubert, General Manager, TAFE SA Regional, *Committee Hansard*, 23 September 2009, p. 19. See also Ms Genevieve and Mr Michael Wells, *Submission 646*, p. 2.

100 *Committee Hansard*, 22 September 2009, p. 74.

3.120 To this extent, the committee believes that the financial assistance offered by a Tertiary Access Allowance will go a long way to assisting families to meet the financial costs of a student moving away from home to access tertiary education, and therefore allowing families to reconsider the need to relocate from a regional area. Retaining families in rural and regional areas, and maintaining students' links to these areas through their families, will ultimately benefit rural and regional communities.