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Services for Australian
Rural and Remote Allied Health

**Submission to the Senate Rural and
Regional Affairs and Transport
References Committee –**

***Inquiry into Rural and Regional Access to
Secondary and Tertiary Education Opportunities***

August 2009

INTRODUCTION

Services for Australian Rural and Remote Allied Health (SARRAH), welcomes the opportunity to make a submission to the inquiry into Rural and Regional Access to Secondary and Tertiary Education Opportunities.

SARRAH believes that allied health professional services are essential to improving the quality of life and better health outcomes for rural and remote communities. It is also SARRAH's view that every Australian should have access to basic health services according to need, irrespective of where they live, and that allied health professional services are basic and core to Australians' health and wellbeing.

Allied health professionals provide a range of clinical and health education services to individuals who live in rural and remote communities. Allied health professionals are critical in the management of their clients' health needs, particularly in relation to chronic disease and complex care needs.

SARRAH recognises that access to tertiary education to obtain qualifications in the allied health professional disciplines is essential to ensure the future of the rural and remote allied health workforce¹.

The following comments address the terms of reference with regards to the Inquiry and are submitted in anticipation that any reforms implemented as a result of the paper make a positive difference to the health and wellbeing of Australians living in the bush.

This submission specifically provides input into the assessment of the adequacy of Government measures to provide equitable access to secondary and post-secondary education opportunities to students from rural and regional communities attending metropolitan institutions with particular reference to:

Study to become an allied health professional

To obtain allied health qualifications people are required to attend university. Regional based education is available for some of the allied health professions (e.g. James Cook University, Queensland; Charles Sturt University, NSW and Rural Physiotherapy at the School of Rural Health, University of Melbourne; and rural campuses of the La Trobe University, Victoria). However students from rural and remote communities may be required to move away from home to attend a metropolitan based university because not all courses are offered in all States or Territories (e.g. Podiatry, Orthotics/Prosthetics, Orthoptics). In addition some students undertaking these courses are required to move interstate. For example there are very limited options to study in the allied health professions within Tasmania and the Northern Territory.

¹ SARRAH identifies the allied health workforce as tertiary qualified health professionals who apply their skills to diagnose, restore and maintain optimal physical, sensory, psychological, cognitive and social function. They are aligned with each other and their clients. Professions may include, but are not limited to: Audiology, Nutrition & Dietetics, Occupational Therapy, Optometry, Orthoptics, Orthotics, Pharmacy, Physiotherapy, Podiatry, Psychology, Radiography, Social Work and Speech Pathology

Allied health courses are in the band 2 for student contributions with students paying up to \$7,412 per annum for their course. This cost is incurred by students from all geographic zones. However, having to move from home has financial implications in relation to transport, accommodation, living expenses, and finding work for those from rural and remote communities.

Changes to eligibility for Youth Allowance

Under the newly proposed Parental Income Test arrangements from 2010 students whose parents earn \$42,559 (increased from the current \$32,800) or less will be eligible for the maximum Youth Allowance. The allowance is reduced on a sliding scale as the parental income increases to a cut-off point. The changes to the method of calculating adjustments to the parental income threshold per dependent child will mean that the parental income test cut off point will rise substantially – a family with two children aged 18 and 20 living at home will receive support up to a family income of \$106,279.

1. This change will have a positive impact on families in rural and remote areas.

Changes to the determination of Independence

Students who have established that they are independent of their parental income are eligible for Youth Allowance based on their own or their partner's income. Currently, students who are over 25 are deemed independent and may be considered independent based on other criteria relating to capacity to live at home, or they can establish independence based on their income prior to commencing their course.

Age of independence

Under the new independence eligibility criteria arrangements there will also be a reduction in the age of independence, 25 in 2009, 24 in 2010, 23 in 2011, and 22 in 2012.

2. This change will have a positive impact on families in rural and remote areas.

Working a minimum of 30 hours a week

Under the changes, from 1/1/2010 a student must have worked for a **minimum of 30 hours a week on average for at least 18 months in a two-year period** since leaving school to be considered independent.

This will have significant impact on students from rural and remote regions.

This means that students can no longer undertake a 'gap year', earn a little under \$20,000 and thereby establish independence and be eligible for Youth Allowance irrespective of their parents' circumstances. The current Australian Government says this change will ensure that only students who are genuinely independent can receive student income support.

In order to work for a minimum of 30 hours per week for 18 months, students will be required to defer courses. If students attempt to enrol in their course of study, the impact of having to work a minimum of 30 hours a week on their ability to be able to study and meet the requirements of their course will need to be considered.

The change in work requirements will have serious implications for students from rural and remote communities. It will increase the inequity between metropolitan students and their rural and remote counterparts.

3. *There are limited opportunities for students in rural and remote communities to gain employment for the required minimum number of hours after leaving school:*

- a. *Work in rural and remote areas is seasonal (e.g. agriculture / hospitality) affecting the ability to work the required number of hours consistently over the period of 18 months.*
- b. *Will the hours be averaged over the period of time or is it a flat rate? If the student works irregular hours on a week by week basis but the average hours per week is 30 will this meet the work requirements? (e.g. work 18 hours one week and 42 the next, does this equate to 30 hours per week over the fortnight or is week one disregarded?)*
- c. *In order to find work, rural or remote students may be required to move from home to a larger centre, thereby incurring additional costs and loss of family support whilst working to achieve independence.*

4. *Most University courses can only be deferred for 12 months. If students are required to take a 'gap' longer than one year, there is a risk that they will lose their University place and may not return to higher education.*

5. *The impact on universities include lower:*

- a. *Enrolments due to increased number of deferrals from students working to meet independence requirements.*
- b. *Enrolments due to withdrawal of students unable to afford to attend university due to inability to meet requirements to get Youth Allowance and parent's inability to afford financial support.*
- c. *Intake of students of rural and remote origin who do not have an option for living at home but enrol into universities, particularly those in metropolitan regions, due to inability to meet work requirements to be eligible for Youth Allowance.*

6. *The impact on students currently on a 'gap' year (2008 school leavers) who have made their career, course and university admission selections based on the old criteria. These students will be making decisions about their future study within the next 3 months and many will now not be eligible for Youth Allowance. This will have serious ramifications for students who may not be able to proceed with their preference for course and university selection.*

- a. *The implementation of the changes, should they go ahead, must only apply to students completing secondary studies after the end of 2009.*

Change to the amount a student can earn when on full Youth Allowance

Changes to Youth Allowance will also allow (from 2011) full-time students to have income of \$400 a fortnight (up from \$236) before payments are reduced. The Youth Allowance will be reduced by 50 cents per dollar between \$400 and \$480 and 60 cents per dollar in excess of \$480. Consequently students will be able to earn more from part-time work before their income support payments are reduced.

7. This change will have a positive impact on families in rural and remote areas. However, the change in the level of allowable earnings must be implemented prior to 2011 as the current limit is resulting in financial hardship now.

Change to the Commonwealth Education Costs Scholarships (CECS) & the Commonwealth Accommodation Scholarships (CAS)

It is proposed to replace the CECS with the new Student Start-up Scholarships, under which **all** students eligible for Youth Allowance will receive income support of \$2254 in 2010. Currently approximately 25,000 students receive CECS whereas the government believes the Start-up Scholarships are expected to benefit 146,600 students in 2010.

The CAS will be replaced by the new Relocation Scholarships. **All** students who are eligible for Youth Allowance and are dependant students who live more than 90 minutes away from home or who are unable to live at home will receive \$4000 in the first year and \$1000 each year thereafter. The Government estimates that the proposed changes will benefit an additional 14,200 students. It does however mean that students receive much less assistance, particularly in the 2nd and subsequent years when the assistance is less than 25% of that provided under the CAS.

- 8. This change will have a mixed impact on students from rural and remote areas.*
- a. All students who receive Youth Allowance will receive Start Up scholarships. This will benefit rural and remote students.*
 - b. All students on Youth Allowance will become eligible for accommodation assistance, benefiting rural and remote students.*
 - c. Students who are not eligible for Youth Allowance are not eligible for the new Start-up and Relocation Scholarships. The difficulty for rural & remote students to meet the requirements to get Youth Allowance has been raised earlier in this submission. It will be increasing difficult for these students to find any support at all to move away from home and attend university.*
 - d. The reduction in funding support for 2nd and subsequent years will provide minimal support for students from rural and remote locations where assistance is most needed. The costs of living away from home are not reduced as a result of being in 2nd or subsequent years of their course.*

Putting a time related factor rather than a distance requirement for eligibility for the CAS could have unintended consequences. Students in metropolitan areas may regularly take 90 minutes to travel from home to university due to traffic and time of day.

9. *It is recommended that a distance measure of more than 56 kilometres from home to the University be introduced – as with the Assistance for Isolated Children Scheme which provides financial assistance for families with children of school age.*

Means test exemption for equity and merit based scholarships

Exemption applies to the equivalent indexed value of Commonwealth Scholarships (\$6622 pa in 2009). The information available refers only to Commonwealth Scholarships or scholarships provided by the university. However there are other scholarships funded by both the Commonwealth and by the States that enable rural and remote students to undertake study in the allied health disciplines (equity scholarships).

Funding under these scholarship programs is limited and consequently not all students who apply for scholarships are successful. Creating financial need as a selection criterion needs to occur in order to equitably allocate scholarships to eligible applicants.

10. *Will all scholarships aimed at providing equity for rural and remote students to undertake study at a metropolitan university be made exempt from means testing?*

a. *If the means test exemption is to apply to the CECS and CAS only it must be clearly expressed. If the intention is not made clear there are potential legal implications for those administering other equity and merit based scholarships funded by the Australian Government, the States and Territories and other funding sources where demonstrated financial need is currently used as a selection criterion.*

11. *Some non-Government scholarships also require the applicant to be in receipt of Youth Allowance to be eligible to apply (e.g. the Gallipoli Scholarship). Rural and remote students will be negatively impacted by the changes to work related criterion for gaining independent Youth Allowance and their ability to apply for a range of non-Government scholarships.*