



Government
of South Australia

**South Australian Government
Submission
to**

**Senate Rural and Regional Affairs and
Transport References Committee**

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

August 2009

Introduction

“The South Australian Government believes education is the ladder to opportunity. The entitlement of every young person, whatever his or her background, to receive a high quality education is fundamental to a prosperous, fair and inclusive society. All South Australians must have the opportunity to reach their potential, and to continue to learn and develop throughout their lives.”¹

The 2008 Melbourne Declaration on Educational Goals for Young Australians set two educational goals for the next ten years:

1. Australian schooling promotes equity and excellence
2. All young Australians become
 - successful learners
 - confident and creative individuals
 - active and informed citizens

The senior years of schooling should provide all students with the high quality education necessary to complete their secondary school education and make the transition to further education, training or employment. Schooling should offer a range of pathways to meet the diverse needs and aspirations of all young Australians, encouraging them to pursue university or post secondary vocational qualifications that increase their opportunities for rewarding and productive employment. This requires effective partnerships with other education and training providers, employers and communities.

All Australian governments have committed to:²

- increasing access to and participation in high quality, industry-recognised training at Certificate III level for secondary school students, including through Trades Training Centres
- partnerships with universities, registered training organisations, TAFE and businesses, to broaden the horizons of students, support educators and provide students with links to further training, education and employment opportunities
- enabling more rural and remote young people to participate in higher education programs
- increasing access to differentiated and coordinated support and assistance for young people likely to disengage or those who have disengaged from education and training
- ensuring students and parents, particularly those in low socio economic status schools have access to extended services such as out of school activities and community development resources.

COAG has established a target to lift the Year 12 or equivalent attainment rate to 90% by 2015.

The South Australian State Strategic Plan has the following targets:

- T6.15 – Learning or earning (existing – modified): by 2010 increase the number of 15-19 year olds engaged fulltime in school, work or further education/training (or combination thereof) to 90%.
- T6.16 – SACE or equivalent (new): Increase yearly the proportion of 15-19 year olds who achieve the SACE or comparable senior secondary qualification.
- T6.19 – Non-school qualifications (existing – modified): by 2014, equal or better the national average for the proportion of the labour force with non-school qualifications.
- T6.20 – Higher education (existing – modified): increase South Australia’s proportion of higher education students to 7.5% of the national total by 2014.

¹ The Honourable Mike Rann, MP in the Forward of “Making The Connections”, October 2003

² MCEETYA, Four-Year Plan 2009 – 2012, 2009

T6.21 – VET participation (existing – modified): exceed the national average for VET participation by 2010.

Clearly the goals and targets identified by state and federal jurisdictions apply equally to students in rural and regional areas of South Australia. The attainment of these targets in rural and regional areas will be critically influenced by the provision of an adequate income support system.

The South Australian Government welcomes this Senate Inquiry and is hopeful that it will lead to:

- a fairer, sustainable and more robust student income support system
- the delivery of high quality education services to rural and remote students and their families
- the strengthening of partnerships between government and non-government providers of services and support related to the provision of education in regional, rural and remote locations
- Improved access, retention and completion rates of tertiary and other post school training for students from rural, regional and remote areas.

This submission argues for:

- adequate levels of income support to improve low socioeconomic status, indigenous and rural students' access to study
- rural and regional students to be able to receive assistance with rent or other accommodation expenses resulting from the need to relocate
- the inclusion of a geographic factor within the eligibility criteria for Youth Allowance, that acknowledges the significant barrier to accessing Tertiary and other post school options identified by students from rural and regional areas
- the need to address social exclusion³ arising from the compounding effects of disadvantage experienced by students from rural and regional areas
- the need to inquire into the factors impacting on the participation, retention and completion rates of tertiary education of students from rural, regional and remote areas
- strategies that will improve access to local training and career pathways within rural and regional areas.

³ M Alston and J Kent, "Educational access for Australia's rural young people: a case of social exclusion" Australian Journal of Education Vol 47 No 1, April 2003

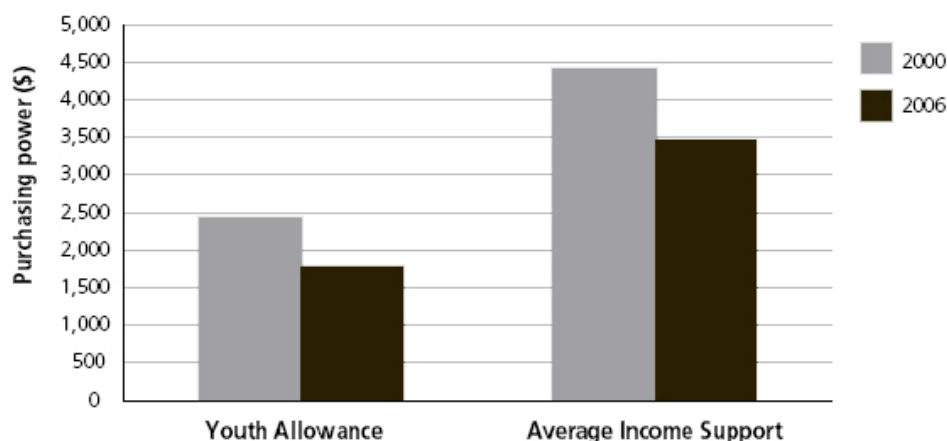
Response

a. the financial impact on rural and regional students who are attending metropolitan secondary schools, universities or TAFE;

(i) the adequacy of payment

The real value of the average amount of funds paid per recipient has been decreasing during the last five years. At present, the majority of recipients (over 62 percent) receive payments of \$200 or more per fortnight.⁴ The relatively high percentage of students in this group is due to the number of students obtaining independent status who access maximum benefits because they are not subject to a Parental Income Test. Students who are dependent and receive assistance come from very low-income families. They are likely to access benefits at maximum level. The existence of a taper rate in Youth Allowance payments has the effect of rapidly reducing the value of the allowance paid to applicants who are in the same family, moderating the average value of support provided. This taper rate applies for each child in the family unlike the rules associated with the Family Tax Benefit, for which the taper rate applies only once, irrespective of the number of children accessing benefits.

Purchasing Power of Student Income Benefits 2000 - 2006⁵



There has also very likely been an adverse effect on the purchasing power of income support which can be traced in large part to the role of rent / accommodation increases. Students living away from home are more likely to be using the majority of their incomes to pay rent / accommodation. Calculations undertaken by the Crawford School of Economics suggest that increased rent / accommodation costs are likely to have had a significant adverse effect on the purchasing power of those on student income support, by perhaps by as much as 10 percent on average over the period 1998-2008.⁶

Overall, in dollar terms, mean student expenditure rose by 14.8 percent in the six years between 2000 and 2006. However, during this same period, the CPI increased by 18.4 percent⁷. In other words, mean student expenditure declined by an average 3.0 percent in real terms. Over the same time, prices in the two key areas of food and housing increased significantly faster than the general inflation rate. The ABS index for food rose by 30.4 percent and the index for housing rose by 23.4 percent.

⁴ D Bradley, et al, Review of Australian Higher Education Final Report 2008

⁵ D Bradley, et al, Review of Australian Higher Education Final Report 2008

⁶ B Chapman and K Lounkaew, Higher Education Financing Issues in Australia, 2008

⁷ December quarter to December quarter, Australia, ABS6401.0 Consumer Price Index

Concerns about income support arrangements have been growing. There is evidence of a decline in the financial circumstances of higher education students between 2000 and 2006; including failure of student income support to accurately target those most in need; and a decline in Australia's position compared with other countries in the provision of subsistence grants and scholarships. These factors may well be having an adverse impact on participation and attainment rates and the quality of the higher education experience for many.⁸

The current student support rules relating to indexation and threshold salary values have resulted in a significantly smaller proportion of the student population receiving assistance than was the case 15-18 years ago and there being relatively reduced benefits distributed, compared with living costs. The detailed rules and eligibility criteria need to be reviewed urgently and changed, for the goals of the income support scheme to be realised.

Increasing these payments will assist with the goal of increasing access, participation, retention and achievement of disadvantaged young people in schooling, further education and training.

In summary, income support and other financial assistance are critically important to attract financially disadvantaged students into higher education and keeping them there.

The current option to undergraduate students to defer payment of fees or student contributions through income contingent loans removes one of the most significant 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 considerable⁹.

(ii) *eligibility criteria*

Current arrangements for student income support are administered through the social security system, primarily under the Social Security Act 1991 and the Social Security (Administration) Act 1999. Income support for students is aimed at providing assistance for individuals from low-income backgrounds while they are participating in schooling, tertiary education or training. Hence the main purpose of the income support strategy has been to:

- increase the participation of young people, particularly Indigenous and those from low socio-economic backgrounds, in senior secondary and tertiary education and training; and
- enhance the human capital outcomes in terms of the quality and diversity of skills and qualifications from university and other tertiary education.

Between 40 and 50 percent of the student population has historically relied upon some level of income support to enable it to participate in education. It is startling that in recent years, while the number of students in the groups which might be expected to require income support has increased, the number receiving benefits has dropped. The reasons for the decline in access to income assistance need to be understood and changes made to improve access¹⁰.

Youth Allowance is the primary payment assisting young people aged 16 to 24 years and enrolled full time in undergraduate and some postgraduate coursework programs in higher education. Generally, it is means tested and so is intended to be targeted at those families and students most in need of assistance. However, analysis undertaken for the review of Australian Higher Education suggests that, as what appears to be an unintended consequence of changes introduced first in

⁸ D Bradley, et al, Review of Australian Higher Education Final Report 2008

⁹ D Bradley, et al, Review of Australian Higher Education Final Report 2008 (p47)

¹⁰ D Bradley, et al, Review of Australian Higher Education Final Report 2008

1998, Youth Allowance has been accessed by some students who are living at home in high socio-economic status households.

The change introduced to the independence test as recommended by the Australian Higher Education Review is designed to address this issue. Unfortunately it will also act as a further barrier to participation for students in rural and regional areas. Eligibility for Youth Allowance is a key issue for regional young people participating in tertiary education. The most common path to Youth Allowance eligibility for regional families has been through Workforce Participation. Regional young people either defer their studies for at least one year to earn enough money to be eligible, or they try to reach the target working intensively during semester and in the university holidays. The current income target, as at June 2009, is \$19,532.

The financial cost of moving to and living in a metropolitan location to access tertiary education is a burden that many families and students cannot afford, creating a barrier to tertiary education. This financial barrier to tertiary education is a recognised human rights issue following a National Inquiry into Rural and Remote Education Access in 2000. The inquiry raised concerns and stated that education should be *“available to all without discrimination, in law and in fact, physically accessible and economically accessible”*¹¹. The lack of consideration of a geographical isolation factor in determination of the Youth Allowance payment and the lack of assessment of the number of young people in the family facing similar financial burdens makes access to the Youth Allowance particularly problematic for regional and rural young people, and their families.

A review of the eligibility criteria for Youth Allowance or the introduction of a Living Away from Home Allowance, is required to overcome the significant financial barriers to participation in tertiary education by young people from rural and regional areas.

Traditionally South Australia’s regional and rural students face a number of barriers to participation in VET and tertiary education including;

- The capacity of families to provide ongoing financial support, noting that the additional costs borne by regional and rural students to study in metropolitan Adelaide is approximately \$15,000pa, primarily for transport and accommodation; and
- Inability of students to qualify for the Independent Youth Allowance rate; and
- The income and asset qualification for farming families; particularly those who are required to have large amounts of capital equipment (assets) to run their business, disqualifying their children for any commonwealth support.

The 2009 Commonwealth Budgetary measures addressing higher education reform have addressed many of the Independent Youth Allowance barriers but the requirement to demonstrate financial independence over 18 months has unintended consequences explained elsewhere in this Submission.

In relation to regional and rural Trainees and Apprentices, the South Australia Government through Traineeship and Apprenticeship Services, contribute to the cost of travel and accommodation for students undertaking block-study in metropolitan institutes, however this does not cover the total amount and additional costs are borne by students and/or their families.

¹¹ Human Rights and Equal Opportunity Commission, “Education Access” National Inquiry into Rural and Remote Education , 2000

b. the education alternatives for rural and regional students wanting to study in regional areas;

(i) distance / on-line delivery

In many regional and rural secondary schools, students' subject choices are extended through access to distance education subjects via Open Access College, local clusters or other providers. Concerns are frequently expressed that students will not achieve the same grades as they do in their face to face classes and for some students can be a very difficult way to study particularly if you are the only student taking a subject with no local teacher support. There is strong evidence that with appropriate local support and the development of key capabilities students can achieve outstanding results through distance modes.

In some rural and remote areas the issue of 'bypassing' the local secondary school is one that causes significant community conflict. Bypassing is a strategy being lobbied for by parent groups as a response to declining numbers in the local secondary schools and increasing use of distance education.

The opportunity to provide high quality learning experiences through online delivery is hampered by poor telecommunications infrastructure. A priority must be assigned to the provision of at least broadband services for educational purposes.

(ii) tertiary institutions, TAFE and other providers

The limited number of higher education providers and campuses located in remote, regional and outer metropolitan areas already face thin local demand and diseconomies of scale. A study commissioned for the review from Access Economics in 2008 forecasts that, over the next decade, total numbers of 15- to 24-year-olds outside the state capitals will decline in Victoria, South Australia, Western Australia and Tasmania, and the Australian Capital Territory. The long-term sustainability of providers and campuses in some areas may be affected, and, thus, participation by people from these areas may fall further.¹²

TAFE courses are available in a number of regional centres in South Australia. TAFE SA learning centres are often based in schools and many courses are available through video conferencing facilities at these sites or other more traditional distance learning arrangements, and the use of blended methodologies for delivery, incorporating on line, computer based, paper based and face to face workshops.

New technologies are expected to enable more rural students to participate in courses through video conferencing from their homes or work sites. However, bandwidth is a problem for many who would like to participate. As greater bandwidth access is rolled out in regional South Australia under the \$1.1million Commonwealth funded Clever Networks Program greater access to courses will be possible. The SA Government has recognised this and introduced affordable broadband access through BroadBand SA focussing on Kangaroo Island, Barossa and Light, Coorong, Murraylands and Riverland, Yorke Peninsula in the first instance.

In terms of tertiary access, in Mount Gambier, TAFE SA Regional is co-located with a University of South Australia campus, though few degrees are offered at this site by the university. There is also a campus of University of South Australia at Whyalla, again only degrees in high demand are offered at this campus.

More innovative, sustainable and responsive models of tertiary education provision are needed in these areas to respond to rapidly changing local needs.

¹² D Bradley, et al, Review of Australian Higher Education Final Report 2008

Universities with at least one rural or regional campus also have higher access rates for students from low socio-economic status backgrounds and for those who come from regional and remote areas. The location of regional and remote institutions, therefore, contributes in a significant way to the participation of students from neighbouring rural areas.¹³

Australia needs a sustainable system of higher education provision in regional and remote areas. Provision needs to be flexible and innovative. It must anticipate and respond rapidly to local needs. Providers in regional and remote areas need to be encouraged and supported to build upon partnerships with local communities, providers in other sectors of education, businesses and industry. Such arrangements will involve institutional cross-collaboration and partnerships, including sharing the use of facilities and resources.

c. the implications of current and proposed government measures on prospective students living in rural and regional areas;

(i) participation

When surveyed more than half of all year 12 students indicated that their preferred option when leaving school would be to access a University Education. As shown in the table below the option of University education was by far the highest priority for all students. This was the case even to Low access rural students, who lived more than 300km away from the tertiary institution.

Preferred Activity When Leaving School¹⁴

	<i>RURAL</i>			<i>URBAN</i>	<i>All</i>
	<i>Low access</i>	<i>Medium access</i>	<i>High access / rural</i>	<i>High access / urban</i>	
Study full-time at university	46.0	53.4	49.6	54.5	51.1
Study part-time at university while working	9.0	9.4	11.6	13.5	12.0
Subtotal	55.0	62.8	61.2	68.0	63.1
Study full-time at a TAFE college	11.7	8.7	7.5	8.8	9.2
Study part-time at TAFE while working	9.6	7.5	7.9	8.8	8.9
Work in family business	1.2	0.5	0.9	0.3	0.7
Take an apprenticeship	10.7	10.0	9.6	4.7	7.4
Work in a full-time job	8.3	6.8	7.2	4.9	6.3
Other	3.4	3.7	5.7	4.4	4.4
	100.0	100.0	100.0	100.0	100.0

Low access more than 300 kilometres to a university

Medium access 151-300 kilometres to a university

High access/rural less than 150 kilometres to a university and home postcode classified as rural

High access/urban less than 150 kilometres to a university and home postcode classified as urban

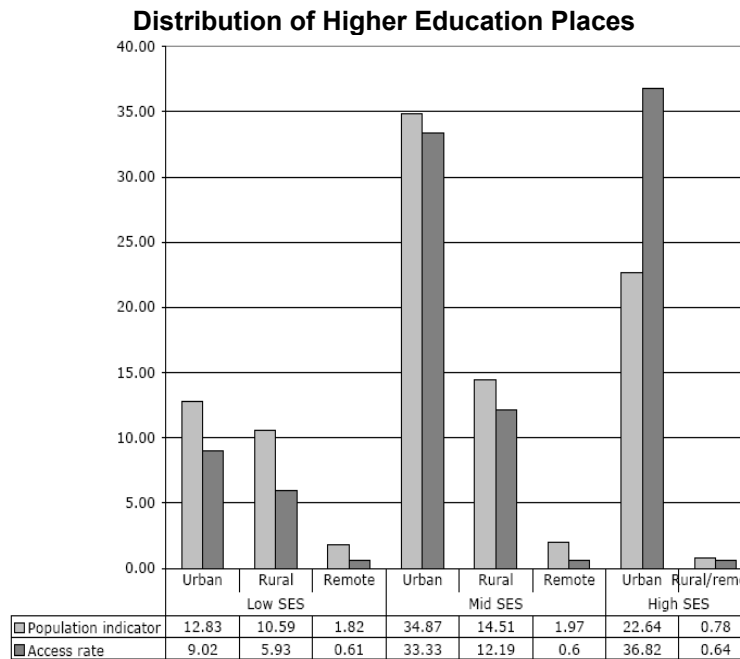
A number of groups are significantly under-represented in higher education in Australia, with little change over the last decade. The most under-represented groups are students from remote parts of Australia, Indigenous students and

¹³ D Bradley, et al, Review of Australian Higher Education Final Report 2008

¹⁴ R James, et al, Rural and isolated school students and their higher education choices: a re-examination of student location, socioeconomic background, and educational advantage and disadvantage commissioned report no. 62 , 1999

students from low socio-economic backgrounds. In 2007, only 1.1 percent of people from remote areas participated in higher education, while the proportion of people from remote areas in the general population was 2.5 percent. Participation of Indigenous people was 1.3 percent (compared with representation in the population of 2.2 percent); participation of people from a low socio-economic background was 15 percent (compared with 25 percent) and participation of rural and regional students was 18.1 percent (compared with 25.4 percent)¹⁵.

The following graph shows the inequitable distribution of higher education places across the three SES groupings and takes into account whether students are from an urban, regional or remote background. Regional and remote students are the most under-represented in each SES grouping, while urban students from high SES backgrounds are the only students that are over-represented. Indeed, the overrepresentation of urban, high SES students comes at the cost of both low SES and medium SES students. The under-representation of people from medium SES backgrounds, albeit only modest, is seldom recognised. However, the likelihood of Australians from medium SES backgrounds attending university is only 56 percent of that of high SES background Australians.¹⁶ The access rate of medium SES background students from rural areas is 11.6% less than medium SES background students from urban areas. Access by students from remote areas is 65.1% less.



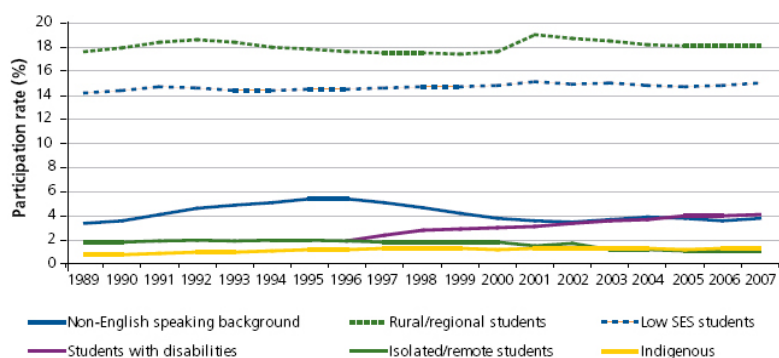
Given the projected shortfall in the number of suitably qualified people to meet Australia's workforce needs over the medium to long term, the failure to capitalise on the abilities of all Australians is a significant economic issue for the nation. It is also a matter of serious concern that individuals are discouraged from participating in, or denied access to, the economic and social opportunities which a higher education provides.

Analysis of the equity performance indicators published by DEEWR show little change in the participation rates of most targeted groups. It is of particular concern that rates for students from regional, rural and remote areas have either remained static or fallen over the last eighteen years. These trends are illustrated on the following graph.

¹⁵ Department of Education, Employment, and Workplace Relations, Higher Education Statistical Collections, 2008

¹⁶ R James, et al, Participation and Equity A review of participation in higher education of people from low socioeconomic backgrounds and Indigenous people, 2008

Participation Rates in Tertiary Education by Targeted Groups 1989 - 2007¹⁷



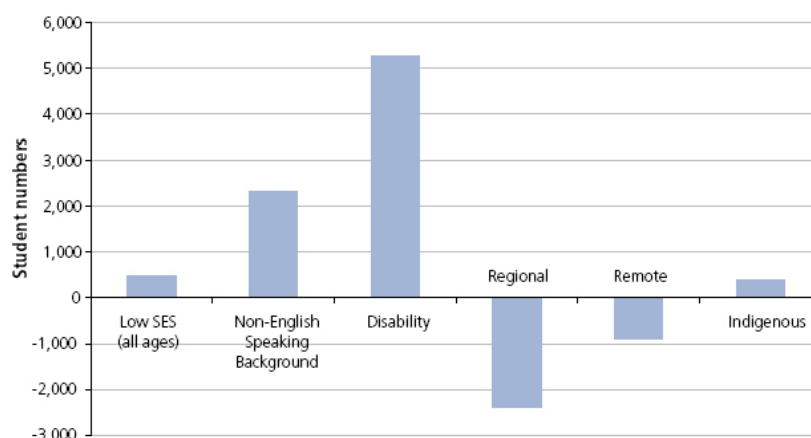
In the recent review into Higher Education participation ratios were calculated for the targeted groups using 2007 ABS data. These ratios provide a sound point of reference when comparing participation rates of targeted groups against the general population. The three groups that remain significantly under-represented are students from low socioeconomic backgrounds, those from regional and rural areas and Indigenous people. In a number of cases students experience the compounding effects of all of these factors.

Degree of under-representation of groups¹⁸

Group	2007 Participation rate % in higher education	Proportion in general population ^a	2007 participation ratio ^b
Non-English speaking background	3.8	3.7	1.02
Students with disabilities	4.1	8.0 ^c	0.51
Rural/regional	18.1	25.4	0.71
Remote	1.1	2.5	0.44
Low SES	15.0	25.0	0.60
Indigenous	1.3	2.2	0.59

The impact of the low participation and retention rates of regional and rural students is demonstrated dramatically on the following graph.

Change in numbers of various groups of students 2002 – 2007¹⁹



¹⁷ D Bradley, et al, Review of Australian Higher Education Final Report 2008

¹⁸ D Bradley, et al, Review of Australian Higher Education Final Report 2008

¹⁹ Department of Education, Employment, and Workplace Relations, Higher Education Statistical Collections, 2008

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. Retention of the regional group has also been decreasing relative to urban students and retention rates are now 3 percent below the rates of the remainder of the student population. The success and retention patterns for remote students are of much greater concern. The indicator levels are very low compared with their non-remote peers. For example, success rates are currently 9 percent below and retention is 13 percent below the rates of other students.²⁰

The targets recommended in the Higher Education Review (2008) should be vigorously pursued.

People from regional and remote parts of Australia remain under-represented in higher education and the participation rates have worsened in the last 5 years.

Retention of the regional group has been decreasing relative to urban students, and retention rates are now 3 per cent below the remainder of the student population. The success and retention patterns for remote students are of much greater concern; success rates are currently 9 per cent below and retention is 13 per cent below the rates of other students.

The Australian VET sector has a socio-economic profile different from higher education. Overall the VET sector performs better than higher education in attracting students from a low socio-economic background.

Within the VET sector there is also evidence of high levels of stratification. An analysis of student enrolments in VET by qualification level and socio-economic status category found that low socio-economic status students were concentrated in certificate I or II courses. The participation rate of low socio-economic status students decreased as the level of the qualification increased and was only 6.8 per cent at diploma level or above. This closely reflects the participation rates of low socio-economic status students in universities²¹.

SA data for 2008 Year 12 students accessing university studies show that students from country SA made up 8.9% of enrolments in SA universities in 2009 but that cohort of Year 12 students made up 26.9% of the deferrals. Reasons for such deferrals are not available.

NCVER reports show that in 2008 rural students made up 28% of the total number of VET course students while remote areas students made up 6.3% of the total number of VET course students.²²

²⁰ D Bradley, et al, Review of Australian Higher Education Final Report 2008

²¹ D Bradley, et al, Review of Australian Higher Education Final Report 2008

²² NCVER Students and Courses 2008: Table 3 Student Characteristics

Student group	Measure	Target
Low SES students	Access rate	20% based on current postcode methodology or representative of the population share for the new low SES measure developed
	Completion rate	At least 95% of the rate for high SES students.
Regional students	Access rate	Proportion of the population aged 15 to 64 years in this group as defined by the ARIA classification in the 2006 census
	Success rate	Same rates as for metropolitan students
	Retention rate	Same rates as for metropolitan students
	Completion rate	Same rates as for metropolitan students
Remote students	Access rate	Proportion of the population aged 15 to 64 years in this group as defined by the ARIA classification in the 2006 census
	Success rate	Same rates as for metropolitan students
	Retention rate	At least 90% of that for metropolitan students
	Completion rate	At least 90% of that for metropolitan students
Indigenous students	Access rate	Proportion that the Indigenous population aged 15 to 64 years represents of the general population in this age group in the 2006 census
	Success rate	At least 95% of the rates for non-Indigenous students
	Retention rate	At least 90% of the rate for non-Indigenous students
	Completion rate	At least 90% of the rate for non-Indigenous students

(ii) *increasing costs*

Students are critical of the eligibility criteria for the two main student income support benefits (Youth Allowance and Austudy). Postgraduate students have an extremely high rate of rejection of their applications for income support. The rejection rate from Centrelink is over 16 percent. The proportion of students who received a Centrelink benefit to support their studies, but did not receive the full rate, also increased significantly between 2000 and 2006 rising from 4 percent of undergraduate students surveyed in 2000 to 7.3 percent in 2006.

Even those students on the maximum benefits reported that the amount available from income support sources was insufficient to meet basic living costs. The participation and equity report prepared for Universities Australia stated that many students indicated that the high costs of textbooks and other learning resources were also a problem and that they were unable to afford such items.²³ Students indicated that their financial circumstances had influenced major choices including their choice of course or program of study, the university attended and the mode of study.²⁴

(iii) *impact on student experience*

These financial issues are having a negative impact on the quality of the student experience for students at all levels of study and are causing them to change their patterns of enrolment.

²³ R James, et al, Participation and Equity A review of participation in higher education of people from low socioeconomic backgrounds and Indigenous people, 2008

²⁴ Universities Australia, Australian University Student Finances 2006 Final Report, 2007

Many rural young people defer their studies for at least a year to work. Issues with deferral include finding consistent well paid work to meet the target and maintaining motivation to continue with their goal of participating in tertiary education. Some rural and regional young people do not commence tertiary education after deferring their studies to qualify for the Independent Youth Allowance.

Others work intensively during the semester and holidays to meet the income target. Issues with this situation include the clear detrimental affect of working long hours on their tertiary educational performance, and that many young people cannot visit their families while living away from home because they must work. It is evident that some young people have left tertiary education because they have failed university due to working too much, and because they cannot emotionally and financially cope. Those who do not fail have claimed the added burden of working long hours makes it difficult to excel at their studies and to gain honours and scholarships allowing further opportunities.²⁵

d. the short- and long-term impact of current and proposed government policies on regional university and TAFE college enrolments;

(i) regional universities

The short and long term strategies in South Australia on regional university enrolments are being driven through range of initiatives addressing State Strategic Plan and include:

- increasing regional participation by our universities while respecting their autonomy;
- facilitating credit transfer and articulation between TAFE/VET and higher education; increasing transfer arrangements negotiated with universities and others by VET students;
- ensuring school retention strategies including implementation of the Future SACE increases demand for higher education places
- improving student retention in SA universities
- addressing specific industry workforces in line with COAG priorities - eg Health and Early Childhood Education

The longer term strategies are largely being driven by recommendations from the Bradley Review and specific initiatives to enhance national targets of proportion of the population with completed undergraduate degree or better; and increased participation of people of lower SES backgrounds.

Specific local regional university responses should be considered in light of student need: economic; social; and geographic. These are explored in section (f) below.

(ii) impact of Commonwealth Government policies

The Commonwealth government's new arrangements for student income support have been designed to remove the financial barriers to the participation of students from low socio economic backgrounds and Indigenous students.

- Age of independence reduced from 25 to 22 by 2012.
- Parental income test raised from \$32800.00 to \$42559.00 pa.
- Tightened criteria for financial independence.
- Raise income threshold from \$236.00 to \$400.00 per fortnight helping students in part-time work
- Extend income support eligibility to all masters by coursework students
- Start-up scholarships of \$2254.00 for all income support recipients
- Relocation scholarships of \$4000.00 in 1st year and \$1000.00 thereafter for regional and Indigenous students

²⁵ M Alston and J Kent, "Educational access for Australia's rural young people: a case of social exclusion" Australian Journal of Education Vol 47 No 1, April 2003

- Exempting equity and merit-based scholarships from means testing

There are however some unintended consequences; specifically that students are now required to show financial independence for 18 months, requiring the deferral of their studies for that period of time, and sometimes taking them out of the study pool as most universities will not hold a place for more than 12 months.

Another difficulty is that many students report being unable to obtain the level of employment and/or earnings required to qualify for independent youth allowance, particularly in regional areas; the current economic climate is also cited as a factor in limited employment opportunities.

In relation to the specific Commonwealth budget announcement around the Higher Education Loan Program (HELP) repayment reduction for education and nursing; that repayments for the HELP for eligible and nursing graduates will be reduced if they work in a teaching or nursing profession – it appears that some rural and regional students are already reconsidering their participation as they see the increase in university fees to the Band 1 rate as an increased debt burden and limiting interest. Teaching and nursing have traditionally been first step careers for many lower SES background students, particularly women from rural and regional centres. Any increase to the up-front cost of courses, particularly for lower SES students, may be a disincentive to participation.

The long term consequences could include lower levels of participation; at a time when the Commonwealth has identified targets of increased participation of low SES (20 percent of higher education enrolments by 2020) and 40 percent of all 25 to 34 year olds holding a qualification at bachelor level of above by 2025.

e. the adequacy of government measures to provide for students who are required to leave home for secondary or post-secondary study;

(i) accommodation costs

The two main choices available to students are at a boarding facility, which provides students with a room and all meals, or to share private rental accommodation with others to reduce the cost of renting. Boarding facilities usually charge for the time the student is attending University (i.e. tertiary term). Costs for these facilities vary but as an example fees for boarding at Aquinas College (1 Palmer Place, Adelaide SA) are \$13620.00 as per table below:

Cost for Country student to Board at Aquinas College - Adelaide (SA)²⁶	
Weekly Boarding Cost @ \$330 per week	\$12540.00
Telephone Rental @\$50 per term	\$200.00
Application Fees and Bond (Bond of \$500 refundable)	\$625.00
Building Levy etc	\$255.00
Total	\$13620.00

This does not include the costs of travel to and from Adelaide during the term or bus fees to get to and from University. It also does not take into account the extra expenses of laundry, toiletries etc which the student would normally be utilising at home if living there. It may also mean that the parents of the student will need to buy them a motor vehicle to travel to and from University as some tertiary institutions are located quite a distance from boarding facilities and bus services not available. Some lectures are held after hours and may not be accessible safely by public transport at this time.

²⁶ Aquinas College fee schedule for 2009

A realistic estimation of these costs could be:

Non Boarding Expenses for Country Students living in Adelaide

Based on tertiary year of 38 weeks	
Laundry @ \$12 per week	\$ 456.00
Toiletries and Sundries not covered by board @ \$20	\$760.00
Fuel to travel from home to Adelaide & return E.g. 600km round trip x twice per semester for student living 300km from Adelaide \$100 per trip	\$800.00
Extra Mobile phone costs to stay in touch with family \$7.50 per week	\$285.00
Total	\$2301.00

Adding the two expenses together for a student to board in Adelaide, (South Australia) to access tertiary education the total expense equates to \$15921.00 per annum or \$306.20 per week

Estimates for these expenses have not included any public transport or fuel costs to travel to and from University as these costs would normally be encountered by a metropolitan student as well. The estimate includes only one trip home at the middle of semester plus the trip to and from the capital city to attend University at the start and end of term. Many students find it vital to return home more often to reconnect with family and may live even further from college than used in this estimate.

Boarding may not be the only option available to students and for many reasons students may decide to live in a rented unit or flat as it may be a slightly cheaper way of trying to manage accommodation. Renting can bring its own difficulties if the student has not lived away from home before as the student can often feel quite isolated not having family support and needing to cook and clean for themselves whilst trying to keep up with study. The estimated expenses for this are comparable and yet still very expensive.

Estimated expenses to live in Shared Rental Accommodation

Cost per person	
Rent \$300 per week (shared with 1 other \$150 per week share) (must be paid for 52 weeks)	\$7800.00
Electricity \$7.50 per week	\$390.00
Water	\$100.00
Internet and telephone (have to have telephone connection for broadband access) \$30 per month	\$360.00
Food \$70 per week	3640.00
Insurance on contents \$20 per month	240.00
Total	\$12530.00
Total per week	\$242.00

Clearly the living expenses for students who are forced to relocate are between \$250.00 and \$300.00 per week. If students qualify for Youth Allowance they will receive a maximum payment of \$371.40 per fortnight and consequently need to find an additional \$65.00 to \$115.00 per week just to cover living expenses. Obviously the costs for students from regional and rural areas who do not qualify for Youth Allowance are much greater. These costs are a significant disincentive to regional and rural students undertaking tertiary and further education.

(ii) *hours worked by students*

In 2006 nearly 71 percent of full-time domestic undergraduate students reported working during semester. On average these students were working about 15 hours per week. One in six of the full-time undergraduate students who was working during the semester were working more than 20 hours per week. Paid work for full-time undergraduate students now comprises 66 percent of their total income compared with 51 percent in 2000. Seventy-four percent of full-time postgraduate coursework students and 79 percent of full-time research degree students were working during semester, for an average of 20.3 and 11.3 hours respectively. A large proportion of students surveyed considered their paid work detrimentally affected their studies and limited their capacity to benefit from their university experience.

(iii) *impact on families*

As stated earlier financial cost of moving to, and living in a metropolitan location to access tertiary education is a burden that many families and students cannot afford creating a barrier to tertiary education. Most metropolitan students are fortunate enough to continue living at home once completed year 12 and moving on into University. Many will have a part time job which they started during their high school years and have continued on through summer break before commencing University and often being able to continue this work during their early tertiary education. They may also have had a gap year and gained independence to qualify for Youth Allowance and yet still live at home without having to contribute to board and lodging. This gives them a reasonable level of income for a social life, sport costs etc. They will also still have the emotional support of their family and retain their network of friends developed at school.

In stark contrast a student moving from the country will have to leave their emotional support network of family and friends, as it is often too far, and too costly to return home at weekends to maintain this. If students do travel home on weekends to try to maintain those important bonds it can be very disruptive to study and tertiary success. They must find suitable and safe accommodation, often with people they have never met before.

Reducing the age of independence to 22 by 2012; increasing the parental income test to \$42559.00 pa; raising the student income threshold to \$400.00 per fortnight; the provision of relocation scholarships; and exempting equity and merit-based scholarships from means testing are all measures that are welcomed. These provide some level of assistance, however the Youth Allowance eligibility criteria, significant cost of relocation, travel and ongoing accommodation is still a barrier.

The proposed changes to the independence eligibility criteria for the Youth Allowance are probably the largest issue for rural students because of the high costs of relocation, travel to visit families, boarding and living expenses. These are in addition to their education costs. Effectively the proposed changes mean a student will have to have worked for a minimum of 30 hours per week for at least 18 months since leaving school to meet the independence criteria. Most young people would find it difficult to work the minimum of 30 hours per week and continue university studies, and would likely need to take a break longer than one year to fulfil the requirements of "independence". Most university courses can only be deferred for 12 months and if students are taking 'gap years' longer than one year, there is a possibility that they will not commence higher education. This is a particular problem for those students currently on a 'gap year' who will be affected by the proposed changes.

Students who are not eligible for Youth Allowance are also not eligible for the new Start-up and Relocation Scholarships. This makes it increasingly difficult for rural people to find any support to move away from home and attend university. The

Start-up and Relocation Scholarships now offer less funding overall to individual students to make way for a fairer system, however the costs for rural students to relocate and live away from home versus their city counterparts have not been adequately considered.

f. the educational needs of rural and regional students;

(i) *principles*

The educational needs of students in rural and regional areas should be underpinned by the following principles.²⁷

- Students and families living in rural and remote Australia have specific needs which are the direct result of living in particular geographic locations.
- There is a high degree of variability in the characteristics of rural and remote communities, both within and between the States and the Northern Territory.
- The needs of rural and remote students should be met through local commitment and ownership as well as through predictable and sustained government funded initiatives.
- The provision of quality education in rural and remote Australia requires creative and flexible approaches that utilise leadership capacity at all levels, innovative technology and methodology, and whole of government approaches.

As stated in Melbourne Declaration all Australian governments and all schools must provide all students with access to high-quality schooling that is free from discrimination based on gender, language, sexual orientation, pregnancy, culture, ethnicity, religion, health or disability, socioeconomic background or **geographic location**.

This must be considered in the context of 50% of metropolitan Adelaide residents have some form of post school qualifications. In Regional SA the relative average is 42%. This identifies a significant gap with important opportunities that follow. Evidence show that rural and remote students access lower level Certificate I and II qualifications. It is well known that every extra year of schooling and training increases earning potential by 10%. While the Youth Compact is now providing every person aged 15 to 25 a publicly funded training place, some options are limited in rural and remote areas. For example, in South Australia there has been a 32% increase in the private Registered Training Organisations market in the two years from 2006 to 2008. During this time private provision has declined in remote areas and only increased by 14% in the regions: that is, half the growth rate of metropolitan training providers.

It is imperative that rural regional students have the same opportunities at least as their urban cousins. Whilst face-to-face delivery is ideal, the technologies available now make external delivery of tertiary education courses a real possibility. A blended approach whereby rural and regional students can undertake a majority of their courses via distance education but come into a regional or metropolitan centre for workshops or intensive face-to-face delivery sessions will become more common.

However, studying as an external student can be quite difficult, even with current technologies, not the least being the cost of the facilities to use the technology (e.g. computers, video-conference equipment etc).

The South Australian Government recognises the importance of affordable broadband access all South Australians and in 2003, established Broadband SA with the aim of improving the State's broadband capability. Broadband infrastructure projects in regional South Australia in Kangaroo Island, Barossa

²⁷ MCEETYA, National Framework For Rural and Remote Education, 2001

and Light, Coorong, Murraylands and Riverland, Yorke Peninsula have resulted in improved broadband connectivity, at metropolitan parity pricing and quality, for many households and businesses located in these regions.

With greater Broadband connectivity specialist centres in larger towns could be the answer. This would likely reduce the cost to the individual to supply their own equipment and also provide a venue to share experiences and concerns with fellow students. If this is coordinated by universities or TAFEs, it could also be possible to have staff visit these study centres on a regular basis to reinforce study materials on a face-to-face basis or even engage local professionals to provide a local tutoring service for rural and regional students.

A key part of COAG reforms and the Bradley reforms is the strengthening of pathways from Early Childhood to Schools and then on to Training and Higher Education. It is noted that those relatively fewer rural SA students who complete Year 12 (whether in their home town or in the metropolitan area) do not appear to study the same areas as their city counterparts.

Regional and remote students are more highly represented in the fields of study of education, agriculture, health (mainly nursing) and veterinary science than other fields. Both of these groups are poorly represented in medicine, dentistry and some of the para medical sciences as well as in law. They are also poorly represented in higher level courses, with participation in higher degree research courses at only about 10 per cent of the total pool.

Many of these issues are significant factors affecting the longer term viability and community capacities of each rural town or centre. It is a widely held view that of for every student who moves from their town to a city environment to study only one returns to that rural area of origin. Therefore it is anticipated that more integrated VET and tertiary learning is for students original from rural and remote areas the more likely their communities of origin are likely to benefit particularly in the longer term as community capacity is rebuilt.

These issues must be viewed in the context of the economic contribution that regions make in accounting for just over a quarter of the State's population and full time jobs; about 40% of exports and 25% of economic output. From this perspective alone the provision of quality education and training in the regions and remote areas is fundamental to maintaining the fabric of regional and remote communities.

(ii) *access*

The issue of co-curricular and extra-curricular activities is commonly raised. Students from remote areas, and to a lesser extent, from rural areas, must travel significant distances to access these activities, often requiring at least one night's accommodation. CAP funding is available to assist with additional costs, yet young people are accessing co-curricular and extra-curricular activities in a reduced manner and fewer are taking the option for excursions. Access to excursions is a real barrier for some students. Certain subjects have course components that require students to access resources outside of school. In Performing and visual arts, and a range of other subjects students in rural and remote locations are at a significant disadvantage because they simply don't have the opportunities to build their 'cultural capital' over time, as their city counterparts do.

Many young people are unable to represent at higher levels in sport and cultural activities because of associated costs and transport problems, thus restricting their exposure to extra-curricular activities and representative honours.

Parents express concern about young peoples reduced exposure to city life and their lack of socialisation or exposure to other opportunities.

(iii) *Indigenous people*

The South Australian Government acknowledges that Aboriginal youth in remote areas are at a heightened education, employment and training disadvantage and therefore have unique educational needs. The South Australian Government supports a number of education and training initiatives that focus specifically on Aboriginal people. For example, SA Health supports the following initiatives in the Health field:

- SA Health has a firm commitment to increasing the employment, education and training outcomes of Aboriginal youth and is developing programs to capture and assist in building career paths in the health field for Aboriginal youth at years nine and ten through its new suite of pre employment programs. Programs and initiatives include work experience and exposure programs.
- SA Health is committed to forming close partnerships with DECS schools to capture Aboriginal students from junior primary through to secondary schooling to encourage school retention through career advice and planning as well as career awareness and exposure of opportunities across SA Health. SA Health strongly supports the successful Wiltja program, based within Woodville High School. This program provides culturally appropriate education programs for Anangu students from the remote Anangu Pitjantjatjara Yankunytjatjara (APY) Lands that support and encourage their retention from year nine onwards.
- In addition, SA Health is creating opportunities for Aboriginal youth studying SACE to undertake school based apprenticeships as a partnership between schools and SA Health. Aboriginal participation through employment, in the design, delivery and evaluation of the culturally responsive services provided through SA Health is crucial in achieving quality service provision and equitable health outcomes.
- Unique Centres of Learning in rural and remote areas. These adopt a culturally appropriate and supportive learning environment for Aboriginal people training as Registered Nurses, Enrolled Nurses, Aboriginal Health Workers and allied health professionals. This includes continued support for existing Unique Centres of Learning and establishment of new and emerging Unique Centres of Learning across country South Australia in partnership with the education/tertiary sector. Unique Centres of Learning will play a key role in increasing future employment for Aboriginal people by continuing to develop industry-based training and mentoring opportunities in Aboriginal health. This work will be done in partnership with a variety of rural and remote health services that support Aboriginal people.
- The SA Aboriginal and Torres Strait Islander Peoples Scholarship Investment Fund which is funded and administered by SA Health with some places co-funded by Rotary. It aims to:
 - Encourage Aboriginal people to undertake health degrees or degrees in areas that are identified as skills shortages and impact on policy and decision making for Aboriginal people and communities
 - Assist Aboriginal students financially throughout their studies
 - Motivate and support Aboriginal students throughout their studies
 - Advocate on behalf of completed Aboriginal students to employers across SA Health
 - Celebrate and provide recognition for the achievements of Aboriginal students.
- A culturally responsive Aboriginal dental health program in Coober Pedy which includes a model of dental service delivery, infrastructure and workforce strategy to enable local community members to train as Aboriginal Dental Assistants and provide a career pathway in dental services.

- The Aboriginal Nursing and Midwifery Strategy 2008-2011 has established key result areas including community engagement, attraction and recruitment, workplace culture, pathways to employment, building the profile for sustainability, career progression, education and lifelong learning, state wide partnerships and data and information systems.
- The Aboriginal Enrolled Nursing Cadetship Program.
- SA Health's Cadetship Program which assists in attracting rural and remote Aboriginal people into careers in Health.

g. the impact of government measures and proposals on rural and regional communities; and

(i) sustainability

The loss of state and federal government public service infrastructure and professional positions has had a significant impact throughout communities. Together with the loss of services such as banks, this has resulted in a significant loss of professionals from communities. Not only have jobs been lost, the communities have also seen families and young people and professionally trained people from their community organisations move away. The withdrawal of public and private services from small communities also results in a decline in the number of career oriented, secure, full-time jobs. These jobs were often the first rung on the ladder jobs for young people wishing to establish a career close to home.

(ii) Rural and remote health

Experience and research has shown that students whose families are from rural locations are more likely to return to the country as professionals. The South Australian Government recognises that increased opportunities for rural South Australian students to study health related courses in South Australian training institutions will support their return to rural communities and to the rural workforce.

Health services in country South Australia are developing in line with SA Health's Strategy for Planning Country Health Services in SA and education is recognised as an important role of the current and developing services. Four country General Hospitals have been identified and will be recognised as key teaching hospitals which provide a combination of undergraduate, postgraduate, internship and specialist rotations linked to metropolitan health services. Other smaller country hospitals and health services will also provide opportunities for teaching and training across many health disciplines, both undergraduate and postgraduate.

SA Health is committed to improving access to local training and career pathways at the secondary, Vocational Education and Training (VET) and tertiary level that lead or potentially lead to employment within the local rural or remote area health workforce. These include:

- Undergraduate and Postgraduate Scholarships
- Bonded Medical Scholarships
- Enrolled Nursing Cadetships
- Supporting local school students to gain a health qualification in Aged Care through the VET in Schools, Pathway to Nursing Program

Students residing in rural and remote areas suffer a distinct disadvantage when accessing educational opportunities in general. Aboriginal and Torres Strait Islander people are particularly disadvantaged and it is recognised that there is an unacceptable gap in education and employment outcomes between Aboriginal people and the general South Australian population. Many Aboriginal people live in rural and remote areas of South Australia. Out of the 25 500 Aboriginal people in South Australia, 52 percent reside in rural or remote South Australia. Of the

rural and remote Aboriginal population, more than 50 percent are aged under 25 years.

In a study of Education in 2005, of the 3.2 million people enrolled in study between 15-69 years 54 percent were aged between 15-24 and 73 percent were living in the major cities of Australia. (Education and Training Experience, Australian Bureau of Statistics, 2005)

Much of South Australia's professional health workforce is required to undertake their study in metropolitan universities, often necessitating a move from family, friends and local support networks. This is also true of many other professions including education.

The cost of travel and living expenses can be prohibitive, with many students forced to seek employment to cover their expenses. The proposed changes to the Youth Allowance for 2010 have the potential to disadvantage rural youth as they cannot apply for the new Start-up and Relocation Scholarships without first qualifying for the Youth Allowance.

A non-means tested Youth Allowance and Tertiary Access allowance and/or specific criteria for all rural and remote students would help reduce the financial burden on rural and remote students and their families. This would support an increased number of rural students undertaking post secondary education where in most cases they must move to metropolitan areas or larger country centres to study. Moving away from home usually means considerable increased costs for rural and remote families when compared to metropolitan students who can live at home.

SA Health is aware of these and other barriers preventing access to quality education at the undergraduate and postgraduate level by rural and remote people. As such SA Health has committed to the following strategies:

- Continuing to advocate with tertiary education institutions about the needs of the rural workforce, including the need to provide many more courses through distance and/or block learning modes
- Developing pathways to ensure maximum opportunities for rural exposure which actively promotes rural health care and supports rural students
- Ensuring appropriate locally or regionally-based refresher and re-entry programs for health
- Supporting and remunerating those involved in rural teaching and training in rural hospitals and health services
- Promoting country centres in general as opportunities for teaching and training
- Increasing the number of training places and adequately resourcing training centres
- Continuing to advocate for generalist roles across all disciplines
- Supporting culturally appropriate education and training initiatives for Aboriginal people in the health field

People from rural and remote areas experience additional barriers to those living in metropolitan areas and SA Health strongly encourages the Australian Government to recognise this by providing adequate support for all rural and remote students undertaking post-secondary study in metropolitan centres or other locations where they must live away from home. Special consideration and increased effort is required for Aboriginal people from rural and remote areas to close the gap in education and employment outcomes between Aboriginal people and the general Australian population.

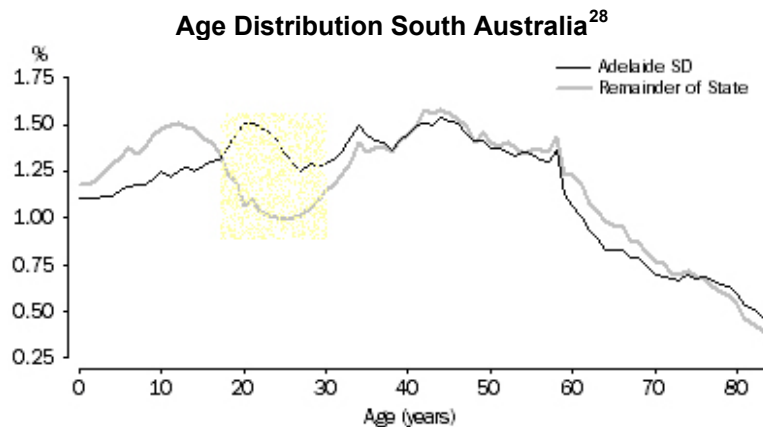
(iii) *DEEWR initiatives*

DEEWR has indicated that university funding provided through agreed compacts will reward universities who engage students from lower SES backgrounds. For many rural and regional students this will be a benefit. It will not, however, benefit those individuals who are not lower SES from rural and regional centres whose families may be asset rich but cash poor.

South Australian regional campuses – Whyalla and Mt Gambier – appear more likely to engage local students who may not previously attended university in the city. It is difficult to assess the impact of the proposed DEEWR initiatives as many will be implemented between 2010 and 2013. It is however generally held (from interstate experiences) that students who study regionally are more likely, on graduation, to take local positions and therefore contribute to capacity building within their immediate region.

(iv) *demography*

The varied age distribution throughout South Australia is particularly noticeable when comparing Adelaide Statistical District with the remainder of the state. As shown by the graph below, Adelaide SD has a lower proportion of people aged under 18, a higher proportion of people aged 18 to 38 years and a lower proportion of people aged 55 to 75 years, compared with the remainder of the state.



The graph supports anecdotal observations reported by rural communities that between the ages of 18 and 30 many young people leave. A number of factors contribute to this migration out of regional and rural areas. Many voluntary and community organisations are consequently kept alive by aging workers and there is concern about the long-term viability of country towns unless young people can be attracted back. In many regional and rural communities there is evidence of long term and significant restructuring which impacts upon the size and composition of the population.

h. other related matters.

There are many factors affecting regional participation in tertiary education. It is very clear that universal issues of transition to university, financial pressures, and coping with study, are exacerbated by the significantly increased emotional, financial and accommodation difficulties with studying away from home. Furthermore, quality of secondary education, access to adequate information and familial experience can also determine whether tertiary education is a feasible option. Therefore, successful participation in tertiary education is perceived as being very difficult for rural and regional young people.

²⁸ ABS 3235.4.55.001 - Population by Age and Sex, South Australia Jun 2005, 2006

Poor educational attainment in the years leading up to higher education entry is a major factor limiting further access of low socio-economic status students to higher education. In Australia the main reasons low socio-economic status students do not attain a higher education are poor Year 12 completion rates, and progression to the vocational education and training sector or to work rather than higher education. The Year 12 completion rate for low socio-economic status students is 59 percent across Australia compared with 78 percent for high socio-economic status students. The corresponding values are 52 percent for remote students and 69 percent for metropolitan students.²⁹ In South Australia Year 12 completion rates for country and metropolitan students are comparable, suggesting other factors are more significant in explaining lower rates of participation in tertiary education.

It is suggested that proposals that impact on government policies and priorities should be modelled on both urban and rural impacts.

²⁹ R James, et al, Participation and Equity A review of participation in higher education of people from low socioeconomic backgrounds and Indigenous people, 2008