

Australian Government

Department of Education, Employment and Workplace Relations

# INQUIRY INTO RURAL AND REGIONAL ACCESS TO SECONDARY AND TERTIARY EDUCATION OPPORTUNITIES:

#### SUBMISSION BY DEPARTMENT OF EDUCATION, EMPLOYMENT AND WORK RELATIONS

AUGUST 2009

#### **Overview**

Rural and regional students face a number of unique challenges when it comes to accessing secondary and tertiary education opportunities. Firstly it is worthwhile noting some general observations in the context of regional distribution of the population and educational participants.

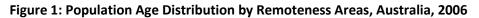
On the Accessibility Remoteness Index of Australia (ARIA) categories, as Table 1 shows, over two-thirds of the population (68.6 per cent) lived in major cities. Over 67 percent of Secondary students, 70 per cent of higher education students and 83 per cent of VET students were in the cities. These differences largely reflect patterns of population distribution, with the very low proportion of students in remote and very remote areas consistent with population. At the same time, DEEWR analysis indicates an underrepresentation of students compared to the population in line with increased remoteness.

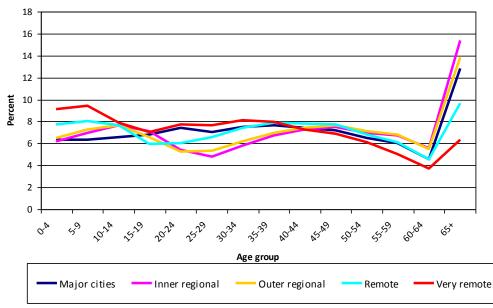
	Population	Secondary	VET	Higher
				Education
Major Cities of Australia	68.6%	67.4%	70.7%	83.3%
Inner Regional Australia	19.7%	21.6%	19.6%	11.9%
Outer Regional Australia	9.4%	9.4%	8.2%	4.1%
Remote Australia	1.5%	1.2%	1.1%	0.5%
Very Remote Australia	0.8%	0.5%	0.4%	0.2%
Total	19,813,056	1,274,478	427,317	744,048

Table 1: Distribution of population, secondary, and tertiary students 2006, by ARIA remoteness category

Source: Derived from ABS, Census of Population and Housing, 2006.

As population density and the age profile of the population vary according to region, both factors need to be taken into account when considering education participation rates. An age breakdown of the population across different ARIA regions is provided in Figure 1, showing a younger population distribution in remote areas. As can be seen, in remote areas, children under 10 account for the highest share of the pre-65 aged population. Similarly, outer regional areas include a larger share of 10-14 year olds than metropolitan and urban areas, before falling steeply in the 20-24 years range. This is possibly a result of mobility towards the cities and inner regions as individuals move to undertake further education and training or to pursue employment opportunities.





Source: Derived from ABS, Census of Population and Housing, 2006

Since 2002 the proportion of secondary students attending schools in regional and remote areas has remained relatively stagnant, although declining slightly (see Table 2). Likewise the share of students attending major city schools has not changed greatly. The notable increase in the last two years can probably largely be attributed to the definitional changes resulting from the shift to ARIA 2006 from 2001 categories.

	2002	2003	2004	2005	2006	2007*	2008*
Major Cities	66.8%	66.8%	66.8%	66.8%	66.9%	68.9%	68.9%
Inner Regional	22.6%	22.5%	22.6%	22.6%	22.6%	21.2%	21.0%
Outer Regional	9.0%	9.1%	9.0%	9.0%	8.9%	8.4%	8.5%
Remote	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%
Very Remote	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
Total	1,378,552	1,398,882	1,410,002	1,423,927	1,440,323	1,455,971	1,469,162

#### Table 2: Regional Share of Secondary Enrolments 2002-2008 by ARIA

Source: DEEWR administrative data

\* ARIA 2006 definitions. 2002-2006 data refers to ARIA 2001

Table 3 shows that the metropolitan share of domestic students who commence higher education in a given year has risen marginally, whereas the proportion of students from regional and remote areas has slightly, if not steadily, decreased. Issues of access to post-secondary education for non-metropolitan residents across Australia are generic, typically related to socioeconomic status, distance, Indigeneity, aspirations, upper-secondary education participation and local employment/training opportunities.

### Table 3: Domestic Students Commencing Higher Education by Region\* of Permanent Home Location2003-2008

	2003	2004	2005	2006	2007
Metropolitan	79.1%	79.3%	80.0%	80.1%	80.1%
Regional	19.4%	19.3%	18.7%	18.6%	18.6%
Remote	1.5%	1.4%	1.4%	1.3%	1.3%
Total	256,991	251,193	256,665	265,320	276,769

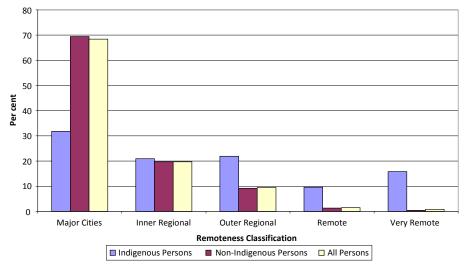
Source: DEEWR administrative data

\* Refers to the former Ministerial Council on Education, Employment, Training and Youth Affairs' (MCEETYA) Roger Jones Index

One of the factors influencing differences in educational participation and attainment between metropolitan and non-metropolitan areas is the proportion of Indigenous people. It is very important to recognise this factor when examining educational disadvantage, particularly in remote and very remote areas.

Proportionally, more Indigenous people report Year 10 as their highest year of school completed. Indigenous people are also less likely to be attending university or a technical or further educational institution than non-Indigenous people, and the difference is significant for university attendance.

Figure 2. Indigenous population by remoteness



Source: 2006 Census of Population and Housing

Figure 2 shows that almost one third of the Indigenous population resides in the major cities and 16 per cent in very remote areas. For the non-Indigenous population, almost 70 per cent are concentrated in major cities. The Indigenous proportion of the total population increases with geographic remoteness, from one per cent of the total population living in major cities to 48 per cent living in very remote areas.

#### **Student Income Support**

Student income support payments (primarily Youth Allowance, Austudy and ABSTUDY) are intended to provide financial assistance to people from low income backgrounds to support their participation in education and training and assist them to acquire the skills and qualifications essential for sustainable employment. In doing so, student income support has a key role in facilitating education and training outcomes, including the achievement of the Government's targets for educational attainment. These are that:

- 90 per cent of young people in the 20-24 year old age range will have attained Year 12 or equivalent qualifications by the year 2015 (from the 2007 Australian level of 83.5 percent)<sup>1</sup>;
- 40 per cent of 25-34 year olds will have attained a bachelor level qualification by 2025 (this was 29 percent in 2006); and
- 20 per cent of undergraduate enrolments in higher education will be students from low socio-economic status backgrounds, including those from rural and regional areas by 2020 (up from 15 per cent in 2007).

#### **Government Review**

The Government has recognised a need for change to existing student income support arrangements, particularly Youth Allowance and ABSTUDY. Research shows a consistent decline in the take-up rate for student income support over the period 2001 to 2007. This, it is widely held, is a result of established threshold criteria (i.e. minimum age requirements, family income cut off rates etc) not reflecting progressive social and economic realities such as family household structures and real income.

<sup>&</sup>lt;sup>1</sup> This figure is cited in the National Partnership on Youth Attainment and Transitions, and is taken from the ABS Survey of Education and Work. It is subject to error margins.

In March 2008 the Australian Government commissioned the *Review of Australian Higher Education* chaired by Professor Denise Bradley (Bradley Review), with terms of reference including participation in higher education and support for students. The Bradley Review found that:

- The participation rate of low socio-economic status (SES) students in higher education has remained at around 15 per cent over the last few decades (while this group comprises 25 per cent of the population), despite existing programs and initiatives intended to support their increased participation, such as the Commonwealth Scholarships Program and the Higher Education Equity Support Program; and
- The participation rates for students from regional and remote areas and for Indigenous Australians in higher education have also been essentially static over this period.

The Bradley Review considered comprehensive reform to the student income support system to be essential to adequately support the educational participation of students from low socio-economic backgrounds. It also recommended better targeting support to the students most in need of financial assistance.

On 12 May 2009 the Government announced a comprehensive package of reforms to student income support that respond to the recommendations and findings of the Bradley Review. The reforms will include those designed to support the participation of students from low to middle-income backgrounds in education and training.

The reform package includes the following elements:

- An increase to the parental income test threshold for access to the maximum rate of Youth Allowance or ABSTUDY (currently \$32,800) to align with the Family Tax Benefit Part A (FTB) income test (currently \$44,165) and alignment of the indexation and taper rate arrangements with those applying under FTB from 1 January 2010. This means that students from families with two children in the Youth Allowance age range living away from home and with a combined income of up to \$140,729 would be eligible to receive a part rate of Youth Allowance under the proposed changes;
- A reduction in the age of independence from 25 years in 2009 to 22 years in 2012, commencing with 24 years in 2010 and 23 years in 2011;
- A new Student Start-up Scholarship of \$2,254 in 2010, indexed in subsequent years, to assist with the costs of textbooks and specialised equipment for all university students receiving even a part-rate of student income support, except for those already receiving a Commonwealth Education Costs Scholarship, from 1 January 2010;
- A new Relocation Scholarship of \$4,000 in the first year and \$1,000 in later years in 2010, and indexed in subsequent years, to provide assistance with the costs of relocating for study. The Scholarship will be provided as an entitlement to dependent university students who are eligible for Youth Allowance and ABSTUDY and have to move away from the family home for study. It will also be available to independent students disadvantaged by personal circumstances, except for those already receiving a Commonwealth Accommodation Scholarship (from 1 January 2010);
- A one-off increase to the personal income test threshold from the current \$236 to \$400 per fortnight and the introduction of CPI indexation to the threshold, so that students can earn more from part-time work before their payments are reduced from 1 January 2011;
- Extension of student income support to all eligible students doing any masters by coursework program

   from 1 January 2012;
- Relaxation of the means testing of equity and merit-based scholarships provided by universities and philanthropic organisations, up to the combined value of the Commonwealth Scholarships (\$6,762 in 2010 and indexed in following years), so that students' income support payments are not affected – from 1 January 2010;

• Tightening of the workforce participation criterion for independence under Youth Allowance and ABSTUDY. This will mean that students who have worked full-time for a minimum of 30 hours a week for at least 18 months in a two-year period since leaving school will still be considered independent but students who have undertaken part-time work or earned more than \$19 532 over 18 months will not. The savings from this change will be redirected to fund other elements of the reform package, particularly the changes to the parental income test which will assist more students from low to middle income families (including many who may have felt it necessary to establish their eligibility under the current workforce participation independence criterion).

These key elements of the package of reforms are discussed in more detail at (c) below in terms of how the proposed new arrangements compare with current arrangements.

#### **DEEWR Response to Senate Committee Terms of Reference**

The rest of this submission aims to address the terms of reference outlined by Committee as follows:

- a) The financial impact on rural and regional students who are attending metropolitan secondary schools, universities or TAFE;
- b) The education alternatives for rural and regional students wanting to study in regional areas;
- c) The implications of current and proposed government measures on prospective students living in rural and regional areas;
- d) The short and long-term impact of current and proposed government policies on regional university and TAFE college enrolments;
- e) The adequacy of government measures to provide for students who are required to leave home for secondary or post-secondary study;
- f) The educational needs of rural and regional students;
- g) The impact of government measures and proposals on rural and regional communities; and

### A - The financial impact on rural and regional students who are attending metropolitan secondary schools, universities or TAFE

Like other Australians, students from rural and regional areas aged 16 to 24 can receive support through Youth Allowance and ABSTUDY, and Austudy for students aged 25 years and over. ABSTUDY is part of a broad equity initiative aimed at increasing and supporting the participation of Indigenous students in education and training.

Youth Allowance, Austudy and ABSTUDY are demand driven and no eligible person is denied assistance. To ensure payments are targeted to students most in need of assistance, student income support payments are means-tested, with the rate of payment determined by the Parental Income Test, Family Assets Test, Family Actual Means Test, Personal Income Test, and Partner Income Test, as applicable. The payments are also indexed in line with movements in the Consumer Price Index on 1 January each year.

While the Department does not model information on the average costs for students at different educational institutions, it is accepted that the costs for students living away from home are generally higher than for students living at home with their families. This differential is reflected in higher levels of income support (and other benefits) available for students living away from home compared with students living at home with their families, as detailed below.

Rural and regional students, who need to leave home to access education and are eligible for Youth Allowance or ABSTUDY, can access the higher 'away-from-home' rate of payment. Students who are living away from home currently receive up to \$371.40 per fortnight compared to an 'at home' rate of up to \$244.40 for students aged 18 years and over and up to \$203.30 for students aged 16-17 years. Eligible students may also be able to access a Remote Area Allowance, Fares Allowance for up to two return trips home per year and other benefits such as the low-income Health Care Card and Pharmaceutical Allowance.

For rural students who are dependent on their parents, the Family Assets Test applying to dependent Youth Allowance recipients takes account of current market values, net of business or farm related debt. This valuation disregards the family home and up to two hectares of surrounding land. The limit is currently set at \$571,500 for most families and is indexed each year. Further, a 75 per cent discount is applied when assessing business assets, including farm assets. This means that Youth Allowance and ABSTUDY can be received by dependent young people from small business and farming families with assets up to the value of \$2.286 million. (excluding the value of the principal family home and up to two hectares of surrounding land).

Families in drought affected areas who have a drought relief exceptional circumstances certificate and are in receipt of the Exceptional Circumstances Relief Payment and receiving a payment under the *Farm Household Support Act 1992*, are also exempted from the application of the Parental Income and Assets Tests for student income support payments.

Further, for geographically isolated school-aged students, who are unable to access local government schooling, the Assistance for Isolated Children Scheme is available. The AIC Scheme provides a range of allowances to assist with additional costs incurred by those families accessing education, such as the Boarding Allowance (up to \$9,085 in 2009) and Distance Education Allowances (Up to \$4,457 in 2009). Receipt of AIC allowances does not exclude families from receiving the Family Tax Benefit.

### B - The education alternatives for rural and regional students wanting to study in regional areas

#### **SCHOOLING**

People living in rural and regional Australia face a number of unique challenges and the Government is committed to ensuring that through its Education Revolution there is an investment in the education of all Australian school students regardless of where they live or the circumstances of their community.

The Trade Training Centres in Schools Program is an important element of the Australian Government's Education Revolution. It will provide \$2.5 billion over 10 years to enable all secondary schools across Australia to apply for funding of between \$500 000 and \$1.5 million for Trade Training Centres.

Trade Training Centres are being established to help increase the proportion of students achieving Year 12 or an equivalent qualification. An important step in achieving this increase is to ensure students have access to high quality, relevant education and training opportunities that continue to engage them and encourage them to complete their studies.

In Round One of the Program there were two phases of funding. In Phase One up to \$90.27 million was approved for distribution to 34 lead schools, benefiting 96 schools. In Phase Two over \$335 million was approved for distribution to 104 lead schools to benefit 336 schools in total. Round Two applications closed in June 2009 and successful schools will be announced later in 2009.

As part of the Australian Government's Building the Education Revolution, up to \$110 million will be brought forward in Round Two of the Program, increasing available funding from \$227 million to up to \$387 million.

In allocating funds, priority is given to applications that establish regional skills hubs whereby secondary schools in rural and regional locations develop partnerships for improved trade training delivery. An additional priority for funding is to support secondary school communities with Indigenous students, and students from rural, regional or other disadvantaged communities.

In recognition of the unique needs of schools in rural areas, the Program has identified a range of Certificate III qualifications in Agriculture, Rural Operations and Horticulture that only schools in rural areas can apply for.

The Department will continue to monitor the operation of the Program, including future areas of skills shortage. This will help ensure engagement and provide maximum opportunity and flexibility in the program to benefit the needs of school communities, particularly those in regional Australia.

The Digital Education Revolution (DER) is a core part of the Australian Government's broader Education Revolution and will enable students, including those in regional Australia, to gain skills to equip them for life and work in a digital world.

The DER is a \$2.2 billion investment by the Australian Government over six years to:

- provide for new information and communication technology (ICT) equipment for all secondary schools with students in Years 9 to 12 through the National Secondary School Computer Fund
- support the deployment of high speed broadband to Australian schools
- collaborate with States and Territories and University Deans of Education to ensure new and continuing teachers have access to training in the use of ICT that enables them to enrich student learning

- provide for online curriculum tools and resources that support the national curriculum and specialist subjects such as languages
- enable parents to participate in their child's education through online learning and access
- support mechanisms to provide vital assistance for schools in the deployment of ICT

Almost 2,700 secondary schools across Australia have been approved for funding through the \$2.1 billion National Secondary School Computer Fund. These schools have been provided with assistance to purchase almost 295,000 new computers through Rounds One and Two. This will result in these schools achieving a computer to student ratio of 1:2.

To reach a 1 to 1 ratio funding will be provided on a per capita basis through a National Partnership Agreement with State and Territory education departments and through Funding Agreements with Catholic and Independent education authorities.

The Australian Government's vision is that students and teachers will communicate freely across Australia and internationally, and that students, including those in regional Australia, will have access to specialist teachers in subjects that their own schools cannot support.

#### **TERTIARY**

The Australian Government has, through the Diversity and Structural Adjustment Fund (Diversity Fund) and its predecessor, the Collaboration and Structural Adjustment Fund (CASR), funded a number of university led projects that aim to increase tertiary education study options for students in regional areas. Relevant projects may be categorised into three types:

- 1. online learning and courses accessible via the world wide web;
- 2. entry level study with a regional education provider that may be used for access to a university course or raises the aspirations of students; and
- 3. greater collaboration between higher education and vocational education and training providers and other members of the community.

#### 1. Online learning projects

The e-Grad School (Australia) is a virtual graduate school operating in Australia and internationally. The eGSA is offered by the Australian Technology Network of Universities, with the lead university being the Queensland University of Technology. e-GSA provides postgraduate students, their supervisors, post doctoral fellows and universities with online resources that can support them in their study.

Further information on the e-Grad School is at:

- <u>http://www.egradschool.edu.au/</u>
- <u>http://www.egradschool.edu.au/whategsaoffe/brochures/14876\_eGradschool\_Brochure\_P5\_final.pdf</u>

The e-Grad School was established with funding from the Collaborative and Structural Reform Fund round held in 2005. Funding of \$186,878 was provided.

The National Work Integrated Learning Portal is being established by Victoria University and 33 other universities under the banner of the Australian Collaborative Education Network with funding from the Diversity Fund. Once established, the Portal will link industry, community and professions with higher education and vocational education sector via web-based technologies to increase work integrated learning opportunities for students. The portal will provide a national doorway for industry and the community into universities, provide resources and professional development activities to stakeholders and links for international placements.

#### 2. Entry level study and aspiration raising projects

The Diploma of Foundation Studies offered by Monash University Gippsland Campus is a tertiary qualification that students in regional Gippsland may undertake to gain a recognised qualification. The Diploma is offered on a one year full time basis during which students complete eight units of study. Two are generic introductory units and six are electives drawn from a selection of units from different faculties. The Diploma offers its graduates with automatic entry into any Bachelor level degree at Monash University Gippsland campuses and in some cases credits towards a full Bachelor's degree. CASR supported the establishment of the course at Leongatha, South Gippsland, as a direct pathway into the second year of the University's Bachelor of Nursing. Funding of \$120,000 was provided in 2006.

Aspire UWA is a University of Western Australia-led project that commenced in 2009. It was funded by the Diversity Fund. Through Aspire UWA, the University of Western Australia will engage with educational and community organisations in the Pilbara region and with schools and communities in Outer Metropolitan Perth to implement a program of engagement and coordinated support initiatives designed to raise aspirations for tertiary education in communities typically under-represented in higher education. Aspire UWA facilitates social inclusion through aspiration-raising activities designed to enhance the educational achievements of Indigenous, refugee and low socio-economic status students from regions traditionally under-represented in higher education.

Diversity Fund funding of \$2,456,000 was provided. Further information on the project is at:

• <u>http://www.transition.uwa.edu.au/welcome/aspire\_uwa</u>

#### 3. Collaborative tertiary education pathways

The Australian Government provides funding support for institution level initiatives to build and implement collaborative tertiary education pathways. In 2009 Central Queensland University (CQU) commenced a Diversity Fund supported project to establish at its Gladstone and Mackay campuses a network of integrated education and training pathways within an operation centre at each CQU campus. This is an example of collaboration between education providers and others in the community.

The project aims to establish at Gladstone and Mackay campuses:

- A network of integrated education and training pathways within an operation centre at each CQU campus- a One Stop Shop for Education and Training.
- A model of integrated learning and education for students from Grade 10 students through to employees via a flexible suite of programs offered across education organisations. For example, it will include multiple points of student entry and exit and coordination with regional industry skills needs.

Diversity Fund funding of \$991,000 was provided for each campus.

New models of education delivery are likely to grow from partnerships and collaborations between universities, as well as with VET and other adult education providers. The Australian Government will continue to support initiatives by higher education providers that meet the needs of rural and regional students and communities.

#### Other Diversity and Structural Adjustment Fund projects 2008 and 2009:

#### Building Capacity for Early Childhood Education

This Charles Sturt University (CSU)-led project commenced in 2009 and will build workforce capacity in early childhood education, particularly in inland and Indigenous Australia, through dual sector partnerships and collaborations with local communities. Project outcomes include new certificate / degree pathways and professional learning modules for qualified early childhood educators (including teachers) and child

and family workers; a suite of online teaching and learning resources to be shared across the TAFE/University sector; and three pilots of community based early childhood education pathway and support programs.

Diversity Fund funding of \$2,108,000 was provided. Further information on the project is at:

• <u>http://news.csu.edu.au/director/latestnews/Indigenous.cfm?itemID=3C9CB677D3F72C148C261278E869428</u> <u>A&printtemplate=release</u>

#### Deakin at your doorstep

This Deakin University-led project commenced implementation in 2009 and aims to attract underrepresented people to higher education. A two-year Associate Degree will be delivered through leading edge technology, providing an accessible pathway to higher education focusing on students in rural and regional areas who would not otherwise obtain a university place. Featuring flexible courses, effectively marketed and delivered through partnerships with TAFE, the program will benefit rural and regional students and meet the needs of regional employers. The program will provide a start for those wishing proceed to further university study and may be used by others to enhance their skills and, in so doing, provide a skilled workforce for regional Australia.

Diversity Fund funding of \$8,213,000 was provided.

Further information on the project is at:

- <u>http://www.deakin.edu.au/news/upload/121208Associate\_Degree.pdf</u>
- http://www.egtafe.vic.edu.au/apps/news/newsItem.asp?newsid=73

#### Integrated Rural Health Workforce Development

This LaTrobe University (La Trobe)-led project commenced in 2009 and helps establish the Northern Victorian School of Rural and Regional Health, centred at the regional campus in Bendigo. It enables La Trobe to specialise in the sustainable delivery of nursing and allied health programs to address the demand for health workers in the rural sector. The new School will engage with the health sector across northern Victoria to develop a new clinical placement program to enhance the learning, experience and quality of graduates. The School will further develop links with other higher education providers in the region, such as the Monash University Medical School and the regional TAFEs, through sharing of resources and articulation of educational pathways. A new hub-and-spoke delivery model will be implemented.

Diversity Fund funding of \$3,162,000 was provided.

Further information on the project is at:

• <u>http://www.latrobe.edu.au/news/articles/2008/article/funding-to-ease-regional-health-shortage</u>

#### Increasing Regional Student Participation

This Monash University (Monash)-led project commenced in 2009 and will address regional skills shortages by increasing student participation in higher education. In a departure from standard practice, Monash will take the University to the schools and communities of Far East and South Gippsland, communities whose engagement with higher education is traditionally low. Maximising the participation of Indigenous students is a key priority. This project will increase student participation in maths and sciences and establish learning networks to support isolated maths and science teachers. Pathways that enable increased numbers of regional students to enter the rural Gippsland Medical School will be established. Project activities will benefit all Gippsland students, and have relevance nation-wide.

Diversity Fund funding of \$1,701,000 was provided.

Further information on the project is at:

• http://www.gippsland.monash.edu.au/news/media/2008/12122008.html

#### Entry Pathways to Enhance Regional Participation

This University of Canberra-led project commenced in 2009. The project aims to enhance higher education participation and learning outcomes for regional students with low SES backgrounds. The project will pilot the 'pathways' admission model developed in the University that guarantees admission and appropriate learning support to all prospective students in regional centres. It will investigate the benefits and costs of pathway admissions through University of Canberra College, Illawarra Institute, or through the establishment of stand-alone University Centres—with local government, business and community support. The pilot will be undertaken in six towns: Bega; Cooma; Goulburn; Moruya; Ulladulla; and Yass, towns with high concentrations of age 15 -24 population cohort.

Diversity Fund funding of \$800,000 was provided.

Further information on the project is at:

<u>http://www.canberra.edu.au/media-centre/releases/current/december-2008/11\_integrated-learning</u>

#### Agreement For Reciprocal Credit (ARC)

This University of Newcastle-led project commenced in 2009 and will build on an existing dual sector activity involving the University of Newcastle, TAFE NSW - Hunter Institute, North Coast and New England Institutes to further develop credit transfer relationships, thereby promoting structural reform by recognising and formally describing the educational milestones achieved during the progress of a University degree or TAFE qualification. At present, students who may be part way through a degree program are not eligible to claim a qualification that may enhance their employment prospects. The project will identify and promote exit points within degree programs that will enable students to gain a VET sector qualification while proceeding to degree completion, or taking a break from University study.

Diversity Fund funding of \$210,000 provided.

#### National Work Integrated learning Portal

This Victoria University-led project commenced in 2009. The new National Work Integrated Learning Portal will link industry, community and professions with the higher education and vocational education and training sector via web-based technologies to increase work integrated learning opportunities for students. Ease of communicating opportunities and growth of the work-integrated learning community of practice will be facilitated by this streamlined portal interface. With 33 universities involved and facilitated by the Australian Collaborative Education Network, the portal will provide a national doorway for industry and community into universities, provide resources and professional development activities to stakeholders and links for international placements.

Diversity Fund funding of \$402,000 provided.

### C - The implications of current and proposed government measures on prospective students living in rural and regional areas

The Government has a range of measures designed to address the needs of schools and students in rural and regional areas. Measures range from institutional based funding, such as remoteness loading and the Country Areas Program, to individual funding arrangements, such as Youth Allowance, ABSTUDY and the new relocation scholarship which comes into force from January 2010.

#### SCHOOL FUNDING

Non-government schools receive a remoteness loading on their per capita recurrent grant funding if they have students studying at eligible locations. The funding is provided in recognition of the higher cost of delivering education services in regional and remote regions of Australia and the negative impact that this can have on student achievement levels. The funding aims to assist schools with the higher costs of delivering education services in regional and remote regions of Australia.

Non-government schools or campuses classified as 'Moderately Accessible', 'Remote' or 'Very Remote' receive an additional 5 per cent, 10 per cent or 20 per cent respectively of the funding entitlement associated with their socioeconomic status (SES) score. The classification of remoteness takes into account differences in accessibility to goods and services and opportunities for social interaction.

In 2008, 439 non-government schools received the loading, across 469 campus locations. In 2009 it is estimated that 412 schools will receive the loading, across 442 campus locations.

The Australian Government is also committed to improving the literacy and numeracy outcomes of all students. In May 2008 the Australian Government announced funding of \$577.4 million over four years for a *National Action Plan on Literacy and Numeracy*.

\$540 million of this funding has been invested in the *Smarter Schools: National Partnership on Literacy and Numeracy* (NP). The National Partnership for Literacy and Numeracy will ensure an increased focus and commitment to improving the literacy and numeracy outcomes of all Australian students.

The National Partnership for Literacy and Numeracy recognises that a focus on high quality literacy and numeracy teaching, together with strong leadership and whole school approaches, is needed to drive improvement in literacy and numeracy outcomes. Approximately \$40 million from the National Partnership will be invested in strategic research initiatives to improve our collective understanding of what works to improve literacy and numeracy outcomes.

As a first step in literacy and numeracy reform, the Government has invested more than \$41 million in 30 literacy and numeracy pilot initiatives. These pilots are trialling or expanding on initiatives to lift the literacy and numeracy performance of students in disadvantaged communities. They are driving change in more than 400 schools across Australia. This large-scale investment will support learning improvements for all students, particularly those most at risk of falling behind. It will contribute towards the ambitious COAG target to halve the gap for Indigenous students in reading, writing and numeracy within a decade.

The Country Areas Program (CAP) provides assistance to rural and geographically isolated students at nongovernment schools to cover the additional costs associated with schooling from geographically isolated areas. In 2008, 1 413 government, Catholic and independent schools received funding of \$30.5 million for 5,586 projects. State and Territory education authorities determine their own eligibility criteria and priorities for disbursing CAP funds to individual schools which are consistent with CAP objectives. Funding cannot be used as substitute funding for resources and services but may be used as supplementary funding for:

- Curriculum enhancement (e.g. excursions, music and attendance at sporting events);
- Information and communication technology;
- Professional development;
- School support;
- Purchase of tangible items (.e.g. computers, musical instruments and library books up to \$5,000).

From 1 January 2009, funding under CAP for government schools was incorporated into the National Education Agreement with States and Territories. An initial CAP allocation of \$5.2 million was made available for Catholic and independent schools.

#### TERTIARY FUNDING

The government's 2009-10 reform package *Transforming Australia's Higher Education System* has the potential to bring significant positive change for prospective higher education students in living in rural and regional areas.

The \$5.4 billion package for higher education and research includes the move to a student-centred funding system, where the Government will fund a Commonwealth supported place for all undergraduate domestic students accepted into an eligible accredited higher education course at a recognised public higher education provider. This will provide an incentive for institutions to increase enrolments and provide more opportunities for students to pursue a higher education qualification.

Given the current comparatively low rates of participation by students from regional areas, there is potential for this group to benefit from additional higher education places being offered by institutions that choose to expand their enrolment base.

#### **STUDENT FUNDING**

As mentioned above, as part of the 2009-10 Budget, the Government has proposed a package of reforms which will better target and improve access to student income support for students from low to middleincome backgrounds. The proposed reforms will have implications for both prospective and current students living in rural and regional areas. A discussion of how issues arising from arrangements will be addressed by the changes follows.

#### Income Support

The payment rates for students receiving Youth Allowance and ABSTUDY vary according to whether or not students are living in the family home, and if living at home, according to age. Students under 18 and living at home receive a lower level of benefit than those aged over 18 years.

The Bradley Review found that, at 25 years, the current age of independence for access to Youth Allowance is high by international standards. Under existing arrangements, a young person on Youth Allowance or ABSTUDY is considered to be dependent on their parents until they turn 25, unless they establish their independence through other means. The Government's proposed package of student income support reforms will progressively lower the age of independence to 24 years in 2010, 23 in 2011 and 22 years in 2012 to ensure that the age of independence better reflects when individuals are likely to become more financially independent of their parents.

The Government considers support for students a shared responsibility among parents, students themselves and government. Below the age of independence, students' eligibility for Youth Allowance or ABSTUDY can be assessed as either:

- dependent on their families, where parental income is the primary consideration in assessing eligibility; or
- independent, where the rate of payment is determined irrespective of parental income if a young
  person demonstrates independence from their parents, including through personal circumstances or
  workforce participation.

The Bradley Review found that the coverage of Youth Allowance (and ABSTUDY) for dependent students had fallen steeply since the early 2000s and that this is likely to be a result of the current indexation arrangements for the Parental Income Test<sup>2</sup>. This meant that over a period of time, while incomes have been rising nationally, fewer students have been able to qualify as dependants.

To increase access to payment for students in low to middle-income families, as part of the package of reforms to student income support, from 1 January 2010 the Parental Income Test for accessing Youth Allowance or ABSTUDY will be relaxed so that the threshold for the maximum rate of payment is increased from \$32,800 (in 2010) to \$44,165.

The current 25 per cent per child taper rate will also be replaced by a 20 per cent per family taper from 1 January 2010, using a similar methodology to that currently applying to Family Tax Benefit. This will mean that young people with combined parental income of up to \$44,165 will eligible to receive the full rate of Youth Allowance or ABSTUDY (for example, \$244.40 per fortnight if aged 18 and over and living at home, or \$371.40 per fortnight if receiving the away from home rate).<sup>3</sup> Once combined parental income reaches \$44,165, the total amount of Youth Allowance or ABSTUDY received by all dependent young people in the family will then be reduced by 20 cents for each dollar of combined parental income over \$44,165. This will result in a more graduated reduction of the payments received by all dependent Youth Allowance recipients in the family, with much higher corresponding points at which all payments cut out.

For example, the cut-off point for a family with 1 child aged 18 years living away from home to receive a part-payment of Youth Allowance or ABSTUDY will increase from \$71,532 to \$92,447. Similarly, a family with two children living away from home to study at university will now be able to receive some payment up to a parental income of \$140,729. The effects of the proposed changes are illustrated in Table 4 below.

<sup>&</sup>lt;sup>2</sup> Source: The Review of Australian Higher Education Final Report, December 2008, page 60.

<sup>&</sup>lt;sup>3</sup> Actual payment received will also depend on other factors, such as whether the young person has personal income, is partnered and/or has a child.

Family Situation:	Parental Income Cut-out Points		
Number of children on Youth Allowance by Age	Current Arrangements	New Arrangements	
1 Child aged 18 at home	\$58,288	\$75,937	
1 Child aged 18 away from home	\$71,532	\$92,447	
2 Children aged 16 and 17 at home	\$57,794	\$97,023	
2 Children aged 18 and 20 at home	\$62,080	\$107,709	
2 Children aged 17 and 21 away from home*	\$75,324	\$140,729	
2 Children aged 19 and 23 away from home	\$79,117	\$140,729	

\*Assumes 17 year old at school and 21 year old at university

The proposed changes to the Parental Income Test (PIT) are expected to benefit over 100,000 young Australians, including an estimated:

- 67,800 young people who would previously have been ineligible for Youth Allowance or ABSTUDY because their parental income was too high; and
- 34,600 young people who would receive a higher Youth Allowance or ABSTUDY payment than currently because their parents' income will be assessed under the higher maximum rate threshold and new family taper arrangements.

While existing data do not allow these estimates to be broken down by geographical area, it is expected that young people from regional and rural areas will particularly benefit from the parental income test changes. This is partly because of the lower average incomes across rural and regional Australia compared with metropolitan areas. Because more students from regional and rural areas will need to leave home to attend university, they will benefit from the higher level of benefits payable to dependent students living away from home and may be eligible for the proposed new Relocation Scholarships in many instances.

As an aspect of its finding that the current income support arrangements are poorly targeted, the Bradley Review identified the need to tighten the rules that govern eligibility for independent status (and therefore the independent rate of Youth Allowance) so that benefits can be targeted to those in greatest need. The Review did not recommend any changes to the arrangements that allow young people to establish independence through personal circumstances, such as marriage, being orphaned or having parents that cannot meet their responsibilities. However, it recommended that the workforce participation criterion be tightened.

Specifically, the Bradley Review considered that evidence of independence through workforce participation "should be based on the demonstration that a young person has established such independence from their parents by being engaged in employment that has resulted in genuine self-support".

Currently there are three elements to the workforce participation criterion for independence. These are set out in section 1067A(10)(a) of the *Social Security Act 1991*, and require demonstration that the young person is self-supporting through:

- 1. full-time employment of at least 30 hours per week for at least 18 months during any period of 2 years; or
- 2. part-time employment of at least 15 hours per week for at least 2 years since the person last left secondary school; or
- 3. a period or periods of employment over an 18 month period since the person last left secondary school, earning the person at least the equivalent of 75% of:

(i) the maximum rate of pay under Wage Level A of the Australian Pay and Classification Scale generally applicable to trainees; or

(ii) that maximum rate as varied or replaced from time to time by the Australian Fair Pay Commission;

that applied at the start of the period of employment<sup>4</sup>.

The Review drew on research findings on household incomes<sup>5</sup> looking specifically at the household incomes of students who qualified for income support through the workforce participation criterion for independence. Specific findings included that:

- 36 per cent of independent students receiving Youth Allowance and living at home were from families with incomes above \$100,000; and
- Approximately 18 per cent of such students came from families with incomes above \$150,000 and 10 per cent were from families with incomes above \$200,000.

The Bradley Review considered that removing the second and third elements of the workforce participation criterion 'would not affect those [who] are genuinely independent and would result in better targeting of income support funds'<sup>6</sup>. Under the Government's proposed reforms, only the first workforce participation element will remain.

To understand the geographical impact of the current arrangements, analysis was undertaken of Centrelink administrative data from the period April 2008 to April 2009 of all young people who established their independence under the current workforce participation criterion and were granted Youth Allowance or ABSTUDY. Based on the home addresses recorded (which can differ to term time addresses)<sup>7</sup>, this suggests that of all those who qualified for independent youth allowance:

- 70 per cent had a home address in a major city;
- 21 per cent had a home address in inner regional Australia;
- 8 per cent had a home address in outer regional Australia; and
- the remaining 1 per cent had a home address in remote or very remote Australia (or did not have a post code recorded).

Based on historical grant rates, it is estimated that around 30,700 young people may have claimed Youth Allowance and ABSTUDY under the workforce independence criterion in 2010. They will not qualify as independent Youth Allowance or ABSTUDY recipients under the proposed changes to the workforce participation criterion. The Department anticipates that a significant proportion of those who might successfully establish their independence under the current arrangements, were they to continue, would qualify as dependants under the proposed more generous Parental Income Test.

Because there is no requirement for Centrelink to collect information on parental income for prospective Youth Allowance claimants seeking to test their eligibility under the rules for independent status, it is not possible to calculate precisely the proportion of these young people who might qualify as dependants under the proposed relaxation of the parental income test. However, the Department has undertaken some analysis<sup>8</sup> which suggests that a majority of the estimated 30,700 young people, who would not

<sup>&</sup>lt;sup>4</sup> In 2009 this amount is \$19,532

<sup>&</sup>lt;sup>5</sup> Source: The Review of Australian Higher Education Final Report, December 2008, page 54

<sup>&</sup>lt;sup>6</sup> Source: The Review of Australian Higher Education Final Report, December 2008, page 62

<sup>&</sup>lt;sup>7</sup> This analysis groups the post codes of Youth Allowance recipients who established their independence through the workforce participation criterion according to the Accessibility/ Remoteness Index of Australia (ARIA) which measures the remoteness of a point based on the physical road distance to the nearest Urban Centre in each of five size classes - major city, inner regional, outer regional, remote and very remote. When interpreting these data it is necessary to consider that the home address provided by an independent Youth Allowance recipient may not indicate their parents' address in all cases.

<sup>&</sup>lt;sup>8</sup> The Department's internal analysis draws on a range of available data including Centrelink payment data on young people who had previously established independence for Youth Allowance under the workforce participation criterion and data from the 2001-07 Household, Income and Labour Dynamics of Australia (HILDA) survey.

qualify as independent recipients under the proposed changes to the workforce participation criterion for independence in 2010, would qualify for at least a part-rate of Youth Allowance or ABSTUDY as dependent recipients. This is based on estimates that over half of the young people affected are likely to be from families with parental incomes of over \$80,000 per year.

No student who has previously established independence and is already receiving Youth Allowance or ABSTUDY will be affected by these changes.

#### Scholarships

The proposed reforms would replace the existing Commonwealth Scholarships Program by the Student Start-up Scholarship and the Relocation Scholarship.

The proposed new **Student Start-up Scholarship** will be available to all higher education students receiving (at least a part-rate of) income support through Youth Allowance, Austudy and ABSTUDY, unless they receive a Commonwealth Education Cost Scholarship (CECS). Existing CECS holders will have their arrangements grandfathered.

The Student Start-up Scholarship will be valued at \$2,254 in 2010 (indexed in subsequent years), which is equivalent to the value of the forme Commonwealth Education Cost Scholarship (CECS) and available to all eligible students not already receiving a CECS. Students will receive the Student Start-up Scholarship for each year that they receive even a part-rate of student income support while studying at university. In 2007, 5,120 commencing students received Commonwealth Learning Scholarships. In 2010, an estimated 146,600 scholarships will be awarded to commencing students receiving student income support. In other words, the proposed new scholarship arrangements represent a 28-fold increase in 2010 on the number of Commonwealth Learning Scholarships allocated to commencing students in 2007.

University students will have an automatic entitlement to the Student Start-up Scholarship if they qualify for an income support payment – Youth Allowance, Austudy or ABSTUDY. The number of Start-up Scholarships will continue to grow and is expected to reach 172,600 students by 2013. Currently the number of CECS available is capped and falls well short of student demand.

As indicated above, under the proposed reforms rural and regional students receiving Youth Allowance or ABSTUDY and who move away from home to study at university may also be eligible for a **Relocation Scholarship** of \$4,000 in the first year and \$1,000 in subsequent years (indexed) to assist with the costs of establishing accommodation. These students may also receive Rent Assistance (as under current arrangements) to assist with the cost of private rental, including university college accommodation.

The introduction of the Relocation Scholarship provides a four-fold increase in the number of new scholarships made available to students who move away from home to commence university in the period from 2007 to 2010. A total of 27,833 new and existing university students will receive assistance with relocation in 2010. This figure includes a projected 13,633 university students who will continue to receiving a Commonwealth Accommodation Scholarship and 14,200 who will receive the proposed new Relocation Scholarship. The number of new Relocation Scholarships compares to the 8,100 Commonwealth Accommodation Scholarships in 2010, representing a 175 per cent increase in projected scholarships in 2010 from the current scheme.

The proposed new Student Start-up Scholarships and Relocation Scholarships will also introduce flexibility for students in determining which university they attend and which course they study as they are 'entitlement' based and will be 'portable' between institutions. The new scholarships will also be paid on a timelier basis since payment attaches to enrolment and will be delivered through Centrelink.

From 1 January 2010, all **equity and merit-based scholarships** will be exempt from means testing to the value of Commonwealth Scholarships (\$6,762 in 2010). Amounts over this would be subject to means testing. This includes scholarships provided by universities and philanthropic bodies. Scholarship amounts in excess of the capped value would continue to be assessed as income against the existing criteria.

Currently, Commonwealth Scholarships are exempt from means testing, but equity and merit-based scholarships are treated as income.

As a result of the proposed changes, scholarship income up to the threshold (\$6,762 in 2010) will not impact on student income support payments. The measure will encourage and assist students from low income backgrounds, including those from rural and regional areas, to participate in higher education. This will benefit an estimated 3,500 students who would have otherwise had their income support payments reduced as a result of receiving such scholarships.

#### Other proposed changes

From 1 January 2011, the *personal income test threshold* for students receiving Youth Allowance, Austudy or ABSTUDY will be increased from the current \$236 to \$400 per fortnight. This reform introduces annual CPI-indexation to the threshold and will allow students to earn more from part-time work before their payments are reduced. An increase in the personal income threshold from \$236 to \$400 per fortnight will enable students to work around 14 hours per week<sup>9</sup> at the Federal Minimum Wage rate , as determined by the Fair Pay Commission (compared to the current level of 8.75 hours) before their payment is affected.

From 1 January 2012, student income support eligibility will be extended to eligible students enrolled in all *masters by coursework* programs. This builds on the 2006–07 Budget measure, which extended Youth Allowance and Austudy to students enrolled in professionally oriented masters by coursework programs. It recognises the increasing requirement for masters qualifications for professional employment.

This measure will remove the need for universities to identify professionally oriented courses and seek approval for the purposes of student income support. It will also ensure equitable treatment across all coursework masters programs. An estimated 6,250 students will benefit in 2012-13 because they will undertake masters by coursework programs that will be automatically approved courses for student income support purposes.

#### Information for prospective claimants of Youth Allowance and ABSTUDY

An online Student Assistance Estimator has been developed to allow young people who may wish to claim Youth Allowance or ABSTUDY to enter their parents' income level and family type to gain an indication of the level of support they might expect to receive under the Government's proposed changes to these payments. This estimator, together with a number of fact sheets providing more information on the proposed changes, can be found at: <u>www.deewr.gov.au/youthallowance</u>.

<sup>&</sup>lt;sup>9</sup> Universities Australia's 2006 *Survey of Student Finances* found that full time undergraduates were working an average 14.8 hours per week in a typical week.

## D - The short- and long-term impact of current and proposed government policies on regional university and TAFE college enrolments

The Australian Government recognises that regional universities and campuses play a significant role in the economic and social fabric of their communities. Sustainable higher education provision which is responsive to the specific needs of regional Australia is essential to Australia's long-term social and economic prosperity. Students who study in regional areas are much more likely to stay in those areas, providing a vital skilled workforce in the regions. Institutions have a vital role to play in local communities and economies and existing universities will be well placed to explore new opportunities under reforms announced as part of the 2009-10 Budget.

New models of educational delivery are likely to grow from partnerships and collaborations between universities, as well as with VET and other adult education providers. Finding sustainable solutions for regional higher education provision will also play an important role in achieving the Australian Government's participation and attainment ambitions:

- that by 2025, 40 per cent of all 25-34 year olds will hold a qualification at bachelor level or above the achievement of this ambition will produce around 217,000 additional graduates by 2025
- that by 2020, 20 per cent of higher education enrolments at the undergraduate level will be of people from a low SES background regional institutions will play an important role in achieving this ambition given the higher proportion of low SES students in regional areas.

These are in addition to the Council of Australian Government's (COAG) goals to:

- halve the proportion of Australians aged 20 to 64 years without a Certificate Level III qualification by 2020
- double the number of higher qualification completions (diplomas and advanced diplomas) by 2020
- raise the proportion of young people achieving Year 12 or an equivalent qualification to 90 per cent by 2015
- halve the gap for Indigenous students in Year 12 or equivalent attainment by 2020.

Importantly, the equity component of the Australian Government's 2009-10 Higher Education Reform Budget package includes program funding of \$108m over 4 years for eligible higher education providers to develop partnerships with low SES schools, which will bring multiple and long-term benefits for teaching and learning in both environments. It will provide schools with links to universities, exposing their students to people, places and opportunities beyond the scope of their own experiences, and help teachers raise the aspirations of their students. Universities will have an incentive to expand their enrolment base, helping them to work towards the Government's ambition for increased participation and attainment by offering programs which might include scholarships, mentoring of teachers and students, curriculum and pedagogical support, opportunities for disadvantaged students to visit a university campus, or hands-on activities run by university staff in schools. Partnerships may also include establishing connections with vocational education and training providers.

The Government has allocated a further \$325 million over four years for a student loading, to be provided to universities as a financial incentive to expand their enrolment of low SES students, and to fund the intensive support needed to improve their completion and retention rates. The existing higher education Equity Support Program will be replaced and incorporated into these new funding arrangements.

At the same time, the Government is introducing major reforms to student income support to assist the access and retention of low SES students in higher learning.

These measures will benefit regional universities through increased funding and support over the short and long-term to achieve higher levels of participation and attainment.

The Government recognises the higher costs faced by higher education providers that operate in regional areas and provides funding through the Commonwealth Grant Scheme Regional Loading for providers with regional campuses to which Commonwealth supported places have been allocated. In 2009, \$31.2 million has been allocated.

The Australian Government will undertake a review of the cost of providing quality teaching and research in regional Australia, including the role of Regional Loading, in 2009 so that a new, more logical basis for funding may be developed to better meet the needs of regional Australia for high quality higher education.

The Government also announced that a new demand driven funding system for higher education will be introduced from 2012. This means that there will be no limit on the number of undergraduate Commonwealth supported places that can be delivered by public universities, including those in regional areas, to meet student demand.

Transitional arrangements will operate in 2010 and 2011. During this period the cap on funding for over enrolments will be lifted from 5 per cent to 10 per cent. The funding floor for under enrolment will remain. This will provide institutions with funding certainty. This transitional period will also provide an opportunity for institutions to consider their strategic direction and focus their activities and missions to achieve long term sustainability.

## E - The adequacy of government measures to provide for students who are required to leave home for secondary or post-secondary study

Students live away from home for a variety of reasons and thus require a variety of funding arrangements and schemes.

#### **SCHOOLING**

Students aged 16 years and over may receive Youth Allowance or ABSTUDY to study away from home for Years 11 and 12, vocational education and training or higher education.

In addition, the Assistance for Isolated Children (AIC) Scheme provides allowances to geographically isolated families with primary, secondary and certain tertiary students who cannot attend an appropriate state school on a daily basis because of geographic isolation.

The AIC Scheme has several allowance types which are tailored to assist a range of education options for isolated families. It contains an Additional Boarding Allowance that is specifically targeted at lower income families whose geographically isolated children board away from home to access schooling.

Families eligible for the AIC Additional Boarding Allowance can claim up to \$2,261 per student in 2009. This is in addition to the \$6,824 provided through the AIC Boarding Allowance.

In 2008, 11 212 students received AIC allowances at a cost of \$62 million. 2,013 of these students received the AIC Additional Boarding Allowance.

While the Department is not able to comment on the financial impact on rural and regional students of leaving home for study, the following analysis of students living away from home to attend a higher education institution and receiving Youth Allowance is provided to assist the Committee in its deliberations.

#### **TERTIARY**

The Department provides the following analysis of students living away from home to attend a higher education institution and receiving Youth Allowance to provide an indication of the assistance received by students in these circumstances.

For dependent students to receive the 'away from home' rate they must need to live away from the parental home for the purpose of undertaking their course of education. In assessing a student's circumstances, Centrelink needs to be assured that the student satisfies the 'reasonable distance' rules which require the claimant to travel by public transport for more than 90 minutes each way from their parental home to their educational institution. Time taken in travelling includes the walking and waiting times involved with using public transport and the absence of appropriate public transport is also taken into account. It is not possible to determine whether independent students who live away home are required to do so for study purposes, or simply chose to do so.

The data indicates that student income support recipients are more likely to live away from home if they live outside metropolitan areas. According to the Centrelink administrative data, of the 122,103 higher education students who received a Youth Allowance payment, 52 per cent qualified for an 'away from home' full or part payment of Youth Allowance (YA). Of higher education students receiving Youth Allowance:

- 48 per cent with a home address in a major city received the away from home rate of payment;
- 62 per cent with a home address an inner regional area received the away from home rate of payment;
- 72 per cent with a home address from an outer regional area received the away from home rate of payment;
- 80 per cent with a home address from a remote area received the away from home rate of payment; and
- 78 per cent with a home address from a very remote area received the away from home rate of payment.

When interpreting these data it is necessary to consider that the home address provided by student income support recipients may not indicate their parents' address in all cases.

Table 5 below summarises the information provided above and breaks down the numbers of students who report living away from home during term time by both ARIA categories of remoteness and whether they are independent or dependent Youth Allowance recipients. It is important to note that young people may qualify for independence through meeting a range of criteria, such as age, personal circumstances, including hardship or being unable to live in the family home, relationship circumstances, such as having a child or being married or in a de-facto relationship, or by demonstrating financial independence under the workforce participation criterion.

As above, this uses Centrelink data, as at 24 April 2009.

		All	Students Living Away from home			
Payment Type	ARIA	Students				
			Dependent	Independent	Total	
	Major Cities Australia	91,782	8,937	35,050	43,987	
	Inner Regional Australia	21,582	3,943	9,444	13,387	
	Outer Regional Australia	5,478	1,128	2,797	3,925	
	Very Remote Australia	87	*10	57	68	
	Remote Australia	269	43	172	215	
Youth	Total <sup>11</sup>	122,103	14,446	49,018	63,464	
Allowance		Per cent				
(Students )						
	Major Cities Australia	100.0%	9.7%	38.2%	47.9%	
	Inner Regional Australia	100.0%	18.3%	43.8%	62.0%	
	Outer Regional Australia	100.0%	20.6%	51.1%	71.7%	
	Very Remote Australia	100.0%	12.6%	65.5%	78.2%	
	Remote Australia	100.0%	16.0%	63.9%	79.9%	
	Total	100.0%	11.8%	40.1%	52.0%	

#### Table 5: Youth Allowance (Students) By ARIA: Higher Education Sector

 $<sup>^{10}</sup>$  This numbers is less than 20 and has been suppressed (replaced by \*) to protect confidentiality.

<sup>&</sup>lt;sup>11</sup> The totals reported include students whose home address is not provided.

A summary of the research, data and Australian Government assistance provided to students in rural, regional and remote areas, along with other systemic support, is outlined at <u>Attachment A</u>. Further geographic breakdowns of Income Support Payments are at <u>Attachment B</u>.

#### F - The educational needs of rural and regional students

#### **RESEARCH**

There are large observed differences in education participation rates for students from metropolitan, regional and rural areas, attributable in part to early school leaving, population demographics, socioeconomic status, aspirations, parental attitudes to further education, vocational education and training options and preferences, and local employment/training opportunities. The aspirations, access and attainment of rural and regional students are determined by a complex mix of interactions, not solely by their residency outside of a metropolitan city.

In 2004 a study led by Professor Nola Alloway *Factors impacting on student aspirations and expectations in regional Australia* recommended that teachers continue to inform students of continuing education about '*New Times*' and its consequences. Education systems need to continue to track the demographics and outcomes of student choices related to academic or vocational and education courses. Schools need to maintain and expand opportunities for students to widen their life experiences and broaden their opportunities (including promoting and expanding partnerships with industry and community initiatives which increase the level of skills and knowledge of students), and expand curriculum choice by rationalising resources and capitalising on the use of ICTs.

The report also found that parents were the number one influence on students' career and educational aspirations.

A 2006 report, by Margaret Alston and Jenny Kent, titled *The impact of drought on secondary education access in Australia's rural and remote areas* found that all communities visited experienced the on-going effects of drought. The report provides anecdotal evidence on drought and its impact on rural and remote families. It also confirms findings from other research suggesting that the predominant factors influencing education in these areas are rural restructuring and changes in economic conditions among other long-term issues.

The forthcoming DEEWR *Year 12 Choice survey* report examined Year 12 students' intentions for postschool activities and found that there are significant differences in the importance attached to campus location and accommodation options by respondents from metropolitan and non-metropolitan locations. Metropolitan respondents place greater importance on 'ease of access to home' and 'ability to live at home' than their non-metropolitan counterparts.

However, it is recognised that people from provincial and remote areas of Australia are less likely to apply for university than people from metropolitan areas. In 2009, DEEWR's applications and offers data showed that people from provincial areas made up 20.9% of applicants for undergraduate places, compared to 26.3% of the population. Only 1% of applicants were from remote areas, compared to a population share of 2.1%.

It is important to note that provincial and remote applicants were somewhat more likely to receive an offer than were metropolitan applicants: 82.2% of remote applicants and 81.0% of provincial applicants received offers, in comparison with 75.5% of metropolitan applicants. Remote applicants were the most likely to accept an offer (86.1%) followed by metropolitan applicants (85.6%) and provincial applicants (81.7%).

These data suggest 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.

Several Longitudinal Survey of Australian Youth (LSAY) Research Reports have examined aspiration and participation at different levels of the education system by respondent characteristics including location. These reports have demonstrated the complexity and long development of the aspirations of rural and regional students to participate in higher education.

Khoo and Ainley (2005) examined students' attitudes to school and intentions to participate in Year 12. It was found that students from non-metropolitan locations had lower expectations of proceeding to Year 12, and – after allowing for this – lower rates of Year 12 participation.

Jones (2002) also reported that regional differences in university participation were found to be largely the result of the associations between early school leaving and other characteristics, particularly lower attainments in Year 9 reading comprehension and numeracy, non-English speaking background at home, gender and, for females only, Indigenous identification.

Le and Miller (2005) found that rural students' lower rates of participation in post-school education and training (compared to students from capital cities or non-metropolitan areas) was largely explained by rural students' much lower likelihood of progressing from Year 10 into senior secondary school (note that rural students were defined as those from centres with a population of less than 1000).

Similar conclusions were drawn by Curtis and McMillan (2008) who found that students from both regional and rural backgrounds were more likely not to complete Year 12.

These studies indicate that students' aspirations to go to university are a complex interaction of their social-demographics and their compulsory school experience. Once these characteristics had been controlled, Jones (2002) found that home location had no significant effect on whether students, male or female, enter university.

Research on the attainment rates of rural and regional students has given promising results. For example, Curtis and McMillan (2008) found that a non-metropolitan background did not have a significant effect on non-completion once other background characteristics, individual achievement and intention and school factors were controlled in the analysis. These results, together with their success in receiving university offers, suggest that rural and regional students have equal potential with metropolitan students to excel in their studies once they form the intention to go to university.

Indigenous higher education students in rural and regional locations require additional financial, learning and personal support to address barriers to access, participation, retention and success. In 2001, the MCEETYA Taskforce on Indigenous Education reported that barriers related to employment, personal issues, finances, and issues associated with actual courses impact on education outcomes for Indigenous higher education students in rural and regional locations. These include:

- personal issues (needing a break; resolving role conflict; tired of study; doubts about course);
- family matters (juggling family, job and study);
- health (overwork and exhaustion; exacerbation of some health problems without adequate support); and
- employment (not coping with full-time work and study; loss of job with subsequent too little funds to continue).

Some studies show that the 'student psychological state' is the variable most strongly associated with student initiated withdrawal, and often characterised by such problems as integrating into social life on campus, crises such as homesickness and loneliness, financial hardship, anxiety, low self esteem, depression, lack of motivation and marital/family conflicts.

Research indicates that students from rural and isolated areas and/or in external or block release courses experienced isolation and disengagement from their course, and were often confused about academic procedures and had difficulty maintaining focus. Slow turnaround time for feedback and assessment of assignments often caused students to feel anxious and uncertain about their progress.

Students in rural areas require effective off-campus information technology infrastructure and resources available to support their studies. Some studies identified the need for: greater access to computers, including hire arrangements for external students; the provision of computers as incentives; and more computer laboratory time in courses to address the increase used of 'virtual class learning'.

#### **GOVERNMENT INITIATIVES**

Through COAG, the Australian Government has invested in a broad range of initiatives designed to transform schools and schooling for teachers, students and the community. These include National Partnerships (NPs) to address disadvantage in low Socio Economic Status (SES) school communities in the areas of literacy, numeracy and quality teaching.

The National Education Agreement (NEA), agreed by COAG on 29 November 2008, articulates the commitment of all governments of Australia to a reform agenda for supporting students. This agenda aims to ensure all Australian school students acquire the knowledge and skills they need to be able to participate effectively in society and employment in a globalised economy.

Through the NEA, the NPs and the Schools Assistance Act 2008, the Australian Government has committed more than \$47.4 billion in funding for both Government and non-Government schools to:

- attract, train, place, develop and retain quality teachers and school leaders and support schools to run as professional organisations working with their community
- ensure students have access to a national curriculum
- raise parental and community expectations of educational outcomes
- introduce transparent and more robust accountability to improve student performance by providing parents with clear information on how their child is progressing at school and how they compare with others in their community and across Australia
- support teaching and learning in schools through appropriate infrastructure
- review funding and regulation across government and non-government school sectors (while fulfilling its funding commitment to non-government schools)
- provide support to students with additional needs.

Through the Council of Australian Governments all States and Territories have agreed to establish a Compact with Young Australians which will entitle every Australian under the age of 25 to an education or training place.

Early school leavers and young people without Year 12 or equivalent qualifications are particularly vulnerable to the labour market effects of an economic downturn. Under the Compact with Young Australians, young people will be encouraged to attain higher qualifications and acquire the skills necessary to play a productive role in Australia's economic recovery.

Through the Compact, a National Youth Participation Requirement will be introduced to ensure that all young people complete Year 10 and participate in education, training, employment or a combination of these activities until the age of 17. Strengthened participation requirements will also generally make education and training a precondition for obtaining Youth Allowance (other) and Family Tax Benefit Part A for young people who have not completed Year 12 or an equivalent qualification.

The Australian Government has also announced changes to its youth career and transitions program arrangements. It has committed \$623 million over four years for measures to improve young people's educational attainment and transitions from school.

These reforms will be delivered under a National Partnership on Youth Attainment and Transitions and will include the consolidation of existing youth transitions programs into two new programs that will be developed in consultation with the States and Territories and put in place from 1 January 2010.

The new School Business Community Partnership Brokers program will broker improved partnerships between community, business, and schools to assist them to extend learning beyond the classroom, increase student engagement, lift attainment and improve educational outcomes.

## G - The impact of government measures and proposals on rural and regional communities

In additional to measures discussed above the Government has various programs aimed at positively impacting on rural and regional centres.

#### **SCHOOLING**

As part of the Australian Government's \$42 billion Nation Building — Economic Stimulus Plan, \$14.7 billion is being invested over 3 years for the Building the Education Revolution (BER) program to fund infrastructure projects at primary and secondary schools.

The two objectives of the BER are to provide economic stimulus through the rapid construction and refurbishment of school infrastructure, and to build on the Government's commitment to deliver a world-class education to all Australian schools.

The support for jobs is a fundamental aspect of the BER. The construction of labour intensive capital infrastructure projects such as new libraries, multi-purpose halls and classrooms is a priority under the \$12.4 billion *Primary Schools for the 21st Century* (P21) element.

All schools are eligible to apply for funding under the BER. Both P21 and the \$1.288 billion *National School Pride* (NSP) program are available to all eligible schools through a non-competitive process.

The BER is being implemented as quickly as possible so as to maximise the timely and effective delivery of economic stimulus to reduce the impact on Australia of the global economic recession. The BER is implemented through a partnership arrangement with States and Territories.

The Australian Government is working with all State and Territory governments on a 7-year partnership to assist schools and students most in need.

The Smarter Schools National Partnership for Low Socio-Economic Status School Communities will inject \$1.5 billion over seven years to address educational disadvantage associated with low socio-economic status. The National Partnership (NP) will support significant reforms in approximately 1,500 schools with a high concentration of disadvantaged students.

A key aspect of these reforms is the development of extended service schools whereby schools will be encouraged to work in partnership with families, local communities and businesses to offer wrap around support for students and their families to increase student learning engagement, wellbeing and educational achievement.

This initiative will be fully evaluated to identify outcomes and best practice examples to further propel wider reform and systemic change.

At the Council of Australian Governments meeting on 29 November 2008 the Commonwealth, States and Territories agreed to the Smarter Schools – *Improving Teacher Quality National Partnership* (TQNP). The TQNP will provide \$550 million in Commonwealth funding for ambitious, nationally significant and sustainable reforms to attract, train, place, develop and retain quality teachers and school leaders in classrooms and schools. These reforms provide a platform for raising student performance and will support other schooling reforms targeting low-socio-economic status (SES) school communities and literacy and numeracy outcomes.

In addition to commitments for Trade Training Centres and the Digital Education Revolution, the Government is providing an estimated \$570 million over four years to non-Government schools for capital infrastructure. A further \$62.5 million over four years will be allocated through the Local Schools Working Together pilot program. The Local Schools Working Together initiative will assist school communities that are currently struggling to provide facilities to support and improve the educational outcomes of their students.

#### **TERTIARY**

The significant contribution of universities with campuses in regional Australia is undeniable. They play a crucial role in regional economic growth and development and the social and cultural life of their communities. As such, their impacts often extend far beyond traditional educational and research activities. They are often central to regional economic and labour force benefits, including retaining graduates and professionals in the regions, generating diverse employment opportunities, and promoting regional research and investment.

#### Structural Adjustment Funding

To support continuing transformation in the higher education sector, \$400 million will be provided over four years for structural adjustment. This includes \$200 million for a capital component of structural adjustment provided through the Government's Education Investment Fund.

The structural adjustment fund will be available to all regional and metropolitan universities and will enable institutions to develop diverse missions.

This funding will promote long term sustainability in the sector by assisting universities in making strategic decisions about their future mission and possible ways to enhance their place in the new higher education environment. It will replace the existing Diversity and Structural Adjustment Fund, and will support broader strategic and capital projects.

In particular, the new fund will lay the ground work for the provision of more sustainable higher education in regional areas .

Such investment will invariably impact positively on rural and regional communities with connections to university campuses. Moreover, the Government will undertake further work in 2009 to better identify the issues facing regional providers and their communities, taking account of changes in the operating environment, including the impact of the move to a demand-driven system. The Government will consult with the sector in undertaking this further work.

#### Australian Qualification Framework (AQF)

The AQF is the principal quality assurance mechanism for Australia's education and training qualifications. Importantly, the AQF provides the architecture necessary for creating pathways between educational sectors and between work and study through credit arrangements.

In May 2009, the Australian Qualifications Framework Council released for consultation a proposal for strengthening the AQF. The paper outlines measures to enhance the objectives of the AQF and create a more contemporary AQF architecture.

There is a growing need for qualifications to be recognised across all educational sectors (schools, vocational education and training, and higher education). One of the key objectives of the review of the AQF therefore has been to facilitate more effective pathways between the VET and higher education sectors, such that students may more effectively obtain credit for qualifications achieved in one sector towards an award in another sector. It is anticipated that this enhancement to the AQF will be of benefit to students in rural and regional communities.

#### Aspire UWA

As mentioned in the response to question B, through Aspire UWA, the University of Western Australia will engage with educational and community organisations in the Pilbara region and with schools and communities in outer metropolitan Perth to implement a program of engagement and coordinated support initiatives designed to raise aspirations for tertiary education in communities typically under-represented in higher education.

The Australian Government recognises that sustainable higher education provision which is responsive to the skills needs of regional Australia is essential to Australia's social and economic prosperity. The Government will strengthen regional higher education provision through a suite of measures, including those described above, to encourage greater sustainability, diversity and collaboration supported by better funding and improved capital works, and review of existing and new approaches.

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#### DEEWR POLICIES AND PROGRAMS RELATING TO RURAL, REGIONAL AND REMOTE AREAS.

Rural and regional students and their families are recognised and targeted by the Australian Government, and State and Territory education authorities, as a group who have special educational needs and may not be adequately assisted through general education assistance. Additionally, the Australian Government provides support to individuals experiencing hardship as a result of drought through specific educational, employment or other measures.

To cater for this special need, the Australian Government provides assistance in the following ways:

- specific drought-related support in terms of general income support and student income support, funding for schools which directly benefits students and their families by assisting with a wide range of education expenses, assistance to farming communities, and financial incentives to employers in regions affected by drought;
- specific programs exclusively targeted at rural and remote schools/students; and
- assistance to rural and regional students through a mix of national education initiatives (which may contain elements targeted at rural and regional schools).

The Department of Education, Employment and Workplace Relations (DEEWR) administers several programs which specifically targets these three areas. These programs are delivered through either direct financial assistance, incentives or additional funding provided to State and Territory education authorities.

Details of targeted rural programs provided by the Department are provided below. However, these programs are intended to supplement broader national programs and resourcing arrangements.

The following outlines a summary of Australian Government targeted and mainstream initiatives aimed at students, families, schools, other organisations and systems.

#### Section One: Specific Drought-Related Support

#### <u>Schools</u>

**Drought Assistance for Schools** is designed to benefit students and was introduced in recognition of the impact of years of drought on farming families. Two years of funding for this program was announced on 25 September 2007 as part of a \$714 million package of drought assistance measures for farmers, small businesses and communities in rural and remote Australia.

This funding is intended to make it easier for rural families to meet ongoing education expenses and the cost of educational activities such as student excursions which may be cost prohibitive for families experiencing financial hardship as a result of prolonged drought. In 2007-08 a total of \$24,000,030 in Drought Assistance for Schools funding was delivered to 3,030 government and non-government schools in rural and remote locations across Australia. In 2008-09, 2318 government and non-government schools received \$17,417,170 in Drought Assistance for Schools funding.

On 12 May 2009, it was announced that the Drought Assistance for Schools program would be extended for 12 months. In 2009-10, approximately \$25 million is available under the program.

Under the Drought Assistance for Schools program, up to \$10,000 is available per school, per year for rural and remote schools located in Exceptional Circumstances (EC) declared areas, in towns with populations of less than 100,000. Funding consists of a base entitlement of \$1,000 per school plus a per capita allowance of \$100 for every enrolled full time equivalent student. Schools do not need to apply for Drought Assistance for Schools funding. Eligibility is assessed by the department and funding is delivered to schools as a single annual payment under cooperative arrangements with State, Territory and non-Government education authorities.

Schools are able to spend their Drought Assistance for Schools funding on items and activities which directly benefit students. This can include text books, uniforms, subject levies, excursions, school camps and other support which is related to schooling and offers relief to drought affected families. Drought Assistance for Schools funding is not available for capital purposes, staff salaries, utilities costs, purchase of equipment, stationery and other day-to-day consumables or school maintenance costs.

The strength of this initiative lies in the flexible funding arrangements and the fact that school communities are able to decide how the funds will be spent. This flexibility means that Drought Assistance for Schools funding can be used to subsidise excursions or extra curricular activities for whole classes or an entire school, or may be directed at the principal's discretion, to families most in need.

Feedback from school principals indicates that families in severe financial difficulty who find themselves unable to afford textbooks and subject levies appreciate the capacity of this funding measure to assist with a wide range of education expenses. To date all feedback about the Drought Assistance for Schools measure has been overwhelmingly positive, largely due to the absence of red tape and administrative burden at the school level and the freedom for schools to determine how the funds will be spent.

# Vocational Education and Training

The **Declared Drought Area Incentive** is aimed at encouraging primary producers who hold an Exceptional Circumstances Certificate to continue to offer skill development and employment opportunities in a declared drought area. Eligible employers may attract a \$1,500 Declared Drought Area Commencement incentive and a \$1,500 Completion incentive for Australian Apprentices who meet eligibility criteria.

# Student Income Support

Families in drought declared areas who receive an Exceptional Circumstances Relief Payment under the *Farm Household Support Act 1992* may be exempted from the application of the parental income and asset tests and the family actual means test for **Youth Allowance**. Eligibility for these payments includes youth of small business owners in drought affected areas.

For **ABSTUDY**, families in drought declared areas who receive an Exceptional Circumstances Relief Payment under the *Farm Household Support Act 1992*, those in receipt of an income support payment, or who hold a Low Income Card or Health Care Card may be exempted from the application of the parental income and asset tests.

A 75% discount is applied to farm assets as part of the application of the assets test, currently with a cut off at \$2.286 million.

## Drought Force

**Drought Force** is an Australian Government program designed to assist individual farms, primary producers and farming communities severely affected by drought in areas which meet the Government's Exceptional Circumstances criteria for drought declaration. The program is designed to ease the burden of drought on farming properties by ensuring these properties are maintained and able to cope once the drought breaks. Drought Force also encourages people to remain in their local community and to build and retain skills that support the local economy.

Drought Force activities generally seek to provide assistance to drought-affected communities by:

- assisting with drought mitigation
- easing the burden of drought for farmers and their families
- ensuring that farms and properties are maintained and therefore able to cope once a drought breaks
- encouraging people to remain in their local community, retaining and building local skills
- supporting the local economy to deal with the impact of drought, and
- supporting local community priorities.

Drought Force activities may be undertaken on private land where workers are not displaced. All eligible job seekers can volunteer to participate in Drought Force at any time, if the job seekers are assessed as benefiting from Drought Force. People over 21 years of age and not on income support can also take part in Drought Force Only services. This may include local unemployed, seasonal workers and students. Drought Force activities are undertaken on a voluntary basis, with volunteers or people on income support assisting, either as individuals or part of a group, with drought mitigation tasks such as maintaining irrigation channels, hand feeding and watering stock, fencing and general repairs and maintenance.

Drought Force participants have the option of undertaking accredited and non-accredited training in combination with their Drought Force activity, where appropriate and available.

#### **General Income Support**

# There are flexible arrangements for Newstart Allowance and other benefits for people unemployed due to drought.

In some circumstances, where a person has been stood down due to lack of work/stock shortage or other factors due to drought etc in some circumstances the person can be regarded as unemployed and claim **Newstart Allowance**. To be eligible for Newstart Allowance a person must be available for, and looking for other employment unless an exemption is granted.

A job seeker who is substantially involved in **running a business** (including farming) would generally not be regarded as unemployed as they are usually unable to satisfy the activity test requirements while conducting their own business. However, a person who is unable to operate their business during a disaster situation, such as a drought, may sometimes be regarded as unemployed. This will often depend on the particular circumstances of the case.

**Income support payments** available, depending on individual circumstances, following unemployment during a drought include:

- Parenting Payment is available to parents with children under six if the person is partnered or under eight if the person is single.
- Age Pension is available to men or women aged at the qualifying Pension Age.
- Newstart Allowance and Youth Allowance (job seeker)

# Section Two: Rural and Remote Targeted Initiatives

### Early Childhood

\$9.1 million over three years will be allocated to provide operational funding for eight existing crèches, the creation of another crèche and the upgrading of two more. These new crèches are in remote communities in the Northern Territory that previously had little or no access to early childhood programs for children under five years of age.

## **Schools**

The **Assistance for Isolated Children (AIC)** Scheme helps the families of primary, secondary and certain tertiary students who are unable to attend an appropriate government school on a daily basis because of geographic isolation. The purpose of the AIC Scheme is to provide financial assistance through boarding and other allowances in recognition of the additional expenditure incurred by mainly geographically isolated families for the education of their children. In 2008, AIC assisted 11,212 rural and isolated school students at a cost of almost \$62 million.

From 1 January 2008, two changes to the AIC Scheme were implemented.

- A \$1,000 Distance Education supplement (\$1,045 in 2009) became payable to all recipients of the AIC Distance Education Allowance;
- The AIC Additional Boarding Allowance increased by \$1,000 to \$2,164 for 2008 (\$2,261 for 2009). These changes, however, will not continue beyond 2010.

As part of the ongoing effort to close the gap in the Northern Territory, the Government will commit \$37.5 million over three years for the continuation of the **School Nutrition Program** which delivers breakfast and lunch to school aged children.

\$11.2 million over one year will be invested to address the urgent need for teacher accommodation in the Northern Territory to address housing shortages and to increase teacher employment and retention. This funding is in addition to \$5 million announced on 22 October 2008 for up to 10 additional teacher houses in Wadeye community. It also complements funding of \$7 million provided for 15 additional classroom in schools servicing remote communities in the Northern Territory through the Governments' \$14.7 billion Building the Education Revolution initiative, which was announced in the Updated Economic and Fiscal Outlook.

The **Country Areas Program (CAP)** aims to help schools and school communities improve the educational outcomes and opportunities of students who are educationally disadvantaged because of their geographical isolation, so that their learning outcomes match those of other students. In the 2005–2008 Quadrennium approximately \$115 million in funding was provided under the Program.

In 2008, approximately \$30.5 million was provided to State, Catholic and independent schools in all Australian States and the Northern Territory. Funding is additional to the funds provided by education authorities who allocate funds to schools, according to the priorities identified by them, using their knowledge of local needs.

CAP funding for government schools has been incorporated into the National Education Agreement from 2009. CAP funding for all Catholic and independent schools in all Australian States and the Northern Territory, however, will be covered by the *Schools Assistance Act 2008*.

Non-government schools receive a **Remoteness loading** on their per capita recurrent grant funding if they have students studying at eligible locations. The funding is provided in recognition of the higher cost of delivering education services in regional and remote regions of Australia and the negative impact that this can have on student achievement levels. The funding aims to assist schools with the higher costs of delivering education services in regional and remote regions of Australia.

Non-government schools or campuses classified as 'Moderately Accessible', 'Remote' or 'Very Remote' receive an additional 5 per cent, 10 per cent or 20 per cent respectively of the funding entitlement associated with their socioeconomic status (SES) score. The classification of remoteness takes into account differences in accessibility to goods and services and opportunities for social interaction.

In 2008, 439 non-government schools received the loading, across 469 campus locations. In 2009 it is estimated that 412 schools will receive the loading, across 442 campus locations.

The National School Drug Education Strategy (NSDES) – Indigenous, Rural and Remote Initiative (IRRI) assists Indigenous, rural and remote school communities to more effectively address drug related issues for their students and families. \$2.1 million was available over 2004-08 for the initiative.

## **Higher Education**

The **Commonwealth Scholarships Program** provides assistance to students from low socio-economic status backgrounds, particularly those from regional and remote areas and Indigenous students, with costs associated with higher education. Under the package of student income support reforms announced on 12 May 2009 only Indigenous Access Scholarships will remain. From 1 January 2010, new Relocation Scholarships which will replace Commonwealth Accommodation Scholarships and Start-Up Scholarships will replace Commonwealth Education Costs Scholarships. Existing recipients of these Commonwealth Education Scholarships (as a January 2010) will be 'grandfathered' from these changes; that is, t hey will continue to receive their Commonwealth Scholarships.

The Commonwealth Scholarships Program currently has two key components:

- Commonwealth Education Costs Scholarship (CECS) which assists with general education costs associated with higher education. In 2009 a CECS is valued at \$2,207 a year for up to four years; and
- Commonwealth Accommodation Scholarship (CAS) which assists students from regional and remote areas who have to move to attend higher education with the accommodation costs they incur. In 2009, a CAS is \$4,415 a year for up to four years.

Both the CECS and CAS scholarships are indexed annually. These scholarships are not treated as income for Social Security and Veteran Affairs pensions and allowances, or in assessing ABSTUDY entitlements.

**Indigenous Access Scholarships,** a category of Commonwealth Scholarships, annually assist up to 1,000 Indigenous higher education students, particularly those who need to relocate from regional or remote areas of Australia, to take up an undergraduate or enabling course at university. This initiative comprises a provision of \$4,166 in 2009 (indexed annually) to eligible Indigenous students to assist them with the costs associated with relocating to attend university.

In addition, as part of the Commonwealth Scholarships program, annual funding is provided for an additional year for 700 Commonwealth Education Costs Scholarships and 210 Commonwealth Accommodation Scholarships for Indigenous students to undertake a higher education enabling course.

The Government recognises the higher costs faced by higher education providers that operate in regional areas and provides funding through the Commonwealth Grant Scheme Regional Loading for providers with regional campuses to which Commonwealth supported places have been allocated. In 2009, \$31.2 million has been allocated.

The Australian Government will undertake a review of the cost of providing quality teaching and research in regional Australia, including the role of Regional Loading, in 2009 so that a new, more logical basis for funding may be developed to better meet the needs of regional Australia for high quality higher education.

The Government also announced that a new demand driven funding system for higher education will be introduced from 2012. This means that there will be no limit on the number of undergraduate Commonwealth supported places that can be delivered by public universities, including those in regional areas, to meet student demand.

Transitional arrangements will operate in 2010 and 2011. During this period the cap on funding for over enrolments will be lifted from 5 per cent to 10 per cent. The funding floor for under enrolment will remain. This will provide institutions with funding certainty. This transitional period will also provide an opportunity for institutions to consider their strategic direction and focus their activities and missions top achieve long term sustainability.

The Australian Government provides funding to eligible higher education providers through the **Higher Education Equity Support Program** (ESP) to increase the *access* and *participation* in higher education of domestic students from low socio-economic status (SES) backgrounds including regional and remote students.

The Australian Government provides funding to eligible higher education providers through the ESP to increase the *access* and *participation* in higher education of domestic students from low socio-economic status (SES) backgrounds. Equity groups include students from regional and remote areas, students with a disability and students from non-English speaking backgrounds. ESP funds can also be used to assist students in overcoming educational disadvantage associated with gender.

To be eligible to receive ESP funds in any one year, eligible providers must provide a statement to DEEWR, typically though the Institution Assessment Framework (IAF) process, demonstrating that they are undertaking activities which assist domestic equity group students, consistent with the aims of the program, and meet all of the following criteria:

(a) run outreach programs to attract equity group students to higher education;

(b) offer specialised support for equity group students to assist their progression through higher education;

(c) administer application and selection processes for the Commonwealth Scholarships Program; and(d) establish an institutional equity scholarship program to complement the Commonwealth Scholarships Programme.

All providers listed on Table A in section 16-15 of the *Higher Education Support Act 2003* currently receive funding under this program.

The allocation of ESP funds is based upon a formula which takes into account the universities' number of domestic students from a low SES background and students from regional and remote areas; and the retention and success ratios for these groups. In this way the ESP program provides both a measure and an incentive in relation to Table A providers encouraging students from regional and remote areas to participate in higher education.

For 2009 \$11.125 million has been allocated to eligible providers under the ESP formula.

To address Australia's historically poor record in increasing participation by low SES students, the Government has announced its ambition that, by 2020, 20 per cent of higher education enrolments at the undergraduate level will be of people from a low SES background. This will include students from regional and remote areas.

From 1 January 2010 the Australian Government will introduce funding to support the low socio-economic status (SES) student target will total \$437 million over four years, including \$394 million in new money.

In 2010 the funding will be about 2 per cent of teaching and learning grants, and will increase to about 3 per cent in 2011. By 2012, equity funding will be brought broadly into line with the recommendation of the Bradley Review to increase it to 4 per cent of teaching and learning grants.

The increased level of funding will deliver:

- A new partnership program worth \$108 million over four years to link universities with schools, vocational education and training providers, and adult education. This will promote leading practice, increase the aspirations of students and contribute to higher rates of education attainment of low SES including Indigenous and students from regional and remote areas.
- A student-related loading, worth \$325 million over four years including about \$43 million from the Higher Education Equity Support Program. This loading will be based on the numbers of low SES students enrolled in institutions. Due to this initiative the loading per student will be significantly increased from the current level of approximately \$100 per student in 2009 to about \$400 per student in 2010, about \$770 in 2011 and about \$1,140 in 2012.

In consultation with the Indigenous Higher Education Advisory Council, the Government will support a review of the effectiveness of measures which are designed to improve the participation of Indigenous students in higher education

# Vocational Education and Training

The **Rural and Regional Skills Shortage Incentive** aims to boost training in rural and regional Australia by providing a special Commencement incentive for a rural or regional employer who employs an Australian Apprentice in an eligible skills shortage qualification at the Certificate III or IV level. The qualification must be in an occupation listed as a national skills shortage occupation. Eligible employers may attract a \$1,000 Rural and Regional Commencement incentive for Australian Apprentices who meet eligibility criteria.

Rural and regional Australia comprises those workplace locations identified on the Rural and Regional Eligible Workplace Postcodes list.

The workplace address as shown on the Australian Apprenticeships Incentives Claim Form determines whether the Australian Apprentice satisfies this criterion. Where a Group Training Organisation is the employer, the workplace address for the purposes of this incentive is the host employer's workplace address.

The **Living Away From Home Allowance** (LAFHA) 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. LAFHA is also available where the Australian Apprentice is homeless.

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.

\$5 million will be invested in Training facilities for the Traditional Trades at Bendigo Regional Institute of TAFE. This involves the construction of a purpose-built building on its existing Echuca campus that will facilitate up-to-date teaching practices. The facilities will be used for training in electrotechnology, automotive, engineering, construction and plumbing.

# National VET Equity Advisory Council (NVEAC)

The Ministerial Council for Vocational and Technical Education (MCVTE) has established National VET Equity Advisory Council (NVEAC) to provide high level advice on matters relevant to improving the participation in vocational education and training (VET) and achievement of VET equity students, and the performance of the national VET system in support of such students. NVEAC will report to the new Ministerial Council on Tertiary Education and Employment (MCTEE).

NVEAC will utilise the expertise of individuals with extensive experience in equity issues in training, higher education and employment. Its members have been drawn from: private, community and public training providers; the union movement; the higher education sector; employer and employee groups; and student groups. Members of NVEAC are from metropolitan, regional and remote Australia.

#### Income Support

#### Student Income Support

The Australian Government provides assistance to full-time students aged 16 to 24 through **Youth Allowance**, through **Austudy** for students aged 25 years and over and **ABSTUDY** for Indigenous students. Youth Allowance, Austudy and ABSTUDY are demand driven and are targeted to those most in need of financial assistance. No eligible person is denied assistance as they are not capped programs.

**Youth Allowance** is targeted to full-time students (Youth Allowance (student)), Australian Apprentices (Youth Allowance (apprentice)) and young job seekers (Youth Allowance (other))across the whole Australian community, who are in need of financial assistance. Students from regional Australia who qualify for Youth Allowance as dependants and who study away from their home may receive payment at the 'away-from-home' rate and may be eligible for Rent Assistance. These students receive a higher rate of benefit, with students aged 18 years and over currently receiving a maximum rate of \$371.40 per fortnight compared to an 'at home' rate of \$244.40.

Under the changes announced in May 2009, for each year that a student receives Youth Allowance it is proposed that they receive a \$2 254 Student Start-up Scholarship. It replaces the current Commonwealth Education Cost Scholarship (CECs). Existing CECs students will be grandfathered. The Start-up Scholarships are expected to benefit 146 600 students in 2010 and 172 600 students by 2013.

To receive Youth Allowance from 1 July 2009 new applicants aged under 21 years without Year 12 or equivalent will need to:

- participate in education and training full-time; or
- participate full-time (that is, for at least 25 hours a week) in part-time study or training, in combination
  with other approved activities, until they attain Year 12 or an equivalent Certificate Level II
  qualification.

These changes will apply to existing recipients of Youth Allowance (other) without Year 12 or equivalent progressively from 1 January 2010 to 30 June 2010. The changes do not apply to young people who have already completed Year 12 or an equivalent qualification.

**Austudy** is a payment to full-time students and Australian Apprentices aged 25 years and over who are undertaking an approved course at an approved institution. The maximum rate of payment is \$371.40 per fortnight for a single person. From 1 January 2008, students aged 25 years and over who receive **Austudy** may be also eligible for **Rent Assistance** to provide further assistance with the living costs associated with full-time study and training. This is of particular support to those who need to relocate to pursue their studies.

**ABSTUDY** provides financial assistance for people of Aboriginal and Torres Strait Islander descent who are undertaking approved study or an Australian Apprenticeship and not receiving other government assistance for study. ABSTUDY recipients living away from home may receive an away from home rate payment that is aligned with the Youth Allowance rates for students under 21 years of age. Secondary school students who are approved to live away from home may also be eligible for assistance with boarding costs of up to \$9,085 per year, of which \$6,824 is income-test free.

Students aged 21 years and over, living away from home to study, can receive a maximum ABSTUDY Living Allowance of \$453.30 per fortnight. Full-time students living in remote areas may also be eligible for an additional Remote Area Allowance of \$18.20 per fortnight. Students may also be eligible for Rent Assistance; the maximum entitlement for a dependent student is \$111.20 per fortnight. ABSTUDY also provides assistance to cover the cost of specified travel for students who need to move away from home to attend study or to participate in an approved activity, such as clinical placements. Recently, Crisis and Bereavement payments and Incidentals Allowance for students undertaking an enabling course at a higher education institution have been extended to ABSTUDY recipients.

Student income support programs may also extend eligibility to:

- **Pharmaceutical Allowance** available to incapacitated students receiving Youth Allowance and to Austudy recipients aged 60 or more in receipt of income support for 9 months or more. The rate is \$5.80 pf for a single person, \$2.90 each for a partnered person.
- **Remote Area Allowance** payable at the rate of \$18.20 pf for a single person, \$15.60 pf each for a partnered person, plus \$7.30 for each dependent child of the student.
- Fares Allowance covers the cost of specified travel for eligible tertiary students who need to live away from home to study. It is paid as a reimbursement to the student based on the most appropriate mode of travel.
- **Rent Assistance** up to \$111.20 pf for a single person living alone, \$74.13 pf for a single sharer and up to \$104.80 pf for a partnered person (each). It is payable at higher rates if student has dependent children.

#### Indigenous Students

The **Indigenous Support Program** aims to assist eligible higher education providers meet the needs of Indigenous Australian students and to advance the goals of the National Aboriginal and Torres Strait Islander Education Policy. Grants under the Indigenous Support Program assist with Indigenous support activities, including activities targeted at Indigenous students from rural and isolated areas such as the establishment of Indigenous Education Units, assistance with study skills, personal counselling and cultural awareness activities.. Funding of \$34.059 million was allocated in 2008.

The **Indigenous Youth Leadership Program** supports scholarships of up to three years duration for Indigenous students, mostly from remote and regional areas to attend high performing schools (day and boarding, government and non-government) and universities. In addition to helping Indigenous students achieve their educational aspirations, the IYLP supports the development of a pool of positive role models and future leaders, to inspire other Indigenous students and illustrate the successes that can be achieved through educational attainment. From 2010 300 new three scholarships each year (240 secondary and 60 tertiary) will be available. The expected number of scholarship recipients is expected to reach 750 in 2012.

Through the **Indigenous Youth Mobility Program**, Indigenous young people (aged 16-24) mostly from remote areas can, with the support of their families and community, relocate to one of 17 IYMP host locations to complete the qualifications they need to obtain sustainable employment. Pre-vocational training, Australian Apprenticeships, Certificate courses delivered through Registered Training Organisations and some tertiary pathways including those leading to qualifications in nursing, teaching, accounting and business management are the focus of IYMP in recognition of a high demand for these skills in remote communities. From July 2009, the number of places available in IYMP has increased from around 200 to 324. Around 400 young people are expected to access the program each year.

The 2009-2010 Budget provided \$20 million to the recently established **Australian Indigenous Education Foundation** over three years for it to establish an endowment fund that will source corporate and other contributions to add to Commonwealth funds and deliver scholarships for Indigenous students to attend boarding schools over the next 20 years.

Away from Base for 'Mixed-mode' delivery (AFB) provides funding to cover travel costs including fares, meals and accommodation costs for students studying approved 'mixed-mode' courses when they undertake approved activities. Eligible providers in the Higher Education and Vocational Educational and Training sectors administer this funding. The primary objective of AFB is to increase access and participation by Indigenous students from rural and remote areas in tertiary study, leading to increased enrolments and retention, improved educational outcomes and improved employment prospects, life choices and quality of life for Indigenous people.

#### Section Three: Mainstream Initiatives Available to Rural and Remote

Other generic initiatives that may assist schools, students and families in remote, rural and regional areas include:

# <u>Schools</u>

The Australian Government will deliver a \$14.7 billion boost to the Education Revolution over the next three financial years. **Building the Education Revolution (BER)** begins in 2009 and will provide new facilities and refurbishments in schools so Australia's 9,540 schools can meet the needs of 21st century students and teachers.

Every Australian school will be able to access a part of the Government's investment of \$987.2 million during the 2008–09 financial year, \$8.5 billion over 2009–10 and \$5.2 billion in 2010–11. BER complements the existing and planned investments by the states and territories and non-government systems and schools. This is a critical component of the Government's economic stimulus package, giving our schools the attention they so richly deserve.

To ensure that BER has the greatest impact on job creation, it is essential that construction and maintenance work commences as quickly as possible. The program builds on the Rudd Government's commitment to deliver a world-class education to all Australian schools.

## The three key elements of BER are:

- Primary Schools for the 21st Century: \$12.4 billion to build or renew large scale infrastructure in all primary schools and K–12s (primary component), including libraries, halls and indoor sporting centres.
- Science and Language Centres for 21st Century Secondary Schools: \$1 billion to build up to 500 new science laboratories and language learning centres in secondary schools that can demonstrate both need and readiness and capacity to complete construction during 2009-10.
- *Renewing Australia's Schools:* \$1.3 billion to refurbish and renew existing infrastructure and build minor infrastructure of up to \$200 000, subject to the size of the school.

The **Australian Government's Capital Grants Program (CPG)** supports the construction and upgrading of schools in partnership with state and territory governments, non-government school authorities and school communities. Between 2005-2008, as part of the CPG General Element, the Australian Government provided funding of \$126,713,000 to government schools and funding of \$137,456,306 to non-government schools in remote, rural and regional areas. An additional \$17 million CPG funding was made available over the 2005-08 quadrennium specifically for non-government schools serving students in rural and isolated communities in the Northern Territory where the educational needs are greatest.

The Australian Government is providing \$60 million over the eight financial years 2001-02 to 2008-09 to support the development of online curriculum resources, services and applications for Australian schools through **The Le@rning Federation**.

The **Parliament and Civics Education Rebate (PACER)** provides a subsidy for year 4 to year 12 students travelling to Canberra as part of their civics and citizenship education. In May 2006, \$16.3 million was allocated to PACER over four years.

Funding of \$77 million over 4 years for the **Improving the Practical Component of Teacher Education (IPCTE)** program was made available under the Budget package, *Realising Our Potential*. This program, that commenced in 2008, provides funding for all students undertaking a three or four year pre-service teacher education course, so that they receive a minimum of 120 days professional experience education. For those students undertaking a one or two year course, a minimum of 60 days professional experience will apply. The additional funding provided under this program will enable universities to engage staff to oversee professional experience arrangements and, where applicable, expand the time student teachers spend in schools. A key aim of the program is to provide higher quality professional experiences, not simply a longer practicum placement.

The **Trades Training Centres in Schools Program** will provide \$2.5 billion over 10 years to enable all secondary school across Australia to apply for funding of between \$500 000 and \$1.5 million for Trade Training Centres. The centres are being established to help increase the proportion of students achieving Year 12 or an equivalent qualification. An important step in achieving this increase is to ensure students have access to high quality, relevant education and training opportunities that continue to engage them and encourage them to complete their studies.

In allocating funds, priority is given to applications that establish regional skills hubs whereby secondary schools in rural and regional locations develop partnerships for improved trade training delivery. An additional priority for funding is to support secondary school communities with Indigenous students, and students from rural, regional or other disadvantaged communities. The program was implemented in 2008.

The **National Secondary Schools Computer Fund** will invest \$900 million to improve secondary school student access to world class information. The Fund will provide for new or upgraded ICT for secondary students in Years 9 to 12. Schools will be able to apply for up to \$1 million from the Fund dependent on enrolment and need and they will be able to purchase computers, interactive whiteboards, data projectors, digital cameras and other technologies.

# Vocational Education

The **Teaching and Learning Capital Fund for Vocational Education and Training (TLCF)** will provide \$500 million to modernise and improve the quality of teaching and learning across the vocational education and training sector.

Funding for this initiative will be provided through the following three program elements:

- Better TAFE Facilities (BTF) a total of \$200 million is available to TAFE institutes across Australia, to help them to address immediate maintenance needs, small capital works and equipment and plant purchase. Funding of \$2 million to \$8 million (GST exclusive) is available to TAFE institutes for eligible projects.
- Training Infrastructure Investment for Tomorrow (TIIFT) a total of \$200 million is available for eligible applicants and consortia led by eligible applicants to apply for competitive grants of up to \$10 million (GST exclusive) for infrastructure projects to adjust to the emerging training needs of the local economies in which they operate; and support the national training system to address industry's emerging sustainable skills requirements.
- Investing in Community Education and Training (ICET) a total of \$100 million is available to community education and training providers, who will be able to apply for small capital grants of between \$50,000 (GST exclusive) and \$250,000 (GST exclusive) to assist with maintenance or the

purchase of equipment and for larger grants of \$250,000 to \$1.5 million (GST exclusive) for major capital infrastructure developments or upgrades.

# Higher Education

Funding is provided through the **Higher Education Disability Support Program** for three initiatives to support successful participation of students with a disability in higher education. The initiatives are: Additional Support for Students with Disabilities (ASSD), Performance-based Disability Support Funding and the Australian Disability Clearinghouse on Education and Training. Funding of \$6.74 million was provided in 2007.

The Regional Disability Liaison Officer initiative (formally part of the Higher Education Disability Support Program) has been merged with the Disability Coordination Officer program to form the **National Disability Coordination Officer (NDCO) Program.** The new NDCO program commenced on 1 January 2008.

The NDCO Program funds a comprehensive national network consisting of 31 coordination officers. These officers offer information, coordination and referral services in order for people with a disability to fully participate in post-school education and training and employment.

The **Diversity and Structural Adjustment Fund** (Diversity Fund), which began on 1 January 2008, aimed to promote structural reform by eligible higher education providers that supports greater specialisation among providers, more diversity in the higher education sector and better responsiveness to labour markets operating in the local or national interest.

Over \$200 million was allocated to the Diversity Fund over four years (2008-2011). The Diversity Fund will be subsumed by the Structural Adjustment Fund in 2010.

To support continuing transformation in the sector, \$400 million will be provided over four years for structural adjustment through the new **Structural Adjustment Fund**. This includes \$200 million for the capital component of structural adjustment provided through the third round of the Education Investment Fund. The structural adjustment fund will be available to all regional and metropolitan universities and will enable institutions to develop diverse missions.

The Australian Government's **Education Investment Fund (EIF)** is one of three Nation Building funds and is a major component of the Government's Education Revolution and innovation agenda. The role of the EIF is to build a modern, productive, internationally competitive Australian economy by supporting world leading, strategically focussed capital infrastructure investments that will transform Australian tertiary education and research. By investing in significant capital infrastructure, the EIF will transform Australia's knowledge generation and teaching capabilities, boost participation in tertiary education, position Australia to meet its skills needs, now and into the future, and enhance Australia's innovation capacity.

#### Partnerships and Careers

The Local Community Partnerships (LCPs) initiative was established to support young people from 13 to 19 years of age to achieve a successful transition through school and from school to further education, training and work. LCPs facilitate the continuation of the Structured Workplace Learning Program and have implemented the Career and Transition Support and the Adopt a School programs.

**Youth Pathways** is targeted at young people aged 13 to 19 who are the most at risk of not making a successful transition through school and from school to further education, training, employment and active participation in the community. Youth Pathways aims to reduce the number of early school leavers who are not employed or in education in the 12 months after leaving school.

**Connections,** provides a full-time education and personal development program for young people, aged 13 to 19, who are disconnected from mainstream schooling. The initiative delivers accredited education, life skills and employability skills training in supported community settings. At the same time, participants are provided with support to deal with personal issues and build self-esteem and resilience. The holistic and flexible approach taken by POEM provides participants with the foundations they need to have every chance of reaching their full potential. The Australian Government has invested \$34.9 million between 2007 and 2009, which will assist up to 3,000 participants per year, covering 48 regions across Australia.

The **Regional Industry Career Advisers (RICAs) Network** provides quality regional industry career advice, information and resources to Local Community Partnerships, employers and businesses.

Industry career advisers are supported by the **National Industry Careers Specialists (NICS) Network**, which identifies gathers and provides industry sector specific career information and advice including information on skills needs and labour markets.

## Vocational Education and Training

**Australian Apprenticeships** combine training and employment through paid work and structured training and lead to a nationally recognised qualification. They are available in a variety of certificate levels in more than 500 occupations across Australia, in traditional trades, as well as a diverse range of emerging careers in most sectors of business and industry. Australian Apprenticeships are administered through **Australian Apprenticeships Centres (AAC)**.

The **Australian Apprenticeships Access Program** delivers a unique package of pre-vocational training and support to assist vulnerable job seekers who experience barriers to entering skilled employment to gain and maintain an Australian Apprenticeship. Through 9,500 places delivered annually across Australia, including rural and regional areas, participants receive pre-vocational training that is:

- nationally recognised under the Australian Quality Training Framework,
- linked to an Australian Apprenticeships pathway; and
- based on local labour market needs.

In 2009-10 the Australian Government will provide an additional 5,500 places of which 3,650 will target vulnerable young job seekers (19-24 years old) with the remaining 1,850 targeting workers aged 25 years and over made redundant by the global recession.

The **Support for Mid-Career Apprentices** initiative which commenced on 1 July 2007 and targets Australian Apprentices who are aged 30 and over when commencing an Australian Apprenticeship at the Certificate III or IV level in a trade experiencing a skill shortage. Depending on the industrial arrangements, this initiative provides either income support to an Australian Apprentice or a wage subsidy to their employer.

The **Apprenticeship Wage Top-Up** initiative which commenced on 1 July 2007 and provides a tax free payment of \$1,000 per year for each of the first two years of an eligible Australian Apprenticeship. Australian Apprentices in trades experiencing a skills shortage who are aged under 30 when they commence their Australian Apprenticeship may be eligible.

The **Tools For Your Trade initiative** which provides a tool kit worth up to \$800 to:

- Australian Apprentices who have commenced an Australian Apprenticeship on or after 1 July 2005 in a Certificate level III or IV qualification leading to an eligible occupation and who have completed three months of their Australian Apprenticeship; and
- Australian Apprentices who have commenced an Australian Apprenticeship on or after 1 July 2007 in a Certificate II, III or IV level qualification in agriculture or, if in a rural or regional area, horticulture and, who have completed three months of their Australian Apprenticeship.

The **Apprenticeship Training (Fee) Voucher** initiative which provides up to \$500 to eligible Australian Apprentices in both the first and second years of their Australian Apprenticeship to help meet the costs of course enrolment fees. The voucher is a means of reimbursing course enrolment fees for Australian Apprentices. To be eligible for a voucher, Australian Apprentices must be undertaking the first or second year of their Australian Apprenticeship after 1 July 2007 in a trade that is currently facing a skills shortage or have commenced an Australian Apprenticeship in a Certificate II, III or IV level qualification in agriculture or, if in a rural or regional area, horticulture.

The Australian Government offers a **financial incentive to employers** who commence an Australian Apprentice. The commencement incentive for a Certificate level III/IV or selected Diploma or Advanced Diploma qualification is higher than that paid for a Certificate level II qualification in recognition of the greater contribution to the skills-base offered by Certificate level III/IV, selected Diploma or Advanced Diploma training.

The **Group Training in the Trades Program** assists eligible participants to undertake an Australian Apprenticeship in the trades by:

- providing participants with pre-vocational training in the trades in order to gain the required prerequisites to articulate into an Australian Apprenticeship in the trades; or
- allowing students to undertake an Australian School-based Apprenticeship in the trades whilst still at school undertaking their Year 11 and 12 higher school certificate.

The objective of the **Group Training Australian Apprenticeships Targeted Initiatives Program** is to fund Group Training Organisations (GTOs) to undertake Projects to generate quality Australian Apprenticeships opportunities, and employ Australian Apprentices in priority areas that would not otherwise happen without intervention.

The Program encourages development of transferable and sustainable models in new or under-serviced markets and aims to strengthen the broader group training sector to have a National impact.

# Special Needs

The Language, Literacy and Numeracy Program (LLNP) provides language, literacy and numeracy training for eligible job seekers. It seeks to improve participants' language, literacy and/or numeracy whose skills are below the level considered necessary to ensure secure sustainable employment or pursue further education and training.

The **Workplace English Language and Literacy (WELL) Program** provides funding to organisations to train workers in English language, literacy and numeracy skills. This funding is available to organisations for language and literacy training linked to job-related workplace training and is designed to help workers meet their current and future employment and training needs.

# Job Services Australia

See preceding Section for information on student income support payments.

People looking for work, who are not eligible for, or do not wish to participate in, specific drought-related employment services support may be eligible for other employment services under Job Services Australia (JSA). JSA is the Australian Government's new employment service. It provides a mix of training, work experience and other interventions to help job seekers obtain suitable employment. JSA folds seven of the previously separate employment services program into one service that provides greater flexibility and more individually tailored assistance for all job seekers – from those more disadvantaged job seekers who may require intensive support, to job-ready job seekers. JSA providers have access to an Employment Pathway Fund to assist with job seekers' work-related needs and barriers to employment.

JSA:

- encourages a greater focus on employers, and ensuring job seekers have the training and skills they and employers need.
- enables JSA providers to tailor an individualised Employment Pathway Plan (EPP) to meet the needs of the job seeker, drawing on a mix of vocational and non-vocational activities.
- provides better, more tailored assistance to disadvantaged job seekers and places greater emphasis on helping employers to fill job vacancies.

Eligible job seekers liaise with their JSA provider to develop an EPP tailored to their own needs. The EPP maps the training, work experience and other assistance required to enable a job seeker to find sustainable employment. JSA also promotes stronger ties between JSA providers and employers to ensure job seekers have the skills employers need to fill vacancies.

Under the JSA, job seekers may participate in Work Experience Activities at any time if the job seeker and their JSA provider believes it will be of benefit to the job seekers. Work experience activities can be combined with structured training to assist in broadening a job seeker's skills and overcoming barriers to employment. Structured training can be accredited or non-accredited training, and can be offered to all job seekers participating in Work for the Dole, Full-Time Work for the Dole, Drought Force and Green Corps activities, where appropriate and available.

Centrelink can arrange for appointments for eligible job seekers with JSA providers to assist in them finding employment.

# General Income Support

There is flexibility in income support policy to support people experiencing **severe financial hardship** due to unavoidable or reasonable expenditure. Flexibility for people in this situation includes:

- earlier payment of income support,
- waiving of waiting periods.

Unavoidable and reasonable expenditure includes the reasonable cost of living and other unavoidable or reasonable expenditure such as:

- repairs to, or replacement of, whitegoods or essential goods (lost or stolen), funeral expenses, essential medical or school expenses, motor vehicle registration,
- essential repairs to the customer's car or home,
- premiums for vehicle or home insurance etc.

The reasonable costs of living of a person include, but are not limited to, the following costs:

- food costs;
- rent or mortgage payments;
- regular medical expenses;
- rates, water and sewerage payments;
- gas, electricity and telephone bills;
- costs of petrol for the person's vehicle;
- public transport costs;
- any other cost that the Secretary determines is a reasonable cost of living in relation to a person.

There is no discretion to waive a waiting period if a customer is not in severe financial hardship as defined in the Act.

If workers are **unable to access their leave entitlements** they may be classified as unemployed. If the leave entitlements are paid at a later date a waiting period may apply at that point. Workers must be available for, and looking for other work unless an exemption is granted.

A portion of a person's **first income support payment** may be paid immediately upon grant or resumption of an income support payment to assist people in severe financial hardship. This is normally restricted to seven days payment but can be extended up to fourteen days.

An existing income support recipient may also receive a portion of their income support assistance paid in advance in times of severe financial hardship as a result of exceptional or unforeseen circumstances.

A person who has been in receipt of income support payments for three months may receive between \$250 and \$500 of their **future entitlement paid in advance** once per annum.

A one-off payment equal to one week's income support entitlement is available to a person in severe financial hardship who has **left their home or are unable to return home** because of an extreme circumstance.

**Waiting periods** are waived in cases of severe financial hardship due to unavoidable or reasonable expenditure. The Liquid Assets Waiting Period (but not other waiting periods) may be reduced or avoided by:

- a one off payment reducing the person's cash at hand by paying off credit card or other non-housing debt; and
- Centrelink disregarding any money that was held to pay GST liabilities.

Newstart Allowance may be payable if a person has lost their job or business, or has been stood down due to lack of work.

Other payments include:

- Disability Support Pension
- Sickness Allowance
- Austudy
- Youth Allowance
- ABSTUDY
- Special Benefit
- Training Supplement (time limited to 30 June 2011)

- Pensioner Education Supplement
- Education Entry Payment (EdEP)
- EdEP Supplement (time limited to 30 June 2010)

# **GEOGRAPHIC BREAKDOWN OF INCOME SUPPORT RECIPIENT NUMBERS**

The information provided at (e) describes the varying proportions of university students receiving Youth Allowance who reportedly live away from home, across different geographical areas.

However income support is also provided to university students who live at home, secondary school students and those undergoing Vocational Education and Training (VET) and full time apprenticeships. This appendix provides a full set of information on all these types of young people receiving income support payments. These are:

- 1. Higher Education Students living at home;
- 2. Higher Education Students living away from home;
- 3. Secondary Students (Aged 16 and over) living at home;
- 4. Secondary Students (Aged 16 and over) living away from home;
- 5. Vocational Education and Training (VET) students and Australian apprentices living at home; and
- 6. Vocational Education and Training (VET) students and Australian apprentices living away from home.

The following notes apply to all tables in this appendix:

- The tables below provide a geographic breakdown of students receiving Youth Allowance or ABSTUDY
  payments using Centrelink administrative data as at 24 April 2009. These are provided separately by
  type of payment and reported home address.
- The table groups the post codes, provided for home addresses recorded for people receiving Youth Allowance and ABSTUDY payments, according to the Accessibility/Remoteness Index of Australia (ARIA) which measures the remoteness of a point based on the physical road distance to the nearest Urban Centre in each of five size classes major city, inner regional, outer regional, remote and very remote.
- When interpreting these data it is necessary to consider that the home address provided by an independent Youth Allowance recipient may not indicate their parents' address in all cases.
- The totals reported in each table generally include students whose home address is not provided.
- In some tables numbers have been suppressed (replaced by \*) due to small numbers to protect confidentiality. This occurs where a cell contains a number less than 20 or where reporting the number would allow a number less than 20 to be calculated.
- Percentages may not total to 100 because of rounding.

Table 1. Higher Education	Ctudents Living At Lleme by ADIA as at 24 April 2	2000
I ADIE T. LIBITEL EUROALION	Students Living At Home by ARIA - as at 24 April 2	2009

Payment Type	ARIA	Total	At Home		
		students	Dependent	Independent	Total
	Major Cities of Australia	1113	191	84	275
	Inner Regional Australia	440	61	33	94
	Outer Regional Australia	399	54	22	76
	Remote Australia	43	*	*	*
(e)	Very Remote Australia	53	*	*	*
ABSTUDY (Living Allowance)	Total	2059	315	144	459
<u>No</u>		Per cent			
g Al	Major Cities of Australia	100%	17%	8%	25%
ving	Inner Regional Australia	100%	14%	8%	21%
(Li <sup>,</sup>	Outer Regional Australia	100%	14%	6%	19%
λd	Remote Australia	100%	9%	7%	16%
STL	Very Remote Australia	100%	6%	2%	8%
AB	Total	100%	15%	7%	22%
			T		
	Major Cities of Australia	91782	28961	18834	47795
	Inner Regional Australia	21582	4232	3963	8195
	Outer Regional Australia	5478	836	717	1553
	Remote Australia	269	25	29	54
	Very Remote Australia	87	*	*	*
its)	Total	122103	34612	24027	58639
ider		Per cent			
(Stu	Major Cities of Australia	100%	32%	21%	52%
e	Inner Regional Australia	100%	20%	18%	38%
van	Outer Regional Australia	100%	15%	13%	28%
Youth Allowance (Students)	Remote Australia	100%	9%	11%	20%
ih A	Very Remote Australia	100%	9%	13%	22%
out	Total	100%	28%	20%	48%

Payment Type	ARIA	Total	Away From Home			
		students	Dependent	Independent	Total	
	Major Cities of Australia	1113	209	629	838	
	Inner Regional Australia	440	77	269	346	
	Outer Regional Australia	399	70	253	323	
	Remote Australia	43	*	*	36	
e)	Very Remote Australia	53	*	*	49	
ABSTUDY (Living Allowance)	Total	2059	377	1223	1600	
ŇO		Per cent				
All	Major Cities of Australia	100%	19%	57%	75%	
ving	Inner Regional Australia	100%	18%	61%	79%	
(Liv	Outer Regional Australia	100%	18%	63%	81%	
λd	Remote Australia	100%	16%	67%	84%	
STL	Very Remote Australia	100%	19%	74%	92%	
AB	Total	100%	18%	59%	78%	
			1			
	Major Cities of Australia	91782	8937	35050	43987	
	Inner Regional Australia	21582	3943	9444	13387	
	Outer Regional Australia	5478	1128	2797	3925	
	Remote Australia	269	43	172	215	
	Very Remote Australia	87	*	*	68	
nts)	Total	122103	14446	49018	63464	
lapr		Per cent				
/outh Allowance (Students)	Major Cities of Australia	100%	10%	38%	48%	
	Inner Regional Australia	100%	18%	44%	62%	
	Outer Regional Australia	100%	21%	51%	72%	
	Remote Australia	100%	16%	64%	80%	
th /	Very Remote Australia	100%	13%	66%	78%	
no/	Total	100%	12%	40%	52%	

• Table 2: Higher Education Students Away From Home by ARIA - as at 24 April 2009

Payment Type	ARIA	Total	At Home		
, ,,		students	Dependent	Independent	Total
	Major Cities of Australia	1729	*	*	1371
	Inner Regional Australia	1280	*	*	1026
	Outer Regional Australia	1851	*	*	1412
	Remote Australia	469	*	*	360
	Very Remote Australia	809	*	*	542
(e)	Total	6149	4684	30	4714
ABSTUDY (Living Allowance)		Per cent			
ŇO					
All	Major Cities of Australia	100%	78%	1%	79%
ving	Inner Regional Australia	100%	80%	0%	80%
(Liv	Outer Regional Australia	100%	76%	0%	76%
Δ	Remote Australia	100%	77%	0%	77%
STU	Very Remote Australia	100%	66%	1%	67%
AB	Total	100%	76%	0%	77%
			1		
	Major Cities of Australia	53796	49195	358	49553
	Inner Regional Australia	23338	20635	168	20803
	Outer Regional Australia	12053	10464	73	10537
	Remote Australia	1136	*	*	977
	Very Remote Australia	192	*	*	155
nts)	Total	90994	81856	605	82461
Ider		Per cent			
(Stu	Major Cities of Australia	100%	91%	1%	92%
- Ce	Inner Regional Australia	100%	88%	1%	89%
van	Outer Regional Australia	100%	87%	1%	87%
VIIV	Remote Australia	100%	86%	0%	86%
Youth Allowance (Students)	Very Remote Australia	100%	81%	0%	81%
out	Total	100%	90%	1%	91%

Table 3: Secondary Students (Aged 16+) At Home by ARIA - as at 24 April 2009

Payment Type	ARIA	Total	Away From Home			
		students	Dependent	Independent	Total	
	Major Cities of Australia	1729	131	227	358	
	Inner Regional Australia	1280	100	154	254	
	Outer Regional Australia	1851	198	241	439	
	Remote Australia	469	59	50	109	
e)	Very Remote Australia	809	229	38	267	
ABSTUDY (Living Allowance)	Total	6149	722	713	1435	
ŇO		Per cent				
All	Major Cities of Australia	100%	8%	13%	21%	
ling	Inner Regional Australia	100%	8%	12%	20%	
(Liv	Outer Regional Australia	100%	11%	13%	24%	
λdĭ	Remote Australia	100%	13%	11%	23%	
STL	Very Remote Australia	100%	28%	5%	33%	
AB	Total	100%	12%	12%	23%	
			Γ			
	Major Cities of Australia	53796	821	3422	4243	
	Inner Regional Australia	23338	697	1838	2535	
	Outer Regional Australia	12053	435	1081	1516	
	Remote Australia	1136	40	119	159	
	Very Remote Australia	192	*	*	37	
its)	Total	90994	2016	6517	8533	
labr		Per cent				
Youth Allowance (Students)	Major Cities of Australia	100%	2%	6%	8%	
	Inner Regional Australia	100%	3%	8%	11%	
	Outer Regional Australia	100%	4%	9%	13%	
	Remote Australia	100%	4%	10%	14%	
th A	Very Remote Australia	100%	5%	15%	19%	
You	Total	100%	2%	7%	9%	

Table 4: Secondary Students (Aged 16+) Away From Home by ARIA - 24 April 2009

Payment Type	ARIA	Total	At Home				
		students	Dependent	Independent	Total		
	Major Cities of Australia	1162	348	61	409		
	Inner Regional Australia	624	231	32	263		
	Outer Regional Australia	858	224	39	263		
	Remote Australia	201	*	*	61		
e)	Very Remote Australia	140	*	*	36		
ABSTUDY (Living Allowance)	Total	2989	873	160	1033		
MO		Per cent					
All	Major Cities of Australia	100%	30%	5%	35%		
ving	Inner Regional Australia	100%	37%	5%	42%		
(Liv	Outer Regional Australia	100%	26%	5%	31%		
γdi	Remote Australia	100%	22%	8%	30%		
STL	Very Remote Australia	100%	18%	8%	26%		
AB	Total	100%	29%	5%	35%		
	_		-				
	Major Cities of Australia	32103	17739	3394	21133		
	Inner Regional Australia	10108	5183	977	6160		
	Outer Regional Australia	3417	1798	183	1981		
	Remote Australia	291	*	*	144		
	Very Remote Australia	50	*	*	*		
its)	Total	46224	25001	4592	29593		
labr		Per cent	Per cent				
Youth Allowance (Students)	Major Cities of Australia	100%	55%	11%	66%		
	Inner Regional Australia	100%	51%	10%	61%		
	Outer Regional Australia	100%	53%	5%	58%		
	Remote Australia	100%	44%	5%	49%		
th ≠	Very Remote Australia	100%	26%	6%	32%		
лол	Total	100%	54%	10%	64%		

Table 5: VET Students and Apprentices At Home by ARIA - as at 24 April 2009

Table 6: VET Students and Apprentices Away from Home by ARIA - 24 April 2009

Payment Type	ARIA	Total	Away From Home			
		students	Dependent	Independent	Total	
	Major Cities of Australia	1162	86	667	753	
	Inner Regional Australia	624	51	310	361	
	Outer Regional Australia	858	62	533	595	
	Remote Australia	201	*	*	140	
e)	Very Remote Australia	140	*	*	104	
ABSTUDY (Living Allowance)	Total	2989	220	1736	1956	
ŇO		Per cent				
All	Major Cities of Australia	100%	7%	57%	65%	
ling	Inner Regional Australia	100%	8%	50%	58%	
(Liv	Outer Regional Australia	100%	7%	62%	69%	
λd	Remote Australia	100%	4%	65%	70%	
STL	Very Remote Australia	100%	8%	66%	74%	
AB	Total	100%	7%	58%	65%	
	Γ	I	Γ			
	Major Cities of Australia	32103	2266	8704	10970	
	Inner Regional Australia	10108	1005	2943	3948	
	Outer Regional Australia	3417	432	1004	1436	
	Remote Australia	291	45	102	147	
	Very Remote Australia	50	*	*	34	
nts)	Total	46224	3794	12837	16631	
labr		Per cent				
Youth Allowance (Students)	Major Cities of Australia	100.00%	7%	27%	34%	
	Inner Regional Australia	100.00%	10%	29%	39%	
war	Outer Regional Australia	100.00%	13%	29%	42%	
Allo	Remote Australia	100.00%	15%	35%	51%	
th 4	Very Remote Australia	100.00%	26%	42%	68%	
лод	Total	100.00%	8%	28%	36%	