

Growing the Business of Farming



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

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

**August 2009**

**NSW Farmers' Association  
Level 25, 66 Goulburn Street,  
Sydney NSW 2000**

Ph: (02) 8251 1750

Fax: (02) 8251 1750

## TABLE OF CONTENTS

Executive Summary.....	3
1. Introduction.....	4
2. The financial impact on rural and regional students who are attending metropolitan secondary schools, universities or TAFE; .....	5
2.1. Boarding Schools .....	6
2.2. Tertiary Education .....	7
2.3. Costs of Setting Up Two Houses .....	7
2.4. Student Finances.....	7
2.5. Social costs of Education.....	8
3. The Education alternatives for rural and regional students wanting to study in regional areas	8
3.1. Secondary Education Facilities.....	11
3.2. Tertiary Education Facilities.....	12
4. The implications of current and proposed government measures on prospective students living in rural and regional areas .....	13
4.1. Youth Allowance.....	14
4.2. Start-up scholarship.....	16
4.3. Relocation scholarship .....	16
5. The short- and long-term impact of current and proposed government policies on regional university and TAFE college enrolments.....	16
6. The adequacy of government measures to provide for students who are required to leave home for secondary or post-secondary study .....	18
7. Educational needs of rural and regional students .....	18
8. The impact of government measures and proposals on rural and regional communities .....	19

## Executive Summary

Education, training and up-skilling of the rural demographic is a major issue for the NSW Farmers' Association (the 'Association'). The Association believes that rural and regional students should be provided with the same opportunities for education as metropolitan residents. It is vitally important that the children of today receive the best education to become leaders of tomorrow.

One of the key education disadvantages faced by people in rural and remote locations is that to gain access to an education facility it will generally cost more. These additional costs can include the cost of travel, of board, and loss of income. While the Association acknowledges there are some Government measures to assist in overcoming these costs, these measures often do not fully compensate for the costs incurred.

In addition to the financial costs are the social costs involved in rural and regional students attending secondary and tertiary education. Children in their early and late teens are highly impressionable and are experiencing one of their greatest learning periods. Removing the child from the family environment during these years can have a number of implications. These social costs need to be recognised in assessing the opportunities for rural and regional students when accessing education.

In the May 2009 Budget, the Government announced changes to the rules for 'Independent Youth Allowance'. These changes included the modification of the parental income tests and removal of two of the three work eligibility criteria from the independence test, leaving the only criteria being the requirement for individuals to carry out 30 hours of work per week for 18 months. The changes were reflections of the findings in the Bradley review that suggested that the eligibility criteria for independence be tightened to prevent abuse of the system where children of wealthier parents were able to access youth allowance.

Changes announced in the Budget have a serious impact on rural and regional families that access the youth allowance to assist them with the additional costs of educating their children. The removal of alternatives to demonstrate independence will now place added pressures on rural families and communities. The changes will have direct impacts on students that have already made decisions based on advice from counsellors and universities with the rules changing part way through their gap year. The requirement to work for 18 months is out of line with the school and tertiary education calendars, requiring students to work during study. Requirements for employment will have disproportionate impacts on rural students with limited employment opportunities or further requirements to travel. In total the changes will have a greater impact on rural students.

Recognition must be made that rural students will face additional hurdles to education than their metropolitan counterparts. While these are considerations that families in rural and regional communities will consider, society has a responsibility to ensure that education opportunities are provided to all students. Australia has recognised the right of everyone to education and undertaken to make primary and secondary education available to all. To ensure the skills development necessary for the country these basic principles should be extended to tertiary education opportunities.

Many rural and regional parents are very much aware of the constraints and limitations they face when confronted with choosing the best educational opportunities they can offer their children. With rural and regional academic participation and qualification below the national average, the Association believes this area needs considerable attention and suitable actions in order to achieve the Governments proposed Smart Country.

## 1. Introduction

The NSW Farmers' Association (the 'Association') welcomes the opportunity to comment on rural and regional access to secondary and tertiary education opportunities.

The Association is Australia's largest state farming organisation representing the interests of commercial farm operations throughout the farming community in NSW. Through its commercial, policy and apolitical lobbying activities it provides a powerful and positive link between farmers, the Government and the general public. The Association is the key state representative body for both intensive and extensive industries ranging from broad acre, meat, wool and grain producers, to producers in the horticulture, dairy, poultry meat, egg, pork, oyster and goat industries.

Education, training and up skilling of the rural demographic is a priority issue for the Association. The Association believes that rural and regional students should be provided with the same opportunities for education as metropolitan residents. It is vitally important that the children of today receive the best education to become leaders of tomorrow. Furthermore the Association believes that agriculture should be taught in all schools so that students understand where and how food is produced and the interrelationships between producers and the environment at local, national and global levels.

Australia has recognised the right of everyone to education and undertaken to make primary and secondary education available to all<sup>1</sup>. However there continues to remain constraints for rural and regional students to access education. These difficulties are compounded when tertiary education is considered. Regional Australians comprise 36 percent of the nation's population, however only 17 percent of university students are regional<sup>2</sup>. There are a large number of studies indicating the lower level of tertiary education participation of rural and regional students. These lower levels of participation are caused by a number of factors including distance, isolation, culture, identity, and disadvantage. In addition to the reports highlighting the issues with rural and regional education there are numerous suggestions for government involvement to improve the situation. Some of these reports are referenced in this submission and the Association encourages the Committee to consider these reports in developing their report.

### **NSW Farmers' Association Policy States:**

The Government pursue the following objectives with regard to education policy:

- (a) Commitment to seeking the provision of high quality education and training to rural people, in recognition of the fact that education plays a vital role in agricultural competitiveness;
- (b) The need to promote agriculture as a viable and worthwhile career path so that the industry attracts high quality entrants;

The Association has a strong involvement in educational issues. Most recently, as part of the sustainable food and fibre policy, the Association has been involved in mapping the NSW school curriculum to identify areas where the message on agriculture can be promoted to ensure all school children are given the opportunity to understand the where their food and fibre comes from. The Association has also been working with other industry organisations to develop the NSW Landlearn website which is an internet based portal providing information and resources to students and teachers on agricultural related topics. Through these programs the Association plans to improve the general understanding and compassion within the community for agriculture. The Association has also welcomed the national Primary Industries Education Foundation

<sup>1</sup> Human Rights and Equal Opportunities Commission (2000) *Education Access: National Inquiry into Rural and Remote Education*, Available from [http://www.humanrights.gov.au/pdf/human\\_rights/rural\\_remote/Access\\_final.pdf](http://www.humanrights.gov.au/pdf/human_rights/rural_remote/Access_final.pdf) [accessed on 17 August 2009]

<sup>2</sup> Godden N (2007) *Regional Young People and Youth Allowance: Access to Tertiary Education*, Published for the Centre for Rural Social Research (ILWS) Charles Sturt University

initiative designed to ensure primary industries education is integrated into a national schools' curricula. However there needs to be the facilities to deliver these messages.

Ability to access the highest level of education resources, facilities and teaching is core in the development of competitive and highly skilled workforces. The Association continues to work with other organisations such as the Royal Agricultural Society and the Isolated Children's and Parents Association to ensure these services are delivered. Central to the development of education is the education and skilling of teachers. The Association believes that the development of teachers is critical to the ongoing skills development of the nation.

This submission contains the Association's position on the matters identified in the Senate Committee's terms of reference. As such it is divided into the sections according to each of the terms.

## **2. The financial impact on rural and regional students who are attending metropolitan secondary schools, universities or TAFE;**

One of the key education disadvantages faced by people in rural and remote locations is that to gain access to an education facility it will generally cost more. These additional costs can include the cost of travel, of board, and loss of income. While the Association acknowledges there are some government measures to assist in overcoming these costs (these are discussed in more detail in section three) these measures often do not fully compensate for the costs incurred.

Recent research is indicating that young people are now more likely to be living with their parents than previously. In 2006, almost one in four (23 percent) people aged 20–34 years were living at home with their parents, compared with 19 percent in 1986. One of the main reasons for this was due to financial considerations, almost half (45 percent) of people aged 20–24 years who had never left home said that the main reason was financial<sup>3</sup>. While these figures are based on a national survey and therefore do not indicate the difference between rural and regional young people and those in metropolitan areas, they indicate that due to financial reasons a larger number of young people chose to remain living with their parents. However despite this illustration of the financial pressures on people aged between 20-34 rural and regional students who wish to attend secondary or tertiary education may not have any alternatives.

A social demographic study<sup>4</sup> found that:

*Young people from capital cities were more likely to be living with their parents than those from the non-capital city areas. This was particularly the case among those in their early twenties, who were more likely than any other age group to have had a change in living arrangements in the previous five years. In 2006, 57% of the 20–24 year olds who were living in a capital city five years earlier were living with their parents, compared with 33% of those who were living in non-capital cities five years earlier. Some of this difference was due to internal migration, with 20% of people this age from non-capital city areas moving to a capital city between 2001 and 2006, reflecting the attraction of major cities for young people especially for education and employment opportunities. Full-time education was also associated with living in a capital city. Almost one-third (30%) of the 20–24 year olds living with their parents in a capital city in 2006 were full-time students, but only 15% of those living outside capitals were engaged in full-time study.*

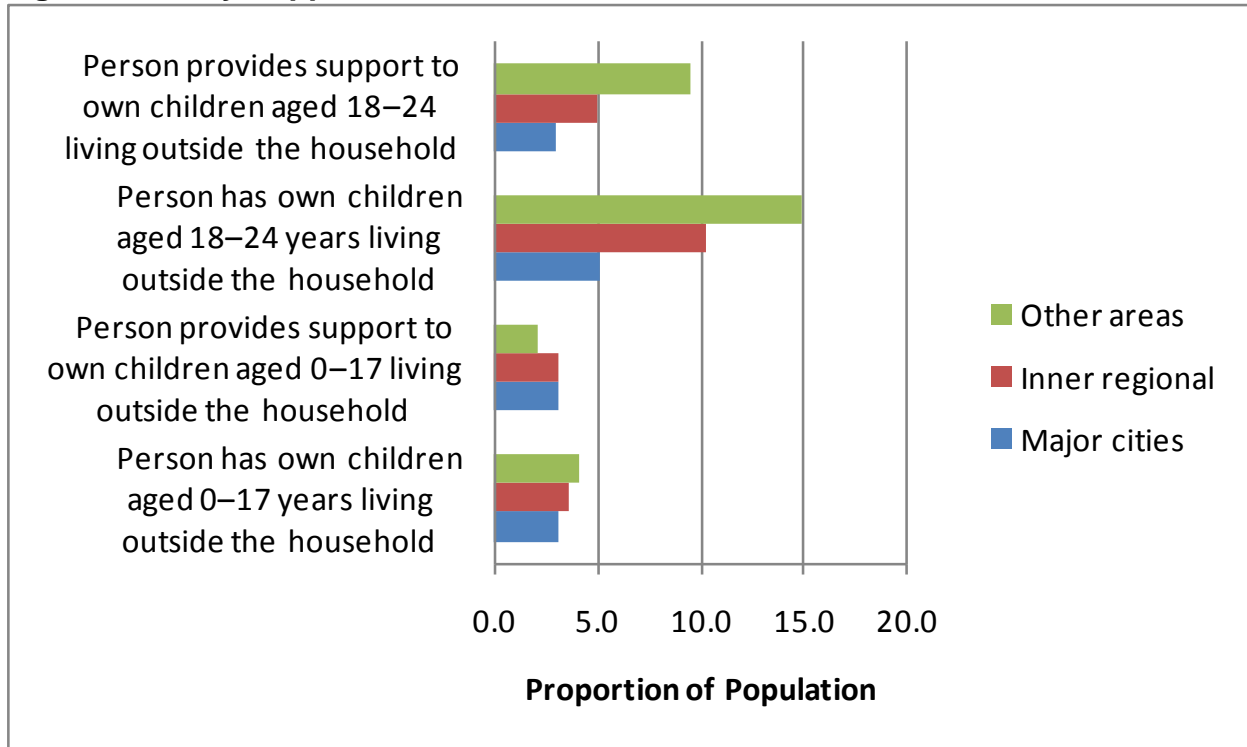
<sup>3</sup> Australian Bureau of Statistics (2009) *Australian Social Trends* available from [http://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/9AB1054167AE45BECA2575E40018DE04/\\$File/41020\\_ast\\_june2009.pdf](http://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/9AB1054167AE45BECA2575E40018DE04/$File/41020_ast_june2009.pdf) [accessed on 17 August 2009]

<sup>4</sup> Ibid

Due to isolation and access to employment and education rural and remote families have a greater proportion of children that live away from home.

Figure 1 illustrates that 15 percent of families that live outside inner regional and major cities have children aged between 18 and 24 living outside the household compared to 10.3 and 5.2 percent of families living in inner regional and major cities respectively. Furthermore there is a greater proportion of families in rural and remote areas that provide support to their own children aged 18 to 24 living outside the household. These figures demonstrate the additional costs associated with families living in rural and regional areas.

**Figure 1 Family Support<sup>5</sup>**



The cost of relocating for education is substantial. Below are a number of examples of options for students studying away from home and their estimated costs. Unfortunately the costs involved in secondary and tertiary school education may influence the family’s ability to send their children to the school of choice. Students may attend a particular senior high school because it is the only one that offers affordable boarding costs, even though it does not offer the subjects the students want and thus the quality of their education is compromised in order to achieve access to education.

**2.1. Boarding Schools**

Where local schools are not available, or do not meet the needs of the student, some students leave home to attend Boarding School. However, access to such an option is severely constrained by parental ability to pay. The cost of boarding is a significant financial outlay and could involve costs of up to \$22,000 per student per year. Boarding costs vary between schools.

In addition to the boarding costs there are extra costs incurred by the parents in transporting their children to the boarding school as well as costs to visit the school or bring children home on weekends. In some cases, transport costs are subsidised on the basis of taking the child to

<sup>5</sup> Australian Bureau of Statistics (2009) *Australian Social Trends* available from [http://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/9AB1054167AE45BECA2575E40018DE04/\\$File/41020\\_ast\\_june2009.pdf](http://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/9AB1054167AE45BECA2575E40018DE04/$File/41020_ast_june2009.pdf) [accessed on 17 August 2009]



boarding school once a term. Subsidies however do not cover the parents' return trip or the collection of the child at the end of term. These costs also have the impact of restricting the amount of time that parents can be with their children.

**NSW Farmers' Association Policy States:**

The Association recommends that boarding or living away from home allowances are supported as a means of providing a more equitable access to educational facilities (eg Assistance for Isolated Children).

**2.2. Tertiary Education**

The report on *Regional Young People and Youth Allowance: Access to Tertiary Education*<sup>6</sup> estimated that the annual cost for regional young people to study away from home at \$15-20,000 a year, plus a vehicle. These expenses included

1. Start-up expenses (\$3-6000 plus a vehicle): Travel and accommodation to enrol, attend Orientation Week, and source accommodation; bond; computer; moving costs; setting up a house; and a vehicle.
2. Living Expenses (\$250-400 per week): Private accommodation – rent, utilities, and food; Residential Accommodation - fees (up to \$12,000 a year), and parking fees. Expenses for all students include: phone; transport (car, fuel, car maintenance, registration and insurance, and/or public transport); clothing; sporting fees; work uniform and travel; health; socialising; and unexpected expenses.
3. Study-related expenses: printer; internet connection; stationary; lecture notes; textbooks; short courses; and student association fees.
4. Travel home: Bus, train, aeroplane or car travel; and travel and accommodation costs for family to visit children.
5. Fees: upfront TAFE fees; or HECS-HELP fees if not deferred.

**2.3. Costs of Setting Up Two Houses**

Where Boarding Schools are not a financial option, or where tertiary education is concerned, some families tend to establish a second house closer to the school to provide access to education. Students then live there part-time. Under this situation, the rural families incur considerable additional costs in maintaining two households.

Particular reasons for second house establishment sometimes focus on access to a broader and face-to-face senior secondary curriculum that is to a school which had the subject range and support that the student needs for tertiary entrance.

**2.4. Student Finances**

Financial costs associated with studying and the additional costs of living away from home will impact on the student's ability to learn. Furthermore the level of support available has not increased at a rate commensurate to the escalating cost of living, placing greater demands on the students to earn additional income. Studies on higher education student finances by Long & Hayden<sup>7</sup> and James et al<sup>8</sup> show that undergraduate students are now worse off in financial terms than in 2000 and this has adversely affected their capacity to study effectively. Compared with the 2000 study, undergraduate students in 2006 had a greater reliance on paid work, non-cash assistance and loans in order to survive. At the same time, they received a lesser amount and proportion of total income in Commonwealth assistance from the combined sources of Austudy, Youth Allowance and Centrelink payments.

<sup>6</sup> Godden N (2007) *Regional Young People and Youth Allowance: Access to Tertiary Education*, Published for the Centre for Rural Social Research (ILWS) Charles Sturt University

<sup>7</sup> Long, M & Hayden, M (2001), *Paying their way*, Australian Vice-Chancellors' Committee (AVCC), Canberra.

<sup>8</sup> James, R, Bexley, E, Devlin, M & Marginson, S 2007, *Australian University Student Finances 2006: Final report of a national survey of students in public universities*, Universities Australia, Canberra, August.

## **2.5. Social costs of Education**

The Association would also like to bring to the attention of the Committee the social costs involved in rural and regional students attending secondary and tertiary education. In singularly identifying the financial implications on rural and regional student the terms of reference neglect to consider the social costs of rural and regional students having to move away from home to complete their education. Children in their early and late teens are highly impressionable and are experiencing one of their greatest learning periods. Removing the child from the family environment during these years can have a number of implications. While some children may benefit from the arrangement, others may find it confronting. In the end, the family will make the decision on the social costs however the Association would like to recognise that these social implications of sending children to boarding school are in addition to any decision parents in metropolitan areas may have to make given they do not have to send children to boarding schools.

## **3. The Education alternatives for rural and regional students wanting to study in regional areas**

Choice of study has a range of dimensions such as capacity to choose between various programs based on cost, the proximity of different institutions or the accessibility of competing course options. In a speech to Universities Australia Conference on 4 March 2009 The Deputy Minister for Education, The Hon Julia Gillard MP said, 'Student choices have been unnecessarily limited and funding for places has been micro-managed'<sup>9</sup>. Education opportunities need to be developed to provide students with options to best suit their socio economic situation, their skills set and their learning capacity.

Many rural and regional parents are very much aware of the constraints and limitations they face when confronted with choosing the best educational opportunities they can offer their children. This restraint is largely indicative of remote locations endured by many rural families and the financial constraints that are indicative of rural living, particularly amid the ever decreasing terms of trade in agriculture compounded by the worst drought ever experience in Australia's recorded history. With rural and regional academic participation and qualification below the national average, the Association believes this area needs considerable attention and suitable actions in order to achieve the Governments proposed Smart Country.

A report for the Department of Education, Training and Youth Affairs<sup>10</sup> considered the regional participation in higher education across regions. The study found that "tertiary education participation rates are very much higher in metropolitan regions than in non-metropolitan regions."The participation rates for universities in different regions are illustrated in Figure 2. There is clearly a lower participation rate of students in both university and TAFE levels of tertiary education for non-metropolitan regions. Furthermore within the non-metropolitan category there is a higher level of participation for rural than remote regions.

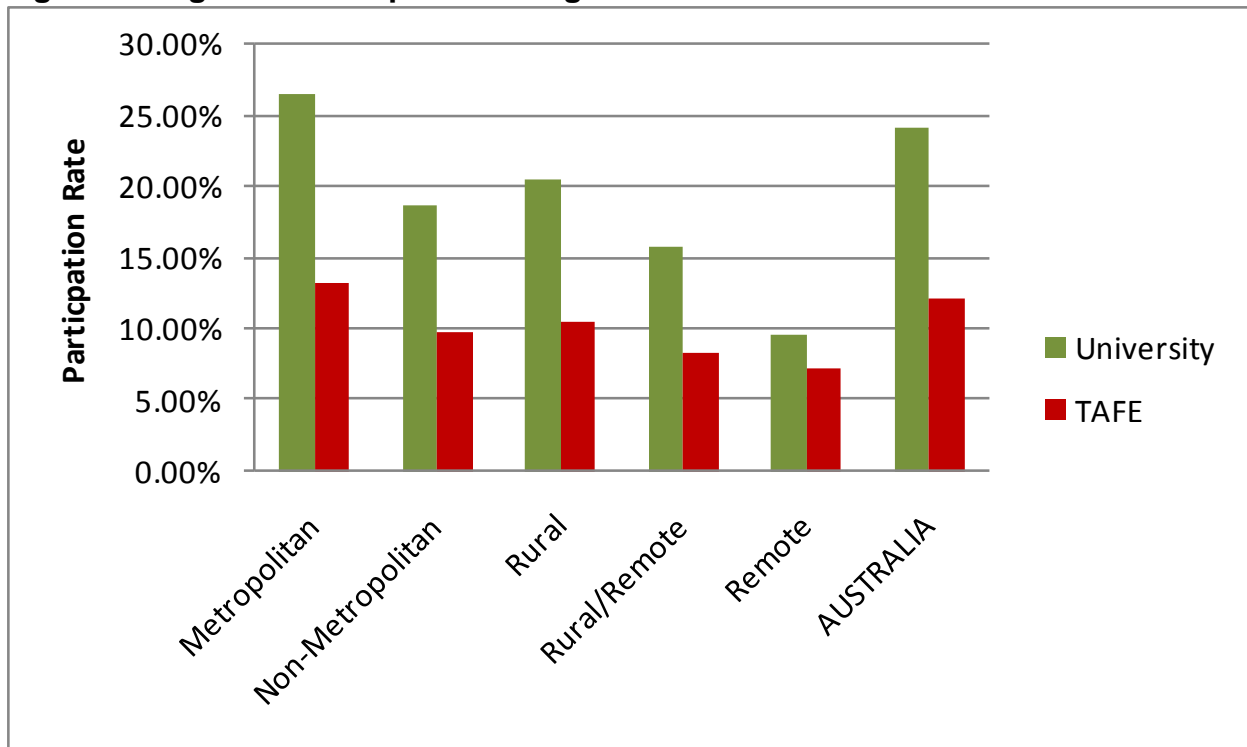
---

<sup>9</sup> The Hon Julia Gillard MP, Speech , Universities Australia Conference on 4 March 2009 , [http://www.deewr.gov.au/Ministers/Gillard/Media/Speeches/Pages/Article\\_090304\\_155721.aspx](http://www.deewr.gov.au/Ministers/Gillard/Media/Speeches/Pages/Article_090304_155721.aspx). (accessed on 14 August 2009)

<sup>10</sup> The Department of Education, Anon report (1999) *Regional participation in higher education and the distribution of higher education resources across regions* , 99-B, Occasional Paper Series Higher Education Division, Department of Education, Training and Youth Affairs, Canberra.



**Figure 2. Regional Participation in Higher Education<sup>8</sup>**



Although workforce conditions dictate a need to increase the numbers of rural students in engineering, law, dentistry, medicine etc., a significant barrier to achieving this exists as many are educationally disadvantaged. According to Professor J. Ainley, Prof. B. Graetz, Prof. M. Long, Prof. M. Batten, (1995)<sup>11</sup> various factors contribute to educational disadvantage, primarily low socioeconomic status (SES), but also geographical location, family structure, ethnicity, and aboriginal background.

In comparison with urban areas, rural and remote areas have an over-representation of people living within the lowest socioeconomic districts<sup>12</sup>. Similarly, a high proportion of rural state high schools are rated as 'disadvantaged' in government programs, as they have more students from low socioeconomic backgrounds. Thus, socioeconomic disadvantage may limit the ability of many rural students to gain the marks required for entry into various degree programs at universities.

A study by Stevenson et al<sup>13</sup> modelled university participation rates at the regional level to explore the importance of access and socio-economic status in participation rate. They found that access (proximity to university campuses) and socio-economic status of regions contribute to university participation variations. While access is statistically significant it does not play a major role in explaining variation in participation rates between regions. Overall, the study found that "the difference between metropolitan and non-metropolitan participation is fundamental; differences in access play a very minor role. Differences in socio-economic status are more

important but still are only part of the story. Much of the difference in participation appears to relate to the way regional communities relate to the education system.

<sup>11</sup> Ainley, J., Graetz, B., Long, M., Batten, M. (1995), *Socioeconomic Status and School Education*, A project funded by the Commonwealth Department of Employment, Education and Training, Australian Government Publishing Service, Canberra.

<sup>12</sup> Australian Bureau of Statistics (2000). *Australian Social Trends*. Cat no, 4102.0, Australian Bureau of Statistics, Canberra.

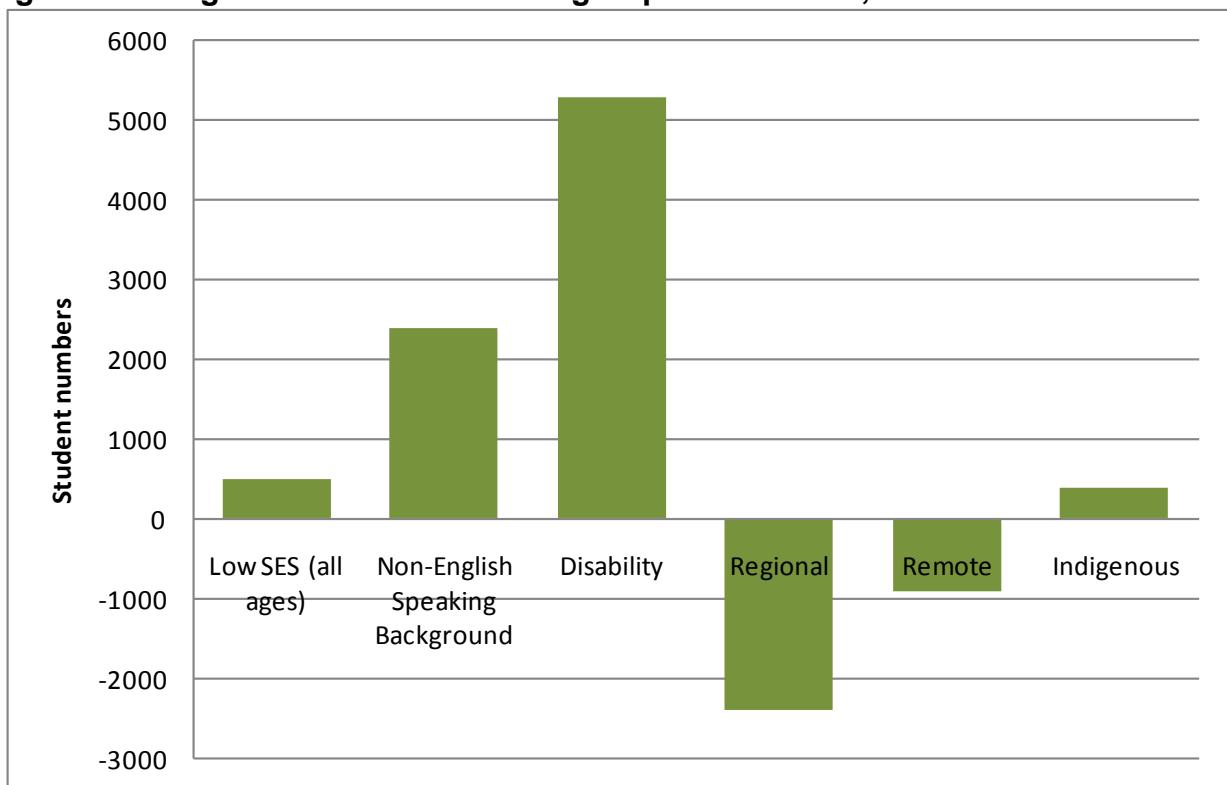
<sup>13</sup> Stevenson S, Evans C, Maclachlan M, Karmel T, Blakers R (2001) *Effect of campus proximity and socio-economic status on university participation rates in regions*, Occasional Paper Series, Higher Education Division, Department of Education, Science and Training, Canberra

In addition to socioeconomic disadvantage, rural students are disadvantaged in relation to the quality and availability of their education<sup>14</sup>. This is a result of many factors including less experienced teachers, and a lack of positive peer pressure, professional role models, career information and advice,

Rural and regional students are among one of the groups significantly under-represented in higher education within Australia. According to the Bradley Review<sup>15</sup> the most under-represented groups are students from remote parts of Australia. In 2007, only 1.1 per cent of people from remote areas participated in higher education, while the proportion of people from remote areas in the general population was 2.5 per cent. Participation of rural and regional students was 18.1 per cent (compared with 25.4 per cent).<sup>16</sup>

Bradley goes on to identify the changes in participation of the various groups between 2002 and 2007. Figure 3 illustrates that regional students experienced the greatest drop in participation rates between 2002 and 2007, followed by remote students. These decreases could be explained by the ongoing socio-economic issues confronting those areas including the ongoing drought and the financial implications this has on farming businesses and their families. Figure 3 also demonstrates the large increase in disability and non-English speaking background groups. These groups have had a positive result from the programs designed to encourage their participation and the Association would argue that under similar conditions support programs could be used to increase the participation of regional and remote groups of students.

**Figure 3 Change in number of various groups of students, 2002-2007<sup>17</sup>**



<sup>14</sup> Heaney, S (1999). *Overcoming the 3Ms!Marks-Money-Motivation. How can more secondary students from rural and remote areas be encouraged to choose a career in rural and remote health care?* NSW Rural Doctors Network Discussion Paper. [http://nrha.ruralhealth.org.au/conferences/docs/PAPERS/5\\_3ms.pdf](http://nrha.ruralhealth.org.au/conferences/docs/PAPERS/5_3ms.pdf). (accessed on 14 August 2009).

<sup>15</sup> Bradley D, Noonan P, Nugent H, Scales B (2008) *Review of Australian Higher Education*, Canberra

<sup>16</sup> DEEWR 2008

<sup>17</sup> DEEWR (Students, Selected Higher Education Statistics 2008)

The Association is aware that drought in NSW has been a contributor to the declining number of students. The Kenny<sup>18</sup> report on the social impacts of drought demonstrates that education is one of the areas that are influenced by the financial and social resources of the ongoing drought. The report notes:

*Some families access the Australian Government's Second Home Allowance which enables, usually, mothers to move to their closest centre with their children. The children attended the local schools and women had the opportunity to work, often providing a much needed second income to the family. This arrangement can lead to long family separations and the isolation of men on drought ravaged farms. Young people in remote areas may also attend hostels, such as those located in Hay and Longreach. The cost of hostel accommodation can be well above the Assistance for Isolated Children allowances, causing significant hardship for families."*

The Association feels that a large part of the problem associated with low participation in tertiary education for rural areas is directly related to education history. A large part of the problem starts in the students early years. If we are to address the issues of regional and rural access to higher forms of tertiary education we must first insure that children in primary and secondary education are receiving the equivalent or better level of education as children from metropolitan schools. This disparity between levels of education is illustrated in the following example.

#### **Case study**

A student attending their local country public primary school was dux of his year. However on starting secondary school at a boarding school in Sydney the child could only just make the third maths class and had difficulty keeping up. Despite the local primary school having a large extra curricula activity involvement such as debating and sport, the school did not have the same capabilities with basic educational skills in maths compared with metropolitan schools.

The Bradley Review's central theme is to enable all students to have access to higher education and to provide students with greater choices of study. The Review highlights the following in so far as students are concerned:

- all qualified students will receive an entitlement for a Commonwealth subsidised higher education place;
- students will have a choice of where to study at recognised institutions;
- funding will follow the student;
- institutions will have freedom to enrol as many students as they wish;
- funding for teaching will be increased;
- funding for low socio-economic status students will be significantly increased;
- funding for provision in regional and rural areas will be increased;
- levels of student financial support will be increased and eligibility made fairer based on need;

#### **NSW Farmers' Association Policy States:**

Government must address the lack of assistance for rural families to gain access to the same quality and choice of education as is available in metropolitan and large regional centres, including but not limited to the use of taxation measures to achieve this.

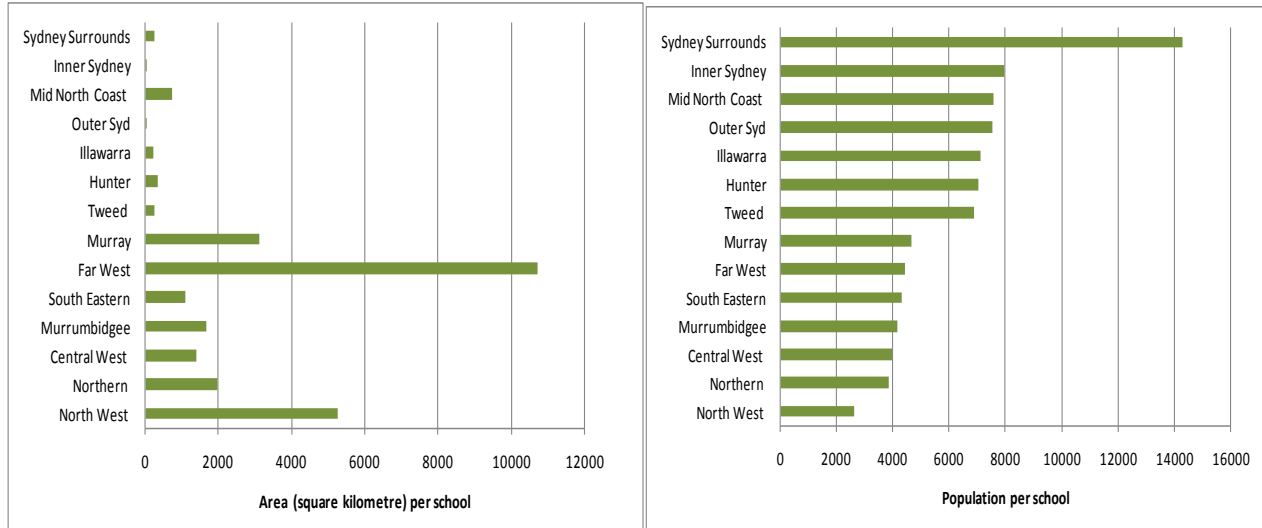
### **3.1. Secondary Education Facilities**

Due to geographic factors involved with rural and regional populations, students in these areas have a much lower density of schools per area. Figure 4 illustrates the density of schools in the regions of NSW in comparison to the relevant populations and areas. As to be expected the graph on the right illustrates that those schools in metropolitan areas are located in much more

<sup>18</sup> Kenny P (2008) Drought Policy Review Expert Social Panel 2008, *It's About People: Changing Perspective. A Report to Government by an Expert Social Panel on Dryness*, Report to the Minister for Agriculture, Fisheries and Forestry, Canberra, September.

densely populated areas. This will afford greater class sizes, greater competition among students and better prospects for teachers. Conversely the less dense population areas of rural NSW will have lower student numbers, less competition among students, and fewer opportunities for teachers. In addition the graph on the left illustrates the regions in rural NSW have a much larger area covered by each school. This reflects the large distances that students in farming families have to travel to reach their local secondary school adding time and costs to school attendance.

**Figure 4 School Density per population and Area**



**NSW Farmers' Association Policy States:**

State and federal governments must initiate a revamped education equity scheme similar to the country area program that will deliver an outcome which will stop the student drift to larger centres, further disadvantaging already struggling small schools.

Small rural schools must retain their autonomy and there be no changes in status without prior consultation with, and approval from, the local school community.

**3.2. Tertiary Education Facilities**

Regardless of where regional and rural students completed their primary and secondary education nearly all will have to relocate to attend a university or tertiary college. In many cases they are limited to the institution which offers the discipline of further studies they require.

Limitations of courses and student intake will also dictate where students attend tertiary education. It must be recognised that regional students like metropolitan students attend the universities in which they have been accepted, and these are not necessarily the institution that is more convenient for them to attend. Fortunately for many urban students there are a variety of institutions to choose from when enrolling in most capital cities, providing metropolitan students with greater choice of institution before the decision has to be made to relocate.

**Case Study**

For instance, a student who grow up on the north shore of Sydney wishing to study medicine and continue to live at home. The student could apply to Sydney University or University of NSW or the University of Western Sydney. They might undertake an initial degree and then enrol in a postgraduate course at University of Technology Sydney. All the medical programs are accredited for admission to practice by the Australian Medical Council. So the student will feel comfortable that whatever choice he/she makes will be a good one.

In comparison a prospective medical student living in Orange has no choice but to leave home if he/she would like to study medicine. Similarly a student in Cobar has no choice but to leave

home if he/she wants to study law or engineering. These students will incur additional costs in doing so as well as endure separation from their families, friends and communities. Hence the choice of students to study in metropolitan institutions comes at an additional cost financial and social which tends to be overlooked by policy makers.

There are a growing number of alternatives to leaving home to study at university. A rural student could attend distance learning through a number of the leading universities, where arrangements can be made to facilitate tutorials in residential school in blocks or week end lectures. Or they could attend their local Technical or TAFE College, with some even offering university affiliated courses.

**NSW Farmers' Association Policy States:**

The Association believes that:

- (a) Both government and private educational institutions must be supported as important contributors to education. Governments should assist both government and private institutions to provide adequate services; and
- (b) Students should be allowed to attend the education institution of their choice.

In order to ensure that rural families have access to high quality education, Government should provide:

- (a) real increased funding for rural schools;
- (b) access to modern telecommunication and computer technologies in all rural schools;
- (c) access to specialist services as required for rural students;
- (d) flexibility in staffing and enrolment guidelines for small rural schools;
- (e) incentives for teachers and principals to teach in rural and remote communities;
- (f) effective means of consultation and involvement of local communities in managing the school;
- (g) a commitment that the formula under which teachers and teaching spaces are allocated be reviewed in consultation with small rural communities and that the formula be changed to address the needs of small rural school.

#### **4. The implications of current and proposed government measures on prospective students living in rural and regional areas**

The Association is aware that there currently exist a number of government measures designed to assist students with access to education. To a certain extent some of these measures are more applicable for rural and regional students. Even though rural and metropolitan students qualify for similar youth allowance, the rural students have a greater financial impost and therefore disadvantage because they have additional costs including rent, relocation and travel costs when they seek education away from home in metropolitan areas.

**NSW Farmers' Association Policy States:**

If education allowances are subject to an income test then primary producers should be able to average incomes across years.

Boarding or living away from home allowances must be supported as a means of providing a more equitable access to educational facilities (eg Assistance for Isolated Children).

The Assets Test for farm and small business assets must be removed from AUSTUDY, Family Assistance Supplement and Assistance for Isolated Children Allowance.

The primary correspondence allowance must be increased to the equivalent level as the secondary correspondence allowance.

That the Association seek that education fees be fully tax deductible in the year of expense.

In the Federal Government budget in May 2009 a number of changes to government support measures were announced. A commentary on these measures is provided below.

#### **4.1. Youth Allowance**

In the May 2009 budget, the Government announced changes to the rules for 'Independent Youth Allowance'. Two of the three work eligibility criteria from the independence test for youth allowance were removed, leaving the only criteria being the requirement for individuals to carry out 30 hours of work per week for 18 months. The changes were reflections of the findings in the Bradley review that suggested that the eligibility criteria for independence be tightened to prevent abuse of the system where children of wealthier parents were able to access youth allowance. Unfortunately these changes have a serious impact on rural and regional families that access the youth allowance to assist them with the additional costs of educating their children.

The Association is cognisant of the revised parental income tests proposed by the Government in the May budget. While this will allow a number of students not accessing youth allowance or only receiving partial payments to receive full payments, it does not necessarily benefit farmers and their children, furthermore it does not reflect the degree of independence and costs associated with this that are applicable to rural students that are required to live away from home.

Changes to the independence criteria have serious implications for rural students. These are outlined below.

#### **Retrospectively**

The change in the rules proposed to apply from 1 January 2010 will impact those students that have already taken their gap year and were planning on commencing university next year. They will now be required to continue working to accumulate the required number of months before being able to access youth allowance. It is not possible to study full time and work 30 hours a week without compromising a students study. Therefore students currently taking a gap year, probably under advice from school counsellors, careers advisors and universities, will have to defer their studies or forgo the youth allowance. This will be further complicated by some tertiary education institutions not being supportive of more than one consecutive year of deferment without having to reapply for your position and possible lose of placement. Either way their plans will need to be changed.

#### **Employment requirements**

With rising unemployment, young people in particular those located in rural and regional areas will find it particularly difficult to secure work because they have not had the opportunity to gain work-skills. This in itself should be a compelling reason for government to encourage today's youth to further their studies by making exemptions for rural and regional students to continue to qualify for Independent Youth Allowance for another 12 months.

#### **Rural employment**

Many students living with their families in local communities do not have the employment opportunities that are available to metropolitan students. In some cases the local town may have a pub and a local store. With limited local employment opportunities country students will be forced to move away from home or travel large distances, each of these require a car as there is limited or no public transport which in turn means additional costs.



## 18 Month requirement

18 months is an obscure length of time to set as criteria. School and university years work on a 12 month calendar year. If a student is required to work for 18 months before qualifying for independence it will require them to either defer tertiary education beyond the normal 12 month period or work during semester time. With the standard full time working week established at 38 hours, a student cannot be expected to work and study at the same time, especially when some university courses require over 40 hours of contact time.

### **NSW Farmers' Association Policy States:**

Any changes to Youth Allowance eligibility criteria should not selectively disadvantage rural students and that any changes already made not be retrospectively implemented.

Aus-Study and Youth Allowance payments be modified so that:

- (a) if a student exceeds their \$6000 income-bank threshold, they continue to receive their full entitlement to the Centrelink benefit;
- (b) that current income test arrangements for the study benefits are maintained, however monies that are currently extinguished by a student's extra employment remains the students but is utilised by the Commonwealth to reduce the students HECS debt.

The criteria for grading independent youth allowance should be changed so that all rural and remote students who leave home from the age of 16, are automatically eligible for independent youth allowance once enrolled.

Special consideration must be given to rural students regarding the availability of youth allowance particularly in relation to:

- (a) the eligibility criteria for the independent living away from home allowances, and
- (b) the duration of the allowances.

The level of allowable personal student income for the Youth Allowance should be based on taxable income not gross income.

The Actual Means Test for the Youth Allowance should:

- (a) provide an exemption for farm families involved in a partnership;
- (b) take into account the higher cost of education for rural people;
- (c) be made simpler for applicants to complete.

The study by Godden<sup>19</sup> uses research with regional young people, parents and community members to collect and assess their experiences with Youth Allowance and access to tertiary education. It identifies a number of important recommendations regarding Youth Allowance and rural and regional students accessing education. The key findings from the report regarding youth allowance are:

- 2. That all regional young people eligible for the full rate of Independent Youth Allowance if they must move away from home for tertiary education.*
- 3. That all regional young people are eligible for a one-off, non-means tested Tertiary Access Allowance when they begin tertiary education.*
- 4. That the Youth Allowance and Rent Assistance rates are increased to reflect real living costs.*
- 5. That the income cap of \$236 a fortnight, the savings threshold of \$2500, and the income bank threshold of \$6000 are increased, and are annually indexed.*
- 6. That the Commonwealth Government conduct a major review of Youth Allowance eligibility criteria from a regional perspective, and adjust criteria and thresholds.*
- 7. That Youth Allowance application forms are simplified.*

<sup>19</sup> Godden N (2007) *Regional Young People and Youth Allowance: Access to Tertiary Education*, Published for the Centre for Rural Social Research (ILWS) Charles Stuart University

#### **4.2. Start-up scholarship**

Commonwealth Education Costs Scholarships provide students with a scholarship of \$2,162 in 2008 (indexed annually) per year for up to four years. The announcement in the budget that this would be modified so all university students receiving student income support (Youth Allowance,

Austudy or ABSTUDY) will be entitled to the new annual Student Start-up Scholarship, valued \$2 254 in 2010 is a welcome move.

#### **4.3. Relocation scholarship**

Commonwealth Accommodation Scholarships provide selected students from low socio-economic backgrounds from regional and remote areas with a scholarship of \$4,324 in 2008 (indexed annually) per year for up to four years to assist them with accommodation costs. The May budget proposed changes to introduce a *Relocation Scholarship* of \$4 000 in the first year and \$1 000 in subsequent years for up to 4 years. The introduction of the new scholarship will mean a reduction in support to the student of approximately \$10,296.

Youth allowance not only provides direct support to those students that need it, it also opens up a number of further measures to students. If students can no longer qualify for youth allowance access to additional support measures such as Rent Assistance, Remote Area allowance, Health care card, and the Fares allowance will also be withdrawn.

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

The Government has a long history of attempting to address the participation in education and overcome the problems recognised as being attributed to different socio-economic characteristics. Recognition of the imbalance in university populations first appeared in the Murray Report<sup>20</sup> and was raised again in the Martin Report<sup>21</sup>.

It was widely assumed that massification would lead to improved participation of people from low socioeconomic status ('SES') backgrounds. By the 70s, however, it was recognised that financial constraints still presented a barrier to the disadvantaged. To provide greater equality of opportunity, the Whitlam government abolished tuition fees in all public tertiary institutions and introduced the Tertiary Education Assistance Scheme ('TEAS'). By the 1980s, however, it was recognised that these measures had done little more than maintain the status quo in participation rates.

The National Board of Employment Education and Training Report<sup>22</sup> affirmed the progress made in increasing access to higher education for four of the targeted groups. However, it found that little progress had been made in access for people from rural and isolated areas and people from low SES backgrounds. It emphasised the need to address equity issues at the institutional level, and recommended a three-pronged approach addressing outreach, access and retention issues.

Since May 2004, higher education in Australia has been undergoing the most fundamental reforms. Reforms include the deregulation of fees and the provision of more full-fee-paying places.

<sup>20</sup> Murray, K.A.H, (Chair) (1957) *Report of the Committee on Australian Universities*.  
<http://www.google.com.au/search?hl=en&q=Murray%2C+K.A.H%2C+%28Chair%29+%281957%29+Report>. (accessed on 13August 2009)

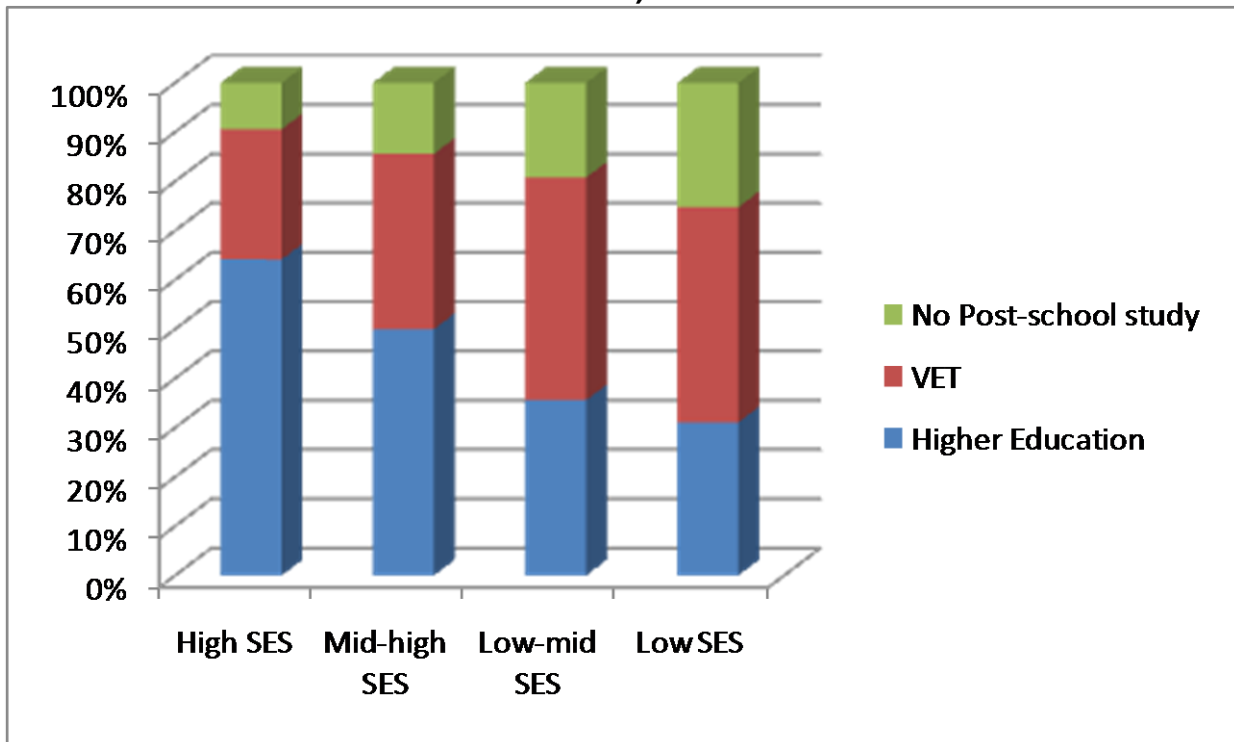
<sup>21</sup> MARTIN L H (chair) (1964) Australian Universities Commission, *Committee on the Future of Tertiary Education in Australia*. Report, Government Printer, Canberra.  
<http://www.google.com.au/search?hl=en&q=MARTIN+L+H+%28Chair%29+%281964%29+Australian+Universitie> (accessed on 13August 2009)

<sup>22</sup> NBEET Report (1996) *Equality, Diversity and Excellence: Advancing the National Framework*

Figure 5 below shows the Participation in post-school education by socio-economic status (post-school destinations of Years 1995 cohort in 2001). It demonstrates that overall the vocational education and training sector performs better than higher education in attracting students from a low socio-economic background. It further highlights that the participation rate of low socioeconomic status students decreased as the level of the qualification increased and was only 6.8 percent at diploma level or above. This closely reflects the participation rates of low socioeconomic status students in universities.

Despite numerous reviews equity in higher education continues to be a major problem. The root cause of the problem appears to be infrastructure and quality resources. While the Bradley Review has suggested substantial investment to upgrade facilities in rural and regional schools it has failed to mention ways and means of attracting highly qualified teachers to primary and secondary schools to rural and regional areas. Ways and means of enticing highly qualified teachers to rural areas have to be found to address the equity issue in higher education. As a start, similar incentives like those available to medical practitioners to encourage them to relocate to the bush need to be extended to the teaching profession.

**Figure 5 Participation in post-school education by socio-economic status (post-school destinations of Y95 cohort in 2001)<sup>23</sup>**



Note: The figures sum to more than 100 per cent in some columns because some individuals undertook programs in more than one category.

The Kenny report<sup>24</sup> noted that in relation to Youth Allowance and Living Away from Home Allowance:

*Eligibility for the Youth Allowance and the Living Away from Home Allowance has been identified in submissions and at public forums as a barrier to rural students accessing tertiary education and as a major cause of stress in families. Parents reported sending high school leavers out to find a job for 12 months so as to be*

<sup>23</sup> Curtis D (2008) Longitudinal Survey of Australian Youth (LSAY), Research Report 52, The VET pathway for school leavers

<sup>24</sup> Kenny P (2008) Drought Policy Review Expert Social Panel 2008, It's About People: Changing Perspective. A Report to Government by an Expert Social Panel on Dryness, Report to the Minister for Agriculture, Fisheries and Forestry, Canberra

*deemed 'independent' of their parents and therefore eligible for allowances. There are few jobs in rural and remote communities for young people and often these are in part-time, insecure work, forcing children to travel further from home to work. Many parents reported that, in the process, their children lost their aspiration to move to higher education. Kenny report*

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

As identified under section 2 there are significant costs associated with sending children away for secondary and post secondary study. Receiving the full allocation of youth allowance for a single child living away from home at \$371.40 per fortnight is equivalent to \$9,656 per year. In comparison, the estimated cost of secondary and tertiary education is in excess of \$20,000 per year. The Bradley Review<sup>25</sup> noted that the 'current levels of income support are inadequate to support the participation and success of students from low socio-economic backgrounds'.

### **NSW Farmers' Association Policy States:**

The Association strongly supports increased Government assistance for rural families to gain access to the same quality and choice of education as is available in metropolitan and large regional centres, including but not limited to the use of taxation measures to achieve this.

## **7. Educational needs of rural and regional students**

Rural students have the same needs as every urban student and more. It should not be acceptable that a regional year 11 or 12 facility cannot offer the same curriculum with the same level of teaching and facilities as any other school. This should include the encouraging applications from the finest teaching staff and facilities.

This is relevant for all levels of educational institutions. If as a nation we want to encourage the finest minds to our universities including regionally, we need a system to reward academics commitment to these areas. This may include a number of options above and beyond the current rewards, such as concentrating our leading Government funded rural and regional research and development facilities within the bounds of some of our leading regional universities to encourage the migration of these leading academics. Or possibly tax incentives for those with the appropriate academic qualifications to relocate to the appropriate facilities.

It can often be difficult for young people living in regional communities with large proportions of the work force involved in industries that haven't required graduate qualifications, to fully appreciate the value of a university education without the guidance of their schools or parents. As identified under section 3 there are a number of influences on rural and regional progression into tertiary education> to this extent a strong primary and secondary education provides a grounding and encouragement for further study and development. There needs to be a full and stimulating curriculum in order to enhance student learning.

<sup>25</sup> The Bradley Report (2008), 'Review of Australian Higher Education: Final Report' pg. XV

## 8. The impact of government measures and proposals on rural and regional communities

Agriculture and farming is an innovative industry with the highest growth in productivity of any industry. With the movement towards further productivity gains and increased demands from external pressures and government policies there is a requirement for a more qualified individual with a high level educational capacity. The students of today will help lay the foundations for the future.

The Kenny<sup>26</sup> report noted that:

*A major issue in rural Australia is the declining opportunity for young people to access tertiary education. Rural families now struggle to find the money to pay for their children's post secondary education. The Panel is concerned that cash poor farmers and rural businessmen, anxious their children take advantage of the Australian Government's Youth Allowance and Living Away From home allowance, are so heavily focused on the eligibility criteria and the associated asset test that this is forcing families to make decisions which may not be in the long-term best interest of their children. This is certainly causing great stress and anxiety for families. In particular, the criteria that deem a young person to be financially independent of their parents is having a perverse outcome as it influences family behaviour to gain government assistance. Kenny report*

Improving the educational capacity and level of rural and regional communities will not only assist in the economic development of the regions it will also assist in the social development of the regions. In 2006, people who had higher levels of educational attainment had higher rates of adequate or better health literacy. Around three-quarters of people whose highest level of education was a Bachelor degree or above had adequate or better health literacy compared with half of those who finished their formal education at Year 12 and 16% of those with Year 10 or below<sup>27</sup>.

Rural and regional students are vital for their communities. They support local education facilities and community activities. Further to that rural and regional students are more likely to return to rural and regional areas. Thereby supporting local skills development and bringing services such as health, education and other business activities back to the region. They provide a foundation for the future and create sustainable rural regional communities through succession.

---

<sup>26</sup> Kenny P (2008) Drought Policy Review Expert Social Panel 2008, *It's About People: Changing Perspective. A Report to Government by an Expert Social Panel on Dryness*, Report to the Minister for Agriculture, Fisheries and Forestry, Canberra, September.

<sup>27</sup> Australian Bureau of Statistics (2000). *Australian Social Trends*. Cat no, 4102.0, Australian Bureau of Statistics, Canberra.