



COMMONWEALTH OF AUSTRALIA

# Official Committee Hansard

## SENATE

RURAL AND REGIONAL AFFAIRS AND TRANSPORT  
REFERENCES COMMITTEE

**Reference: Rural and regional access to secondary and tertiary education opportunities**

WEDNESDAY, 23 SEPTEMBER 2009

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## SENATE RURAL AND REGIONAL AFFAIRS AND TRANSPORT

### REFERENCES COMMITTEE

Wednesday, 23 September 2009

**Members:** Senator Nash (*Chair*), Senator Sterle (*Deputy Chair*), Senators Heffernan, McGauran, Milne and O'Brien

**Substitute members:** Senator Adams for Senator Heffernan and Senator Hanson-Young for Senator Milne

**Participating members:** Senators Abetz, Adams, Back, Barnett, Bernardi, Bilyk, Birmingham, Mark Bishop, Boswell, Boyce, Brandis, Bob Brown, Carol Brown, Bushby, Cameron, Cash, Colbeck, Jacinta Collins, Coonan, Cormann, Crossin, Eggleston, Farrell, Feeney, Ferguson, Fielding, Fierravanti-Wells, Fifield, Fisher, Forshaw, Furner, Hanson-Young, Humphries, Hurley, Hutchins, Johnston, Joyce, Kroger, Ludlam, Lundy, Ian Macdonald, McEwen, McGauran, McLucas, Marshall, Mason, Milne, Minchin, Moore, Parry, Payne, Polley, Pratt, Ronaldson, Ryan, Scullion, Siewert, Troeth, Trood, Williams, Wortley and Xenophon

**Senators in attendance:** Senators Adams, Hanson-Young, Nash and O'Brien

#### **Terms of reference for the inquiry:**

To inquire into and report on:

An assessment of the adequacy of Government measures to provide equitable access to secondary and post-secondary education opportunities to students from rural and regional communities attending metropolitan institutions, and metropolitan students attending regional universities or technical and further education (TAFE) colleges, with particular reference to:

- 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
- h. other related matters.

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**Committee met at 9.33 am**

**ANDREWS, Ms Jan, Deputy Chief Executive, Schools and Children's Services, Department of Education and Children's Services South Australia**

**SIZER, Ms Terry, Regional Director, Yorke and Mid North, Department of Education and Children's Services South Australia**

**CHAIR (Senator Nash)**—I declare open this public hearing of the Senate Rural, Regional Affairs and Transport References Committee. The committee is hearing evidence on the inquiry into rural and regional access to secondary and tertiary education opportunities. I welcome you all here today. This is a public hearing and a *Hansard* transcript of the proceedings is being made. Before the committee starts taking evidence, I remind all witnesses that in giving evidence to the committee they are protected by parliamentary privilege. It is unlawful for anyone to threaten or disadvantage a witness on account of evidence given to a committee and such action may be treated by the Senate as a contempt. It is also a contempt to give false or misleading evidence to a committee. The committee prefers all evidence to be given in public but under the Senate's resolutions witnesses have the right to request to be heard in private session. It is important that witnesses give the committee notice if they intend to ask to give evidence in camera. If a witness objects to answering a question, the witness should state the ground upon which the objection is taken and the committee will determine whether it will insist on an answer having regard to the ground which is claimed. If the committee determines to insist on an answer, a witness may request that the answer be given in camera. Such a request of course may also be made at any other time. Finally, on behalf of the committee I would like to thank all those who have made submissions and sent representatives here today for their cooperation in this inquiry.

I remind senators that the Senate has resolved that an officer of a department of the Commonwealth or of a state shall not be asked to give opinions on matters of policy and shall be given reasonable opportunity to refer questions asked of the officer to superior officers or to a minister. This resolution prohibits only questions asking for opinions on matters of policy and does not preclude questions asking for explanations of policies or factual questions about when and how policies were adopted. Officers of the department are also reminded that any claim that it would be contrary to the public interest to answer a question must be made by a minister and should be accompanied by a statement setting out the basis for the claim. I welcome representatives from the South Australian Department of Education and Children's Services. Would you like to make an opening statement before we proceed to questions?

**Ms Andrews**—Thank you. As I understand the context for the inquiry, we as a department welcome the opportunity to be part of an exploration of some fairly burning issues for rural and regional access. If I understand correctly the Commonwealth government proposal by way of youth allowance setting and so forth into the future, this would be an improvement in terms of quantum dollars above the current situation and we would welcome that for reasons that we have outlined in our submission. I think the issue however and we will go to that in the detail of some of your questioning—

**CHAIR**—Have you lodged your submission with the committee?

**Ms Andrews**—I thought it had been lodged prior to this meeting.

**CHAIR**—If you would like to table your submission, that would be fine.

**Ms Andrews**—For us in South Australia the issue is the economic and social cost of not realising the educational potential and future of young people in rural and regional settings. Our submission speaks to that in detailed ways. I will go to some broad headings and then you may want to explore, in addition to your own issues, some further points.

It seems to us that one positive step that could come out of your work is a national cost-benefit analysis of the economic and social costs and benefits of acting further on the opportunities for rural and regional students to access tertiary education and senior secondary as a pathway into tertiary. We consider our rural and regional population to be a sizable share of our overall population. For reason of the barriers that we mention in our submission, and doubtless we will discuss, relatively few of them comparatively get access to further education. We know in this day and age that for every year of tertiary education an individual's income is increased by a given percentage and their future opportunities relative to a changing world are exponentially improved. So essentially to stop a young person at 18 or 19 because of their geography from accessing tertiary education is a huge economic and social cost.

We have not done any studies in South Australia on this specifically but we would suggest that it is something that nationally might be of use through a Productivity Commission or whatever it might be process. It would require quite a scientific and detailed piece of work. That I imagine is the heartland of interest that this committee brings to the issue and then there are the subissues coming out of that. Just to touch on a heading level, I would like to talk, if there is an opportunity within your questioning, about case management, about hostels and transition for rural and regional students coming to town, about an aspect of the gap year and, as I have indicated already, about a larger cost-benefit analysis. Terry is up to her neck in the regional realities, whereas she informs me I have the blissful ivory tower view of state office, and will have a personally populated view on what is going on in the rural and regional area and some experience herself about that.

**CHAIR**—Ms Sizer, would you like to add to the opening comments or would you prefer just to deal with questions?

**Ms Sizer**—My three key headings that I would like to talk about are the impact of students' access to university on our professional communities in the country, in particular teaching, health and police. We are not a homogeneous lot of people in the country—we are not all farmers. I would like to talk about that family impact, especially if you have more than one child wanting to attend not just tertiary but some sort of postsecondary training which does not necessarily require moving to the city but does require moving somewhere else. And I would like to build on Jan's comment about gap year.

**Senator O'BRIEN**—Sorry we do not have the benefit of your paper in front of us. Could you give us a thumbnail sketch of the areas outside Adelaide where there are tertiary education opportunities for South Australians and describe what they are.



**Ms Sizer**—The University of South Australia has a campus at Whyalla. It has a very limited number of courses, which are outlined in our paper, and certainly none of them to a postgraduate level. There are a number of courses including basic nursing, the first couple of years of a degree in education and also some work done at Mount Gambier. We have original TAFE system but those campuses tend to be in major regional centres—Port Pirie, Port Augusta, Whyalla, Port Lincoln. We have very limited access to registered training providers. Generally if you are doing something through an RTO or some more specialist TAFE courses, you would need to come to Adelaide.

**Ms Andrews**—And Flinders University also runs programs up in Murray Mallee in nursing and things like that.

**Senator O'BRIEN**—Where was that?

**Ms Andrews**—Murray Mallee region—Renmark, Mildura, up into the border area.

**Senator O'BRIEN**—Do those facilities have adequate places where people can stay, hostels or other accommodation in the region for those who come from more remote parts of South Australia?

**CHAIR**—Which you did touch on, Ms Andrews. You may like to expand on it. I know it is one of your areas of interest.

**Ms Andrews**—In essence, the answer is no, not sufficient.

**Senator O'BRIEN**—No or not sufficient?

**Ms Andrews**—Not sufficient—very little, I should say. I am not familiar with the exact details. We could get a bed count for you, if that would help. It is one of the major issues of access. Also the angle I was going to come from about hostels is that for rural people—I will deal with Indigenous people separately—it is a big jump to come from the country to town. Their city cousins know much more about how to navigate city life and anecdotally we pick up a lot of feedback about dropout rates, emotional pain and kids going off the rails. A one-year transitional hostel arrangement—and I recognise the operational complexity and demands of that—would be very helpful for seeing that through and would give parents a lot more confidence in letting their kids go. That is a bit in addition to what you are asking.

**Senator O'BIEN**—You are talking about the city component in the main.

**Ms Andrews**—Not necessarily—wherever, but I was focusing on the city. I do not have the figures on bed space for the rural areas. We could get those figures for you but I believe it is not very much at all.

**Senator O'BRIEN**—What about in Adelaide? Obviously many students come to Adelaide?

**Ms Andrews**—Yes, it is a private market. If they go to the universities, some of them have residential colleges which have limited places and they are highly competed for. The rental market is expensive and the quality of it frankly is often not very good. The distance and safety

of it is an issue as well. We leave all that to the market to manage and for kids at a point in life where they are vulnerable that is not necessarily always the best way.

**Senator O'BRIEN**—I think everyone has a memory of student houses in their time. I do not think they were ever the best accommodation in town. They were usually the cheapest and often as good or as bad as the occupants made them.

**Ms Andrews**—I agree and I have painful personal memories of this. When you are that young, you do not actually notice the mould. Again, anecdotally, we have some fairly horrific stories about owners renting properties and taking advantage in inappropriate ways. You can say 'caveat emptor' but it is a bit hard for families in the country to negotiate that from a distance.

If I may, I will just talk quickly about Indigenous people. The experience of the education department here is as follows. We effectively have residential accommodation, the Wiltja centre, for Indigenous students coming to Adelaide for secondary school. We have three regional hostels for secondary students. For Indigenous families in particular that offers a great assurance. We also have culturally appropriate housekeepers, minders and supports. That has, time and again, saved a young Indigenous person and put them into another year of study in the senior-secondary transition.

**Senator O'BRIEN**—How does it work in Adelaide for international students? What arrangements are there for them and how does it compare?

**Ms Andrews**—The international secondary students can come and be hosted by a family. We have an international education division, which reports to me, that does that. Finding homestays is very difficult. It is quite arduous for the host parents for a whole range of reasons, so there is a high turnover in that. It is hard work to get that accommodation. There is also a private market where perhaps the wealthier international students' families buy apartments or housing, and there is an internal market within each of the overseas communities coming here that buys and provides accommodation. I would have to say that the international student accommodation is in a fairly healthy state. We do not have many reports of children and families not being able to find places.

**Ms Sizer**—Tertiary students certainly compete for the places at the private hostels. My experience in putting my children through the hostel system is that quite often you are on the waiting list because there is a balance between international students and local students accessing that hostel accommodation.

**CHAIR**—Does having international students and rural and regional students after the beds create any angst on the part of rural and regional parents who cannot get a bed for their child?

**Ms Sizer**—I have never heard parents say that. In fact, from my perspective and for a lot of parents, because a number of our country centres are fairly monocultural, that is a terrific opportunity for the children. I do not think you actually realize that until your children start there. Then you say, 'Well, that was interesting.'

**Ms Andrews**—There is the potential for that resentment in urban Adelaide a little bit.

**Senator O'BRIEN**—Is there some preference for the internationals, given the money-earning properties they bring to the university?

**Ms Andrews**—Yes.

**Senator O'BRIEN**—Are the places weighted to give them some guarantee of a place?

**Ms Andrews**—I do not know. You would have to ask somebody in the tertiary sector about that. I do not know about weighting.

**Senator O'BRIEN**—'Weighting' might not be the right term. I am just trying to discover whether there are places set aside for them that are not available to others.

**Ms Andrews**—I am not aware of that.

**Senator O'BRIEN**—Have you got any idea of the raw numbers of rural and regional students travelling to Adelaide to undertake and/or complete their tertiary education?

**Ms Andrews**—No, I have not got them for tertiary students because we do not cover the tertiary level—others will do that. In terms of our schooling population, we have about 2,000 students a year completing year 12. Of those, about 500 or so will continue on to tertiary education.

**Ms Sizer**—It has been interesting from a country perspective, in that universities here, consistent with most of Australia, offer quite a good bonus system. That has helped to ensure that not so many children leave to finish their secondary education in Adelaide. You get great bonus points, so staying in the country is fabulous—you will get in. But then it is about whether you can afford it and whether your child is emotionally ready. In the current economic climate it is a minimum three- or four-year commitment. For a lot of us with two or three children, if you have not spread them far apart, the cost is very concentrated. In our submission we have outlined the cost of staying in a boarding hostel. If you double that for two children, which is my situation, you are talking about a minimum \$700 a week just to have the two there. That is a lot of money, and there is no weighting on my salary because I choose to live in the country. It makes it an interesting dilemma. A number of rural families go through the same thing and say: 'We aren't a one-child family. We are a two- or three-child family. If we encourage that one to go then we really have an obligation to the other two or three.' I am well aware of a number of my colleagues and friends who have actively encouraged their children not to go because of the ongoing cost that they could not guarantee.

**Senator ADAMS**—Would your children be eligible for the youth allowance?

**Ms Sizer**—No. There are two reasons for that. One is my income. The second is that my daughter chose a course that did not allow a gap year. There are a number of health science courses that you have to go into when you are accepted. She is doing radiography and you cannot take a gap year.

**CHAIR**—That issue has not come up. It is a very interesting point.

**Ms Sizer**—We were going to encourage her to take a gap year. My son went down straightaway and we thought, ‘If we get her to do a gap year at least she could get that allowance.’ She was only 17 and we thought it would be a good thing. It also meant she could not get a job. There were no jobs at home. I live in a very small country town.

**CHAIR**—Where do you live?

**Ms Sizer**—I live at Wirrabara, which has a population of 200 people. My husband is a local farmer.

**Senator ADAMS**—How far is it from Adelaide?

**Ms Sizer**—It takes me three hours, so it is not remote. Anyway, that was what my daughter wanted to do, so she had to go at that point in time.

**Senator ADAMS**—What other health science courses have the same criteria?

**Ms Sizer**—I do not know. We just got caught up in that particular instance.

**Senator HANSON-YOUNG**—At which university?

**Ms Sizer**—Uni SA, city east campus.

**Senator O’BRIEN**—Presumably you have looked at the website, checked with the calculator and made clear that even with two children at university you are over the threshold. My experience talking to people is there are a lot of people who have looked at the bare figures without looking at where it actually phases out and who say, ‘I’m out,’ when there is quite considerable latitude in the parental income threshold for two children at university living away from home.

**Ms Sizer**—My daughter was able to access the country rural accommodation scholarship, and that has certainly helped. She could apply for that from the start of her second year, so she has had that for two years.

**Ms Andrews**—It might be appropriate to talk a bit more about professionals in the country.

**Ms Sizer**—Yes. As a regional director, 98 schools and preschools report directly to me. Obviously one of my key areas is around personnel and the recruitment of principals and leadership positions to those 98 schools and preschools. Over the last six years, probably, the difficulty we have found in recruiting professionals—and I have just recently met with the head of Country Health SA and SAPOL, the South Australia Police, in Yorke and Mid North, and we all have the same issue—is in keeping professional people in the country, people who are not farmers but are incredibly important and who offer something else to the country community. They are our police, our nurses and our health professionals.

If we ever talk about closing a country school, one of the reasons that many in the community jump up and down is because it adds up to how many families you take out of a community. People are telling me that they will not stay. Looking at the town, I have got five this year who

are applying to move back to the city because they have children approaching secondary school age. They would be quite happy to keep them there for secondary school but they know they cannot afford to still be in the country when their children go there.

**Senator HANSON-YOUNG**—I have heard exactly the same types of things. One family in particular that I have spoken to is a good example. The father is a principal and the mother is a doctor so they are key people in that community. Despite the fact that they live in the Riverland, along with all the other struggles going on out there, the thing that is making them consider moving back to the city is the fact that they have three kids about to start hitting university age and it would be cheaper for them to move into town. It strikes me that those regional communities are going to be hit twofold. All the evidence I have read suggests that the best way of retaining professional staff in country areas is training those who grew up there in the first place—allowing them to go off, get their training and come back—and if we do not, in the future it is going to have an even larger impact. I would like your view on this.

**Ms Andrews**—I can make two comments about that. Firstly, I agree that the training of country people to return to the country is really important, but I also think that one of the values and one of the reasons that people choose to live in larger centres is because there is a cross-section of people. There are not just country people that grew up in the country and have a country head set—there is also a really good mix.

My current view, as somebody who tries to recruit leadership people to schools and preschools, is that often what we do look for are people who have an understanding of country. That does not mean that they have had to have come from the country. Sometimes that ability to have new people coming into a community breathes new life into some of the communities. So I think that there is a mix of both. I think that both Health SA and Department of Education and Children's Services run country recruitment scholarships for teachers and for nurses and health staff to enable country people to return, and it has been very, very successful. We have never had trouble filling those scholarships and they always have people, though they do not necessarily want to return to their own town. My daughter is going to Port Lincoln next year.

**Ms Sizer**—Adding to that, again I think that is something that some quite thorough research would show. Anecdotally, we know that kids come to town, do their study, sow their wild oats, and then want to go back to a country setting. So what are we missing out on by not enabling some of those young people to get the training bridge into the city and then back out again? You are really looking at quite detailed data analysis on trends in population movement over time.

**Senator ADAMS**—I have not had a chance to read your submission yet so I am just going from the evidence you have given us here so far. You talked about a cost-benefit analysis as a national issue. I come from Western Australia, from a very small community about 3½ hours from Perth. We have all these different categories—the remotes, the Indigenous, the small communities—where there can be somebody that is really bright that could go to university if given the right opportunities. And even in the regional areas they still do not have courses such as medicine and dentistry, though nursing is okay, so for some of those professional areas the students would still have to travel. So that analysis would have to be very detailed. What we often find is that there is no flexibility within a lot of these programs and that those remote areas are considered to be regional areas with all the support that they have got, but that is not the

case. So this worries me and I think you would have to have very good guidelines for that particular research project.

**Ms Andrews**—Yes, you certainly would; it would need to be a very well thought out piece of work. And I am not suggesting that it needs to be that detailed. For example, our submission says that of our country secondary children who by virtue of their TER score gain entry to tertiary, only 40 per cent take it up. I am really talking almost at a quite crude level about what is the cost of the 60 that are not going on to do that to the national social and economic wellbeing?

**Senator HANSON-YOUNG**—Can I just clarify: 40 per cent of all year-12 graduates from the country are able to enter—

**Ms Andrews**—No, can enter but choose to—

**Senator HANSON-YOUNG**—can enter, but only 40 per cent of that 40 per cent—

**Ms Andrews**—No, sorry. Of all of those that get entry to tertiary, be it TAFE or whatever, only 40 per cent from the country go. That is what our figures at the moment show us.

**Senator HANSON-YOUNG**—What percentage is that of all year-12 school leavers?

**Ms Andrews**—That is the same for all. Our year-12 school leavers are about 10,000 a year, and we have about 2,000 country and, of that, 40 per cent—give or take—would go.

**Senator O'BRIEN**—So it is 20 per cent, and 40 per cent of the 20 per cent, which is eight per cent.

**Ms Andrews**—Whichever way the numbers go, you are looking at quite a big falling off. Senator Adams, in response to your question, it is that that you analyse—what is the cost of that? And we are not just talking about kids going on to do medicine or law, as important as they are. Our education department is putting a great deal of effort at the moment into mixed pathways for TAFE and university training, starting as early as year 9 in secondary, because our kids are maturing earlier these days. The plan is for that to support country kids much better in the future and we have some case management models that are helping with that as well.

If you take a young person from the country going through one of those pathways, they might pick up some TAFE programs and courses—they get credit for that for their year 12—that are suited to their country context or their future career planning. You might end up having quite well trained farming or support services for farming as a result of that, instead of just relying on what dad knows—as good as that is—if they just stay in the country area. So it is not just to get kids to go to uni in the old model that I grew up with: it is all the other forms of training at the moment.

I also have to say that all of the international literature says that we will all retrain five times in a life for the new challenges that life presents—jobs or what have you. So you start to train those young people in staying open to learning all through their life. The research from agriculture as I understand it loosely, not precisely, says you will always get a small cohort of people from rural communities than are the leaders in that and will do that. We argue that

economically we cannot afford for the others not to be doing that as well. By having them learn early that they can dip their toe in the water of tertiary training, cut and paste it, come back to it and go from it according to what the seasons and demands are rather than having to do it right at one point in time, they can develop a lifelong habit of study and learning that is patchworked together with their rural positioning—so they learn ‘distance’ but they learn when to come into town, or whatever it might be. That is good training for life and for our economy in the future as well.

**Senator ADAMS**—The only reason I used the example was that regional centres could not cope with that course so they were forced to go, if that was something they qualified for. On the accommodation issue, is the South Australian government doing anything to provide more hostel accommodation or are there any private providers?

**Ms Andrews**—For the schooling sector, for which we have the legislative obligation, we have four hostels of one kind or another at the moment. That is a significant investment. We also through our regional offices, such as Terry runs, do a little bit of case management of individual students. So that is quite an investment by the state government. For tertiary, that is left to the tertiary market.

**Senator ADAMS**—Do you know if they are increasing, as far as the tertiary sector goes?

**Ms Andrews**—I do not know.

**Senator ADAMS**—What process do you use to case manage someone?

**Ms Andrews**—We just have the individual teacher helping.

**Ms Sizer**—In each of our schools with a secondary component, each of our country students has a personal pathway plan. That is particularly important for our Indigenous students because we do have a way of bridging that accommodation issue in town. We case manage each student. It sounds terrible, but it is actually not that hard in most country schools. There is a year 12 cohort of only perhaps 20 or 25, so two or three teachers will look after five or 10 children each. We usually have that pathway mapped out. Through the region, we publish information particularly around tertiary education. We have just sent out information about country health scholarships for next year. We keep an eye out for those. We put forward aggressively to the universities our choices and we do it in November so that there are a number of students who, before they get their results, know that if they pass they will get a scholarship for teaching. So we do our teaching scholarships applications while the students are still at school. Our case management tends to be around an individual child with a personal learning plan.

**Senator ADAMS**—How do you deal with the new rules for youth allowance?

**CHAIR**—Do you want to touch on the gap year in your answer too? You both raised that earlier.

**Ms Sizer**—To be really honest, most of our teaching staff do not provide information on youth allowance because it is not actually within their gamut of skills, understanding and responsibilities. We are using the federal government Local Community Partnerships careers

advisers, which are currently being re-tendered, to provide a careers advice service. They can provide, for some students, information on how to fill out the youth allowance application, what to do. The mayor of one of our larger local areas, Yorke Peninsula, spoke to 100 regional leaders the other day. One of the topics of conversation was the new Youth Allowance arrangements and the 18 months provision. There was quite a level of concern expressed by the professionals, and also the mayor himself, about making sure that we let our children go to the city to be educated and to get a tertiary education, but that we want them to come back. There is a view, very much from the professional group, that the 18-month arrangement is going to cause some significant issues. If you cannot get a job locally, you will have to leave home anyway. A lot of places just do not have that kind of job where you can earn \$19,000 or whatever to be eligible, and certainly not over an 18-month period.

**Senator ADAMS**—And working 30 hours a week.

**Ms Sizer**—Yes. To be really honest, I think many of us encourage our students to work when they get to the city, to supplement their living expenses. I do not think you will find many people who argue with that. Most of us think it is a really good work ethic for our children to have a part-time job. We just do not want it to be excessive.

**Senator HANSON-YOUNG**—Even if you get the maximum independent rate, it is only \$370 a fortnight.

**Ms Sizer**—Yes. You cannot pay for too much more on that.

**Ms Andrews**—Country students coming in have extra burdens in terms of the travel back to home from there. Perhaps in the future the sensitivity analysis of how parents are means tested can be looked at more carefully with regard to the fact that country people are often asset rich but cash poor. That comes into it.

To go back to the gap year, the gap year becomes a gap 18 months. That is a big disincentive. It is enough for a lot of kids to turn off. We have been putting such an effort in the state and nationally into retention, encouraging kids to stay on to tertiary education. Many of these kids are the first in their families ever to go on to tertiary education. All they need is 18 months out and money in the pocket.

**Senator ADAMS**—And you never get them back.

**Ms Andrews**—You never get them back. Again I am not saying there is a blanket solution, but there needs to be some clever thinking about how to structure the carrots and sticks in that arrangement instead of one blanket allowance and an 18-month working requirement—that would be beneficial.

**Senator ADAMS**—In regard to the new gap here, are those scholarships available to be deferred if that student applies for youth allowance as well? How is that going to work?

**Ms Andrews**—We would make that happen for the education sector, for teaching scholarships, yes. The other ones I cannot speak about.



**Senator ADAMS**—I just wondered whether there was any requirement that they had to go straight in and utilise scholarship or it could be held over for that time.

**Ms Andrews**—It can be held over.

**Ms Sizer**—It can be held over and the advantage we have found with the education scholarship is that it guarantees the student employment at the end. For many parents in particular that is absolutely attractive.

**Senator ADAMS**—Is it bonded to?

**Ms Sizer**—It is not bonded but you need to do three years teaching in the country.

**Ms Andrews**—But if you do not, we cannot legally require the old bonded scheme to apply.

**Ms Sizer**—It is only \$2,000 a year.

**Senator ADAMS**—But still it is a help.

**Ms Sizer**—Absolutely.

**Ms Andrews**—That \$2,000 we estimate in our paper to be about the cost of the extra living expenses—personal toiletries and so forth which, if you are living in accommodation, you might need in addition to the fees.

**Senator HANSON-YOUNG**—In your opening statement, Ms Andrews, you said that you welcome the fact that there has been more money. I want to clarify that not one extra dollar has been put into the pot. The way they have changed it simply means that more people will be able to access it. It is a neutral budget plan which, from my perspective, is probably the downfall of the system. I understand that there needed to be changes, but I think why should a young person have had to take even 12 months off in order to get the support necessary to go on to university when we know that regional students are geographically disadvantaged just by virtue of where they have been brought up?

Now we are suggesting that when you add up all those things not many kids are going to get a full independent rate, even with the start-up scholarship and the relocation scholarship added in. Then there is this issue, as you have rightly outlined, that perhaps the only option is to take this 18 months to earn the money. To average 30 hours a week in regional centres for low-skilled 17- or 18-year-olds is going to be pretty difficult. The way the legislation is currently drafted it is very strict. It is 30 hours a week; it is not 10 hours when the season is slow and 50 hours during the summer, if you are in a tourist area or when vintage is going on or harvesting is happening. Even that in itself seems to be a bit out of whack and has not necessarily taken into account the rural context of how low-skilled work happens.

**CHAIR**—The question?

**Senator HANSON-YOUNG**—What is your recommendation through all of this? No extra money has been put in the pot. That may be the solution but aside from that, what do you think

could be done to amend the legislation and to deal with some of these issues? You have said, 'Let's have a cost analysis of the benefits.' I think that is a very good idea. In terms of making sure that the next generation, people who will be leaving year 12 this year and next year, are not discouraged to go on to further education, what do you think we could do with the jigsaw as it is?

**Ms Andrews**—The answer to that is a patchwork of different solutions for different people in different settings. It is beyond me at the moment to cover all of that. That is why I would suggest, to start off with, grounding it with proper research that looks to the economic and social issues, because that would have to underpin any Commonwealth government funding and budget prioritisation process, as I understand it. Within that, there should be some further work on whether some work requirements are reasonable and what requirements there should be, having regard to the life realities of young people in different settings. So I cannot pronounce today—and it is not my responsibility to do so—on the policy positions on this, but you and we are raising issues that indicate some barriers to young people going on to further study. I think we agree that it is desirable in the broad for young people to go on to further study. The answers will be different for different situations, and there needs to be some more analysis underneath it to do that. I have highlighted that I think there is a problem with requiring 18 months of employment, in terms of the risk of students disengaging from going on to tertiary.

**Senator HANSON-YOUNG**—Does the department have any data about the impact? You have said only 40 per cent of people who have been given a place take it up. Does the department have any data about the return rate after deferral?

**Ms Andrews**—We probably do, but we have not pulled that out for today.

**Senator HANSON-YOUNG**—That would be helpful in this case.

**Ms Andrews**—We can do that. So that is my answer. I cannot pronounce on it; it is really your role to come up with the policy position. We are highlighting that some of the things are not working as well if you keep in mind the goal of getting as many young people into tertiary opportunities as possible.

**Senator HANSON-YOUNG**—So you would not necessarily argue for the retention of the 12-month workplace criterion?

**Ms Andrews**—I think it needs to be looked at and analysed. Twelve months might in certain circumstances be quite appropriate. The number of hours in that time might be what you want to vary. I have not myself done the analysis of how those metrics were struck, so I cannot really pronounce on them today, but I am highlighting that there are some difficulties which seem to be against the overall goal.

**Senator HANSON-YOUNG**—Did the department feed into the Bradley review?

**Ms Andrews**—Yes.

**Senator HANSON-YOUNG**—So these are the types of issues that were raised, obviously.

**Ms Andrews**—Yes. We mention the Bradley review quite extensively in our submission.

**Senator HANSON-YOUNG**—Okay, that is good. Can you give us a bit of an overview of where most students from regional South Australia come from before then going on to university?

**Ms Andrews**—Sorry; what do you mean?

**Senator HANSON-YOUNG**—Where are the main centres at the moment?

**Ms Andrews**—That they go to?

**Senator HANSON-YOUNG**—No, that they come from.

**CHAIR**—The main catchment areas.

**Ms Andrews**—I have a map of South Australia in my mind. It is the north-east, the Murray Basin area, and the west, the Eyre Peninsula—Terry's area—heading up into the north to north-west area. There are not enough students from the Aboriginal lands directly north. Believe it or not, there are some families from down south in the Fleurieu Peninsula and from the south-east—certainly the Mount Gambier area. So it is south-east, north-east, west and north-west.

**Ms Sizer**—Within my region we are under-represented from Port Pirie, and my understanding is that Port Augusta is the same. Students from those two more industrial towns are not as highly represented. If I look across my region, it is more likely that people from the more rural centres would go. Some of that is obviously a socioeconomic issue.

**Senator HANSON-YOUNG**—Yes. I will just pick up the point that you made about the income thresholds for the new parental income test taking into account this issue of being asset rich as opposed to having cash flow. One of the comments made to me, by a father who was frustrated with the situation, was, 'I can't just sell off a hectare to pay for schoolbooks or the next month's rent.' How do you think we could balance this idea of needing to be able to ascertain the parental ability to help fund and the issues with cash flow?

**Ms Andrews**—They will come to a calculation mechanism, done in the halls of Commonwealth government, with the various skills that they have in terms of a sensitivity analysis of the means test, which means the ability of those parents as opposed to a set of parents living in town in a number of areas. So it comes to mechanisms for scrutinising the financial claims of those families and for them to demonstrate what they have and what they do not have and for that to be tested. The Tax Office is fairly good at that sometimes.

**Senator HANSON-YOUNG**—Is there anything that the state government is doing in light of the concerns that have been raised by South Australians in terms of other things that perhaps the state government could be doing to insure that we do not lose that transition from year 12 leavers?

**Ms Andrews**—The state government generally has an absolutely major priority in our state strategic plan on retention of young people into senior secondary as a pathway and then into

tertiary. I have yet to see the latest figures but I think we are tracking pretty well on that compared to some other states and territories. There has been a huge effort within the department. I am not speaking for the Catholic Education Sector or the Private Education Sector here, but our department with 168,000 students or so, to make regional directors and their leadership groups all aware of the need to encourage people to come through. We have revised our senior secondary certificate and there is a personal learning plan, to which Terry referred in part, to ask students and their families to focus on where they are going and how they will get there. For the disadvantaged or at-risk populations we have a whole raft of specific measures that have been strongly supported by our social inclusion unit, headed by Monsignor David Cappo, by our Premier driving very hard on special provisions for special groups of people at risk, assessed according to their need. So there is no doubt that we are answerable to the state government in quarterly reviews with the chief executive as to how they are progressing against those standards. That particular approach of state development goals has been initiated and led very strongly by our Premier, and the departments that are responsible under that are responsible for reporting.

Along the way we have done a lot of research and have learned about the variables that affect disengagement for young people. We have a program called ICANs, as is always the way with catchy acronyms—Innovative Community Action Networks for inclusion of young people who are at risk of disengaging. There were four of those which the state government expanded in the last budget. It is an idea that the Australian government is now interested in and I understand again through the agency of our Premier and Monsignor Cappo at national levels. That engages business and the community, not just the education people. Teachers are not always the best people to engage young people to stay on in education. There is a whole lot of detail we can give you about that. There is a great deal of effort. At the input level, we referred to our scholarship scene for country teachers and the human resources around that to increase that. Our resourcing ratio for our schools is variable according to the levels of disadvantage that they have as well. So they are the ways in which there has been a major effort.

**Senator HANSON-YOUNG**—I have two final questions. Have you thought much about this 90 minute travel criteria? For those students who are able to access the relocation scholarship, they would have to have proven that they have to travel more than 90 minutes. Have you thought about what impact that may mean for students?

**Ms Andrews**—Not specifically at this point; no.

**Senator HANSON-YOUNG**—I guess the question is whether there will be—

**Ms Sizer**—No, the 90 minute one has not; the 30 hour one has. Most people on the 30 hour one believe that it should be more flexible.

**Ms Andrews**—More flexible so that it is an average of so many hours, without wanting to encourage people to exploit young people to work ridiculous amounts of hours. If you are working for AWB on the harvest at the silos, for example, your hours are intensive over four weeks. But the 90 minutes has not come up.

**Senator HANSON-YOUNG**—The areas I was thinking of are Murray Bridge, Balaklava—those areas. If you are just under, are you seriously going to travel that far every day? I do not

know. What impact is that going to mean for those? For Adelaide, whose metro area is quite small and metrocentric, our regional areas are not that far away, but it is quite a different mindset. The other thing I ask about—we have just heard this, so I have not had a chance to look through—was that in your submission you make the comparison between the year-12 leavers from the more metro education sectors and the rural areas in terms of that 40 per cent number.

**Ms Andrews**—I do not know that we have been as clear there as I have been verbally, but we can provide supplementary information if you want.

**Senator HANSON-YOUNG**—That would be good. It would be good to be able to see that comparison.

**CHAIR**—I have a couple of questions before we finish up. One of the things that has been put by some of the witnesses is the issue of rural and regional student access—which also works in reverse if you are a city student who wants to go out or a regional student going to another regional area. It is the relocation issue, but rural and regional is the one coming up most clearly. The inequity in them being able to access tertiary education is different from the welfare issue of youth allowance. There should be some acknowledgement of the financial difficulties and other issues with access itself, and perhaps that should be accommodated through some kind of financial assistance separate from the welfare issue of youth allowance. Is that something that is being considered or you have a view on?

**Ms Sizer**—I think that that is the basis on which my comments about professionals in the country is built on. I think that is exactly the sentiment that people have: ‘I’m working in the country. I enjoy working in the country. I am committed to it. But it’s not about the welfare; it’s actually about how if I did a comparative job in the city I could have my children still living at home with me so I could still look after them and still provide some parental guidance that sometimes they need.’ It is no about the welfare. It is about the equity.

**CHAIR**—Would you mind taking on notice, if you can, whether you have any thoughts on how that kind of measure might work in terms of the quantum of funding that would be appropriate and how a model would look? It would be really useful if you could provide that to the committee. In the interim, the last question is on the gap year issue and the removal of the \$19½ thousand over 18 months criteria. I understand from conversations that there are some people who have manipulated that particular criteria, but would it be appropriate for the committee to have a look at retaining that criteria with greater scrutiny of, as one of the witnesses yesterday raised, the actual amounts paid out by a business—especially if it is a family business—as well as an audit process of the student doing that work on an ongoing basis? Would it be worthwhile for the committee to look at that as a measure to retain if there were greater scrutiny to get rid of that rorting?

**Ms Andrews**—Yes, combined with greater flexibility to average the total hours of employment.

**CHAIR**—Yes. That is why I asked about that particular \$19½ thousand criteria. There was no average hours criteria attached to that. It was very much an ability to be able to work it in.

**Ms Sizer**—To pick up that point, one of the discussions that we have had as a group of professionals in the country has been about not just having the young allowance based on how much you earned in that year that you took off from school but also having something that allows you to go straight from school to university and that says, ‘If you can show that over a certain period of time—even the year before you went to uni—even while studying, you had earned this amount, that is another way of accessing.’ That way you are not forcing people to take the gap year.

**Senator O’BRIEN**—Too easy to rort.

**Ms Sizer**—Too easily rorted? But it is certainly something that is being canvassed, and it says that you show every 12 months that you sustain that sort of level. This is coming from those country students that are at uni and working: ‘If I keep earning that amount each year, I submit my thing and I get something back.’

**CHAIR**—It is an interesting suggestion.

**Ms Sizer**—It keeps you there and keeps you passing, so it is sustaining, rather than a one-off over here that is almost not linked to the course that you are doing. For example, my daughter is doing radiography, and working in the pub was not going to do a lot for her.

**CHAIR**—I suppose the issue for this committee is to try to find some balance between any potential rorting and not throwing the baby out with the bathwater. To go back to the original point you are making, the whole point is about students, particularly from rural and regional areas, being able to access tertiary education.

**Ms Andrews**—And the value of that and the value of the lost opportunity.

**CHAIR**—True. Thank you both very much being here this morning. It has been extremely useful and we appreciate it very much.

**Ms Andrews**—Thank you.

[10.31 am]

**DENING, Mrs Anne Margaret, Educational Manager, Innovations, Teaching and Learning, TAFE SA Regional Institute**

**JOHNSON, Ms Jennifer, Senior Training Manager, Aboriginal Access Centre, TAFE SA Regional**

**MEZINEC, Mr David, Business Development Manager, TAFE SA Regional**

**MIBUS, Ms Margaret Veronica, General Manager, Aboriginal Access Centre, TAFE SA**

**SCHUBERT, Dr Ruth, General Manager, TAFE SA Regional**

**CHAIR**—Good morning and welcome. I remind senators that the Senate has resolved that an officer of a department of the Commonwealth or of a state shall not be asked to give opinions on matters of policy and shall be given reasonable opportunity to refer questions asked of the officer to superior officers or to a minister. This resolution prohibits only questions asking for opinions on matters of policy and does not preclude questions asking for explanations of policies or factual questions about when and how policies were adopted. Officers of a department are also reminded that any claim that it would be contrary to the public interest to answer a question must be made by a minister and should be accompanied by a statement setting out the basis for the claim.

I invite you to make an opening statement. Would just one of you like to do that, or would you all like to make a comment?

**Dr Schubert**—I have some notes here on our opening statements. Would it be useful if I give them to you?

**CHAIR**—That would be very useful, thank you.

**Dr Schubert**—What we would like to do, if this is acceptable, is that I would make some opening statements and then David, Marg and Anne would make some statements as well to support that. I am not quite sure of the time frame you have for us.

**CHAIR**—We have three-quarters of an hour. Certainly take the opportunity to say what you would like to say, but we would like to have about half an hour for questions so perhaps you could take 10 minutes for the opening statements from the three of you.

**Dr Schubert**—That would be fine. I will just work through some of our opening statements, which you now have a copy of. We thought it would be useful to give you an outline about TAFE SA because we provide a comprehensive service across regional Australia—we have major campus facilities right across South Australia—and particularly for other states as well. The question is about access to secondary and tertiary education, so what we are looking at are not only some of the issues but also some of the solutions.

One of the issues is, of course, that the state funding models do not adequately cover the extensive infrastructure that we have across the state and there is no real recognition of the costs of delivery in regional communities, which is an ongoing issue for just about any educational provider. However, what is quite significant is that the number of students who actually study with TAFE SA is about 25,000 in South Australia in country and about 80,000 across the state. So, when you think that universities only provide for about 80,000 students, it is actually a really significant cohort of people. Probably about 122,000 people study for vocational qualifications, which means that there is a lot of learning happening in regional communities that is not recognised in the same way that university learning is. I think that is a really significant point.

We have a very comprehensive delivery and we have a lot of partnerships with schools and universities. We have seven formal partnerships already with universities, which means we are extending our spectrum of learning at both ends not only with high schools and area schools but also universities. What we are already doing is providing access to a wide range of learning in communities across the state.

We also service the socioeconomic and life span spectrum. It is well documented that regional communities do have a lower socioeconomic status than metropolitan communities, so we service that group. Aboriginal students are a particular cohort within that. We also service students right across the age range, and that again is something that is not recognised. Over 50 per cent of our students are over 30, which means that we have not only young people studying in TAFE organisations but mature age people as well, so it is first, second, third chance studying with an organisation like ours. That is really important in terms of access because people may choose to study when they are younger but they also need to relearn skills and get higher qualifications throughout their life span. That is really fundamental in terms of regional communities being able to access learning, and Marg Mibus will talk about the Aboriginal Access Centre, which is a model that is particularly relevant, and David will talk about the humanitarian entrance and the Young Parents Program and also about some of our relationships with schools to give you some examples about how they operate.

The other thing in terms of access to learning is that TAFE SA as a system is really highly valued. We do have a satisfaction rate of about 92 per cent, which I think any organisation would be proud of if they thought their customers were that happy with their service. So in terms of satisfaction rate, that is really critical because people want to study and return to study with an organisation like TAFE.

The other thing that I would like to talk to you about is the unique geography and population of South Australia. We do have two major gulfs that divide the state. This means that travel by car is quite expensive and it takes a long time and, because we only have one major airline service in regional communities, it is very expensive because they have a monopoly price is well. So travel within the state is expensive.

Because South Australia is also unique in that we have 70 per cent, roughly, of the population sitting in Adelaide, it reinforces what I call, city-state thinking. It does not actually take into account thinking about the rest of the state as well as it might. It is an issue in just about any provision of service right across the state. It is unique in the Australian context because we have got one major centre which is very big—Adelaide—and then we have many small centres, which again is very different. Victoria and New South Wales are not like that at all. There is



Bendigo, Ballarat, Albury, Geelong—all of those centres are big centres in their own right. The second biggest centre in South Australia is Mount Gambier, where David and I live, and that has only 25,000 people, so it is really a very small city compared to the mix of other places. In many ways we are much more like Western Australia in terms of the spread of population.

We also have videoconferencing. We have been very innovative in how we do delivery, and Anne will talk more about that development and how we have tried to ensure that people have access to the service—

**CHAIR**—Including us, thank you.

**Dr Schubert**—Yes, including you—exactly. But a real factor there of course is the infrastructure and broadband, and not only communities or towns but individuals—homes, properties—need that. Go five kilometres out of town and you cannot get the service so it is a real factor for us.

The other thing we want to point out is that we are really the major tertiary provider in South Australia. We build not only human capital but social capital as well. Educators within a community are really highly rated as contributors to the community capacity. Research shows that educators are highly valued. They are boundary-crossers, which means they can move across a range of fields in a community and foster those thick networks which make things happen. That facility in the community is really important infrastructure and is not to be underestimated.

The last major point is that the state plan has targets for increasing population for South Australia but you cannot do that unless you have a viable provision of tertiary education. We know we have a churn of professionals in regional communities. People come for a short time and then they will leave or because their children need education they will go back to the city, or we have a one-way drain with youngest and brightest people because they cannot come back. This is a constant problem in our communities. Provision of education is fundamental to them staying.

We also know—and I have to say this clearly—that universities are a very expensive model of learning. We are much more economical than universities at probably one-third of the cost, which is a major factor. While there is some provision of university models in regional communities, mostly they all say, 'It's too expensive, it's too thin a market and we can't provide it,' but we can. We are actually there. We do provide that kind of learning. We provide a range of high qualifications as well. Evidence shows that the labour shortage is in paraprofessionals—managers, administrators. We have the qualifications to cover that in a certificate IV diploma, et cetera, so we are able to field that major market of skill shortage. I would call them practical professionals which any community needs. If you have training for practical professionals, you can supply the kinds of skills a community needs.

Lastly I would say use the facilities and the infrastructure you have there, the people you have. We have the capacity to work across this wider spectrum with schools and universities. We can provide the needs for regional communities using the TAFE network for that group of practical professionals.

**Ms Mibus**—Obviously I will talk from the Aboriginal education point of view. The Aboriginal Access Centre was transitioned from the former Aboriginal environment in TAFE SA. It was originally transitioned to be proactive around the forthcoming changes to CDEP and it was also with the forthcoming changes to Abstudy where people were able to study at a continual certificate I and certificate II level, which is no longer allowed to happen, and also to redress some of the practices of the past where we had a number of Aboriginal people who have done continual certificate I and certificate II levels of training and there is no transition into higher training levels or into employment. We are only relatively new to this way of working, for the past 18 months. The main role for the Aboriginal Access Centre is to stop the practice of keeping Aboriginal people training in an Aboriginal only environment past the certificate II level and we transition and provide case management models to transition people into wider TAFE and/or employment and to provide support while they are going through that process.

We predominantly train with a view to wider TAFE or higher education and/or employment and all our programs are based around that. In saying that we still have three core groups of people. We have people who have been long-term disengaged and long-term unemployed but also have a long-term history of grief, loss, drug and alcohol issues. For that we run what we call our family well-being program, which has been hugely successful in the Riverland and we have had huge decreases in SAPOL reports. People are gaining in confidence and gaining employment. We employed two people from the first program as HPIs to lecture and deliver that program in the Riverland.

**CHAIR**—What is an HBI?

**Ms Mibus**—Hourly paid instructor. We are currently delivering the program in Murray Bridge and we have just taken the program to Mount Gambier. In reality, we cannot do that unless we get additional funding from another government agency. FaHCSIA, though ICC, has been that funding body and they have seen the huge benefits of providing for the family wellbeing training to give Aboriginal people the tools to regain their voice, to address the issues that they face within their lives, and to be able to move on to further education and/or employment. We have a large core group of long-term disengaged and unemployed people. We have also got a group of kids who are still in school or who have their SACE certificate that are currently in our basic numeracy and literacy courses across the state. Then we have the group that is at certificate III level or above. In addition to those groups, we also really have three groups across the states—the traditional, the semi-traditional and the urbanised Aboriginal people. Those are the three core groups that we are working with.

One of the issues for our students is going to be the change to CDEP. There are only two left now in the APY Lands and the west coast region. The biggest issue for some of our students is that, when they get to cert III and above, the ABSTUDY is means tested, so, once their parents reach the \$40,000 a year limit, the funding that they are able to obtain through this process is limited. At \$40,000 a year their families might be bringing in a reasonable income but still have younger children. On the one hand they might want to support their child to gain an education and better employment, but, on the other hand they might not be able to do that because they cannot afford to pay their fees.

Another issue is that it is unrealistic for them to gain the independent allowance, especially in the more remote communities. In a lot of cases, employment is so low and so confined to

different areas that a student can finish year 12 and then not be able to go onto university because the positions are not there for them to earn the—I will go back to when my son went through it four years ago—\$15,000. Again, that means tested based on their parents' income or whether they still live at home. They might get their \$192 a week and then lose \$100 a fortnight because they still live at home. While we have a lot of kids coming through at the moment who want to go university and study higher education, the financial side of it is really what is stopping them.

In the remote communities the three major areas of employment are in the schools, in the stores or in essential services. There are very rarely community people working in the community stores, especially in the APY Lands. Anangu very rarely work in the stores, apart from during a traineeship, which at the end of 12 months they no longer have. What we really need to enable people in remote communities to gain employment and qualifications is more of a mandated approach to the housing projects. There is no guarantee that when contractors go up to build the houses and provide the essential services they will employ local people.

**CHAIR**—I am just a little conscious of the time because I know there will be questions. Is there anything you want to finish up with before I go to Mr Meziniec?

**Ms Mibus**—Our biggest issue is the same sort of thing that Ruth was talking about, which is the funding to allow us to travel and provide more on-the-ground training related directly to service provision.

**Mr Meziniec**—I have tabled a paper and in the interests of time I will just pick out a couple pieces from that. The first point I would make is that we are well and truly immersed in the developing of community capacity through working with our youth. In the paper there are some examples of that. One particular example I would like to identify is a young parents program where young single mothers come in with their children—aged between two months and four years—and are supported in terms of the development of their children and also re-engaging with schooling and tertiary education. That has been seen as an outstanding model in the region and it has been well supported and endorsed by other agencies.

In terms of some of the comments that have been made by the agencies, they have asked our staff to attend progress interviews with the young one because the young one has been accessing other services but has been coming to that program. For me, that is a very strong example of the place that TAFE has in engaging young people in the community. I am looking at point 2 in the paper. I think we are doing as much as we are able to do, given the current federal and state funding approaches and priorities. An example of that is our work with the trade training centre consortiums. I think we have been very proactive. We were actually on the consortium panel, preparing submissions and editing for the Department of Education and Children's Services, DECS. We had the understanding, and the vision seemed to be a very collaborative, industry focused approach.

Once the money came through, we noticed that there was a bit more of a myopic approach to it. It was really more in the context of development in school, and quick development. So that strong collaborative approach has not been able to be fostered in reality. One example in particular is in the Mount Gambier region, where we were preparing a submission across the Limestone Coast region. The reality is that it has now been developed on a site away from the

TAFE SA precinct that has UniSA, Southern Cross, the Logging Investigation and Training Association and the transport training centre. They have elected to go to a former glazing warehouse to replicate what I would call inefficient services, the trade training centre approach. I guess what we are saying here is that the money has gone to the school sector and there has not necessarily been a vision of tertiary education and articulation. Our potential to serve the education industry and to serve industry generally is, we feel, a little bit thwarted because of the vision that our partners have.

**CHAIR**—Myopic, according to you.

**Mr Mezinec**—Yes. We would be saying that, given where TAFE is placed, TAFE would be a very good recipient of such funding and I think we would get the runs on the board, putting it bluntly, more efficiently and more effectively. We would get the right thing happening and get it done as cheaply as possible. We can see that in the types of numbers that are coming to TAFE. I think we have a track record with those disengaged people and those who have difficulty accessing education and getting a second chance. That includes Indigenous students. It is also our experience with our language, literacy and numeracy program. We also have some significant runs on the board with humanitarian entrants. The NCVET research also supports that. It shows that we outperform other providers when dealing with disadvantaged students. So I guess our bottom line would be a direct allocation of funds to TAFE institutes with campuses and services in rural and remote areas, such as TAFE SA Regional. That could significantly accelerate increases in tertiary participation and success rates for students from the poorest Australian communities.

**CHAIR**—Thank you. We will go very closely through those briefings that you have provided.

**Senator ADAMS**—I would like to go to the Indigenous issues, as I have been involved with another committee inquiry that has been moving around the very remote communities. We have seen that young men, once they are initiated, do not go back to school. Then, by the time they are 18, they realise that to get a job they really do need to have some schooling. Are you picking up on those people through the more remote areas?

**Ms Mibus**—I do not manage the APY Lands but certainly they do provide training. Jennifer Johncock, whose traditional family area is the west coast and Yalata, may be able to answer that one for you.

**Ms Johncock**—Traditionally, I am not supposed to know about it, but, talking to my cousin, who has practised law, I know that once they go through law they are classed as men, so they do not have to do anything. They do not have to go to school. At the age of 14, if they have been through law, they can get married and have children and all that type of stuff. They do not generally go back to school.

At Woodville High School here in Adelaide there is a program called Wiltja for children from Yalata, Oak Valley and the APY Lands. The boys go back for law business and sometimes they do not return because they do not have to. If they do come back as young men they do not have to listen to the teachers because that is the tradition, so more times than not they do not return. Some of the girls go through and finish year 12, but then they go back to their homeland and have children. None of them have actually stayed. I have tried to encourage my niece, who is

doing year 12 through Wiltja, to stay in Adelaide and go on to further education or employment, but she chose to go home. They get homesick like any other country kids, Indigenous or not. When they come to Adelaide they get homesick and go home.

**Senator ADAMS**—Is there any support through what you are doing for them?

**Ms Mibus**—We ran a program in Yalata involving people from Yalata, Oak Valley, Scotdesco and Ceduna a couple of years ago, and probably half of the group who engaged in that program were traditional men. That was very employment directed, around environmental health. They could see the benefits for the community in gaining that qualification and being providers in the community. It is very hard to engage. People have come to us to say that they need work. The mining boom is what a lot of people are hanging their hats on, whereas we see issues around the health, education and other services that communities need. We have a group of traditional men from Yalata that are currently working the mines, but it is very employment directed. Unless we have something that is really employment directed, we are not engaging.

**Senator ADAMS**—What about the young women?

**Ms Mibus**—If it is on-community that is fine. As Jennifer said, a lot of the young women will come down for school here, but then they go home. What is not happening at home is the engagement on what they have learnt here to gain the positions on-community. If you look on-community there is not a lot of traditional or local people that are employed in service areas. We need to ensure that, if someone has responsibility for a community store, it is written into some sort of an agreement that they will train local people so that the community can eventually run their own store, but that is not what is happening. Across communities in the APY Lands and elsewhere, stores are the main area where people can gain certificate II in retail and be employed, but that is not happening.

**Senator ADAMS**—What about environmental issues? As a natural traditional area, are you finding more people have opportunities there?

**Ms Mibus**—We did with the certificate II in environmental health, but we had to engage Batchelor university in that because we did not deliver it, so it was not delivered in South Australia. That was a partnership arrangement and the community at Yalata could see huge benefits in it. But it all comes down to funding issues and partnerships to run those programs. They attempted to run the same program in the APY Lands, but it is a bigger area. With the one here we provided on-ground support. I was not in this role then, so every month I was in the community to provide that on-ground support. I looked after family and other issues that came up behind the scenes, and the men could concentrate on the training. The APY Lands is a larger area and they did not put that support in place. Whenever we train we provide that on-ground support. We just trained community people from Coober Pedy and Port Augusta around the native title agreements for OZ Minerals, but we made it confined, on-ground support. Everything that needed to be dealt with was dealt with. The young men could then concentrate on their training both off-site and on-site, and that whole group gained employment through OZ Minerals. Aboriginal people are really sick of being trained for training's sake. I have been doing this for about 20 years across a variety of areas and that is the feedback: we do not want to train if we are not going to have a job at the end of it. Under this new arrangement we provide training predominantly for employment outcomes. I talked about the three different groups, so

there is a little bit more work, but we provide that learning pathway, that career pathway and that on-ground support. We have had great successes over the last 18 months with employment.

**Senator ADAMS**—If you have a student who has come through your program and who goes on to university, do you do case management?

**Ms Mibus**—We link with the university and certainly our case managers will follow them through university for up to the first six months. By that time the case manager has established a rapport with the university support areas to provide ongoing support. We also track where the students are in the university. We try to align them with scholarships and support. For example, if it is a health degree at a university we align them with support from the Aboriginal Health Division or the Aboriginal Health Council and the support on the ground within the university.

The biggest issue for Aboriginal people going into university is the fees when they see what they are coming out with. The other thing is that, from a personal perspective, my son graduated in pharmacology majoring in pathology in December and it was a huge issue to try and find him a job. He gained one but as the only Aboriginal pathologist in South Australia you would think that there would be positions. There is not always a guarantee that we can place Aboriginal people into these positions once they have gained those degrees.

**Senator ADAMS**—Accommodation seems to be a huge problem for students.

**Ms Mibus**—Accommodation is and that is part of the independent allowance process. Abstudy is set up in such a way that if they live away from home—I can talk from personal experiences, again I have had two children go through university—it is still based on their parents' salary. Then there is trying to find accommodation that fits in that is close to the university. If their parents' salary is at a level where they lose some Abstudy, you have young Aboriginal people trying to live in the metropolitan area on something like \$300 a fortnight. Then the accommodation does not fit with what their income is. You also have the issue with a lot of the young ones that come down in that they do get homesick. They do not want to be away from their families. They do not always have the on the ground support, the support here. The university, I will speak of Adelaide, is a fantastic support. My son went through there and there is fantastic on the ground support but a lot of the kids are starting to feel disengaged after the first 12 or 18 months and then they go home. They have spent 18 months at university, then they go home and there are no positions.

**Senator HANSON-YOUNG**—We heard from the state department of education before you presented as to the percentage of school leavers from rural and regional areas who go on to university. About 40 per cent of those who have gained access take up the offer. Do you have similar figures in terms of students who finish years 11 or 12 and are going into TAFE courses whether in the regions themselves or having to come to Adelaide.

**Dr Schubert**—Do you mean they gain a place but do not take it up?

**Senator HANSON-YOUNG**—I am wondering what the take-up rate is.

**Dr Schubert**—It is much higher than that. The main reason that they do not go on is that it is too expensive. They cannot afford the fees and they cannot afford to live away from home which

is why the arrangement where they could defer for a period of time—and that has now been changed—was a reasonable way that young people could earn the required amount of money and then be in a position to be independent. That is a significant disadvantage for regional people. That is somewhere up to \$20,000 a year and most families who are ordinary families working cannot afford that sort of cost. The major reason is economic for young people who have to move away from home. My argument would be why should they have to move away from home, why isn't education provided where they live and why are they disadvantaged in that way? There is a significant factor in that they are young people, 17- or 18-year-olds, and a lot of them do not cope with being away from their family and friends. Even if they make that first step, in that first year there is a significant dropout rate because of that loss of the whole community of support for them.

**Senator HANSON-YOUNG**—How often do you see students who take up a place at university, move to Adelaide and then six, 12 or 18 months later go back and then look in the region for training opportunities?

**Dr Schubert**—Frequently. It is very common.

**Senator HANSON-YOUNG**—And what are the transition arrangements that TAFE SA have in place for students who have done a bachelor of sciences or humanities? Do you give credit for those things? How does that work?

**Dr Schubert**—Yes.

**Ms Dening**—There are very structured formal agreements between TAFE SA and all of the universities in South Australia for credit both ways—from diplomas and advanced diplomas in TAFE through to university qualifications and back the other way. We are looking at new ones all the time. I am currently working on a new diploma of agriculture in conjunction with the University of Adelaide at their Roseworthy campus, where the students will do a year's diploma with us and then move into the degree in agriculture. We are also working with Charles Sturt University at Wagga. Charles Sturt has a program similar to ours in lots of ways. They concentrate a lot on things like conservation and land management, environmental management, agriculture, viticulture—all those aspects. That is all bread and butter for the regional TAFE SA, so we are working with them. What we have in the diploma of conservation and land management is one year off the degree; one-third of the degree would be recognised in TAFE.

**Senator HANSON-YOUNG**—I know resources in the public sector are stretched enough as it is, so perhaps you have not had the resources to map this, but I wonder what the retention rate would be for those students who start in the TAFE sector locally in the regions and then transfer into finishing their degree at a university level by moving into the city. Is there a larger retention rate for that kind of step-by-step process as opposed to students who just move to the city?

**Ms Dening**—The universities tell us yes. Often students will do a diploma with us, gain confidence in their skills to work at the diploma level and then move on to quite successfully complete degrees.

**Senator HANSON-YOUNG**—As far as you know, is there anything within the current youth allowance and/or Abstudy structure that encourages that for regional students or that is perhaps an imperative to it?

**Ms Dening**—I am hoping that we can market a diploma in conservation and land management as your gap year study that allows you to stay home and study with us—not waste a year in terms of study but also build up the money to then go on to university the next year.

**Senator HANSON-YOUNG**—That was going to be my next question: are there opportunities to try to ensure that that gap year working in a bar or something is not necessarily lost?

**Ms Dening**—Yes. We have a couple of projects that I am working on—agriculture is one and conservation and land management is another—where I hope we can go out and market it as a gap year product.

**Senator O'BRIEN**—A gap year in a bar would be interesting!

**Senator HANSON-YOUNG**—I have one other question. We keep hearing that one of the issues with the changes to the youth allowance structure is keeping families in those regional areas. If they have three kids it is going to be cheaper for them to move back to the city—or move to the city—so their kids can live at home and go to university. You are talking about the benefits of having regional TAFE and training centres throughout the state which can perhaps be stepping stones. I really like that idea; I think it is fabulous. Do you have problems recruiting and retaining your own staff in those areas—

**Ms Dening**—Yes.

**Senator HANSON-YOUNG**—because that would be a secondary impact, I imagine.

**Dr Schubert**—We have trouble upskilling our staff. We have been in videoconferencing for 20 years. We were bleeding edge 20 years ago. We use our system extensively to keep our staff at their current skill levels and upskilling them. It is hard work.

**Ms Dening**—I think there is an issue in all regional communities about professionals and appropriate qualified people, so the more you can keep people in a regional community the better off you are in terms of the viability of that community. If you lose them when they are young you are very unlikely to get them back. That is a well-known fact. So if you can train them and they can become part of the community, they develop relationships, get married, et cetera, and are much more likely to stay. So you have got a much more sustainable pool of people in the community.

**Senator O'BRIEN**—I am interested in an aspect of the partnerships with universities. I take it that those partnerships are limited to a recognition rather than a delivery of a university course at a TAFE campus—is that right?

**Dr Schubert**—They have been to this stage. But with the work we are doing with the Charles Sturt University I am hopeful that we can in fact do some co-delivery across the videoconference



network. We already do that with Southern Cross University out of Lismore campus. They are delivering their degree program in forestry into the Mount Gambier campus. We were successful about 2½ years ago in winning some Clever Networks money from the Commonwealth department and that has put in place a videoconference system that will actually deliver classes to students' homes. However the problem we have got is that the National Broadband Network was supposed to have rolled out behind our Clever Networks and it is so far behind now that we have the technology and not the broadband capability in regional communities to make proper use of that. But we will be pursuing—

**Senator O'BRIEN**—So you are ready to go?

**Dr Schubert**—We are ready to go. We are absolutely ready to roll. We have some staff who are using it from their homes. We have students who are able to video stream from their home, which means they can go back in and watch last night's class. But they cannot get it live. One of the big issues for regional South Australia will be that we will largely be in the 10 per cent for which there is currently no broadband solution. The government is saying that the NBN will give 90 per cent of Australia, approximately, city based speeds and cost—

**Senator O'BRIEN**—And the other 10 per cent will get 12 megabits through satellite and mobile and other—

**Senator ADAMS**—Is the 12 megs enough to sustain and run what you have got in place?

**Dr Schubert**—Yes, 12 megs will do it but we just need the 12 megs and we currently do not have any kind of information about that. The other issue is that even in the Barossa Valley, where I live, which everybody would say was a very well-resourced kind of community, the exchange that I am hooked to for internet connection does not support ADSL2.

**Senator ADAMS**—Funny about that.

**Dr Schubert**—I guess my concern is that everything I read about the splitting of Telstra—which I can understand and nobody quite knows what is going to happen yet because it was in the paper only last week or the week before—leaves me wondering whether it is going to advantage country Australia, and I am not sure that it is. I am not sure that anybody knows the implications.

**Senator O'BRIEN**—That is a debate I do not think we can meaningfully have at this—

**CHAIR**—I do not think that we will get into this—

**Senator HANSON-YOUNG**—Could you take that on notice? This is a recurrent theme coming through about the ability to use these applications and the infrastructure needing to be there. Could you give that some further thought and provide that to the committee. While it seems like a side issue, I think that it is going to be a very important issue.

**Dr Schubert**—It is actually a critical issue in some of your questions about the educational alternatives for regional and rural. We are putting a lot of work and effort into providing a lot of

our education over the internet either through videoconference or by websites and online et cetera. If we have got a whole lot of black spots in South Australia, it does not help.

**Senator O'BRIEN**—I put questions to the universities of New England and the Sunshine Coast and another one in Queensland—I have forgotten the name; it is on the Gold Coast—who all agreed that within five years there will be a massive amount of education online, with the sorts of things you are talking about: watching lectures and participating in tutorials online. There are a lot of courses already delivered where the delivery of your essays et cetera is all electronic.

**Mrs Denning**—Yes.

**Senator O'BRIEN**—So it is already well and truly up and running, and as the technology emerges it will, like a sponge, jump into the holes that are created with the technology.

**Dr Schubert**—What is really important about that, though, is that you have support for people as well. Some people are good independent learners and can manage in that environment, but a lot of people still need face-to-face and social interaction in their learning support.

**Senator O'BRIEN**—Which is why I was going to ask a question about the role of TAFEs in the regions and their capacity to work with the universities in a partnership to be course deliverers and facilitators of that sort of connection in the regions in a better way.

**Dr Schubert**—I think David's experience in the south-east—and I see that Neil is here behind me as well—is a useful example.

**Mr Mezinec**—Yes—becoming co-located. If you look at the university staff, the predominant number that are teaching at the moment have a background of having taught at TAFE. I think the relationship is outstanding, and we are growing it in terms of how we can add value to the community.

**Senator O'BRIEN**—The last question is: can we take the partnership beyond that first year into a whole-of-degree situation based regionally through TAFEs or in some other way?

**Dr Schubert**—Absolutely. We have the capacity to do that. I use the word quite deliberately about practical professionals, because that is what TAFE's strength is: to train people. We do offer higher qualifications. We can work with universities to do that and share the delivery. We have the infrastructure, the human skills and the relationships. What we do not have is perhaps the political will and the policy directions that make that a viable model for regional communities.

**Senator HANSON-YOUNG**—There is always that tension between state and federal, isn't there?

**Dr Schubert**—Absolutely.

**CHAIR**—Thank you all very much for being here today. It has been extremely useful, and we appreciate it very much.

[11.21 am]

**OTWAY, Professor Neil James, Director, Centre for Regional Engagement, University of South Australia**

**PARKIN, Professor Andrew, Vice-President and Deputy Vice-Chancellor, Academic, Flinders University**

**PAYNE, Mr Anthony David, Head, Equity and Diversity Unit, Deakin University**

**CHAIR**—I welcome representatives from the University of South Australia, Flinders University and Deakin University. Thank you very much, gentlemen, for coming in. You have each lodged a submission with the secretariat. Would you like to make any amendments or alterations to those? No? Would you like to make some opening statements before we move to questions?

**Prof. Otway**—I will just make the point that rural and regional communities in this country need to have a stable, professionally qualified workforce if they are going to prosper in the longer term. We believe the best way of achieving that is by educating people locally, but obviously one of the issues about that is that we have thin markets; regional communities typically can be quite small. So we believe universities need to have additional government support to support a range of programs in their regional operations. That means, maybe, additional higher education loadings and investment in additional technologies to support education in the regions. If we cannot deliver locally for various reasons, the next best option is to educate regional and rural people in the cities and then hope that eventually they will go home. Under this scenario, though, the cost for regionally based families to send their children to the metropolitan area is high, and we believe the current government funding support is not sufficient for these situations.

A third option is to hope that you can give city based students a rural and regional experience that is positive and turns them on to the benefits of living in rural and regional Australia. One way of doing that is to have the students undertake placements during their course in regional communities. But one of the difficulties of that is that they frequently have to give up employment or part-time employment and incur additional living costs. We believe some form of support for city based students to have a rural or regional experience as part of their undergraduate degree, some sort of funding support, is an important consideration for the government.

There is generally a lack of opportunities in the secondary education area for students in rural and regional Australia. They do not normally get the same range of opportunities or course options that their city counterparts might get, and, as a result, frequently their university entrance scores are not as high as the city based students. We think there needs to be some recognition of that, either through providing additional support for secondary schools in regions and/or providing additional support for universities to run bridging programs or university preparation courses to enable students who may not have the best secondary school entrance score to get a good run at the university course. We think that is another opportunity.

The economic wealth of Australia, as we know, is in rural and regional locations—mining, agriculture and so on—and the university believes that to secure maximum returns for this country from resources and agricultural activities, we really need to ensure that we have a strong and well-supported higher education system operating to the benefit of regional communities.

**Mr Payne**—Deakin University is a major regional and rural higher education provider in Victoria and rural and regional engagement is one of our core commitments. This is reflected in the provision of the medical school, which is focused on regional provision of health care, and also through our Deakin at your Doorstep associate degree program, which provides a model for closer cooperation between TAFE, institutes, local schools and universities in rural and regional areas. The key issue that would be well understood by the committee is that there are fewer higher education places in regional areas due to increased costs of providing courses through rural campuses and, therefore, there is a more limited range of courses. There are lower levels of aspiration to undertake higher education and poorer retention to year 12, poorer results and, in Victoria at least, a focus on the ENTER score as being the primary selection mechanism for entry into university, which again further disadvantages rural and low socioeconomic status students.

One of the key issues we have identified is the compounding disadvantage that is produced by people from rural and regional areas often also having low socioeconomic status backgrounds, and also other areas of disadvantage—that is, being Indigenous, having disabilities and so forth. There are poorer service deliveries in the rural areas, so those disadvantages compound. My colleague Professor Otway has already mentioned the higher costs for students who move to urban areas, and one of the key factors that has been a major issue for our students has been the lack of public transport. It is difficult to access many of the urban universities from rural and regional areas, and it is hard to access regional outposts from other regional areas, which is a major issue.

As you would be aware, there has been a lot of work done in Victoria both with the Legislative Council inquiry into rural and regional education and with the Victorian government's expert panel on tertiary education. Lots of very useful recommendations have flowed from those. The two which would be particularly useful to mention are (1) the broadband network, which I presume you have heard much about, and the necessity for establishing a national broadband network if we are to roll out 21st century education; and (2) a funding support mechanism that allows universities to better deliver courses in rural and regional areas. At the moment the regional loading is totally inadequate. Deakin University receives about \$600,000 per annum in relation to its regional and rural campuses. The additional cross-subsidy from the metropolitan universities is more in the order of \$10 million. So there is a significant cost disincentive to providing higher education facilities in rural areas. We do it because we have a strong commitment to it: it is part of our mandate.

The other issue that we might touch on later is the difficulty in providing support to students. This is something that does not receive quite as much attention, but students in both rural and urban environments encounter difficulties such as family problems, mental health issues, disability and so forth. It is much harder (1) for the university to provide services to that cohort of students, (2) to rely on community supports, because the services are not available, and (3) to provide support to our staff who are working in those areas. Again, cooperation with TAFEs, in

the way that Deakin at your Doorstep is modelling, provides at least one mechanism for achieving those ends.

**CHAIR**—Thank you.

**Prof. Parkin**—A good way of summarising the Flinders submission would be to say that there are two dimensions to this. One is easing the pathway of students from rural and remote areas to our normal programs. That is to do with ENTER scores and scholarships, and we have covered the ways that we deal with that. Somewhat more challenging is how to change what our programs are and to deliver them in ways that access students where they are and with the limitations they have. Tony talked quite rightly about Deakin being a university recognised for its rural and regional impact. Flinders is getting to the point where it wants to be able to say the same thing. It is not widely known even among our own staff that Flinders, often with Deakin, has its name and crest on the door in all sorts of places, including Warrnambool, Hamilton, Mount Gambier, Renmark, Loxton, Port Lincoln, Nhulunbuy, Alice Springs and Darwin. Most of these are an inadvertent outcome of funding from a department outside the education portfolio, such as the health department. We are one of the two or three major deliverers of rural clinical programs, in some cases with Deakin and other partners.

**CHAIR**—So they are the clinical schools.

**Prof. Parkin**—That is right. In Port Lincoln it is a marine biology presence. It is a major ambition of Flinders to deliver that presence, which we have found has given a visibility to higher education beyond the original purpose. The small staff offices in those locations have become ways of badging higher education in those communities, so they make sense for the higher education community and for us in particular. What else can we deliver through the infrastructure, through the IT and through the staff in those towns who are part of the community? Five or 10 years from now Flinders will have many more programs in those locations, but probably nowhere else. There is no point going somewhere greenfields, but Port Lincoln, Renmark, Mount Gambier and others are different. It is about delivering a face-to-face kind of teaching where there is a bit of a critical mass, supplemented by delivering teaching online, which is developing a strong pedagogy places like Deakin have been leaders in.

Another approach is that increasingly our normal on-campus teaching is being transformed by online learning. The idea that teaching at university is about chalk and talk is hopefully declining everywhere, although it is not doing so completely everywhere. The online process is where you put most of your informational items and where you upload videos of lectures and things. Through that kind of technology and that kind of delivery it is much easier to imagine delivering things elsewhere, because some of the content delivery is online, with things being videoed and downloadable or available on CD. You can imagine the interaction happening through synchronous internet delivered tutorials or through intensives. We are on the learning curve of working out that we can do that. We do it in some areas already, and we will do more of it in the future. Ten years from now places like Flinders, which in the past was known as a suburban university in one place, will be quite transformed in how they deliver to those kinds of areas.

**CHAIR**—That is very interesting.

**Senator HANSON-YOUNG**—What feedback have the universities had from students who have perhaps deferred this year at the announced changes to the youth allowance access?

**Mr Payne**—I think it has been a moveable feast as government policy has changed throughout the course of the year. The first response was horror in that they had set their lives in train in a particular direction and found that that had been derailed by the change in policy. The recent amendments to that policy have been welcomed from that particular cohort, but that has raised concerns from other people about the notion of deferral in order to achieve independent status and the potential for students to then leave the train completely and maintain their employment wherever they are.

**Senator HANSON-YOUNG**—Do the universities keep figures on how many of your students use youth allowance or are eligible for youth allowance versus those who are not?

**Mr Payne**—It is not part of the normal data set, but we do have some information on that. We have very accurate information about rates of deferrals in relation to that. Deferral rates are enormously different between the urban environment and the rural environment.

**Senator HANSON-YOUNG**—Would you be able to provide that to the committee?

**Mr Payne**—Absolutely.

**Senator HANSON-YOUNG**—And is that because they need to reference why they are deferring? Is that how you get that information? How do you make the link?

**Mr Payne**—When we make offers to students, students have the opportunity to defer. Prior to the changes in government legislation, we offered the 12-month deferral. We are now offering a two-year—with some mixed feelings, because of the reasons I mentioned earlier. We are concerned that people will drop out of the system. What we find is that urban deferral rates are somewhere below 20 per cent. They average 20 per cent between Melbourne and Geelong campuses. In some of the more regional areas anything up to 60 per cent of students defer. The information that was presented to the legislative council committee indicated that 64 per cent of students were deferring because of financial reasons. That is the key driver that is potentially leading to students leaving the higher education train altogether.

**Senator HANSON-YOUNG**—Do any of you have figures on retention rates, particularly for students from rural and regional areas? At what point do you think that that is impacted by the economic means as opposed to just feeling isolated from family and social networks?

**Prof. Parkin**—From Flinders's point of view, we can cover those figures. I think we could crosscheck. We are sufficiently concerned about the deferral rate for rural areas that, like Deakin, we have officially announced a two-year deferral period. In practice, we had announced a one-year period but in the past we had a case-by-case way we could consider cases for extending, so many of the instances now covered by the explicit two-year period in the past would have been covered. We recognised that that was a hidden possibility rather than explicit, so now it has become quite explicit.

**Prof. Otway**—We have talked about the higher deferral rate for regional students. Not only do they defer, though, they also are less likely to come back. That is one of our concerns. With this longer time required to become an independent student, we are going to lose a lot more regional and rural students than we might have under the old situation.

**Senator HANSON-YOUNG**—Do you also have the figures for those students who defer their place but then do not take it up afterward?

**Prof. Otway**—Yes.

**Senator HANSON-YOUNG**—I agree that that is something that is coming through quite strongly. People are concerned that even 12 months is a hard ask for many students, let alone 18 months to two years.

**Prof. Otway**—We just think it is going to make the problem worse.

**CHAIR**—It would be useful if you could all provide those.

**Mr Payne**—Senator, you asked about retention rates. We can provide them, certainly for two universities and two states. As I understand the figures, prior to 2007 there was a lower retention rate for regional students coming to university. My figures indicate that over the last three years that has been at least on par with other students, if not better. Also, success rates have improved greatly. We are talking big numbers of students, and the subsets of those students—those students from low SES backgrounds, Indigenous students and students from isolated regions—have a much lower retention rate. So some students from regional areas are doing very well, once we are able to get them into the system, but there are subsets of those students who will require a lot more support if they are to succeed.

**Prof. Parkin**—If I could elaborate on that, our figures show roughly the same story. Ours are fairly steady. But in universities in general, once students get to university, no matter what their pathway is, our experience is that they do comparatively pretty well. That applies to year 12 entry versus mature entry versus aptitude test entry. The biggest thing is getting in. Once they are in, and particularly after the hump of the first semester, by and large it is surprising how even the performance is. It does not matter whether you went to a private school or a public school or a rural school. It is that first step in. If they come to the city to go to university, they have kind of solved the major problem of relocation. There are ongoing problems, but there may actually be a bigger investment. For example, international students have a very high completion rate and they have a huge relocation problem. But, having solved it—

**Senator HANSON-YOUNG**—They have also spent a lot of money to be here.

**Prof. Parkin**—Yes.

**Senator HANSON-YOUNG**—I apologise that I have not looked through the Deakin University submission, but in the UniSA submission you have listed a number of recommendations that go to the heart of the concern around the particular changes to accessing that full rate. That is currently the \$371 that you get if you can prove yourself to be independent. My perspective is that we needed to put a little bit more money in, in order to spread it around a

bit more. That did not happen. No extra money was put into the bucket, and yet it is to be spread around a larger number of people. So those students who rely on it the most, who have to move out of home because they come from rural and regional areas, are not going to get that \$371. It does not cover all the costs anyway. Can you expand on what you think we could be doing to tweak that small bucket of money and how it is delivered in order to ensure that we are not undermining the access for those students. I know we have probably dealt with this year's gap year students, but I am thinking of those who are graduating from year 12 this year and their siblings. How do we play with that puzzle?

**Prof. Otway**—The proposed relocation allowance is \$4,000 for year 1 and \$1,000 for subsequent years. I actually think it needs to be higher upfront and continually higher through the ensuing years of their degree. There is generally a \$15,000 to \$20,000 additional cost for a regional student to come and study in the urban area. That is a significant cost for families. We do not believe that what is currently proposed is enough.

I note that there was a discussion with our TAFE colleagues about students who do not survive. They come to the city and, for whatever reason—whether it be financial or homesickness or whatever—they end up going back to the regional area. I think there is a real danger that we can lose some of these students, who still have a lot of potential. One of the proposals we make is that they be given a restart allowance to enable them to re-engage with higher education in a regional setting. For example, UniSA has a regional campus in Whyalla and another one at Mount Gambier.

**Senator HANSON-YOUNG**—So as not to lose them altogether.

**Prof. Otway**—Exactly. If they could go back to the region—having not succeeded as it were on the first try because of a range of reasons—then they are in an environment where they are closer to home. They may even be able to live at home where the costs are less. Even if they cannot live at home, they can commute back on a regular basis because we are only talking about a one- or two-hour drive rather than an eight-hour drive or whatever it might be. There is a good opportunity to capture a whole cohort of students who get lost, I think, in the moment. That restart does not have to be for university, it could be for TAFE as well or any tertiary education.

**Senator HANSON-YOUNG**—It would vary across the different courses that the different universities run but, on average, how much would the cost of textbooks, readers and all of those things that are not included in their HECS or HELP deferred payment be? What type of per semester cost are we looking at to actually get students started so that they have everything that they need?

**Prof. Parkin**—It would vary course by course. For textbooks, readers and other things in principle the cost could be zero because everything that a student needs is put in the library in sufficient quantities such that the students who need to access it can. They are made available online. There may be downloading costs in some cases and printing costs but most students would choose to purchase such things. We mandate that everything has to be available in our library and increasingly that is an e-reserve system, so electronic copies are one answer to it.

**Mr Payne**—As we are mandated to do, we would be the same. The estimates would be somewhere between \$500 and \$1,500 a semester if you are doing three or four units. It is a



significant cost just for the basic materials that allow you as a student to participate in the course. The problem for many students is that, even though those materials may be available in library, 70 per cent of our students are working and they spend very little time on campus because they are out earning the money. This goes to the heart of the compromise that was made around youth allowance and the independent status and that was that the changes in the allowable earnings were put forward to July 2012. That was of major concern for students and I think will be of ongoing concern. Generally, it is good for students to work. Some of the research indicates that students who are working small numbers of hours actually do better than students who are not. If they are having to work excessive hours, which many students are because they need to supplement their other income to such a degree, then that becomes a serious disadvantage to them in successfully completing their courses.

**Senator O'BRIEN**—I am interested in how the interface with TAFEs can work better in terms of providing more opportunities for rural and regional students to undertake a degree course without leaving their regions. I know that in some cases and for some courses it will just not be possible. We had some evidence, for example, yesterday I think it was Edith Cowan that suggested 60 per cent of the students undertaking courses on campus in Perth were undertaking courses that you could actually do at their Bunbury campus, for example. That is the sort of information that I am looking to extrapolate as to how we can provide for a high proportion of available degrees to be completed at regional campuses, remotely or whatever. Deakin probably has that already but others have not.

**Prof. Parkin**—I have just come from a meeting this morning where we are at the first stage of approving a new degree which is 50 per cent taught by TAFE SA and 50 per cent by Flinders. It is a Flinders award, so we are responsible for the standards. It is a fully online graduate certificate in environmental compliance. It is taught by our law school, for graduates involved in the environmental regulation and compliance business, jointly by the TAFE people who do work in that area already and Flinders Law School and principally available anywhere in the world in that sense. That is one model of turning the content—it is easier when it is a constrained course like a certificate—into a course that can be delivered anywhere. It will have an intensive component.

Our initial view is that that will be in Adelaide, but if there is a critical mass elsewhere it becomes worth while to do it elsewhere. So that is one model. Otherwise, if it is a face-to-face component then, yes, using regional campuses or, in Flinders case, regional offices that we have and renting out teaching space, or increasingly universities using TAFE infrastructure. TAFE have study centres all around the place and they are already in the public domain. We are public universities and there is no question that in principle we would be happy to use those spaces for the kind of delivery and the critical mass that you could get a catchment area around and that makes it worth while us sending a staff member down there for a week or two for intensive work.

**Senator O'BRIEN**—What is the average cost of regional delivery per student? I am sure you have done some work on it. You must be thinking about the issue. What sorts of numbers are you coming up with?

**Prof. Parkin**—You would be better to ask Deakin about that.

**Mr Payne**—A question on notice perhaps.

**Senator O'Brien**—Okay. I suppose there are two ways of answering that: an ambit amount and what you think the government might pay that you could accept—so perhaps in two parts.

**Prof. Otway**—Can I just talk a little bit about the TAFE situation. I mentioned in my opening comments about the thin markets, and I think there was also discussion earlier with TAFE about the ability to attract staff to the regions et cetera. It makes good sense, to my mind, for TAFE and higher education providers to work very closely, to share resources—infrastructure, obviously, but also academic resources. As I think was mentioned earlier, we already have a good model where regional TAFE SA and UniSA share facilities in Mount Gambier. We literally are co-located and we work very closely together there. I think there is a lot more opportunity. I heard the discussion with the previous group about getting the right mindset for TAFE and higher education, not just to articulate from one to the other but actually to integrate our programs, to have courses or programs whereby students really do not know whether they are in a TAFE course or a higher ed course. At the end of the day they will end up with a degree which has probably been partly taught by TAFE individuals and partly taught by university individuals. I think that is a really important direction for the sector generally.

**Senator O'Brien**—And equally valued.

**Prof. Otway**—Absolutely.

**Senator O'Brien**—I guess the other aspect of this is that there is the so-called prestige of different degrees but, out in the secondary education sector, are enough people aware of options that are emerging so that rural and regional students can be properly advised of how they might find these pathways if they do not have the financial options to move to, in this case, Adelaide to study and can end up with the teaching, nursing, environmental health or whatever degree they are after, within reason, subject to some limitations.

**Prof. Parkin**—Typically high schools and secondary colleges have a counselling function, and in our experience they are pretty good. We feed them stuff, certainly, and I am sure TAFE does also. Their whole professional business is that brokerage; it is knowing the options, making the connections and then individually counselling a customised set of advice to each student. From our point of view we think we are pretty well served by the school counsellors that we deal with, whether that is the experience elsewhere.

**Mr Payne**—I think that is certainly the case. There is a limiting factor there though, as we referred to earlier, and that is the lower retention rates to the end of year 12 that are characteristic of lower socioeconomic status communities and rural and regional communities. That is a major limiting factor in terms of articulation onto higher education or the VET sector per se. One of the things that is interesting about the associate degree model that we are piloting through the Deakin at Your Doorstep project is that it provides the opportunity for students who would not under normal circumstances be able to access a university undergraduate program to have a transition pathway and, as importantly, an exit point with a qualification. This is what we have been talking about and what Neil was mentioning in terms of the better integration between TAFE and universities so that students can start down the track and if they decide, for whatever reason, they want to exit at some point that they have not failed, as they would have done from

dropping out of second year of uni, but they actually have the associate degree qualification, which they can then translate into improved employment opportunities or, as second-chance learners, come back and use as a starting point to move on to undergraduate and postgraduate programs.

**Senator O'BRIEN**—I want to explore an issue which I explored with Perth universities, and that is the ability to start a degree part time or in the second half of the year. How flexible are the units that might be available? Let us take the case of someone who wanted to undertake a degree but was not eligible for youth allowance upfront. The person decided that they wanted to take substantial work—30 hours or 38 hours or whatever—and take on a small course load so that they started their degree at the same time. How flexible are universities in South Australia, and Victoria for that matter, in providing that as an option?

**Prof. Otway**—Again, it depends on the program, but typically for Uni SA for a lot of our programs you can do as midyear intake. We also have summer schools so students can accelerate their program if they need to, or catch up if they need to. They can certainly enrol part time, and I think that for pretty well every program we offer part-time enrolment is okay. As Professor Parkin was saying, we will see a lot more of what I call 'blended' delivery in future. You will not see necessarily people either in a classroom or online; it will be a mixture of both. I think that for the sort of person you were talking about who wants to do it maybe not quite in the normal full-time mode, there are lots more opportunities and there will be further opportunities in the future, I think, for the flexibility to allow people to pretty well study as and when they want.

**Prof. Parkin**—One of the consequences of the increasing flexibility and the diversification that we are showing as a sector is partly as a response to these diverse needs. The counselling task is actually much more complicated than it was when we went through university. There are many more choices, in part because we are trying to be customised and flexible, and it is very confusing. One thing you may want to consider, if this is an issue in rural and remote areas, is that I think we would be open to some sort of joint university advisory service perhaps through TAFE locations. We would be delighted to explore that. For city students it is confusing. There are so many choices, so many degrees, so many options, so many times you can start in so many packages. That is something where the sector as a whole, TAFE and universities collaboratively, could well do something jointly.

**Prof. Otway**—Absolutely.

**Senator ADAMS**—Earlier we had some evidence from a witness, which really worried me, on the health sciences and the fact that they were not allowed to have a gap year; they were expected to go straight from school into health science, and the one that was actually quoted was radiography. We are terribly short of radiographers. With your universities, is that correct? I had not heard it before.

**Prof. Otway**—I do not believe that that is the case with UNI SA. I think that you can defer pretty well any program.

**Senator ADAMS**—That just cuts across the fact of somebody trying to apply for youth allowance; they were going to be completely taken out of service. None of your universities have that?

**Prof. Parkin**—I do not see the education merit of that. There is merit in some sort of limitation, because knowledge becomes stale over time, but I am surprised by that example.

**Mr Payne**—Yes, so am I. And partly in response to Senator O'Brien's question before, we are looking at the options available to engage with students whilst they are on a gap year or a deferral year by offering them the opportunity to complete a unit which would be credited towards their course, but keeps them engaged, and again, we are looking at the opportunities to deliver that in partnership with rural education providers.

**Senator ADAMS**—As I have listened to you saying that, I thought that I had better raise this. I was quite concerned. As technology gets better it is even more important. The next question is following up on the accommodation issues. With your universities, what percentage of waiting list students would there be at each university as far as on-campus accommodation? Have you any idea?

**Prof. Otway**—All I can tell you is that all of our residential accommodation for students, with one exception, is outsourced; the university does not manage it itself. The one exception is my campus in Whyalla, where I actually have a student village with space for 88 students to live on campus. That is not full at the moment, so there is no limitation—

**Senator ADAMS**—That is in Whyalla. What about in Adelaide?

**Prof. Parkin**—I was just checking with my colleague, but Flinders does have on-campus housing that it manages. Unmet demand is around 100 students, of which half might be rural and regional. That is my advice.

**Senator ADAMS**—So you do not have waiting lists at all?

**Prof. Parkin**—We do not have a waiting list. Our total accommodation is in the order of 550.

**Senator ADAMS**—Is there any move by any of the universities to increase the on-campus accommodation?

**Prof. Parkin**—One of our priorities for the next five years is to think about how to do it—again, whether we build and manage it ourselves or we outsource it. There are various companies around that occasionally knock on our door and say, 'We have a deal for you.' We are careful about that, but there may be something in it where we can outsource construction, and even the management, of the housing. Being a suburban campus with a rather large area, Flinders can build it on campus—and it actually adds to our campus culture, because there are people living there and on the weekends and evenings it is alive in a way that was not true 25 years ago. We do not have a large city presence; we are getting a little one in the future. We do not have the kind of dotted-around private companies with their own student accommodation.

**Senator ADAMS**—This seems to be the biggest disincentive for people taking up there university places. Perth, for example, is just impossible for rental accommodation. It is very difficult for rural students, once again. It is hard enough for city students, if they want to live away from home, to get accommodation. Getting through the maze of going to uni, changing completely their lifestyle and everything else, and trying to find a place to live, is very hard.

**CHAIR**—I might just ask a couple of questions myself. There is actually masses of questions so, if you do not mind, perhaps we could follow some things up in writing with you.

**Prof. Parkin**—Yes.

**Prof. Otway**—Of course.

**CHAIR**—Just quickly on the issue of outsourcing, it was raised by one of the previous witnesses that, from a student perspective, there were some difficulties with that because it fell in between the responsibilities for residential accommodation and being out in the private market completely. Is that correct?

**Prof. Parkin**—This is outsourcing the teaching?

**CHAIR**—No, sorry; we are talking about outsourcing the accommodation, where there was the combination of the university going to the private sector to provide—

**Senator HANSON-YOUNG**—In student housing as opposed to just private rental.

**CHAIR**—Yes, thank you. Are you aware of any issues with that with your students?

**Mr Payne**—I think there are a number of issues around the provision of student accommodation. The relationship between the university and the private sector is potentially fraught, because the private sector has a profit incentive and the universities want to provide a safe, secure and friendly student environment. Added to that we have the complication of balancing the demand from international students, students from outer-urban metropolitan areas and students from rural and regional areas. So there are a number of issues associated with the provision of accommodation, but none specifically in the area that you were asking about.

**CHAIR**—I wanted to also follow up on one of the issues that is being raised, which you have all probably touched on it in some way—particularly, Professor Otway, when you were talking about the relocation allowance not being enough. It has been raised a number of times now that the issue for students who have to relocate, particularly rural and regional students, is an access-to-education issue rather than one relating to the Youth Allowance, which is actually a welfare issue, and that it should be treated separately because of the equity issues and the fact that there is an inequity because you do have to relocate to access that education. Professor Otway, I note that you mentioned perhaps increasing the relocation allowance. But that is, of course, under the new arrangements, dependent on getting youth allowance. Do you think it is worth this committee considering some kind of separate financial arrangements for tertiary access for those students who have to relocate which is separate from the Youth Allowance welfare issue? I would be interested in your thoughts on that.

**Prof. Otway**—Yes, I think we would support that. It sounds like a good idea to recognise the inherent disadvantage of somebody who is based in a regional community who needs to study in an urban centre. Even an organisation like ours that has a regional campus and offers a range of programs do not offer everything. A lot of our students—students even close to Whyalla or Mount Gambier—would still have to go to Adelaide if they wanted to become a podiatrist, a radiographer or whatever. We just do not offer those programs locally. The country needs people

with those skills, so we should have a way of helping them overcome the geographical disadvantages that they face.

**CHAIR**—Would you have a comment?

**Prof. Parkin**—I agree that one is a welfare logic and one is an access logic independent, in a sense, of means.

**CHAIR**—Exactly. Mr Payne, do you have a view?

**Mr Payne**—Only to say that there is of course, though, a connection, and one becomes a means to an end. Without the financial capacity to engage in education, no matter what your accessibility to that, it is very difficult for students if they have not got that financial base.

**CHAIR**—The financial capacity—yes, absolutely. I have two other very quick things before we finish up. One is the issue of broadband, which seems to be coming up, certainly from the TAFE and university sector, quite strongly. I would imagine that you would like to see any rollout of broadband start in the regions that are having the most difficulty. Would you like to see that start in the regions when the government begins to roll this out?

**Prof. Otway**—I would have to say yes, of course.

**CHAIR**—Sorry, it was a bit of a leading question. Sorry, Senator O'Brien.

**Senator O'BRIEN**—Actually it would probably be in those areas. The non-wire section gets it first.

**CHAIR**—One issue I would really like to explore is this issue of aspiration and how to increase the aspiration, particularly in our rural and regional students, to want to move on to tertiary education in some form or another. What as universities are you doing and what could the government do to assist in improving that aspiration?

**Prof. Parkin**—What we three have in common is that we are universities where this has been, in a sense, part of our DNA for a long time. We are universities that, throughout our histories, have made statements about high standards of academic education but also about being accessible to students from a range of backgrounds. The Flinders submission to the Bradley review—and other universities put the same one—was: please give incentives to do this collaboratively rather than competitively. Much of the new architecture is competitive. It is to do with deregulating undergraduate enrolments. There will be a very competitive situation in this city. There is a danger that that will end up shifting around the current lot of students at a greater cost to the government and the taxpayer but without a single new student going into the system. There is an incentive, in a sense, to poach students from one university to another, because there is now a per capita premium for attracting low SES students. Both University SA and Flinders, for example, have done that pretty well in the past.

A way that encourages us or requires us to be collaborative, particularly beneath the year 11 and year 12 area, is through funding of collaborative programs. Part of the compact discussions with universities is about collaborative ventures. For example, we recognise Uni SA has the

National Centre for Student Equity in Higher Education. They are doing terrific work—in part about the virtues of collaboration. We would be delighted at Flinders to work with them in a statewide plan so that, rather than three universities landing at Port Lincoln High School on the same day and being extremely annoying and uncoordinated, there is some way that that is done as a sector, or with TAFE, to raise aspirations in primary school, in middle school, for education in general. Flinders in particular would be very much in favour of that collaborative framework at that level rather than the competitive framework.

**CHAIR**—Would the other universities agree with that?

**Mr Payne**—Absolutely from our point of view. This is the biggest danger, the biggest obstacle, to achieving the targets that have been set by the federal government. There are major opportunities for us to develop partnerships not only across the further education and higher education sectors but also with schools. Deakin University is involved in a program now involving 30 schools where we are working in partnership with those schools, working at a number of year levels, to provide opportunities for closer engagement between the university and academic staff in terms of academic enrichment but also to facilitate the delivery of programs to those students which will help them to aspire to, and succeed in, entering university through our MAP and REAP programs. That notion of partnerships is something that the federal government has obviously recognised in the yet to be announced guidelines associated with the Partnerships for Schools program.

**Prof. Parkin**—I will elaborate. The test of that success should be not how many go to Deakin but how many go to higher education.

**Mr Payne**—Absolutely. That is right.

**Prof. Parkin**—But the funding model will always think it has to go to Deakin, and that is the problem.

**CHAIR**—Oh, okay. That is interesting.

**Prof. Otway**—I want to make a point, and I am going to go away from the region for a moment. Northern Adelaide has one of the lowest take-up rates of higher education in Australia. UniSA was successful in obtaining a Diversity and Structural Adjustment Fund grant at the end of last year, focused on raising aspirations for tertiary education in that community, which is only 25 kilometres north of Adelaide. So we are very active there, working with the secondary school sector—or the school sector, not just the secondary school sector. But, more importantly, we also have to get to the families. Raising aspirations is not about getting to the kids only; it is also about getting to their family and making the family realise that there are advantages in their children going on to higher education.

We also have a first generation program, as we call it, for students who come from families where there is no history of higher education, where we try and give them a taste of university when they are still in year 10 and high school. We bring them on campus and give them an opportunity to understand what it is to be at university. We also want to run summer schools where we bring the families to the campus, not just the kids, to try and imbue the whole

community with an understanding of why they should aspire to higher education or even tertiary education. We are not just focusing on the students themselves.

**CHAIR**—It is tremendous to think that this might all happen collaboratively and that it might be done in that way. Where is the leadership point for all that to happen? Universities are all keen on doing it, making it all happen and putting some kind of model together to do all this. Who actually does that? Does one of the universities start? How would you envisage it happening?

**Mr Payne**—I think that, as Professor Parkin has been mentioning, at the moment there is a strong disincentive through the individualised funding model for individual universities. The UK have taken a slightly different path through their ‘widening participation’ model, where they have gone to the communities and funded community based aspiration-raising activities which are separate. The jury is out in terms of how effective those have been, but I think it is a model that is certainly worth further investigation. We would certainly then be able to work in partnership with those community based aspirational activities. Again, as Professor Parkin indicated, aspirations need to be raised in the younger years. There is no point in waiting till 11 and 12. There are things we can do then to improve retention to higher education, but we have to start working at the younger levels.

**CHAIR**—Absolutely. Would you like to take this on notice and give some thought to how a model with some changed arrangements from the government perspective would work? That would be quite useful. There is one last one from me before I go to any final questions from my colleagues. On the issue of regional loading, which has come up a bit—I know you have raised it, Professor Otway, and I am sure it concerns you as well—can you expand for the committee on why it is inappropriate in the way it works at the moment and where the improvements could be? Professor Otway, I know you had it in your submission. Would you like to kick off?

**Prof. Otway**—I will talk about places like Whyalla—I have to use that because it is close to my heart, of course. It would not matter where it is. Because of the nature of that community, it needs to be supported. It is a relatively small community. It is close to the mining and the huge resources in northern South Australia, so the cost of running that operation is significantly more than if I put it, obviously, in the city or even in another large regional location such as Newcastle—or even Tasmania, because I think the whole of Tasmania is considered to be regional for the purpose of the regional loading. There is quite a difference between Launceston and Whyalla; I guess that is the point I would have been making. That needs to be recognised more correctly in the funding model.

**CHAIR**—So there is too much of a blanket definition of ‘regional’.

**Prof. Otway**—Yes, exactly.

**Mr Payne**—I think the second point is the point that I made earlier—the current regional loading bears no relationship to the additional costs and the cross-subsidy for the metropolitan university. There are a number of reasons for that. It is more expensive to deliver programs in an isolated area, but there is also the economy of scale, the critical mass is much more difficult and much more expensive to support. So in our case the difference is \$600,000 of loading and \$10 million plus in cross-subsidy. So we will only do it because we have a strong commitment to do



it; it is not an economic imperative for us. But I think there is another side to this. Often regional loadings and similar programs are seen as a cost to government. We would prefer to see them much more as an injection of regional development. Some of the work that has been done in Victoria indicates that in the Warrnambool campus, for instance, in 2005-06, the presence of our university operations is estimated to produce about \$450 million in additional output and around 2,000 additional jobs. That is a good investment because we are actually achieving two goals at the same time.

**CHAIR**—It is a good point. Professor Parkin?

**Prof. Parkin**—I have nothing to add to that.

**Senator ADAMS**—On Indigenous students, what extra support or pathways do the universities have for them?

**Prof. Otway**—The University of South Australia has Indigenous academic advisors that are available to support all our Indigenous students, both in the city and in the regions. I have somebody based at Whyalla who looks after all our Indigenous students from an academic point of view but also provides pastoral care to some extent.

**Mr Payne**—At Deakin we have the Institute of Koorie Education, which does what has been described by Professor Otway but also provides some specific programs that encourage Indigenous students to stay in their home country and participate through those programs. There are some quite innovative ways of approaching delivery of programs through the Institute of Koorie Education.

**Prof. Parkin**—Likewise, we have the Yunggoendi First Nation Centre, which have a similar remit. They know the identified Indigenous students well and they follow and case manage their studies pretty closely.

**Senator ADAMS**—What is the success rate as far as retention goes?

**Prof. Otway**—Again, I think the point was made earlier that, once students get past that first six months, that first hurdle, it does not matter whether they have come from regional or low-SES backgrounds—and I know the same is true of our Indigenous students—they fly, there are no problems.

**CHAIR**—Gentlemen, thank you very much. I think the university sector has come a long way in the 25 years since I was there. Well done to all of you. Thank you very much for giving us your time today; we appreciate it very much.

**Mr Payne**—Thank you for the opportunity.

**Proceedings suspended from 12.17 pm to 1.04 pm**

**WEBB, Professor Charles, Deputy Vice-Chancellor, Teaching and Learning, Charles Darwin University**

**ZOELLNER, Pro Vice Chancellor Don, Vocational Education and Training, Charles Darwin University**

**CHAIR**—Welcome. Thank you very much for being with us today. Whereabouts are you gentlemen at the moment?

**Prof. Webb**—We are on the Casuarina campus of the university in Darwin.

**CHAIR**—Wonderful. You have lodged submission 225 with us; would you like to make any alterations or amendments?

**Prof. Webb**—No, I think we are fine. We are happy to discuss the submission with you.

**CHAIR**—Lovely. Would you like to make an opening statement before we move to questions?

**Prof. Webb**—For Charles Darwin, with our strategic imperatives, a key issue is how to properly service the postsecondary educational needs of the regions. The Northern Territory university has a remit to deliver training and higher education to the Northern Territory university and beyond into Northern Australia. We are a dual sector provider. We currently have around about 20,000 students. We have about 6,000 higher education students. The remainder are doing vocational education and training. By the time you use various metrics to convert that into equivalent full-time students, it is around about 7,000 to 8,000 students. We have a great interest in servicing the educational needs of the region and particularly Indigenous Australians, who are well represented, as you would realise, in the jurisdiction of the Northern Territory.

**Pro Vice Chancellor Zoellner**—The other component part of that is that the university is very attuned to the various COAG targets that have been set, many of which impact directly upon our activity, and of course those are national targets and having to deliver them across regional and remote parts of the Northern Territory and the adjacent jurisdictions brings a different set of challenges than you might face in outer regional areas.

**CHAIR**—Thank you. Just before I pass to Senator O'Brien, I think you made the point in your submission that in the terms of reference we had not covered the regional to regional perspective.

**Prof. Webb**—I am not sure that we made much of that, but we are happy to discuss that point.

**CHAIR**—I just wanted to clarify that for you. It was more of an oversight within the terms of reference. We are certainly very much considering that perspective. I will pass to Senator O'Brien.

**Senator O'BRIEN**—We have been pursuing with other tertiary education institutions the issues of deferral of acceptance, the ability to study part time and the ability to start midyear. Can you tell us what the circumstances are at Charles Darwin?

**Prof. Webb**—We will start off in relation to the higher education operation. It is probably worth emphasising that we are a significant dual sector provider, so we have different arrangements in relation to vocational education and training students. I will talk about higher education and may pass on to my colleague to talk about VET. We do accept standard arrangements for deferral. We have a trimester arrangement where we offer significant training in a summer semester. We have a strong profile of mature age and part-time students in our cohort, so we are very different from other metropolitan settings. Probably 70 per cent of our higher education student load is mature age or part-time. There are only something like 800 students per annum leaving the Territory secondary setting who get a matriculation score that would bring them into university. We are doing increasing amounts of business with mature age students, both within the Territory and further afield.

**Pro Vice Chancellor Zoellner**—On the vocational side, that is continuous entry, more or less, depending on employers. On the apprenticeship side, there is an arrangement between the employer, the training provider, ourselves and the student as to when they start. We have multiple entry dates around that. Again, on the VET side, there is a very high component of part-time and older students. Our age profile is really not aimed directly at the school leaver. Our experience is that most of our VET type students have been out in the workforce or, particularly in remote Indigenous communities, have not been in the workforce for extended periods of time and are trying to get back in. So there are lots of part-time students and there are very flexible entry arrangements.

**Senator O'BRIEN**—What about the young people leaving secondary education—what sort of participation of those young people do you have at your campus in Darwin and off campus as well?

**Prof. Webb**—We are getting 800 school leavers coming out of the Territory's secondary sector every year. We are probably accommodating between 500 and 600 of those at the university. The ones that we do not accommodate are often going interstate for provision that we do not have on our books—for example, veterinary medicine or medicine. While we attempt within the constraints of the support systems for higher education nationally to have a comprehensive program, one of the ongoing challenges in a jurisdiction like ours is to balance the demand from the community for the same level of comprehensivity as you might get across the six universities in Sydney with a need to have an economy of scale within our different programs. So it is a continually interesting tightrope that we walk along with regard to breadth versus depth. Increasingly we are taking students flexibly, but I would say that the participation in our distance provision is more in the mature age space than in the school leaver space. Most of our school leavers will attend on campus here in Casuarina or at one of our other centres.

**Pro Vice Chancellor Zoellner**—Generally in relation to a broader offering, we are working quite constructively with several partner universities now. You may be aware that in the recent budget funding was announced for a joint medical offering between ourselves and Flinders University which will see doctors trained at Adelaide, Alice Springs and Darwin. Likewise, we are making arrangements for feeder courses in engineering, like nanotechnology, back to

Flinders and also working with ANU and James Cook on particular programs so that we can at least get a wider initial offering here in the Territory in the high ed space that leads to other options in other universities. That comes, though, at a cost because the way in which one keeps score of retention shows us losing students when in fact the net effect is we actually gain enrolments but the retention rate appears to suffer. We are very hopeful that colleagues in DEEWR will understand what we are doing.

**Senator O'BRIEN**—Where are your off-site campuses?

**Prof. Webb**—Our headquarters is here in Casuarina. We have significant infrastructure in Palmerston, satellite city to Darwin, 19 to 20 kilometres away. We have a major development in Alice Springs based on the old Centralian campus. We have a campus at Katherine and we have study centres at Jabiru, Tennant Creek, Nhulunbuy and Yulara. We also drive in to between 150 and 170 remote Indigenous communities across the Territory every year.

**Senator O'BRIEN**—Can you give us some more information about a study centre? What is a study centre?

**Pro Vice Chancellor Zoellner**—Generally it will be a shared facility that is funded by the Northern Territory government through their Department of Education and Training. We will have classroom space there and a shared computer lab as general support from the government, but we had to stamp our own operation there. The bulk of the delivery that takes place out of that is supporting vocational education, although there is some support for higher education students, but that is mostly ensuring that they have access to appropriate technology to use the online learning materials. Yulara, Tennant Creek, Jabiru and Nhulunbuy would be in that format. We have a full-blown campus in Katherine, and we have actually got a cattle station about 100 kilometres south of Katherine in the mix there somewhere too.

**Senator O'BRIEN**—You have a cattle station or there are learning available at the cattle station? I am not sure what you mean.

**Prof. Webb**—The reason we have a cattle station is to assist us in the training of jackaroos and jillaroos in the vocational educational and training certificates in the agriculture-primary industries space. But we do sell cattle!

**Senator O'BRIEN**—Right.

**Senator ADAMS**—Pretty enterprising.

**Senator O'BRIEN**—Yes, they are very enterprising. In terms of the courses you provide, what proportion of the courses provided in Darwin are also available to those who want to study at one of your regional centres?

**Prof. Webb**—Again, we will segregate higher education from vocational education and training. We are increasingly active in becoming, and have sought and received welcome support from the Commonwealth government to become, a much more coherent and effective, flexible delivery agency. Interestingly enough, if you look at the history of the establishment of distance education centres around Australia, universities such as UNE and Deakin gained initial support

for that distance education centre function. Charles Darwin University was not in that space, which is interesting given that historically our constituency is the Northern Territory and the distances for properly servicing the community are huge. So increasingly we are investing in technology delivered programs. On a unit basis, about 60 per cent of our higher education offerings are now taken up off-campus. We probably deliver completely, in that our standard of whether someone can do our whole program off-campus is to think whether they can do it asynchronously as well as synchronously, so we ask ourselves whether somebody in Hamburg, for example, in Europe, could do our program. About a quarter of our programs are in that space. Another 50 per cent can be significantly delivered as a result of technology.

One of the issues, of course, is the infrastructure backbone in terms of internet conductivity in the Territory, and to deal with the remote areas we are quite strong in satellite delivery with the Northern Territory government remote operations. We are increasingly looking at trying to pilot delivery into very remote communities through satellite technology.

**Pro Vice Chancellor Zoellner**—In terms of the vocational offering, we can offer any of our qualifications most anywhere in the Territory. It is really just an economic decision as to whether you have an economic number of people to which to deliver or to assess. In particular, though, we are moving more into on-the-job assessment as opposed to pulling people in on block release into one of the campuses. So it is a mixture. But, in theory, the entire vocational offering—with the exception of some very technical equipment that you need access to, mostly in the later years of apprenticeships—could be delivered anywhere in the Territory.

**Prof. Webb**—And I wonder, Don, whether you would perhaps talk about the mobile adult learning units.

**Pro Vice Chancellor Zoellner**—That is right. We also have three—and we are about to get two more—mobile adult learning units, called MALUs. We have been using those now for the best part of 25 years, in the case of one of them. Essentially, you can pack them up with whatever equipment you need. We have got a couple of them set up for trades, we have got one of them set up more as a general classroom that is IT enabled and connected to this satellite, the interactive distance learning network, that Charles was talking about, and we move those around the communities for periods ranging from as little as a fortnight to maybe a 10-week stay. It is quite cost-effective in terms of not having to maintain infrastructure on-community. It also means that you can move in different skill sets or different tools at different times. We are in the process of building another MALU, and that next one will be in the health space, probably renal, dental and just general health training on-community so that it actually makes sense because it is in the context of the community.

**Prof. Webb**—So it is a high-tech, kitted-out pantehnicon that drives into communities.

**Pro Vice Chancellor Zoellner**—Yes.

**Senator O'BRIEN**—Okay. Thanks.

**CHAIR**—Senator Adams.

**Senator ADAMS**—Thank you, gentlemen, for your presentation. I will start with the mobile adult learning centres. As far as training Aboriginal health workers is concerned, how many would you have on your books at the moment?

**Pro Vice Chancellor Zoellner**—We have exactly none. We are very clear about that number. That has been a long-term arrangement between the funding bodies, us and Batchelor Institute. In order to prevent duplication and waste of resources, Batchelor Institute has done Aboriginal health worker training essentially forever.

**Senator ADAMS**—With this mobile adult learning centre that you are taking around, what other health initiatives are you going to follow?

**Pro Vice Chancellor Zoellner**—That will certainly be for training people in, as we said, dialysis. Renal dialysis is a huge issue in communities, and more and more communities are getting their own dialysis machines so that people do not have to go into major centres. So there are refresher courses with them. Oral health is a big one. There is at least some preliminary training in some of the more obvious things. It is obviously not a full dental course, but it is working with people. There are ear, nose and throat issues and the more generic health issues, particularly with aid-type training for people who are not qualified in the medical area as a full health worker would be but who want to work in the local clinics and have enough knowledge to be useful.

**Prof. Webb**—We have been in the enrolled nurse space, and we articulate it very strongly with our Bachelor of Nursing (Pre-Registration) program. In fact, we service nationally quite a lot of demand for nursing with that background, including in more remote and regional parts of Australia.

**Senator ADAMS**—As far as the learning centres go, do the people that participate—you are saying that they could be there for 10 weeks—graduate with a piece of paper that says that they are trained to do something?

**Pro Vice Chancellor Zoellner**—Yes. We do only nationally accredited training. That was a purposeful policy decision, partly in conjunction with the funding bodies but partly just as a result of the university's view about what training should look like and the types of outcomes we are after. The growth, particularly in Indigenous outcomes, that we have had being sponsored through the strategic recurrent assistance funding—in particular in terms of supporting Indigenous students—is reasonably well documented. So we have been on a track of adding, probably, about 15 to 20 extra Indigenous full apprentices each year. When CDU first started, we had about five or 10 Indigenous apprentices; last year that number was 85, so that is over the six-year period. We are looking at that type of growth. We are very much into formally accredited training so that there is proper documentation. You may not have the full qualification, but you have proper documentation so you can build on that in the next phase.

**Prof. Webb**—To give you an idea of the quantum of training that CDU is undertaking in the VET space, it is about 2.6 million hours of contact. Roughly 30 to 35 per cent of that is training of people who are identifying as Indigenous.

**Senator ADAMS**—That is very good.

**Prof. Webb**—Our challenge is not in terms of population representation in the lower levels of training; it is trying to move the training profile along the vocational education and training spectrum and into higher education. We have a strong fall-off in participation for the more senior qualifications. By the time we get into higher education, only five per cent of our higher education body identify as Indigenous.

**Senator ADAMS**—You stated that you visit approximately 170 communities each year. What process do you use? How do you go into the community? Are the community aware of what you are coming to talk to them about and train them in?

**Pro Vice Chancellor Zoellner**—We have had quite an extensive skills and qualifications audit process that forms the basis of our discussions with the community about what training is required. We work very closely with various arms of the NT government in terms of business, employment and the training sector to align any training that we do with likely employment opportunities. While the somewhat problematic Indigenous housing initiative here in the Northern Territory is yet to really take off, that would be a potentially good example of the type of thing where our training would be very much aligned with the housing build that is going to take place when it gets up and running. We work very closely with private enterprise—Rio Tinto Alcan. We have a very strong relationship with them, not only with training Indigenous people coming in but also with their entire apprenticeship program. That is all negotiated.

On community, we do not just appear and say, ‘Roll up, roll up, here’s the training.’ It is very much focused on a negotiated set of circumstances which fit that community. It is one of the things we are working on. We have done quite a lot of work looking at how we might get a funding model which reflects that level of activity because the current VET funding model only pays you a upon getting students enrolled essentially. If you can get some results, that is even better. We would like to see something where we are building a much longer-term relationship with individual communities and maybe a three- to five-year funding cycle so that you can sit and talk with the community about how you can take someone from certificate I or certificate II at the entry level and get a pathway in place that might eventually lead to higher education but certainly to certificate III and IV outcomes which will put them quite closely into employment.

The other thing that has happened in the Territory is the reform of local government into nine shires across all the remote areas. While that has not been all that is smooth, for our types of operations that is actually a good thing because it puts in career structures across a much bigger organisation where you can train people to higher levels. We work quite closely with the shires in establishing their training regimes, which then impact on the ground in local communities.

**Senator ADAMS**—Do you work with the general business managers as well in some of the more remote communities?

**Pro Vice Chancellor Zoellner** —We do. I think it would be fair to say that that is a variable activity. Many of them are not there very long and so the notion of establishing a long-term relationship with a community is really important. Where there have been good business managers, they have made our lives much easier because they have all the ducks lined up in a row in terms of where the community is going, whether there has been a high turnover or somebody who is maybe not as good and in fact it has made life a bit harder. So it is like almost everything in that regard—it depends on the quality of the person involved.

**Senator ADAMS**—With the emergency response moving on to its next phase, are you finding that your services are increasing and people are more keen to engage in further education?

**Pro Vice Chancellor Zoellner** —We are certainly finding more demand for training. Whether it is related to the emergency response I do not know that we would have enough evidence to suggest that. Certainly the emergency response has brought stability to some communities which were less stable, now that they have a permanent police presence. That would mean that we have better attendance when our trainers arrive, which is not always the case. One of the things that remains to be seen is that both the Commonwealth and the Northern Territory have identified a number of locations. I think the Commonwealth has 15 or 16 and the Northern Territory government has identified 20 growth towns. We are in negotiations with the Northern Territory government as to what that might mean and that is somewhat interrelated with the intervention. We are not really sure exactly what that is going to look like yet. Conceptually it should mean a bit more concentration of training to higher levels but we just do not know if that will be the reality, but that is a likely or certainly an intended outcome.

**Senator ADAMS**—It certainly is an intended outcome to try to consolidate that sort of thing so that it would be another opportunity to further the education. I am taking up a lot of time but I have just one more question on your campuses in Darwin as far as accommodation is concerned for Indigenous students who have to relocate to further their education.

**Prof. Webb**—Accommodation is an emerging problem for the university across a number of our operations. We are in active discussions through a number of different avenues to try and build more accommodation, not only specifically for Indigenous clients but also for a broader range of students. Through the second round of the Education Investment Fund we were successful in gaining a very welcome amount of money that will help us build the Australian Centre for Indigenous Knowledge and Education. This will have purpose-built accommodation for Indigenous students as part of it. That is a joint venture with the Bachelor Institute of Indigenous Tertiary Education. We are also looking at options for more accommodation on the Casuarina campus and at Palmerston. It is a pressure point for us for bringing in not only Indigenous students but also international students and it is a problem for us at the moment.

**Senator HANSON-YOUNG**—Thank you for joining us. What do you see as the reasons why perhaps more young people from Darwin are not going on to university? Is it because those who get accepted are going to educational institutions outside Darwin? What is the reason?

**Prof. Webb**—First of all, it would be interesting to tease out the basis of the contentions. The population parameters and the recommended representation of different demographic groups in the potential student market obviously impacts upon overall participation. So 30 to 35 per cent of the territory identifies as Indigenous and there is well-known disadvantage in relation to Indigenous people. That obviously depresses the overall participation rate. However amongst those school leavers who come to us--and I indicated earlier on that we have got quite a healthy slab of the people who are coming out at school level matriculation and get into university--our comparative market research suggest that we lose roughly the same proportion as any other state. So something like 70 per cent of eligible school leavers come to the CDU. My understanding is that across Australia in other regional settings there is an equivalent number who leave to go interstate. So I do not think we are more vulnerable to that loss because of a lack of provision.



There are a whole range of complicated reasons as to why people will not come to their local university and our challenge is to do everything to maintain as solid quality and as comprehensive provision as possible to encourage participation. I have been in Darwin for more than 20 years and there has been a tradition of Darwin having quite a large turnover in population and population churn. It is a public service town. A lot of people come up and then disappear and want to take their children with them. But with the stabilising of the Darwin population, which can be evidenced by the springing up of retirement homes in Darwin, for example, we are hoping that we will get less churn—and there is evidence that there is less churn going forward.

**Senator HANSON-YOUNG**—In relation to the types of income support mechanisms that your students access, obviously if you have a high level of part-time students and a high level of mature-age students then I guess it is a little different perhaps to the universities we heard from earlier today based here in Adelaide. In relation to Indigenous students, who can access the Abstudy allowance, we heard earlier today that if somebody is studying something above certificate III level then obviously the access to that income support is dependent on their parental income threshold. That is set at \$40,000 at the moment for the maximum rate, and you have to have your parents earning under that amount to get the maximum. Do you think that has an impact on your students?

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

**Senator HANSON-YOUNG**—In relation to other income support avenues such as Youth Allowance and Austudy, which obviously would be more relevant to mature-age students because you have to be over 25 to get Austudy, do you have the figures for your university as to what level of students in whatever category--part-time, full-time, mature age or school leavers--actually access that type of income support?

**Prof. Webb**—We do not have that data at our fingertips but we could provide that for you if it is of interest to you.

**Senator HANSON-YOUNG**—It would be, I think. Obviously we have asked for it from other universities. But because you have such a difference in the types of students that you work with I think it would be interesting to see the different correlations in how they are supporting themselves or being supported. It would be particularly helpful.

**Pro Vice Chancellor Zoellner**—The other bit of information I think we might use to complement that is that again anecdotally there were a whole range series of scholarships that

were available contingent upon income. Our anecdotal evidence is that they were not strongly applied for. Again, it just did not seem appropriate.

**Prof. Webb**—There are issues to do with the conditions of scholarship award from our perspective. We have made submissions back to the Commonwealth in that regard about having some greater flexibility in the scholarship conditions, which would help with uptake.

**Senator HANSON-YOUNG**—Okay, so they are Commonwealth scholarships as opposed to ones at the university?

**Prof. Webb**—Yes.

**Senator HANSON-YOUNG**—That would be interesting as well.

**CHAIR**—Gentlemen, we have had some discussion over the last few days around aspiration and how to instil greater aspiration in school students in terms of them wanting to go on to tertiary and further education. Could you just give us your view on that and what your university may be doing or planning to do to address that?

**Pro Vice Chancellor Zoellner**—I will start and then Charles can chime in. Certainly we are convinced, particularly in Indigenous communities but also more generally across the entire population, that we need to be working with students in the middle school years to expose them to the range of activities. As you may be aware, the Northern Territory school curriculum in the senior years aligns with South Australia, which is now a three-year program. But in fact you need to get back into year 9 because in year 10 they are doing something called a personal learning plan, which sets out their study for the final two years. So they are taking those decisions in year 10 based on what they have been exposed to in years 7, 8 and 9.

So if they do not make the right choices or have the right knowledge back in the middle school years then they are pretty much already in a pathway that will see them go out the door completely in their schooling, which is a significant issue in the territory with retention to year 12 of only about 58 per cent. This impacts of course on the higher ed participation numbers, going back to one of the previous discussions. On this notion of working with the middle school we have had a campaign all through the month of September. We have even often dusted off the Vice-Chancellor and got him out and about having breakfast with the principals of the middle schools. We have targeted him quite carefully. Our marketing its targeted there so as to raise awareness.

Each year we run two quite significant programs for Indigenous students. One is called the Taste of Uni. Last year we had over 700 students from all around the Territory, mostly from the middle years, on campus both in Alice Springs and in Darwin. We showed them the options of what is here, working with them and tying them up with Indigenous students who are successful and letting them do the work on campus. We also worked with family networks. Significantly, we also do a similar thing in vocational education. We have just had a big week called Try a Trade, where we get education providers and businesses together and run students through a 20-minute chance to try the various trades, from hairdressing to cooking, to plumbing and to electrical—all aimed at those middle school students and trying to expose them to the widest

possible range of options. The notion of aspiration is one that we feel quite strongly about. It is a really important component of getting to those COAG targets.

**CHAIR**—Before we go on to Professor Webb, how long have you been doing those sorts of things—Try a Trade and the Taste of Uni?

**Pro Vice Chancellor Zoellner**—The Taste of Uni would be five-years-old and Try a Trade probably goes back eight or nine years.

**CHAIR**—When you have students who come in and start in their first year, do you track them at all to see if they have been through those programs you put on and have actually been on campus so you can try and measure how successful that is?

**Pro Vice Chancellor Zoellner**—We would certainly know for the Indigenous students. I do not think we have had a look at Try a Trade because that involves 700 or 800 students across the Territory, many of whom may not be here when they leave school because of that population churn. I do not think we have invested in that. However, we do have a pretty close look at higher ed. We do have a pretty close look at our tertiary entrance centre statistics about the basis of admissions, so we understand that profile reasonably well.

**CHAIR**—Thank you. Professor Webb, would you like to add something to that?

**Prof. Webb**—Not a huge amount because Don covered it well. We have had structural arrangements to formally have links with schools within Don's former portfolio and we actually have a sector of the university that is promoting interactions with visiting schools and creating a profile for the university in the school sector. Our entry arrangements take advantage of bonus points for regional students, so we do all of those types of things.

**Pro Vice Chancellor Zoellner**—Charles has just reminded me—I should have a better memory than this—that we actually have a formal agreement with every secondary school, both middle and senior colleges, in the Northern Territory. We sit down and discuss with them, and then we renew it annually, what they want from us but also what we can use them for. We may wish to have something go out that we can put in their school newsletter and, if we have got a professor of something that is of interest to them, they may want to have a visit. They are actually quite comprehensive about what the relationship is between the university and the school.

**CHAIR**—On a separate issue, the issue of regional loading, do you see that working? You keep laughing when I ask you questions; I must be hitting some buttons!

**Prof. Webb**—They are very good questions.

**CHAIR**—I would like to get your view on regional loading. How is it applying to you? Is it appropriate? Can you see any improvements in how it is operating?

**Prof. Webb**—It is a bit of a touchy subject for Charles Darwin University and its antecedents. We had a negotiation with the Commonwealth regarding the strategic direction of the then Northern Territory University back in 2000. A range of studies were commissioned in relation to

our arguments around whether compensation in the funding models that were in place, which essentially stemmed from the relative funding model, appropriately covered the needs financially for the operation of the Northern Territory University in our diverse settings. We probably had two levels of conversation with the Commonwealth over some time—the question of whether our difficulties stem from scale and the question of whether our difficulties stem from intrinsic costs. The Commonwealth has tended, for pretty obvious reasons, to be more sympathetic towards assisting us with scale rather than assisting us with our arguments relating to base cost for the future of the university and the funding model. That flowed to the arrangements for the operation of the Higher Education Support Act. Many of my colleagues suggested that Charles Darwin had done extremely well in getting a regional loading of 30 per cent. You are probably very aware of what the current regional loading covers. It is really not in relation to student contribution but in relation to a complex algorithm of external students as opposed to internal students.

Interestingly, when it was first launched, the new funding model delivered us \$10,000 less as an institution with a 30 per cent regional loading than we had under the old RFM model. To tell you, frankly, we were a little disappointed with that outcome because, having gone through a fairly extensive strategic conversation with the Commonwealth where funding was an important element, essentially the regional loading arrangements initially did not help us. What had helped us was that scale in generosity from the Commonwealth in the provision of new Commonwealth Grant Scheme places.

However we would argue that the arrangements for recognising the cost imposts of working in the regions are still deficient. You can press a scale argument only so far. Certainly it helps you deal with the differences between fixed and variable costs and you can start to get a bit along that curve. I understand that the Commonwealth Grants Commission has a factor of 54 per cent for secondary schools in the Northern Territory, which seems somewhat meaner to have a model based around 30 per cent for tertiary education.

**CHAIR**—We hear you very clearly. We have one more question from Senator Adams.

**Senator ADAMS**—I have travelled extensively through the Northern Territory with another committee. There is a cohort of young men that appear to want to come back and learn. These are young people who have had their initiation and have not gone to school, and then at 17 or 18 have decided that the young women are all getting jobs but there is nowhere for them to go. They have realised that they have to learn but teachers are overwhelmed and are unable to run night classes for them or anything like that. Are you finding that happening?

**Pro Vice Chancellor Zoellner**—Certainly the demographic of particularly Indigenous remote areas is quite young. You are right; the young men do not want to be at school or anything that resembles a school. We choose very carefully the type of lecturers that we will employ. Going back to what we were saying before in understanding what the community wants in terms of employment outcomes and training and lining that up is important. One of the key features of that is actually getting the right person who can relate to those young men. We scour the countryside to find some of those people. It relates also to what Charles was talking about before, the notion of regional loading and cost. The ability to service them well is reasonably complex and we would like to see a better alignment between what the real costs are of taking that bolder social initiative or doing social good as opposed to just a flat rate and here is what the

average cost of training is across-the-nation approach. We would much rather enter into long-term relationships and build relationships with those young men in particular and then work with them over a long period of time to get a higher level outcome. We are pretty strong about that and about where we want to go.

In conjunction with employers, we have a very successful program called Kigaruk, sponsored by the Northern Territory government through the Commissioner of Public Employment. We identified 20 young Indigenous men and put them through the first few certificates in business and frontline management so that they would have a career in the public sector. It was highly successful because everyone was motivated and it was a program that was tailored for the men. Because the women were feeling a bit hard done by, we also did one called Lookrukin for them, which is the second phase of that program. We certainly try to tailor whatever training we do to the groups and the social and economic circumstances of the community.

**CHAIR**—Gentlemen, I thank you both very much for giving us your time today. I explained to the previous witness that this is the first week this committee has done videoconferencing. It has actually worked very well. We appreciate your time and it has been extremely useful.

**Prof. Webb**—Thank you for the opportunity and good luck with your deliberations.

[1.52 pm]

**COSTELLO, Mr Garry, Regional Director, Limestone Coast District, Department of Education and Children's Services**

**FETHERSTONHAUGH, Mrs Jane, Deputy Chief Executive Officer, District Council of Grant**

**FORGAN, Mr Robert, Executive Officer, South East Local Government Association**

**MAHER, Mr Jim, South East Education and Training Authority Delegate, South East Local Government Association**

**MILES, Miss Sasha, Youth Representative, South East Local Government Association**

**VICKERY, Mr Richard, Mayor, Tatiara District Council; and President, South East Local Government Association**

*Evidence was taken via teleconference—*

**CHAIR**—Welcome to you all. Thank you very much for your appearance today. Do you have anything to say about the capacity in which you appear today?

**Miss Miles**—I am a gap year student this year.

**CHAIR**—Thank you very much. I remind senators that the Senate has resolved that an officer of a department of the Commonwealth or of a state shall not be asked to give opinions on matters of policy and shall be given reasonable opportunity to refer questions asked of the officer to superior officers or to a minister. This resolution prohibits only questions asking for opinions on matters of policy and does not preclude questions asking for explanations of policies or factual questions about when and how policies were adopted. Officers of the department are also reminded that any claim that it would be contrary to the public interest to answer a question must be made by a minister and should be accompanied by a statement setting out the basis for the claim. Just before we move to opening statements, I will let the committee know that Sasha Miles and I have had some correspondence. Would you like to make an opening statement before the committee asks questions?

**Mr Vickery**—Thank you very much for the interest you have taken and for allowing the south-east to take part in this videoconference. I understand you have received SELGA's submission on this issue.

**CHAIR**—Yes, we certainly have.

**Mr Vickery**—That is pretty self-explanatory, and I am sure that as you receive deputations and input from around Australia many of the points that we have raised will be highlighted again. What I would like to do is to explain at a higher level the context of this dilemma we have

in rural and regional Australia. South Australia in particular is city centric. Mount Gambier is the biggest regional centre outside of Adelaide and is still less than 30,000 people. Increasingly, as our regions have a higher and higher level of professional input into our businesses and our government organisations, they are struggling to get the professionals and the people with the skills that we need to make our regions sustainable.

As you know, this was highlighted with the medical industry and the training of GPs. Some 10 years ago quite a few of our tertiary institutions recognised that the only way that we were going to increase the number of GPs that were available to rural and regional Australia was by having more students from rural and regional Australia, because there is a much higher probability of them returning to their regions, as opposed to students who were originally residents of metropolitan areas. In the same manner, that applies to an increasing range of professions. Even with the challenges of the GFC, we still have a multitude of businesses and government agencies in our region who struggle to attract the necessary professional people to come to our region.

Quite often when we do attract them to our region, their children reach the age of 12 or 13 and they are challenged in some of our smaller population areas in accessing secondary education. But the big dilemma is tertiary education. Some 99 per cent of rural and regional Australian students, to access tertiary education, need to relocate to one of our capital cities. Obviously, in South Australia that is predominantly Adelaide. We welcome and recognise the effort made by the federal government with the announcement of the relocation allowance, but in the package of measures that came with that there were obviously significant issues, which are highlighted in our submission and many others as well.

Frequently, whether it is a new doctor coming into our town or a middle-class professional working for a government agency or one of our businesses, people actually plan their careers around the fact that when their eldest child is 17 or 18 years of age they will shift back to Adelaide so that their family is able to afford for their children to access tertiary studies. The figure that is commonly floated around in our region is that it takes a minimum of \$15,000 of net cash to pay the costs of a student living separately in Adelaide, and obviously only a very, very small percentage of the population can afford that sort of after-tax figure. So in terms of the sustainability of our region, we need to enable more and more of our students to access tertiary education, because they will predominantly be the ones coming back and filling all those gaps that exist.

I am happy to leave it at that point, because I am sure you have lots of questions of the various talented people we have sitting at the table.

**CHAIR**—We certainly do. Thank you very much. One of the things that have been raised by a number of witnesses is the issue of access to education for those students who have to relocate, particularly rural and regional students. That tertiary access issue is separate to youth allowance as a welfare issue. There has been some thought that there should be separate measures in place to financially assist with that tertiary access issue. Reading through your submission, I see you make some comments at the top of page 6 that seem to concur with that. Would that be your view, that those things should be looked at separately and that there should be some sort of separate measure in place simply around that tertiary access issue?

**Mr Vickery**—They certainly can be viewed from a policy point of view as being separate but, in practice, in relation to people's lives in the regions they are obviously significantly intertwined. We understand the reasons why there is refining of the Youth Allowance issues, but, in relation to access to education, in conducting an interview prior to this session I found that 50 years ago only five per cent of the population went on to undertake tertiary studies. Today it is more like 40 to 50 per cent. For rural and regional students, it is at levels much, much lower than that. There are issues of access. Several of the universities now have campuses here in Mount Gambier which do offer some opportunities, but obviously they can only offer a very small selection of the tertiary possibilities. Certainly that access issue, given that federal and state government policy aspires to a lot more than 50 per cent of our youth undertaking tertiary studies, is a huge issue in itself.

**Senator ADAMS**—Ms Miles, I gather that you are a gap year student. Would you like to briefly tell the committee the problems that you see associated with the changes and just how you think you are going to manage your future.

**Miss Miles**—Yes, I am a gap year student this year. What gap year students like me have been doing is just taking a year off to earn money to qualify for youth allowance. Youth allowance goes towards accommodation costs and books, because it is expensive to move up to university. I am not sure how all the students after me are going to find enough money for that without the youth allowance.

**Senator ADAMS**—If you go to Adelaide—if that is where you are choosing to go—how are you getting on with finding accommodation? Have you been fortunate enough to get on-campus accommodation or are you having to find your own?

**Miss Miles**—I have been fortunate enough. I applied for St Ann's College, a residential college, in Adelaide and for Flinders Hall. I have been accepted into St Ann's and hopefully into Flinders Hall, which will decrease my travel costs a lot.

**Senator ADAMS**—Will you be looking at doing part-time work as well as study?

**Miss Miles**—Initially, no. I am looking at settling in and getting on top of my studies first. But before they changed the rules and allowed me to get youth allowance, I was definitely looking at getting a part-time job, yes.

**Senator ADAMS**—For your colleagues who will be following you later on when the rules change, how do you think the 30 hours a week provisions will affect them? It is stipulated as being each week. It is not like it used to be, where you could do seasonal work and obtain quite a large amount of money. How do you think they will cope with doing that work? Will it deter your colleagues from going on to higher education?

**Miss Miles**—I think the 30 hours a week is completely unachievable. With full-time study, I am not sure how many contact hours it is for various degrees, but I know that for my course I will be in at uni quite a lot. I am doing an honours course, so 30 hours is not achievable. With part-time work you might be able to sustain yourself a little. Before, when gap year students like me were having to move up to Adelaide without youth allowance, a lot of them just could not do it. They were not going to go up to university because it just was not feasible. You cannot defer



your place at university for two years; you can only defer it for one. I know how hard it was for me to get my place. The TER jumped. At first it was 96.1 and the next year it was 99.1. So if you give away your place you might not be able to get it the next year.

**Senator ADAMS**—A number of the universities have said that they are prepared to allow students to defer for the two years. But if someone is working 30 hours a week in almost a full-time position, in a rural area, do you think that they are going to then give that up, especially if they are working in a mining area, getting a large amount of money? After two years of that, will they give up that lifestyle and the money to go on and further their studies?

**Miss Miles**—If there is one thing I have learned this year, it is about the workforce and what is out there. I work in a potato factory and I do 12-hour shifts, either am or pm. It hit me the other day that if I did not go to university I could probably be earning the same amount every year that I would after coming out of university. I began to wonder why you would bother. Tertiary education is very important to me and I am looking forward to my degree so that would drive me through. But for someone working in mining or something like you said, picking up a trade, it really is about the same. You are earning about the same first year out of uni as I would be working in the potato factory for the rest of my life. I weighed up the two options and psychology is something that I prefer.

**CHAIR**—We are very pleased about that.

**Senator HANSON-YOUNG**—Thank you for joining us. I think that it is great that we are able to connect with the communities in regional South Australia. We would really have liked to be able to travel around everywhere but it is just not feasible, so thank you for coming in. I know that it is a bit funny just watching us all onscreen.

The concerns that have been sent through to me and my office, some of them from different people and members of the community, indicate that there really is a feeling that despite the changes that were announced by the government students from rural and regional Australia were expected to fit in with everybody else and that perhaps a one-size-fits-all approach was going to be good enough. When they stick in the figures on the calculator on the website people are saying that it is not going to deliver the same amount of income support as students given that full independent rate. Sasha, maybe you can answer this. How many of your friends and people that you speak to have used the calculator and weighed up whether the changes actually benefit or disadvantage them?

**Miss Miles**—Quite a few actually. Unfortunately, one of my friends was going to study teaching, and I know that has been one of the national priorities so I guess that we have lost someone that rural Australia really could have used. Now that she has youth allowance I think that she might be reconsidering going up again. Another example is a girl that was going to study business, I think. She has now just taken on a full-time job in Mount Gambier. It is just easier not to move and now she has got full-time employment.

**Senator HANSON-YOUNG**—What impact are families in your community talking about that this will have especially if people have more than one child entering university age?

**Mr Forgan**—As a father of three—one in the gap year this year and one already starting in Adelaide, and one, hopefully, who will—yes, it will have an impact. As Richard Vickery also said in the earlier statement, the impact on families is that they have to seriously consider relocating to Adelaide or Melbourne to wherever the opportunities are. That affects not only the professionals in our community but also goes right through to many other people. Certainly for those people who are not necessarily born and bred in the district, I think it is very much a trend that is always apparent. So the impact concerns the decisions on relocating. There is also the matter of affordability. It also means that parents and guardians will need to work two jobs, if they can get those two positions, and in some other areas outside Mount Gambier, which is the regional centre, those jobs are not easily available. The further away you move, the prospects of finding employment to provide that double income, or multiple jobs where people make up the hours and the money through casual employment, are just not there. So if the money is not there, the funding is not there, that has an impact on the take-up rate of rural and regional students.

**Senator HANSON-YOUNG**—Sasha, a question back to you. When you were in year 11 and 12 and thinking about what it was that you wanted to go on and do, what advice was given to you about your options were in terms of income support?

**Miss Miles**—I really do not remember receiving very much. It was always drummed into me that I would take a gap year. We had family friends who had done that and the money really seemed to help them. But I do not remember hearing much about that.

**Senator HANSON-YOUNG**—So it was just kind of considered that this is what you did; you took the gap year and that would give you the qualification for the full rate?

**Miss Miles**—Yes, it was. I have younger sisters and it was always considered that they would follow as well.

**Senator HANSON-YOUNG**—Can you see the reasoning why the government has done away with earning the \$19,500 in the 12-month period?

**Miss Miles**—Definitely. I know there are some higher income earners who abuse the system. There are kids that live in the city who work and live at home for one year yet they get youth allowance. They are living at home and still going to university and receiving these payments when they do not need to pay for accommodation, or food or travel. In that way, I can understand why the government abolished the system. But they seem to be forgetting about all the country students that really, really need that money. It can cost \$15,000 just to move up and stay. The \$9,600 roughly really made a dent in those costs.

**Senator HANSON-YOUNG**—How do you feel about the fact that, even under the current system before the proposed changes would take effect,—in fact the change now is that the only real workplace participation criteria would be the 30 hours in an 18-month to two-year period—somebody has to take that time off between finishing school and university just to prove themselves to be independent? Do you think that that is necessarily fair?

**Miss Miles**—I was more than happy to take a year off to prove that I was independent. It is something that has been important to me and I have always wanted to pay my own way. I think

that the process of proving that you are independent is good. The 18 months is too long and it is a real inconvenience for anyone who wants to go onto university.

**Senator HANSON-YOUNG**—If you could speak to the Deputy Prime Minister what would you say? What would you ask her to change in her legislation?

**Miss Miles**—I would like to ask her to consider the kids in the country that want to go up to tertiary education and have to travel for five hours or so. They live out of home and pay for their own meals and for their own transport. I do not think she has really put herself in our shoes. She said something about being brought up in the country and did go to university and that it was a lot easier for kids in the country.

**Senator HANSON-YOUNG**—She went to the local high school around the corner from here in suburban Adelaide. As an Adelaidean, I do not know how I feel about Adelaide being called the country. Not by you; by her. Thank you, Sasha.

**Mr Vickery**—It is customary to refer to us as ‘a big country town’.

**Senator HANSON-YOUNG**—Thank you.

**Senator O’BRIEN**—Mr Vickery, what tertiary education courses are available in Mount Gambier?

**Mr Vickery**—I personally live 250 kays from Mount Gambier, which is once again an illustration of the distances that we are dealing with here. I suspect one of the gentlemen behind me could flesh that out a bit.

**Mr Maher**—Thank you, Richard. The University of South Australia offers degree courses in business management, social work and nursing, which are the key courses, Southern Cross University offers courses in forestry and environmental science and Flinders University has a significant component of its medical program, doctor training, allowing students in their third year of that program to spend the year in regional areas and Flinders has a very well-established facility at Mount Gambier to support that as well.

**Senator O’BRIEN**—Should there be steps taken to expand the range of courses available to be delivered and taken within regional parts of Australia, rather than putting the emphasis on young people travelling to the cities to undertake their tertiary education?

**Mr Maher**—I will continue on there. Absolutely, yes. There is no doubt about that whatsoever. There are still a large number of students who have to leave Mount Gambier, and at this stage the marketplace that the universities here, particularly the University of South Australia, are dealing with has not really impacted dramatically on the school-leaving group; it tends to be the more mature-age students. It is eminently successful, but there is a very strong community view that a teaching program should be developed and implemented in Mount Gambier as a matter of some urgency, and that would actually attract a large number of students.

**Senator O’BRIEN**—Miss Miles, how do your school colleagues feel about studying in your community rather than going to Adelaide to study?

**Miss Miles**—I do not think a lot of them would have a problem with it. We love our families, so we would not mind spending a few more years with them. It would definitely make it a lot easier, and you would not have all the complications of moving up and finding new friends. You could still live within your local community. I think it might make it easier to get professionals out into rural communities.

**Senator O'BRIEN**—Do you think this committee should focus on recommendations which might enhance the opportunities for delivery of tertiary education in regional Australia as one of its high priorities?

**Miss Miles**—Definitely. It is a very good idea.

**Mr Maher**—I seek your indulgence to add to that and support what Sasha has said. It is really important that we follow that path, because historically we are in a situation where the south-east of South Australia lags so far behind the rest of the country and even the state in the level of tertiary qualifications available that we have to take strong remedial action on that. In the relevant age group, between 24 and 29 per cent of Australians have a tertiary-level qualification. In the south-east, that figure is 5.7 per cent, and that is a terrifying statistic. Until such time as there is a lot done at a social, structural and attitudinal level, regional areas such as the south-east will continue to suffer from a very great discrepancy on that matter. I note, for example, that in the Bradley review there are quite a number of recommendations to address that, including establishing a national university for regional areas. I would hope that as a result of your good work there will be recommendations to take on board the development of facilities and deal with structural and social issues as well as the very specific issue of a youth allowance.

**Senator O'BRIEN**—Indeed; that is my hope as well. In terms of the evidence we have received, I will just let you know that both yesterday and the day before in Perth and today in Adelaide we have received evidence of a trend towards establishing those courses but complaints about how they are funded. We have also received evidence about how TAFE can work with universities in assisting in the provision of facilities to deliver those courses. So I think there is work underway already, and that seems quite positive. In terms of the interim, I have to ask you, Miss Miles: were you aware of the ability to start courses part time or later in the year in pursuing your studies? Are your former school colleagues aware of that opportunity?

**Miss Miles**—Yes, I was aware of being able to start a course in semester 2, but I do not think it gives you a full 18 months from the day that you finish school to earn youth allowance.

**Senator O'BRIEN**—I am not sure what the exact timing is. It is just that there seems to be some misunderstanding in the community about the ability to defer for two years and also about the ability to work and study part time, as well as starting courses later in the year. So there can be a combination of independence in earning an income and the pursuit of studies in studying part time. I just wanted to find out if you were aware of that.

**Miss Miles**—I guess I am also aware that you can do courses via correspondence. My mum is doing a teaching course via correspondence, through the University of New England, but it is really difficult for her. It takes about eight years to do a four-year course. A lot of the time she is listening to lectures on a CD. It makes it a lot more difficult for you.

**Senator O'BRIEN**—Yes, remote delivery is different from attending and doing it part-time and working as well. That was the point I was pursuing: whether you and your colleagues are aware of all of the options that are available, because a lot of people do not seem to be. That is all I am asking.

**Miss Miles**—I would not say we were really that well educated on starting halfway through the semester or taking courses part time.

**Senator O'BRIEN**—Okay. Thank you for that. If I understood the evidence earlier correctly, we have already had one wish for a teacher training course in your region. Are there any other courses that should be prioritised for delivery in your region?

**Mr Forgan**—Jim Maher may correct me, but I think there are a number of instances where we have people in the trade system down here who have to travel a lot. If we are looking at educational opportunities, the movement of apprentices and trainees out of Mt Gambier on regular trips to Adelaide and other places is at a high level. Traditionally, those courses would have been offered through the TAFE system here, within this region.

**Mr Maher**—In support of that, that is a very valid and important comment. It also relates to your comment, Senator, about integration and the working together of TAFE and university systems. That is happening well in Mt Gambier at the moment, but there needs to be a great deal more integration and more pathways within those different levels of education.

**Mr Vickery**—If I could add to that, the secondary sector also needs to be included in that integration. One of the other issues that arises from the technologies you have been talking about is the lack of a medium for those technologies to deliver those sorts of services to large sections of rural and regional communities. Once again, it highlights the importance of a national high-speed broadband network, not in eight years time but in eight weeks time.

**CHAIR**—Hear, hear!

**Mr Vickery**—I can remember going to a local government conference, a thing called State of the Nation, which precedes the national general assembly in Canberra each year, and five years ago the No. 1 priority that was identified for regional economies and Australia's gross national product—the single most important issue for us—was a national high-speed broadband network, reaching every farm in Australia.

**Senator O'BRIEN**—I can tell you, firstly, that we have had plenty of evidence about the importance of a national high-speed broadband network for the delivery of education in regional Australia. You all might like to look—and Mr Maher in particular—at the *Hansard* of the evidence we have taken this week. We have taken some evidence from TAFE South Australia, as well as both universities here and Deakin University. You might wish to comment on any of the evidence that they have given where you see something that they have missed out. You might be able to add to their evidence to help us understand the situation in your region.

**CHAIR**—That is an excellent suggestion, Senator O'Brien. If you could do that for us, that would be very useful. Mr Vickery, I take it from your comment that you would like to see high-

speed broadband in eight weeks, not eight years, that you would prefer the start of the rollout to begin in the regions, not in the cities?

**Mr Vickery**—I was just trying to highlight the issue. It is wonderful that there is a political will to address the issue. Our businesses in rural and regional Australia are becoming increasingly international in their nature. They are businesses that cannot do what they do in the cities, and the support services and professionals that are required in those businesses need access to that technology. The lack of those facilities is hindering not just education but also our regional development and, ultimately, our regional sustainability. We out in the regions, while not dismissive of the importance of capital cities, are well and truly aware that city people mostly benefit from commodities and business that are generated in the regions and then either value added to or exported via our cities. On a daily basis we are reminded that the lack of that technology limits our businesses, communities and education sector being able to do what they need to do. I am sure in the long term there will be substantial cost savings for government in using those technologies, especially in relation to education and particularly tertiary delivery.

**CHAIR**—I was somewhat cheekily taking advantage of the fact that I am the deputy chair of the committee looking into broadband, so I am interested in the regional perspective on that one.

**Senator ADAMS**—Is accommodation available for students that come to Mount Gambier and is it reasonably priced?

**Mr Maher**—There is not a great deal of accommodation at all at the moment. There is a consortium working on developing programs to attract students from outside the region and internationally. One of the key issues that group have been focusing on is accommodation. So it is being considered, but there is really very little in place at the moment.

**Senator ADAMS**—Is that going to be privately funded? Is the local government consortium looking at helping out with it? What is the situation?

**Mr Maher**—The analysis has not got to that stage yet. There have been a feasibility study and various options presented, including homestay type activities, purpose-built accommodation et cetera. That is the point at which the consortium is now. It is working through those options to determine what is feasible both financially and from the point of view of students.

**Senator ADAMS**—Thank you. Mr Forgan, thank you for a very good submission. It was easy to read and very much to the point.

**CHAIR**—Yes, it was excellent. Is there anything any of you who have not spoken would like to say?

**Mr Costello**—I have a couple of things that I can mention quickly. I am currently regional director of education but up until this year was principal of a local high school with about 1,100 students. I am also the father of four children who have gone through the university system from here. In fact this is the 22nd year of university education I am supporting for my children, so I do have a perspective on that. There are a couple of things that have not been mentioned. Firstly, the business of recruiting teachers and educational leaders to the region and holding them is a significant difficulty. We do get bodies in front of classes but sometimes we have to take people who we know are unsuitable. In fact I am dealing with situations at the moment where we have

people appointed as secondary English teachers whose own English is such that it is causing major difficulties in terms of communication with students. But, because you have to have someone, the options are limited. Supporting what Sasha said earlier, my worry with the two-year gap is that some of the students will be seduced by the money and things that would probably inhibit them from taking up that option.

One other issue is that there could be some more synchronicity in how people are appointed to country regions. We miss a lot of teachers who would be prepared to move if there could be some synchronicity with their partner's employment. One big thing with leadership positions is that people are often at the stage of life where their children are either about to enter university or are not too far off it and, when they add up the costs of relocation and then of having to buy back into a city market and so forth, it is a major deterrent. Somehow or other I think we need to deal with that.

The other comment is this. As Councillor Maher mentioned, the tertiary educational rates are significantly lower here. I think the quote was about six per cent compared to something like 20 per cent. We know that that is a very significant factor in determining the aspirations that the students in this area have for their tertiary education. As the principal of a large school, my concern has always been with our most disadvantaged young people. Particularly if no-one in the family has had a tertiary education, we really need to incentivise ways of getting people who have the talent. I look at my own children and I know that some of their friends have as great a talent or ability to go on but they have not done so because there was not that kind of social capital in the family and not that understanding that you need to make the sacrifices longer term for your children to have those kinds of benefits. Those are my concerns.

The other thing is that a lot of parents of students from the country would like them if possible to go into the kind of accommodation that Sasha was talking about—that is, residential accommodation tied to a university—particularly because of all of the pastoral care and emotional support that 17-year-olds often need when they relocate. Particularly when we know the figures around mental health, which is a particular issue again in country areas, to send kids into a flat living independently in Adelaide and having to work 30 hours a week I think is a recipe for very major mental health issues. I think the 30 hours a week is so far off the radar of the reality. Young people who relocate are going to have major problems adapting. If they are living completely independently in a flat, they will have to do all the shopping, cooking and other stuff. Most residential colleges cost about \$300 a week. Particularly if you have multiple children trying to access them, that adds another dimension to the whole thing. From a parental and particularly from an educational point of view, anything that can be done to develop a very humane approach to young people from the country would be greatly appreciated.

**CHAIR**—Thank you very much, Mr Costello. That was very useful. Ms Fetherston Haugh, do you want to make a quick comment before we finish up?

**Ms Fetherston Haugh**—No. I am fine. I am really here as an observer for our CEO, Russell Peate. Thank you.

**CHAIR**—Thank you all very much for being with us this afternoon and giving us your time. It has been very useful and we really appreciate it.

**Mr Vickery**—Thank you very much for giving us the opportunity.

[2.41 pm]

**DICKINS, Ms Merry, Parent Representative, Mount Gambier High School Governing Council**

**GRAY, Mr Ron, Parent, Loxton High School**

**NITSCHKE, Mr Wilf, Secretary, Mount Gambier High School Governing Council**

**SPANGENBERG, Mr Kent, Principal, Loxton High School**

**SPARKS, Mr Rod, Assistant Secretary, Mount Gambier High School Governing Council**

**CHAIR**—Welcome. Do you have any comments to make on the capacity in which you appear?

**Mr Spangenberg**—I also have two children of my own who are currently living in Adelaide and studying at university, so I guess I bring a number of perspectives.

**CHAIR**—A small formality, which I will do now, is required. I remind senators that the Senate has resolved that an officer of a department of the Commonwealth or of a state shall not be asked to give opinions on matters of policy and shall be given reasonable opportunity to refer questions asked of the officer to superior officers or to a minister. This resolution prohibits only questions asking for opinions on matters of policy and does not preclude questions asking for explanations of policies or factual questions about when and how policies were adopted. Officers of the department are also reminded that any claim that it would be contrary to the public interest to answer a question must be made by a minister and should be accompanied by a statement setting out the basis for the claim.

Would either of the groups like to make a short opening statement before we move to questions? I will ask Loxton first.

**Mr Spangenberg**—Thank you very much.

**CHAIR**—We will have just a few minutes for each opening statement, and then we will have plenty of time for questions.

**Mr Spangenberg**—You have obviously heard me speak previously! Thank you for the opportunity to address the Senate inquiry; it is greatly appreciated. As I think many people, especially Senator Nash, would appreciate, the Loxton community, really representing the wider Riverland community, has had significant concerns around youth allowance for a considerable time. In fact, it has been six years since we first started trying to address the inequities around youth allowance.

I want to make it very clear to this Senate inquiry from the start that we not only have some significant reservations about the proposed changes to youth allowance but also believe—as we



have for a considerable time—that the current guidelines and policy around youth allowance need to be addressed. We believe that access to tertiary education for rural and remote students is both a moral and an equity issue. We believe that the current arrangements around youth allowance work against rural students, compared to city students, accessing tertiary study. That is evidenced by the under-representation of rural students at university.

In looking at some of the most recent publications that Julia Gillard has put out it is quite clear that the intent of this new legislation is to implement measures that target urban people that are rorting the guidelines. That was made very clear in a publication that we just looked at this morning entitled *Student income support—information for rural students*, where she talks about the large percentage of urban people who are living at home but are able to access full independent youth allowance. Deputy Prime Minister Gillard, in targeting that group, has clearly further disadvantaged rural students attempting to access tertiary education.

We do acknowledge that the proposed changes will result in more families gaining some financial assistance. But we argue very strongly that that financial assistance will still be insufficient to overcome the financial barriers to a greater percentage of young people from rural areas being able to live and study away from home. I think that is important to bear in mind.

As you are well aware, we believe country students are under-represented in tertiary education, and that has been well documented in a whole lot of publications. Country students must relocate to metropolitan areas or larger regional centres to undertake tertiary study. Country students must live away from home and therefore pay for accommodation. It is very difficult to put an exact figure on that. It depends on where students live and what form of accommodation they have, but we would suggest, conservatively, that it could cost around \$18,000 to have a student living away from home. Let's say they consume \$5,000 in food et cetera for the year—that means that there is a \$13,000 barrier that must be faced by rural families with a student living away from home that is not faced by urban families with their children living at home.

If country students seek to become independent, they will find it extremely difficult to consistently find 30 hours of work per week for 18 months. That is exacerbated in areas like the Riverland. My oldest son did take a gap year and he was able to earn his \$18,000. The packing shed he worked in has gone from 30 workers to six. The winery he worked in has probably laid off in excess of 35 or 36 workers this year. The point I make there is that, whereas once upon a time in places like the Riverland there was casual work that could be picked up by young people in a gap year, those opportunities are fast disappearing. So if those 30 hours of work are not available locally, where are they going to go to find them? In moving away from the local area, they are faced with all those additional relocation costs.

The other issue is that in a number of university courses you cannot defer or you cannot defer for longer than 12 months. So we believe that if the current government is targeting an increase in university participation rate for rural students this can only be achieved through financial support that is reflective of the true cost of having students living away from home. We also believe that the current disparity between metropolitan and rural students in accessing tertiary study will continue to widen under the proposed arrangements. I will leave it there, I think.

**CHAIR**—Thank you, Mr Spangenberg. As a courtesy to the committee, I will indicate that we have met. We will move to Mount Gambier. Would you like to make an opening statement?

**Ms Dickins**—Thank you. I am from the Mount Gambier High School governing council. I wish to declare that both Rod, the person sitting behind me, and myself have submitted personal submissions independently but today we are representing the Mount Gambier high school governing council with the following. We are commenting on terms a, c and e within your terms of reference.

The requirements for students to work for 18 months within a two-year period at 30 hours a week will be almost impossible as there are reduced employment opportunities in rural and regional Australia, as just outlined in the Riverland situation. In a town like Mount Gambier a limited number of employers offer 30 hours a week for gap year students for 18 months. A majority of universities will not allow a student to defer for two years and students then have to compete again for a place with a new cohort of entrants. Significant numbers of students do not take up the study option after one year, let alone two years. This will further exacerbate the loss of potential country graduates, which we will refer to in the moment. After completing the proposed requirements for 30 hours a week for 18 months within the two-year period, most students will now be aged 20 and therefore under the new proposal they will receive youth allowance for only two years until they turn 22. They will still have at least two years left to complete their degree without any assistance. That is assuming just a four-year degree and not something like medicine.

There is a significant cost in sending a student to university in Adelaide or Melbourne or other locations. This is estimated to be \$15,000-\$18,000 per year, which is a minimum of \$60,000 for each student that we have for four years. This is not the sort of money we have lying around in a bank account. This is most prohibitive for parents where a student does not receive any youth allowance. Regional students whilst at secondary school have faced the ongoing disadvantages of distance and limited resources such as no access to university libraries, lack of specialised teachers in senior school, lack of holiday study programs et cetera. They have achieved great success in gaining tertiary entrance rankings that have enabled them to be offered places at universities in Adelaide, Melbourne and other cities despite the disadvantage is that they have been at. Regional students when they travel to the universities in the cities suffer cultural and family displacement. They are travelling hundreds of kilometres to attend university, thereby removing their source of financial and emotional support. It is a major disincentive with no family around and no family support, especially when things go wrong, which they invariably do at that age. There are few families in Mount Gambier that would be earning incomes at the level which the changes are seeking, which will exclude students from gaining any youth allowance.

Country students will be further disadvantaged by the limiting of their ability to claim relocation scholarships to assist them with the costs of moving for study as they will not qualify for it. Most other scholarships require students to be receiving youth allowance, so they are also excluded from those avenues of potential support. Mount Gambier and other regional areas—I am sure the Riverland is with us here—are suffering significant shortages in the professional areas of medicine and other allied health fields as well as law, to name two main areas. These changes will make it less likely that there will be professional graduates from amongst our own communities and it is well known that students from rural backgrounds are far more likely to take up rural professional positions than students from city backgrounds. This means even more shortages of rural professionals in the future than we already are suffering. We acknowledge the retrospective nature of changes that have been made for current gap year students, however, our

concern is for current rural secondary students who face the new rules which severely disadvantage them in their quest for tertiary education.

In conclusion, this organisation submits that, if these changes must be introduced to exclude the city based wealthy families, then rural and regional students who must leave home in order to attend university should automatically be considered independent and qualify for youth allowance in their own right.

**Senator HANSON-YOUNG**—Thank you to both groups for coming along and talking to us today. I have had the pleasure of meeting some of you already and completely concur with your concerns around the changes. I guess our challenge is to work out what is the best way forward. We are hearing that expecting students to take 18 months off and work for 30 hours a week is just not feasible. I also have concerns about the expectation that students have to have a gap year in order to access university instead of supporting that pathway for a variety of different reasons. What would you really like to see? Is it about increased scholarship support for students from rural and regional areas, who are disadvantaged based on their geographical location, and the fact that they actually have to move? Or is it an increase in the youth allowance eligibility for those students or some other way to become eligible and access the independent rate? What is the best solution from the governing council and parents' perspective?

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

Whether that is to be addressed through a taxation system, or through means testing or changing the benchmark for rural person, I do not know. That mere additional expense has to be addressed from the word go. The other thing that is significant is that, under the new arrangements, if you look at a family whose income is \$60,000 and you work out what that income is after tax, even with the proposed financial support for the children of those families living in Adelaide or living in a metropolitan area, they are actually not going to be able to afford to have their children there anyway, because they just do not have that disposable income.

That is why I believe that under the proposed changes we will see a significant decline in the number of rural students accessing tertiary education because while they can access some financial support they are not going to be able to access significant financial support to overcome the initial financial barrier of relocating to Adelaide. Those are a couple of points I would like to make at the start.

What would I like to see? There has to be a definition of 'rurality'. What is a rural student? Once it is deemed what a rural student is, and there is something in that about whether the student can access their home at the end of each day, that sort of thing, that definition of rurality

must then trigger some automatic financial assistance regardless of the family's socioeconomic background.

**CHAIR**—Mount Gambier?

**Mr Sparks**—We have been discussing that obviously. We totally concur with those sentiments from Loxton. From a personal perspective and from a governing council perspective we do not really mind where, either through taxation incentive or through regional allowances, youth allowances come from as long as that financial gap is accounted for. It is a very real gap and I reiterate what Mary has said. One possible solution is that rural and regional students who must leave home in order to attend university should automatically be considered independent. That is one solution. There are other solutions, I am certain. It is a true concern of a very significant number of parents with students approaching tertiary age that they are simply not going to be able to get their kids to university. There are courses that are simply not available through regionally dispersed universities. You would know that the University of South Australia and the Southern Cross University operate out of Mount Gambier. Also we have a TAFE here but they do not satisfy the requirements for engineering and they do not satisfy the requirements for computer science. Vast numbers of careers are just not available in regional areas. It means relocation of those students. It means that they are totally dislocated from their home environment. I should not really be referring to my submission but I did mention that there is a social equity issue, as the principal from Loxton mentioned. With two families on the same income—\$70,000, \$80,000, \$60,000, whatever it is—with one family in the country and one family in the city, it is just simply not possible for the country family whereas it is for someone who is present in the city.

**CHAIR**—Before I go to Senator O'Brien I am very interested in the comparison you have just made between metropolitan parents and the rural parents. It is a very good way of describing the inequity. One of the things that has just come up is the issue of being able to access education, the very thing you are describing, is different from the welfare youth allowance issue. It should be looked at in a standalone capacity, whether that is through, as you are suggesting, automatic qualification for independent or a separate measure. I need clarification that what you are asking is to make sure that the committee views the issue of tertiary access for rural and regional, indeed for any students who relocate, as different from just the youth allowance issue.

**Mr Spangenberg**—That is exactly it. That is exactly what we are saying.

**Mr Sparks**—I totally agree.

**Senator O'BRIEN**—For the information of all our witnesses, we have ascertained that it is possible at both South Australian universities to defer for two years. To the extent that you have been informed differently, the evidence before this committee is clear. It is the case that deferral for two years would be possible. We have also been advised that it is possible to enrol on less than a full-time basis and commence studies midyear. I am not asking for you to comment, I am saying that is the evidence we have. Yours would not be the first set of evidence that reflected that that had not been communicated to all of the people who might be affected by the changes.

In terms of the courses which are delivered in your region, I am not sure how Loxton is affected by the delivery of courses in their area, so perhaps you could tell us what tertiary education opportunities are available in close proximity to your school and your community.

**Mr Spangenberg**—The answer to that is very little. Flinders University has their clinical school at Renmark, which is 34 kilometres from Loxton and so is quite accessible. That offers a degree in nursing. And there is a TAFE campus obviously in Berri offering a very restricted curriculum. That is the sum total of it, really.

**Senator O'BRIEN**—And in Mount Gambier?

**Ms Dickins**—We have the Southern Cross University offering forestry and the University of South Australia offering nursing, social work and business at a university level.

**Senator O'BRIEN**—We have received some encouraging evidence about potential for expansion of those courses. Again perhaps you would like to look at the *Hansard* of evidence we have received here in South Australia today when it is on the web next week, I hope. As soon as it is, you should be able to see that. It should be next week. Let me put the pressure on Hansard.

**Mr Spangenberg**—Can I make a comment on that? I think what the inquiry has to really take into account is the geography of South Australia. The geography of South Australia is really Adelaide. Obviously there is Mount Gambier and I guess you have got the Iron Triangle, but the geography of South Australia is very different to the geography of Victoria and New South Wales, with a very restricted number of regional centres. So I think this concept of diversification of tertiary institutions or tertiary courses to rural South Australia is not appropriate for our geography.

**Senator O'BRIEN**—Let me take issue with that. We have just had evidence from Charles Darwin University about the campuses where they deliver in the Northern Territory. Let me tell you you are not as remote from Adelaide as those centres are from Darwin. So it probably is something that the communities will want to think about but certainly there is a strong trend towards developing delivery of tertiary education in regional Australia. My office is in Launceston, where there is a campus of the University of Tasmania, but a lot of people study remotely anyway and do not go to that campus very often but learn via the web and other means at the moment. So there are these trends that are developing. All I am asking is what is there now and inviting you to look at the evidence of what is proposed or in prospect for the future.

In terms of the issues of access to work, we have got some evidence that at the moment that is quite difficult. Can you tell us anything about the history of access to youth allowance through attainment of independence in your regions? You may not know, or you may be able to help us with some examples of individuals who you know were able to obtain the independence test in the legislation through work available in your regions.

**Mr Spangenberg**—I will pass to Mount Gambier, because I have had a bit to say already.

**CHAIR**—Sorry, I should have called Mount Gambier.

**Mr Sparks**—I can speak personally. I own a small business and on two occasions I have employed gap year students for the 12 months prior to them attending university. But I would certainly be very much in the minority. It is very difficult for students to find a full 12 months employment. There are mills but, as the speaker from Loxton has mentioned, the employment opportunities in regional areas are definitely diminishing. The mills are getting smaller and more automated and they do not need the labour that was required.

Can I reflect back on the comment from Senator O'Brien about the universities providing courses in regional areas. One of the other hats I wear is as a tutor for the University of South Australia in their business course. The University of South Australia conducts that business course. After 12 months, to really get the benefit out of their course, I would suggest they need to go to Adelaide. Also there is a handful of courses that are available. If you are looking at engineering, there is no way other than attending a major university. If you are looking at dentistry, medicine, law—I will not compare professions but there is a handful of opportunity available in regional areas for tertiary education. It is literally a handful, nothing more.

**Senator O'BRIEN**—Whilst I can accept that, if the trend is to increase them wouldn't that be a good thing, allowing students to live with their families as the city students can and study? I accept that some courses will probably never be offered in those regions, but evidence we received in Western Australia suggested that one of the regional campuses delivered courses that were available effectively for 60 per cent of the students on the city campus. Would that be a good thing?

**Mr Sparks**—Without a doubt it would be a good thing. But it is the courses that are not available that are the real concern. Also there is a difference clearly in delivery. In the course that I am involved in, the lectures are conducted as we are doing now, through videoconference. A lot of my students just do not go to those lectures because they do not get the knowledge imparted from the lecturer, so as a consequence I have got a lot of work to do as a tutor. So it is one thing to have courses available; it is another thing to promote them and for them to be effective.

**Senator O'BRIEN**—So you are suggesting that the courses are not effective.

**Mr Sparks**—No, I am not suggesting that at all. I am suggesting there are better ways to get the message across. Teleconferencing I do not think is the best way for an 18-year-old student who has difficulty at times concentrating to sit down and get the most out of a lecture. It is much better in person.

**Mr Spangenberg**—I think there is also another aspect to that. I would not want to deny my children the opportunities and the experiences that were afforded to me through being able to attend Adelaide University in person as opposed to receiving my education down a telephone line.

**CHAIR**—That is a good point.

**Senator ADAMS**—This is to both schools. I will go to Loxton first. As far as accommodation goes, you are parents and you have had children at university or else they are going. How fortunate have they been in being able to access an on-campus accommodation place?

**Mr Spangenberg**—I believe they have been privileged. I think that my two children, by living in university residential accommodation in Adelaide, have had some of the most wonderful experiences that you would ever wish for your children. We are in a position to virtually be able to afford that but we have been able to do that by making some significant sacrifices as a family. We knew that for the next six to eight years of our lives we would be living very frugally, but that is what parents do. I know that our librarian at school took out a loan. She had four children going to university and she is still paying off a loan of \$140,000. Parents do some quite amazing things to be able to give their students the opportunities that they would wish for.

**Senator ADAMS**—Thank you. And being a mother of two sons, I worked for 23 years as a farm hand to put my children through boarding school and university, so I certainly understand the sentiment. We have Mount Gambier?

**Mr Nitschke**—Yes, Senator. I can talk from experience of my youngest daughter who attended the University of South Australia, doing a degree in civil engineering. For the four years of her course she was living at Lincoln College, which is the international college in Adelaide. For her, that was again a really privileged and excellent situation. She met many friends. Living and being at the university meant that she had the benefit of networking, and when she later went on a world trip, in North America she only had to pay accommodation for one week because of the friends and groups like that that she had met. There are many families that sometimes buy houses or just get into flats and things like that. Then there are the pressures of living alone. So when we talk of the accommodation we need to be looking at that because there are only a relatively small number of university places that provide that good quality of service.

**Mr Spangenberg**—Just while I think of it, there was a question before on deferment that I passed to Mount Gambier to comment. Our school has a particularly academic focus; it is just the nature of the community—good German, stoic stuff, I think it is. Between about 54 and 60 per cent of our year 12 cohort, which is approximately 90 students, qualify for tertiary entrance each year, which I believe is about twice the South Australian average and three times the rural average of 18 to 19 per cent, depending on which research you read. Up to half of our students in any one year will defer.

**CHAIR**—For Mount Gambier first, on Indigenous students: as a council, how many of your Indigenous students would go on to university?

**Mr Nitschke**—I must admit here that I am actually on long service leave for the whole year. Up until the beginning of this year I was a teacher in information technology at the high school. Going on to formal tertiary education at university level, we would possibly have had one in the last 20 years.

**CHAIR**—And from Loxton?

**Mr Spangenberg**—Probably in the last 20 years we may have had one. We have a number complete year 12 each year. In our cohort of 615 students, we currently have 23 Aboriginal students. I think at the moment there are three year 12s. There are some excellent incentives to

get Indigenous students into university but there are too many other factors, largely around dislocation from family, that just work against them even getting there in the first place.

**CHAIR**—Mr Spangenberg, Mr Gray, Mr Nitschke, Mr Sparks and Ms Dickins, thank you very much for joining us this afternoon. It has been extremely useful and we really do appreciate you giving us your time.

**Mr Spangenberg**—Chair, can I make a final comment?

**CHAIR**—You certainly can.

**Mr Spangenberg**—We as a community really appreciate what you are doing. As you well know, we have been frustrated for years on the issue of youth allowance being based on equity issues. There have been a couple of wonderful studies. You are obviously well aware of the 2005 Senate inquiry. I hope that you have been made aware of the recent work of Naomi Godden, which we referred to in our submission. If the recommendations from the 2005 Senate inquiry had been adopted then I suspect we would not have been moving today. We really hope as a community that out of this inquiry common sense will prevail and that measures will be put in place to significantly address the barriers currently facing rural people in accessing education. I want to thank you most sincerely for giving us the opportunity to speak with you today. I wish you every success.

**CHAIR**—Thank you. In the interests of even Stevens, Mount Gambier, do you want to make a final comment?

**Ms Dickins**—I would like to say that, if we do not do something about the rural and regional graduates who make it through university, there will be a decline in rural areas of Australia. Something just has to happen, otherwise it will be very sad. Thank you.

**Mr Gray**—Can I add one more thing?

**CHAIR**—Please do.

**Mr Gray**—As someone who is living in the community, I have had to say good-bye to so many of my good friends. On Thursday, a police officer and his wife, who are family friends of ours, moved to Adelaide with their three children. Their first child is about to start school. My wife works with a couple of teachers who have now made the decision to go. If they are lucky enough, they will go back to Adelaide. They are doing this because it will save money and the quality of their family life. I also have a very close doctor friend who did the same thing. Thanks.

**CHAIR**—Thank you, Mr Gray. I appreciate that.

**Ms Dickins**—Seven doctors from Mount Gambier will be leaving in the next three months to head back to the city for similar reasons.

**CHAIR**—Thank you very much, Ms Dickins. Thank you all very much for your time.



[3.18 pm]

**CROUCH, Mr David John, Member, Renmark High School Governing Council**

**DIMOU, Mr Louis, Chairperson, Renmark High School Governing Council**

**CHAIR**—Welcome. Do you have any comments to make on the capacity in which you appear?

**Mr Dimou**—I am a concerned parent, and in my spare time I am deputy mayor of Renmark.

**Mr Crouch**—I am a member of the governing council with no specific portfolio. I am the parent of two boys, one of whom is currently on a gap year. I am also a teacher. In fact, I am the assistant principal at Renmark High School and I have taught in the country for 25 years. Once a very long time ago, I made the journey that we are discussing this afternoon.

**CHAIR**—Just in terms of process, I have to do some quick formalities. I remind senators that the Senate has resolved that an officer of the department of the Commonwealth or of a state shall not be asked to give opinions on matters of policy and shall be given reasonable opportunity to refer questions asked of the officer to superior officers or to a minister. This resolution prohibits only questions asking for opinions on matters of policy and does not preclude questions asking for explanations of policies or factual questions about when and how policies were adopted. Officers of the department are also reminded that any claim that it be contrary to the public interest to answer a question must be made by a minister and should be accompanied by a statement setting out of the basis for the claim.

I now invite you to make an opening statement before we move to questions.

**Mr Dimou**—Yes, I would not mind, thank you very much. I decided to pen something down yesterday because of the importance the day lends itself to. I will start off by saying that I would like to express my gratitude at being given the opportunity to appear before the Senate inquiry and to make a presentation in a personal and upfront manner. Having served on school governing councils for the last 15 years has given me an insight into what is required to encourage and assist not only our very own children but students in every way possible to achieve in the academic field and beyond. The written submission that was tendered encapsulates, to put it simply, our dissatisfaction with the proposed alterations and changes to the Youth Allowance. It sets about to give good reasons why country or rural students tend to be behind the eight ball when attempting to achieve tertiary education.

In a community of approximately nine to ten thousand we do not have the capacity to access certain levels of higher education—hence why youth allowance can so often be a major determining factor in achieving ones goals. It is well documented that a shift to a city centre is often the only option available to you. If I may speak from a personal point of view, at this very moment I have two children undertaking university studies in Adelaide, with a third child intending to follow their path in 2011. My two university children receive youth allowance and this is due in no small part to the economic misfortune we have been experiencing in the rural

sector in the last few years. With a working wife having to supplement our income—we have a 25-acre fruit property producing minimal income—it has become more and more difficult financially to support two children some 250 kilometres away. Provisions for students required to work 30 hours a week over 18 months to gain eligibility in the new system is ludicrous when employment opportunities are dwindling for everyone in the country and regional areas.

The impending Youth Allowance changes have definitely made us have a rethink with regard to how we support our children and their education and relocation to the city is our only option. We have come to the realisation that students in rural and country areas face greater difficulties in achieving a university degree. We as parents need to weigh up the emotion and financial implications in determining our children's higher education and the Youth Allowance will play a major role in the decision making process.

**CHAIR**—Thank you, Mr Dimou. Mr Crouch, do you have an opening statement?

**Mr Crouch**—Yes, thank you for the opportunity to be here today. In response to something that we overheard from the last presentation, the reason we have come here today is our perceived difficulties associated with that technology and we certainly feel as though we can make our point better in person, which is why we have travelled here.

**CHAIR**—Thank you.

**Mr Crouch**—I want to speak briefly in relation to terms of reference (a), (c) and (e). We do not believe that people should be funded to access education that is outside their own district if it is available inside the district. I guess that covers relocation to the city for schooling when schooling is available locally. A lot of the stuff that we are about to say I have already heard said and I will go over that quickly. I would hate for you to think though that, because I am going over it quickly, we somehow diminish its importance. The current scheme is inadequate. The estimates are between 15,000 and 18,000. The numbers are a bit rubbery. The youth allowance is \$9,600 which does not cover the full cost of relocation to Adelaide. This is particularly a country issue. As we have heard, country students are under-represented in tertiary populations and I will not go into it more than that.

Country students, if they are to access the courses available in the city, must relocate; it is not a matter of choice. They must incur the additional cost and that is not a matter of choice either. They cannot live at home. They are not matters of choice; they are absolute requirements to access these courses. The allowance is used by students for basic human needs—food, rent, travel—which are absolute basic human needs. It is not used for going out on weekends and drinking top shelf cocktail drinks or anything of the like.

Country students already suffer considerable pressures associated with the transition—and I know from personal experience—to independent living and studying. They move out of home into a very different environment. Our experience has shown that the kids who do not make the grade is not caused by lack of academic ability but through a lack of ability to make that transition. I am talking here about the emotional upheaval that they suffer including homesickness and leaving Mum and Dad, the disbanding of their existing social networks, their friends, their sporting clubs, their church group, whatever it happens to be, as well as learning how to cook and clean and be independent in those senses. It seems to me that applying

additional financial pressure to them at that crunch time is an unreasonable thing to be doing. This is as well as making the transition into university.

In relation to items f. and g., I will talk a little bit about the impact on rural and regional communities. We have heard about the shortage of doctors and that is real. We can all name people who have shifted to follow their kids. You have heard briefly about the recruitment of professional people into rural and regional locations. The people who are most likely to move to the country are people who have come from the country, trained in the city and then go back. If we cut off the forward leg of that, the reverse leg is going to become much more difficult. I think our shortages of professionals will continue.

There is another aspect of it that I think is probably more subtle but no less sinister. It comes back to the comparison between a city family and a country family on the same income. If you are a professional person thinking about going to the country and you work through the additional costs that you are going to incur by having to educate your kids—the costs that we are talking about in this committee—there is a disincentive for you to ever move to the country in the first place. We are seeing people who come back to the city—that is, they are not being retained in professional positions—because their kids are coming here to study. I have been in the country for 25 years and I am on the public record as saying widely and loudly that I will never teach in the city, but in the last three months my family has considered relocating. From our point of view, in the absence of youth allowance, we can shift a lot of furniture for the difference in cost and it just makes financial sense for us to come to the city. That is a simple statement of the circumstances that my family is in.

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

The other point I would like to stress is that it is not just education that these costs apply to. A lot of our medical services are done from the city. We are travelling backwards and forwards for that. We could probably go on and pick other examples of services that we need to go to the city for that are additional costs compared to somebody who is living in the city. It is not just education and higher education that we are talking about. We are involved in several sporting clubs. Our elite athletes are at a significant disadvantage because they have to come to the city for specialised coaching and competition and that is expensive. I would hate to think that this has been compartmentalised into education; it is a broader topic of discussion.

As Kent Spangenberg said, the solution lies in a definition of rurality and that might be based on distance from the GPO or the availability of public transport between the place of residence and the tertiary training institution. There has got to be something along those lines that can be fathomed out. We do acknowledge that the system does not currently work, because there are people who are accessing it and they are not the people of greatest need. Kids who are living at home, who do the same thing that country kids do, access the funding and continue to live at home. That is inequitable from our point of view.

As a parent, I want this to be a shared responsibility. I do not expect the government to pay to educate my kids entirely. I do want the government to give my kids the opportunity if they have the ability. Families are having to make really tough decisions like, 'Sorry, you cannot go because we cannot afford it,' or the first kid can go but bad luck for the second or third one. That is a really tough message to have to give a kid who has obviously got the capability.

I have a few other quick points. If we abandon this we are saying to country kids, 'When you go and live in the city you are going to have to be self-supporting to some degree. You're going to have to work to support yourself while you go through.' We're not saying that to city kids who are in the same boat. I think that has an impact on study. We can give you an example of a family—we were talking about it as we were coming up Portrush Road, 2 kilometres from here—where the mother lives in Adelaide and the father stays home to work. To call that common would be an exaggeration but I can give you three or four examples of that.

**Senator ADAMS**—It is becoming more common.

**Mr Crouch**—I was talking to a person on the weekend about loans. They said they have taken out a \$20,000 loan to educate one child and they have another one to come. At a whole-of-government level it is short-sighted to be making it more difficult for kids to get tertiary qualifications. Those people are going to increase their earning potential. They are going to pay more tax. They are going to pay that money back. This is an investment. It is not a gift.

I have two more quick points. The Riverland has a population of about 30,000. It is never going to be able to support the delivery of the full range of courses locally. It just does not have the population base to do that. So, to the extent that we are talking about students who need to leave to access the course that they want, if it could be delivered locally that would be fantastic. I would challenge the notion, though, that the university experience is just the lectures and that we can come up with a strategy to deliver lectures using technology. University life is about more than that. You have heard about the networking examples before.

I come back to the employment issue of 30 hours for 18 months. I do not think employers are going to make that commitment. We heard about one in Mount Gambia who has, but you are not going to invest in somebody full time for 18 months if you know that at the end of 18 months they are going to get up and walk out of your place and the investment you have in your employee will be lost. With that, I will stop.

**CHAIR**—Very good points. Thank you.

**Senator O'BRIEN**—Thanks for that. Clearly, the issue you raise is a comparison between those who are in the position not to have their children leave home to study and those whose children must stay at home to study. I note your comments about the difficulties of the current system. Essentially, what you are saying is that this should not be addressed through social security legislation but through some other legislation.

**Mr Crouch**—I do not understand—

**Senator O'BRIEN**—You do not want welfare benefits paid differentially, do you—country versus city?

**Mr Crouch**—I think that is what I am saying.

**Senator O'BRIEN**—So, we should say that if the parents live in the country irrespective of their level of income, welfare benefits should be paid to their children if they move to the city.

**Mr Crouch**—Yes, and that is because it does not matter what your level of income is, the pressure on you to relocate to the city exists just the same.

**Senator O'BRIEN**—I understand what you are saying but some might say that some parents will do that whether income is an issue or not, because they consider their children are better off with them, providing a home for them in the city while they are studying. Therefore, a lot of professionals who have the option—in teaching, the medical profession, local government or a whole range of other occupations in rural and regional Australia—will say, 'The kids are coming up to university age. I can get a job somewhere in Mile End or in the city and live near the university. The kids can go to university and then we'll think about what we are going to do after that.'

**Mr Crouch**—That is true. There are also additional pressures that help that decision.

**Senator O'BRIEN**—But there are people in occupations who can make that decision because they have the mobility—they have the qualifications and they are in the system—and they do make that decision. They would make it whether Youth Allowance was available or not, in many cases.

**Mr Crouch**—That is probably true.

**Senator O'BRIEN**—The reason I was raising that issue was to ask: is it really a social security issue? Are you saying that there should be some recognition not because there is a need for social security benefit but because, as an equity issue, there should be some benefit payable?

**Mr Crouch**—It is an equity issue; yes.

**Senator O'BRIEN**—That is where I thought you were going, which is why I raised the question. Clearly, some communities will never have the same on-the-ground access to courses. As an educationalist, what do you think about university degrees that are delivered by correspondence—email, on-line or whatever?

**Mr Crouch**—Given that I have worked in some reasonably remote places that have relied on distance education, there are some prerequisite skills that the student needs to make that successful. There are some students for whom it is spectacularly unsuccessful. The prerequisite skills are to be self organised and motivated and to make the technology work, because with a technological delivery it is much easier to escape than it is if you have a teacher or lecturer standing right there. From that point of view, for some students it works fantastically well. In fact, the top student in South Australia a few years ago was somebody who had studied by distance education. But the failure rates are also high.

**Senator O'BRIEN**—Is there a way you can improve the success rate with regionally based resources associated with those? I think isolation and not really getting into the swing of tutorials

and the like can be a problem. Mind you, in the city there are other distractions that keep people away from the lectures.

**Mr Crouch**—Is the question, ‘Are there some ways to improve the delivery of that?’?

**Senator O’BRIEN**—Yes.

**Mr Crouch**—There are. One is to train the participants in some quite explicit ways. The second one is to have mixed delivery—to have some local delivery and then an extension with some technologies. But, if you are doing an entire degree based on that technology, I think that is going to be more difficult than with a mixture, which is more difficult, again, than when you have the human interaction.

**Senator O’BRIEN**—In terms of work, I refer you to the evidence we took from university students in Perth yesterday.

**Senator ADAMS**—The day before.

**Senator O’BRIEN**—The day before—Monday. Sorry. They were talking about the amount of employment that they were involved in. Some were from regions and some were not. It would be fair to say, wouldn’t it, that there would not be a lot of difference and that students in Adelaide would be just as likely to seek to supplement income with work as much as they needed to or could?

**Mr Crouch**—Yes. I think the important aspect of that is why they work and what that actually goes toward. If that is to buy food, pay rent and electrical bills and so on, I think we need to look at that situation. If it is so they have some money in their pocket because they want to run a flash car and all sorts of other things then—

**Senator O’BRIEN**—Or just a car.

**Mr Crouch**—Yes, or just a car. There is something of that—the life of a poor student or the poor life of a student or something. I say that with some joviality, but I think this is a shared obligation. I do not think we should be expecting that people are going to go through university into something that is obviously privileged entirely at the taxpayer’s expense.

**Senator O’BRIEN**—Sure. There are some people who are not in any way underprivileged; if they need something, they will get it. There are some who live in the city, and the only income they get is what they go and earn by taking a part-time job and working weekends waiting tables, pulling beers or stacking supermarket shelves.

**Mr Crouch**—We have students in schools who are in that situation.

**CHAIR**—Thanks. I think you have made the point very clearly that there is an expectation that it be a shared responsibility, but it is an equity issue that you are talking about.

**Mr Crouch**—It is. It is making things possible.

**CHAIR**—Yes, absolutely.

**Senator ADAMS**—I would like to ask questions on accommodation availability for your children—your separate families. Were they able to get places at residential accommodation on the campus, or did they have to go out and find their own?

**Mr Dimou**—I will tell it as it is, apart from forking my mother out of her place of residence in the country to be able to rent that place in order to find another place in the city to be able to put my children in. We went about it that way to alleviate the cost somehow. It is not on-site campus accommodation; it is private residential accommodation. As I said in my spiel at the beginning, it is how to make it a little bit more feasible. Our biggest issue is trying to get our children to get educated.

The dropout rate was mentioned before. There are quite a few students that want to go on but there are financial constraints. Being able to give them that opportunity always comes down to those constraints, and they may be to do with accommodation. We parents pay most of the bills solely to get them to the end of the road so they can accomplish what they set out to, although it might not always work the way you want it to. On the accommodation side of it, they have to be put up somewhere, and youth allowance plays a major part in that decision making.

**Senator ADAMS**—How about your children, Mr Crouch?

**Mr Crouch**—We are still in the process of applying for residential accommodation. We are hopeful that we will get that.

**Senator ADAMS**—What if you do not get it?

**Mr Crouch**—They will have to go into private accommodation. From our point of view it is safer for them to be in residential accommodation than to be in the open market.

**Senator ADAMS**—That is the overwhelming evidence we have had. I am from Western Australia, and at the moment Perth rental accommodation for students is very difficult because of the high cost and also because of the question of whether the people that own the property will let students go in. Residential colleges take one in 5 or even 10, and there are huge waiting lists. That is becoming even more of a problem. They are not eating properly and are all in overcrowded accommodation and not sleeping properly, so once again they are dropping out.

**Mr Dimou**—We rent private accommodation and have a landlord that we answer to, and there have not been any issues. In making up our mind about accommodation we had heard about certain issues, and our child had not even gone outside of our jurisdiction. These are the things that you encounter as your child leaves your nest. As David mentioned before, emotional, financial and other factors have to be weighed up. We know of top-notch students that went off to higher education that were home before you knew it with their tails between their legs because they could not cope with the isolation. The support that is needed is not just financial. David and I are on the same page and we are asking: how do we get students with the capabilities into higher education? I did not go on to higher education, and there were similar issues back then. We were a family of four. My older sister went off to college, as it was in the good old days, and for the rest of us it was, ‘Bad luck, she ended up going. The rest of you can stay here and pick

grapes,' which was not bad either. Those were the times. As parents, although not every parent thinks along the same lines, we ask: how do we get children with the capabilities to further their education? We talk about the education revolution and we come up with these lovely words, but it just does not add up. That is our concern.

**Mr Crouch**—I come from a relatively disadvantaged background. In modern terms we were pretty poor. I would not have been going to university if it was not for the Tertiary Education Assistance Scheme. I had an older sister who was at university. I got the Tertiary Education Assistance Scheme money and I went home and picked fruit from the day uni finished to the day it went back, and that was the combination I got through on.

**Senator ADAMS**—This is where the problem has arisen now with the new rule of 30 hours a week. There is no flexibility. It does not take harvest, planting, pruning or whatever you are doing into consideration. You cannot do that—it has to be 30 hours a week. In your situation and in a lot of small rural towns in Western Australia, with forestry collapsing and all the other things that have happened, there just are not the jobs, so they have to relocate to earn the money to be able to relocate again. It is just so difficult.

**Mr Dimou**—There are jobs, but they are few and far between. They are like hen's teeth and not everyone can access them. We are trying to find employment to supplement. That is the hard thing to do in the rural sector, which in a sense we cannot comprehend.

**Mr Crouch**—And a lot of people at the present time are trying to get some off-farm income, and they are in competition with school leavers for those jobs.

**Senator ADAMS**—In Western Australia there are so many farmers working in the mines on a fly in fly out basis and the wife is staying at home and dealing with that. The other problem that has come out is the two-year gap for school leavers. These young people get a job in the mines and are earning huge money, and they can also earn a lot of money at the abattoirs. Will they go back and study?

**Mr Dimou**—It is as you mentioned. I suppose it is harsh to say but sometimes we are trying to live our own dreams through our children. I was not given the opportunity to go on to further education. I do not want to nip it in the bud for my own three. I feel they are capable to go on and prosper in their chosen fields. I know where the senator is coming from on the youth allowance, whether it is welfare or something else. It does not matter which bucket the money comes out of. It is still taxpayers' money. It is how it is presented to those who really do need it to further their educational careers.

There are some who do rot the system. It was interesting when I first went with my wife to Centrelink—disown your child, independence, low income. You get all these options, but to access them you have to work within those parameters. But they are the stumbling blocks, in a sense. The point of the matter is that you want your child to be educated.

**Senator ADAMS**—How do Indigenous students at your school get on? Do you have many who go on to tertiary education?



**Mr Crouch**—No, we do not. Our numbers are similar to Loxton and Mount Gambier over a long period of time. We have had several Indigenous kids come to private schools in town on scholarship schemes, and that has been relatively successful. It has also been fully funded so the financial barrier has been removed for those kids.

**Senator ADAMS**—How many Indigenous students do you have?

**Mr Crouch**—About 30. I do not think I would be saying anything that has not been said a lot of times before but the state of Indigenous education—I want to rephrase that because it is not Indigenous education. Education is one of a complex of areas of Indigenous life that is difficult.

**Senator ADAMS**—It was just to get an idea. We are looking at where Renmark is and not knowing whether there are many Indigenous communities around where you are. That is another issue. What you have come up with is exactly the evidence we have been getting. The further around we go the more and more it is clear that these are the problems.

**CHAIR**—We are about halfway across the country now.

**Senator ADAMS**—It is becoming very clear.

**Mr Crouch**—I think the fact that this inquiry has been convened has given hope to people in the country.

**CHAIR**—It really is an equity issue. I think Senator O'Brien raised the issue of the difference. What I have been getting at in relation to the welfare issue and the youth allowance—and it may well be the way to do it—is that a welfare mechanism might not be the best way to address equity for rural and regional students and those extra costs. It might be that a completely separate bucket of money or some other measure needs to be looked at as being worth while.

Would you have a think about an issue for me? You can take the question on notice and come back to the committee. I know that in South Australia there is a different geographical mix. As somebody said today, it is similar to Western Australia. Victoria and New South Wales are different in that they do have large regional universities. Would you give some thought to those students who would have to move from a metropolitan area to a regional area, or indeed from one regional area to another regional area? How could we encompass options for them under the same sort of banner we are talking about for students who move from rural areas to the city? I do not want to miss students who have to relocate and will end up with the same barriers but who might not necessarily be rural to start with. I am not sure whether that is possible. You do not have to worry about answering the question now, but would you give it some thought? It is the same principle but addressing a different locality arrangement.

**Mr Crouch**—Could I just make a naive response, because it is not considered.

**CHAIR**—Sure.

**Mr Crouch**—I think that question comes down to these things. Is that service available in the locality in which they live and are they relocating by choice or is it a forced choice, in effect?

**CHAIR**—That is a good point. That is a very good point.

**Mr Crouch**—For country kids, it is a forced choice. The other point I would make is this. There is a rural medical school in Renmark. It is operated by Flinders University and it trains nurses and doctors. The nursing program is accessed by quite a few locals. I would like to make the point that some of those people will be successful in that program, where they would not be successful if they had to relocate to Adelaide. That is the first point. The second one is this. The people who are involved in the doctor education programs are not local people. I think there is one from the Riverland and there are I think six in the program. The other five have come from outside the district. The point you are making is a good one. If they were from Adelaide, had been accepted into medicine at Adelaide uni and chose to come to Renmark then they probably should not have been funded. I sort of gather, though, that they did not get offered a place in medicine at Adelaide uni.

**CHAIR**—No.

**Senator ADAMS**—So that has filled a gap for them.

**Mr Crouch**—It has. They are in exactly the same situation.

**Senator ADAMS**—Therefore, in the end, those people are going to be very valuable in the community. Probably, having done their training at Renmark, they are more likely to stay in the rural area rather than go back to the city.

**CHAIR**—It is a very good mechanism.

**Mr Dimou**—Can I just add this. I mentioned before that my first child, my daughter, is studying here at university. If you posed the question to her, ‘Would you come back to the country?’ she would not have a bar of it. She does not have a love-hate relationship with the country. It is just that, having experienced the different lifestyle and having gone to the bright lights—like the flies hanging around the you-know—it poses other scenarios. In Dave’s profession, as a teacher, there were incentives offered to relocate. There were incentives and there was extra pay and so forth to bring people out to country zones or country locations. Now we are working the other way. You can see it within our council district: there is a brain drain. There are people who are leaving because that is the way it is. It is financially unviable and they have no options. Options are dwindling. If you can use technology and so forth, it is great. Technology will improve all the time. Years ago, we used to get out in 40-degree heat and pick grapes. Now we sit and watch television and the machine goes up and down and picks grapes. Modern technology is great, but it is not the be-all and end-all.

**CHAIR**—That is very true. That leads me to the issue of regional universities. Maybe the committee needs to consider what sorts of incentives need to be in place—in a different, separate bucket entirely—to encourage students to go to regional universities for precisely those reasons, that there can be sustainable regional communities and that that contributes to the local town.

**Mr Dimou**—Like I said, in my other hat I serve on the local council. Previous councils have doorknocked on all these universities and tried to attract them and set up campuses in regional areas. But when all of the cost factors are taken into account you are not going to go into a

region—like Dave mentioned before—where the population does not warrant it. You are not going to build a million-dollar facility to put two students through a course.

**Mr Crouch**—I think there is some interesting information to be had about the relative costs of educating somebody in a rural university as compared to a metropolitan university, especially when you compare that with what the current payments are under the Youth Allowance. It is probably cheaper for the government to relocate the student than to relocate the course.

**CHAIR**—True. Do you think it would be worth the committee giving some consideration to how there could be greater incentives for students to go to the existing regional universities and campuses? To then address the economies of scale, the more students we get out there the more economies of scale they are going to have in the region. Maybe we need to look at what incentives are in place and how we could perhaps do those better.

**Mr Crouch**—With degrees of specialisation so that this course is only offered at this university and not—

**Senator ADAMS**—Then you have to attract the right people to actually come and deliver the course, which is very important.

**Mr Dimou**—You only have to look at the medical campus at Renmark. There is talk that because of the numbers—and the numbers are going through the roof—they are thinking of expanding. Thinking is one thing and doing is another thing, but at least you are thinking and something might come of it. Like you said yourself, the way to go is to have regional areas specialising in certain fields.

**CHAIR**—Any more questions, Senators?

**Senator ADAMS**—No, I think we have—

**Mr Dimou**—A long day?

**Senator ADAMS**—It is just that what you have said is exactly the evidence that we had from other witnesses as well, so it really just makes it a lot stronger.

**Mr Dimou**—I have a question to you. Do you get the same sorts of responses—have they been on a par? We heard your previous witnesses. Is the evidence along similar lines and everyone has the same concerns?

**Senator ADAMS**—In Western Australia it is definitely very much the same.

**CHAIR**—Yes, very similar. We have heard from universities, TAFEs, students themselves, parent bodies, people out in the communities—we have seen a range of all of those in each of the places we have been—and the themes are very consistent from each of those groups.

**Mr Crouch**—I must admit that at first we were running around like headless chooks trying to figure out avenues of attack so as to be able to put a case forward. We did get together at one stage with Loxton and so forth because it is our children that we are talking about here—that is

what all our concerns are about. It is interesting that a month or so ago I spent three lovely days in Canberra in the Local Government Association forum and I was doing beelines for senators and politicians—and I mustn't be quick on my feet because, I tell you what, I was darting! But it is good to be able to come and air our concerns. It is a major issue for us with our kids' interests at heart. Again, I agree with Senator Kerry O'Brien: the issues are all similar but it is about how we address them and from what bucket we are going to take to be able to support the worthy cases. There is a lot of waste, as we know, in a lot of government departments. This is about being able to support a decent and a rightful cause. And can I say as a parent and as someone representing a high school too, our concerns are major.

**CHAIR**—True. We are all parents. I have two boys, 16 and 14, so I have all this to look forward to. Do you have any final comments before we finish up?

**Mr Crouch**—I guess I will re-emphasise the point. Somebody said to me once that the best investment you can make is in your own education. I would have thought that applies to whole of government as well. And I think an investment in education is going to be repaid through tax revenue many times over, because you are increasing the earning potential of the people we are talking about here. So I think it is short-sighted of government not to be providing the opportunity for every person to take that up if they want to.

**Senator ADAMS**—If you do not educate your children they are not going to be able to make their way in life, so I think it is the biggest gift you could possibly give as a parent.

**Senator O'BRIEN**—From the government's point of view, it is about directing the resources in the best possible way and taking them away from people who need them less. That is the philosophy behind the change. I understand where you are coming from but, if you look at the overall package, the departmental view is that there will actually be 100,000 more people who will get a benefit as distinct from about 25,000 who miss out. Those are the numbers that they have come up with. We have not heard from the department directly yet, but those are the figures I have seen.

**CHAIR**—One of the useful things about doing this inquiry is to look at all of that sort of stuff. As you said, we have not had the department in yet; we did during the estimates process. I am just trying to highlight the fact that sometimes the department needs to work a bit more closely with the people on the ground that their decisions affect. When they were asked the question about children that were forced to leave home, they did not understand the meaning of 'forced to leave home'. They did not see how a child could be forced to leave home, but of course we know they are if the educational opportunities are not there at home. So it is just that mentality thing—trying to get an understanding of the impact of some of the decisions. We will certainly be exploring all of that with the department. Was there anything further than you wanted to say?

**Mr Dimou**—I would just like to thank you for hearing us out. It was worthwhile coming down on a three-hour drive—we are not out in the back sticks but lucky for GPS! It is greatly appreciated being heard. As I said, my other hat is being on the council. There are a lot of gatherings where one is heard and a lot of talkfests on a lot of things, and it is not that everything that comes out of them is then done; but at least at the end of the day, as they say, once the decision is made everyone can sit comfortably with it. As you said, there is a bucket of money

and it gets spent well and appropriately rather than helter-skelter, with the ones who really need it missing out and the ones who are on for the ride having a bit of a laugh at the end of the day.

**Senator O'BRIEN**—And with this talkfest you are on the record.

**CHAIR**—Yes. Thank you again, gentlemen, for being with us today. You can drive home knowing it was very worthwhile indeed. That concludes today's hearing. Thank you to all the witnesses who appeared today.

**Committee adjourned at 4.01 pm**