

Isolated Children's Parents' Association of Australia Inc.

"Access to Education"



Submission

to the

Review of Australia's Higher Education System

from the

Federal Council

of the

Isolated Children's Parents' Association of Australia Inc.

ICPA (Aust)

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The Isolated Children's Parents' Association of Australia, (ICPA Aust) welcomes the opportunity to contribute to the Review of Australia's Higher Education System and to highlight the key issues and challenges raised by ICPA members concerning access to tertiary and training education for rural and remote students. ICPA (Aust)'s recommendations for consideration will assist to ensure equity of education for rural and remote students accessing a tertiary education.

ICPA (Aust) is a voluntary, grassroots, not-for-profit, apolitical, national parent organisation, which advocates on behalf of members for equity of access to an appropriate, consistent and high-quality education for all geographically isolated children and students, from early childhood through to tertiary and the provision of services required to achieve this. The majority of member families of the Association reside in geographically isolated areas of Australia. They often live great distances from their nearest education institution and from services required to support the education of their children.

SUMMARY

Engaging in tertiary education at an institution of their choice, should be an option for all young Australian students who have the ability, ambition, motivation and desire to fulfil their goals regardless of their socio-economic status or geographic location. The ability to access tertiary education is one of the key considerations in determining whether a student can take up this option. Currently the aspirations of rural and remote young people are being driven and dictated by their ability to access financial support to assist with relocation and living costs while they study. Tertiary students whose family home is in rural and remote Australia, live great distances from their nearest tertiary institution. ICPA (Aust) seeks to ensure that students from rural and remote areas have access to tertiary education options which will enable them to pursue the career path of their choice.

Rural and remote students continue to be under-represented at tertiary level and have lower participation and completion rates compared to their metropolitan counterparts. Tertiary students and their families from geographically isolated locations face unique disadvantages, challenges and barriers to accessing a tertiary education including costs of relocation, tuition and living expenses, socio-economic status, distance from tertiary education institutions and preparedness. Appropriate financial assistance to relocate and live away from home is imperative to increase the engagement of rural and remote students at tertiary level.

Our members strongly voice their concerns through motions to our annual Federal Conferences, that it is the high cost of accessing a higher education and the lack of adequate financial means to fund the access that has the greatest impact student's ability to attend university. These student's frequently must relocate from their homes and their families in order to access most tertiary institutions which involves substantial upfront costs often beyond the financial means of students and their families.

High up-front costs, along with on-going costs of relocating, securing accommodation, fuel for travel to access their place of study, amplified by the rising costs of basic living commodities away from home, all impact on rural and remote student access. Some of these costs are borne not only in the first year of a student's course but are recurrent over the duration of their higher education. Students have quoted up to \$12,000 in relocation and set-up costs including rent, bond, electricity, phone, internet and fuel. The rising costs of these essential expenses has only exacerbated these financial pressures.

Many rural families, who carry most of the financial responsibility of supporting their children's educational expenses often must bear the cost of children studying at university level while simultaneously paying boarding school fees for their younger siblings.

ICPA (Aust) acknowledges and appreciates the initiatives and changes that have been introduced in recent years to assist and increase participation in higher education for rural and remote students including:

- The Tertiary Access Payment (TAP)
- The reduction of the waiting period of Fares Allowance for Youth Allowance (YA) from 6 to 3 months before the first claim can be made after first starting Youth Allowance allowing eligible students to access a return trip home from their place of study in their mid-year break
- The Rural and Regional Enterprise Scholarships
- The Regional University Centres
- The Increase to the independent YA parental income limit from \$150,000 to \$160,000 plus \$10,000 for each eligible sibling and the ability of applicants to choose from one of three years of their parent's income
- The reduction of time, 18 months to 14 months rural and remote students need to be employed under the self-supporting criteria to qualify for independent Youth Allowance
- Removal of the Family Assets Test, the Family Actual Means Test and the inclusion of the Family Pool Arrangement.

These measures have had a very positive impact for eligible rural and remote students.

However, ICPA (Aust) believes that the following issues must be addressed to ensure equity of access to a tertiary education, improve the educational outcomes and participation rates of rural and remote students and to ensure rural and remote tertiary students have access to a high-quality tertiary education commensurate to their needs and aspirations.

ICPA (AUST)'S RECOMMENDATIONS

- 1. Students isolated from tertiary education due to location, must be recognised as a separate disadvantage group when being assessed for support mechanisms such as Youth Allowance to address the distinctly unique circumstances and requirements of rural and remote students.***
- 2. Enhancements to the Tertiary Access Payment to ensure it meets the needs of rural and remote students who need to relocate to access tertiary study.***
- 3. Support payments and adjunct payments must be appropriate and commensurate with the costs incurred by rural and remote students who have to live away from the family home to access a tertiary education.***
- 4. The current parental income limit for dependent Youth Allowance be significantly increased to be more reflective of the actual cost of supporting a dependent student at a tertiary level.***
- 5. The Parental Income Test be removed from the eligibility criteria for rural and remote students qualifying for Youth Allowance as an independent under the workforce participation criteria.***
- 6. Changes be made to the Youth Allowance qualifying criteria for rural and remote students who must relocate to study so that, on course commencement, they are considered independent for Youth Allowance purposes (where students are ineligible for dependent Youth Allowance).***
- 7. The Liquid Assets Waiting Period be removed for rural and remote students who have fulfilled the self-supporting criteria for Youth Allowance as an independent and who have to relocate from the family home to access tertiary education.***
- 8. The criteria for the Relocation Scholarship be extended for those rural and remote students who must relocate and live away from home to access a tertiary education and not be contingent on the receipt of dependent Youth Allowance.***
- 9. Rent Assistance be substantially increased for rural and remote students receiving Youth Allowance to more closely reflect the real cost of living for this cohort and the actual rental market.***

10. *Additional assistance to supplement student travel costs and accommodation to attend course practicums.*
11. *The continuation of these scholarships or similar program to improve access to educational opportunities for rural and remote students.*
12. *Information on tertiary courses, admission requirements and processes must be readily available, accessible and comprehensive.*
13. *Regional University Centres continue to be available for rural and remote students as an option for access to tertiary education.*
14. *Online learning continues to remain an option for rural and remote students and internet services are reliable, effective and efficient to support this mode of delivery.*
15. *All the recommendations from the Napthine Review are implemented.*
16. *Apprentices and VET students*
 - a. *Urgent consideration be given for an increase in the Living Away From Home Allowance (LAFHA) for Australian Apprentices from rural and remote areas to reflect their actual cost of living expenses*
 - b. *Financial assistance with relocation for short-term mandatory skills assessments, practicums and work placements within approved courses*
 - c. *Strategically placed regional hubs for online learning/support to counteract issues with online access in many rural and remote areas*
 - d. *Access to the Regional University Centres for VET students*
 - e. *Access to the Relocation Scholarship for VET students studying approved courses*
 - f. *Financial assistance incentives to attract suitable, qualified staff to rural and remote areas enabling students to engage with educators with skills relevant to courses studied.*

TERMS OF REFERENCE

ICPA (Aust)'s submission will address the Terms of Reference, focussing on a rural and remote perspective:

- Access and opportunity
- Investment and affordability
- Governance, accountability and community
- The connection between the vocational education and training and higher education systems
- Quality and sustainability

RURAL AND REMOTE STUDENT IDENTIFIED AS A SEPARATE DISADVANTAGE GROUP

RECOMMENDATION: Students isolated from tertiary education due to location, must be recognised as a separate disadvantage group when being assessed for support mechanisms such as Youth Allowance to address the distinctly unique circumstances and requirements of rural and remote students.

It is essential that rural and remote students are recognised as a separate and unique disadvantage group in any discussions and review of the higher education system so that assistance and support is provided

that enhances their access to tertiary education and addresses the unique disadvantages this cohort face.

TERTIARY ACCESS PAYMENT (TAP)

RECOMMENDATION: Enhancements to the Tertiary Access Payment to ensure it meets the needs of rural and remote students who need to relocate to access tertiary study.

ICPA (Aust) is appreciative of the Tertiary Access Payment (TAP) which commenced in 2021. It is pleasing that eligibility is not contingent on receiving Youth Allowance or ABSTUDY and recipients can still be eligible for the Relocation Scholarship if they qualify for the dependent Youth Allowance. Furthermore, ICPA (Aust) welcomed the criteria changes which commenced in 2022; namely

- the extension of eligibility criteria to include eligible inner regional students
- the application process for all TAP applicants to be administered solely through Services Australia and
- the addition of eligible students from outer regional, remote and very remote areas continuing to receive up to \$5,000 and students from inner regional areas receiving \$3,000.

ICPA (Aust) will continue to advocate for an enhanced version of the Tertiary Access Payment for rural and remote students irrespective of eligibility for Youth Allowance. ICPA (Aust) proposes that the Tertiary Access Payment should align with the Relocation Scholarship payments, which would benefit Youth Allowance students qualifying as an independent as well as students who are not eligible for Youth Allowance at all.

Further ICPA (Aust) recommends that the provision of this allowance should:

- Be an annual payment for the duration of the student's full-time course
- Be available to all rural and remote students including those who have taken a gap year
- Be equivalent to the Relocation Scholarship (2023 - \$5,080 in the first year, \$2,541 in the second and third years and \$1,269 in the fourth or subsequent years)
- Not be classed as income and hence not jeopardise the student's eligibility for existing support payments such as Youth Allowance
- Be a non-means tested allowance.

This would address the continued disparity in the level of financial support provided to assist with relocation costs for rural and remote students who have qualified for independent Youth Allowance or are ineligible for Youth Allowance compared to dependent Youth Allowance recipients.

YOUTH ALLOWANCE FOR TERTIARY STUDENTS

RECOMMENDATION: Support payments and adjunct payments must be appropriate and commensurate with the costs incurred by rural and remote students who have to live away from the family home to access a tertiary education.

Changes to the criteria of Youth Allowance would enable a larger number of geographically isolated students the option to take up tertiary studies the year after finishing school and reduce the risk of them not returning to study after deferring.

Students who must relocate from rural and remote areas to larger centres to access tertiary education must have a predictable, straightforward pathway to financial assistance. Qualifying criteria for Youth Allowance should recognise that for these students, there are significant limitations on their ability to work due to study load. Semester breaks and returning home do not always allow for increased employment

opportunities due to relatively short working periods provided by semester breaks, isolation and small towns often presenting few work opportunities.

DEPENDENT YOUTH ALLOWANCE PARENTAL INCOME LIMIT

RECOMMENDATION: *The current parental income limit for dependent Youth Allowance be significantly increased to be more reflective of the actual cost of supporting a dependent student at a tertiary level.*

While ICPA (Aust) welcomed the changes to dependent Youth Allowance eligibility criteria (removal of the Family Assets Test and the Family Actual Means Test and the changes to the Family Pool), the current combined parental income limit (2023 - \$58,108 to receive the full Youth Allowance payment if only one child in the family pool) is extremely low. The cost of relocation and the ongoing costs for supporting a tertiary student for the duration of their tertiary course is beyond the means of many rural and remote families, particularly if they are also supporting other full-time student family members either at boarding school or studying at a tertiary level.

Under the current system, very few rural and remote students are able to access dependent Youth Allowance due to the low parental income limit.

With rural incomes being sporadic, particularly in the current rural economic climate with rural industry downturn, commodity prices, unpredictable weather; drought, floods and bushfires and other rural hardships, many rural incomes are not reflective of a family's ability to support their children through a tertiary education. For example, commodity prices and forced sale of stock due to drought can exaggerate incomes in one given year and this may not be reflective of income in the future for rural families and businesses struggling to recover from these rural hardships. Often this income may need to carry a rural family through several years when times are difficult and no further income is received. These impacts are entirely uncontrollable and the impact on family income and expenditure and financial implications can last for years.

INDEPENDENT YOUTH ALLOWANCE PARENTAL INCOME LIMIT

RECOMMENDATION: *The Parental Income Test be removed from the eligibility criteria for rural and remote students qualifying for Youth Allowance as an independent under the workforce participation criteria.*

ICPA (Aust) has welcomed the increase to the parental income cut-off limit from \$150,000 to \$160,000, the family pool arrangements of \$10,000 for each additional dependent child in the family, along with the option to select one of three financial years to use to calculate parental income for those rural and remote students who are applying for independent Youth Allowance under the part-time work or earnings criteria. When students apply for Youth Allowance as an independent, parental income is still assessed despite these students having proven their independence by working for 14 months and earning the required amount. However, if rural and remote students are assessed as independent for the purpose of receiving Youth Allowance, ICPA (Aust) believes their parental income should not be considered. Students who must relocate to access a tertiary education should be able to access income support in their own right and thus be considered independent of their parents for the purpose of accessing financial assistance once they commence their tertiary studies.

As mentioned above, rural incomes can be unpredictable particularly in the current rural economic climate and many rural incomes are not reflective of a family's ability to support their children through a tertiary education. The parental income limit does not recognise that the student has proved their independence

from their parents, nor that some families are also paying for the access to education of other siblings at school or tertiary level.

INDEPENDENT YOUTH ALLOWANCE ELIGIBILITY CRITERIA

RECOMMENDATION: *Changes be made to the Youth Allowance qualifying criteria for rural and remote students who must relocate to study so that, on course commencement, they are considered independent for Youth Allowance purposes (where students are ineligible for dependent Youth Allowance).*

Students from rural and remote Australia who often have no choice but to relocate to access a tertiary education, are independent of their families by virtue of the fact that they must live away from the family home and therefore should be considered for eligibility for Youth Allowance as an independent. Many students who are ineligible for dependent Youth Allowance are unable to defer their chosen course until they can qualify for independent Youth Allowance as some courses cannot be deferred. Academically, some students are also better suited to maintaining continuity of academic application and moving directly from secondary school to tertiary study.

For many students who are ineligible for dependent Youth Allowance there is no other source of Government fiscal assistance available, resulting in a cohort of geographically isolated students severely disadvantaged while attempting to undertake tertiary studies.

The implementation of the '*National Regional, Rural and Remote Education Strategy - Final Report's Recommendation two: Improve access to financial support, to support greater fairness and more equal opportunity by allowing greater flexibility in pathways to qualify for independent Youth Allowance*' would also assist in greater access to Youth Allowance for rural and remote tertiary students. The actions include that:

- Rural and remote students who successfully undertake their first year of study externally including at a Regional University Centre can access independent Youth Allowance/ABSTUDY if they relocate to continue their study in the second year
- The reduction of earning requirements under the Concessional Workforce test for independent Youth Allowance and review of the changes to the parental means test.

The high living costs for students who must live away from home to access an appropriate tertiary course is a significant deterrent and these students must be able to access income support in their own right once they have enrolled in their tertiary course.

LIQUID ASSETS WAITING PERIOD

RECOMMENDATION: *The Liquid Assets Waiting Period be removed for rural and remote students who have fulfilled the self-supporting criteria for Youth Allowance as an independent and who have to relocate from the family home to access tertiary education.*

Rural and remote students who have proven their independence through part-time work or earnings and have been assessed as eligible for Youth Allowance as an independent, require saved income to fund the relocation and ongoing costs of living and attending university. The liquid assets limit is unrealistic for these students. In order to commence Youth Allowance without fulfilling the liquid assets waiting period, prospective single students can only have \$5,500 in their bank account. This is an impractical amount to cover their relocation, living and educational expenses. If they qualify for independent Youth Allowance

they also receive no assistance to relocate. These students are penalised for having saved these funds when the Liquid Assets Waiting Period is applied. This is significantly impacting on rural and remote student ability to meet these high up-front set up relocation costs and ongoing living costs.

RELOCATION SCHOLARSHIPS

RECOMMENDATION: *The criteria for the Relocation Scholarship be extended for those rural and remote students who must relocate and live away from home to access a tertiary education and not be contingent on the receipt of dependent Youth Allowance.*

The introduction of the Relocation Scholarship was an acknowledgement by the Federal Government that students who need to relocate to larger centres to access higher education face much higher costs than those who can reside in the family home. However, currently the Relocation Scholarship is only available for recipients of dependent Youth Allowance and therefore does not adequately recognise the additional costs incurred by all rural and remote students who have to relocate each year to access higher education. Rural and remote students who receive independent Youth Allowance or are not eligible for Youth Allowance at all, still incur high costs to relocate. The high up-front costs associated with relocation: travel, securing accommodation set-up costs (rental housing bond, electricity connection or residential college fees), ongoing living expenses and communication (telephone, internet) along with the rising costs of basic living commodities, are identical to those eligible for dependent Youth Allowance and impact all rural and remote students' access to a tertiary education. Many of these costs are borne not only in the first year of a student's course but are recurrent over the duration of tertiary education.

It is also important to note that the Tertiary Access Payment (TAP) only assists rural and remote students with relocation costs in their first year of tertiary study and only for those students who embark on study immediately after completing year 12.

Extending the Relocation Scholarship to all rural and remote students who must relocate the family home to access higher education, along with aligning the TAP with the Relocation Scholarship would acknowledge that all rural and remote students endure significant relocation costs over the duration of their tertiary education.

RENT ASSISTANCE

RECOMMENDATION: *Rent Assistance be substantially increased for rural and remote students receiving Youth Allowance to more closely reflect the real cost of living for this cohort and the actual rental market.*

The rental market is extremely competitive and accommodation costs are rising exponentially. Rent Assistance has not kept pace with the increases in rental costs and does not reflect the real living costs for students who must live away from home to access a tertiary education. Students from these areas experience differing circumstances to many students residing in urban areas where living in the family home can be an option. ICPA (Aust) believes rural and remote students should be recognised as a separate disadvantage group for rental assistance. Affordable rent is paramount to these students' retention and success at tertiary level and ongoing financial support is critical.

COURSE PRACTICUMS

RECOMMENDATION: *Additional assistance to supplement student travel costs and accommodation to attend course practicums.*

Students who are required to attend practicums out in the field as part of their course of study often experience significant financial hardship, especially when undertaken in different locations to where they reside for university. These practicums often occur over an extended period of time and students may have to give up part-time jobs to participate whilst still needing to pay their regular rent on accommodation when away on practicum, combined with paying practicum location accommodation, living and travel costs. For rural and remote communities, it is valuable for students to be able to participate in practicums within these communities as an aid to potential future employment in these areas.

ICPA (Aust) believes additional assistance should be provided to these students for travel and accommodation expenses incurred while accessing practicums.

Adequate academic, emotional and other supports are also essential to ensure that when students are undertaking these practicums they have quality experiences, especially when these may be completed in locations where their families and other acquaintances are not present. Doing so may incentivise not only rural and remote students, but others, to undertake practicums in rural and remote communities, which potentially may see these skilled students returning to a rural and remote community once they complete their degree.

RURAL AND REGIONAL ENTERPRISE SCHOLARSHIPS (RRES) PROGRAM

RECOMMENDATION: The continuation of these scholarships or similar program to improve access to educational opportunities for rural and remote students.

ICPA (Aust) was very grateful for the RRES program that supported undergraduate, postgraduate and higher-level vocational education and training students in rural and remote areas with the costs of studying at university or a vocational education and training institution. Unfortunately the program closed in 2022.

TRANSITIONING TO TERTIARY EDUCATION

RECOMMENDATION: Information on tertiary courses, admission requirements and processes must be readily available, accessible and comprehensive.

Access to information and support for post-secondary career pathways is critical for all young Australians regardless of geographic location. It is imperative that rural and remote students are equipped to make informed decisions about course availability and delivery options, entry requirements, application processes, course costs, accommodation options, campus facilities. For many students living in rural and remote areas, support is often not readily available and difficult to access due to the remoteness of where these students live. This can be detrimental to their ability to reach their future aspirations.

It is important that information and support can be delivered through multiple modes of communication to cater for rural and remote students. This can be phone, online, face-to-face or through school teachers and/or career advisers. This information needs to be accessible to both parents and students to facilitate parents to assist their children with both understanding the information and decision making. Some rural and remote students study through distance education and many secondary students are at boarding school where parents are not physically interacting with them on a daily basis. It is therefore imperative that adequate support is given to these students by schools and other personnel to assist them in planning for their post-secondary education.

ICPA (Aust) also believes that it is essential that rural and remote students and their families are well-informed of options available to them, such as specific allowances and remoteness considerations, to assist

them in achieving their aspirations. There should also be advice made available for how to access or acquire these. Rural and remote students, who study via distance education, in small rural schools or at boarding schools, face unique challenges and barriers both during their schooling and to access a tertiary education and it is imperative that they are aware of the various assistance and concessions they may be eligible for, to ensure they are given every opportunity to achieve their goals.

Furthermore, many rural and remote students cannot attend open days in person and poor internet capacity can limit their options for virtual tours and web conferencing to gain course information or assistance with applications.

A national approach to managing applications across borders would simplify students' applications to their chosen tertiary institution, especially if applying interstate. Many rural and remote students, by nature of where they live, do not necessarily study at an institution in their home State. For States and Territories such as Tasmania and Northern Territory, that do not offer certain courses, for example Veterinary Science, students would benefit from a national approach.

ICPA (Aust) is appreciative of the www.courseseeker.edu.au website devised for tertiary information. It could be a basis for a single online careers pathway information platform and provide a comparison website with information including providers, job availability, prerequisites, costs and government support. It could also house tools to assist with career pathway decision-making and identification of individual career options tailored to interests and abilities. It is important that all career pathways are encouraged as acceptable and valued career paths.

REGIONAL UNIVERSITY CENTRE (RUC)

RECOMMENDATION: *Regional University Centres continue to be available for rural and remote students as an option for access to tertiary education.*

ICPA (Aust) welcomes the implementation of the Regional University Centres and the provision of greater access to study support and infrastructure to higher education for rural and remote Australia which address the lower participation rates of rural and remote students in higher education. For those rural and remote students who choose not to relocate vast distances from their family home to access tertiary education, the RUCs are a valuable alternative. They provide tertiary students in rural and remote locations campus-like facilities and support including study spaces, break out areas, video conferencing, computer facilities, high-speed internet access, administrative and academic support and pastoral care. This allows students to remain in their local community and study online.

The benefits for rural and remote students utilising RUCs include affordability, choice, ease of access, peer and supervisor support, reliable and affordable internet services, the ability to better balance work and family demands and remain in their local community. The RUCs should be seen as a supplement to higher education provided in larger centres or as one of a number of choices for rural and remote students to access higher education.

Regional University Centres can also provide local businesses offering apprenticeships assistance with the theory component of a course. These businesses could also offer a wealth of skills and expertise to the University Centres that could be utilised.

It must be remembered that most students who live in rural and remote areas would still be required to relocate considerable distances even if they chose to study at a RUC or Regional University. The availability of a RUC closer to their home (though still possibly hundreds of kilometres away) may encourage other geographically isolated students to access a tertiary education who would not otherwise do so.

ONLINE TERTIARY EDUCATION

RECOMMENDATION: *Online learning continues to remain an option for rural and remote students and internet services are reliable, effective and efficient to support this mode of delivery.*

The opportunity to partake in face-to-face campus, social, sporting, cultural and academic life is seen by many students as a vital component of tertiary studies. Contact with both academics and peers is a critical element of both relationship building, gaining communication skills and personal development. These factors can be even more important when considering rural and remote students who may have spent their entire formal education in a small rural school or distance education classroom. Further studying online is reliant on efficient, effective and affordable internet services which are not always available to rural and remote students.

However, for some school leavers, studying online from home or at a RUC has benefits, such as affordability, choice and ease of access due to flexibility in course delivery options.

It is critically important that online learning remains as an option for rural and remote students and not a replacement for face-to-face, on-campus learning. ICPA (Aust) supports the expansion of RUC to assist in online learning.

ICPA (Aust) appreciates that the ability for current tertiary students to study online has become far more accessible. With an improved user experience, due to the advent of new and expanded communications initiatives, including the expansion of nbn Sky Muster Plus, whereby data usage is not measured at all between midnight and 4pm and the metered period only includes for VPN and streaming. Without reliable and affordable internet services, studying online can be frustrating, costly and extremely time consuming as well as a deterrent to study and poor communication services can greatly impact on students' educational outcomes. It is imperative however that improvements continue as demand increases and that online tertiary education is factored as a priority area to be considered when enhancements are made to communications services in rural and remote locations.

REGIONAL EDUCATION COMMISSIONER

RECOMMENDATION: *All the recommendations from the Napthine Review are implemented.*

ICPA (Aust) has welcomed the appointment of a Regional Education Commissioner and looks forward to continuing to work with the Commissioner to address the complex factors driving the disparity in rural and remote education outcomes including higher education (university and Vocational Education and Training -VET).

The implementation of all recommendations from the Napthine Review would see important measures introduced for rural and remote students including:

- A Review of the current Government income support policies and arrangements for students that relocate from the family home to access further study or training and improvement of income support information
- The provision of greater flexibility in pathways to qualify for independent Youth Allowance
- Improvements to the quality and range of student support services including pastoral care, mentoring programs and academic support
- Improvement and support of high quality career information and advice
- The improved availability of and information on accommodation support for relocating tertiary and

training students

- Improved access to affordable, reliable, high speed internet services
- Improved access to high quality VET programs in rural and remote Australia
- Support for tertiary providers to implement tailored initiatives experiencing rural hardship.

VOCATIONAL EDUCATION AND TRAINING (VET) STUDENTS AND APPRENTICES

RECOMMENDATIONS:

- ***Urgent consideration be given for an increase in the Living Away From Home Allowance (LAFHA) for Australian Apprentices from rural and remote areas to reflect their actual cost of living expenses***
- ***Financial assistance with relocation for short-term mandatory skills assessments, practicums and work placements within approved courses***
- ***Strategically placed regional hubs for online learning/support to counteract issues with online access in many rural and remote areas***
- ***Access to the Regional University Centres for VET students***
- ***Access to the Relocation Scholarship for VET students studying approved courses***
- ***Financial assistance incentives to attract suitable, qualified staff to rural and remote areas enabling students to engage with educators with skills relevant to courses studied.***

Engaging in the Vocational Education and Training (VET) sector should be an option for all young Australians who have the ability and desire to succeed in an apprenticeship or training vocation, regardless of their socio-economic status or geographic location.

Rural and remote students who must move away from home to a larger centre to undertake an Australian Apprenticeship or study at TAFE or other Registered Training Organisation are faced with similar challenges in accessing financial assistance for relocation and eligibility for Youth Allowance as university students.

The Living Away from Home Allowance (LAFHA) for Australian Apprentices provides assistance for rental expenses for those who are ineligible for the dependent Youth Allowance. As the majority of apprentices do not qualify for dependent Youth Allowance due to receiving an income which is above the threshold, the LAFHA is often the only assistance they receive. It is also important to note that for those apprentices who do qualify for dependent Youth Allowance, they are not eligible for the Relocation Scholarship.

The Award Wage for Australian Apprentices, particularly for the first and second year, is extremely low and the assistance provided by the LAFHA does not reflect the real cost of living for these young people. Currently first year apprentices are eligible for \$77.17 per week, second year apprentices for \$38.59 per week and third year apprentice for \$25 per week. These figures are also not aligned with the Consumer Price Index (CPI). The gap between this allowance and the actual cost borne by rural and remote apprentices living away from home is substantial and greatly affects participation and completion rates for this cohort of young Australians.

Trade Support Loans are also not a viable option for many young apprentices who may be reluctant to enter into significant debt without the capacity to pay it back. Youth Allowance (YA) is accessible as long as it is a fulltime course and all other eligibility criteria are met.

Students who must move away from home to access a VET course through TAFE or other Registered Training Organisation, are faced with similar obstacles when accessing financial assistance. While the VET Student Loan is useful for paying the upfront course costs, it does not assist with living expenses or with the costs of accessing the courses delivery points. Recognition needs to be made that rural and remote students may need to relocate and source accommodation while attending training institutions away from home. Currently VET students are unable to access the Relocation Scholarship.

Access costs are typically a major deterrent to rural and remote students participating in the VET system at the same rate as their metropolitan peers who often can live at home while attending training colleges/centres, at much lower living costs than for rural and remote students who need to move away from home in order to participate in a training course.

Affordable access to training is vital to building sustainable rural and remote communities. Potentially, many VET students will return to rural areas post-training, bringing back skills to the community that help to strengthen their communities.

For Australian Apprentices and trainees accessing their pathways in a rural and remote location, it is proving difficult to undertake training blocks and course work placements and skills assessments due to the low income and the inability to meet accommodation, travel, living expenses and tuition as training institutions are often hundreds of kilometres away from the workplace. Consequently, the cost of travel and additional accommodation are a significant impost and often impossible to fund without outside help from employers or family.

CONCLUSION

ICPA (Aust) is pleased to have the opportunity to respond to the Review of Australia's Higher Education System and look forward to the positive outcomes for rural and remote students when accessing a tertiary or training education. Rural and remote students must be afforded the same choice as urban students to attend the university or training institution that delivers the course they have the ability, ambition, motivation and desire to pursue.

It is essential that young people from rural and remote areas are encouraged and supported in their pursuit of education and training as they are the future of a sustainable rural and remote Australia. The sustainability of rural and remote communities is in part reliant on the return of graduates to the communities with their skills.

ICPA (Aust) applauds the Federal Government's prioritisation of tertiary and training education and the current measures in place to ensure rural and remote students have access to an education that is affordable and accessible.

ICPA (Aust)'s recommendations will enable rural and remote tertiary and training students who have disproportionately lower participation rates when compared to metropolitan students, to have the financial assistance, support and services that will ensure equity of access to a tertiary or training pathway. ICPA (Aust) welcomes any initiatives focused on delivering better outcomes for rural and remote students which make a significant contribution to the affordability of a tertiary or training education for students in non- metropolitan Australia.

ICPA (Aust) is more than happy to provide additional information on any of the topics that have been raised and looks forward to the recommendations following this Review should it be required.