

Professor Kwong Lee Dow
Review of Student Income Support Reforms
Secretariat DEEWR
GPO Box 9880
Canberra ACT 2601
Email: rsisr@deewr.gov.au
05-05-11

Dear Professor Dow,

Re: Submission to the Review of Student Income Support Reforms

I write on behalf of the Sydney University Postgraduate Representative Association (SUPRA). SUPRA represents over 16,000 postgraduate students at the University.

I write to:

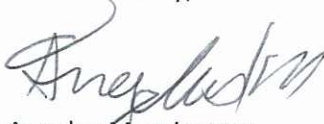
- firstly, express our appreciation of your approval of an extension to today for our submission to be received by the Review; and
- secondly, present our submission to the Review.

You would be aware that the postgraduate student body at any University in Australia consists of both coursework and research students. We have a commitment to broaden access to higher education, particularly postgraduate education whether coursework or research.

We have extensive experience providing specific advocacy and advice services for postgraduate students from student income support, to assessment and examination issues, to internal complaints, and for the many other issues which postgraduate students bring to our attention.

We draw to your attention the lack of experience within Centrelink of dealing with postgraduate students and we have recommended a structure that, if in force, will allow greater interaction for Centrelink with student organisations that are very experienced in understanding the needs and views of postgraduate students. We trust you will find our submission a productive contribution from one of the key stakeholders in the reforms – postgraduate students.

Yours sincerely,



Angelus Morningstar
President

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**Sydney University Postgraduate Representative Association
(SUPRA)**

Submission to:

**Review of Student Income
Support Reforms**

Presented by:

**Angelus Morningstar
President
SUPRA**

Prepared by:

**Margaret Kirkby
Senior Student Advice and Advocacy Officer
and Angelus Morningstar
President
SUPRA
May 2011**

Sydney University Postgraduate Representative Association (SUPRA)

Recommendations in submission to the Review of Student Income Support Reforms April 2011

Recommendation 1:

SUPRA recommends that the 2010 student income support reforms remain in place and that there be no reversal of any of the reforms.

Recommendation 2:

SUPRA recommends that an advertising campaign be undertaken by the federal government to promote public awareness of the student income support reforms and their implications for possible postgraduate study.

Recommendation 3:

SUPRA recommends that the Review seek from Centrelink a data analysis report capturing the number of postgraduate students who are receiving any Youth Allowance and/or Austudy for postgraduate studies with a view to obtaining a current picture of the extent of current postgraduate student income support and the demographics of those recipients.

Recommendation 4:

SUPRA recommends that the Start-up and Relocation Scholarships be available to postgraduate students as well as undergraduate students.

Recommendation 5:

SUPRA recommends that the Start-up and Relocation Scholarships be paid prior to the commencement of the semester and not 2-3 weeks into the semester.

Recommendation 6:

SUPRA recommends that provision be made for additional scholarships and/or start up scholarships tailored to assisting postgraduate students being able to meet the additional out-of-pocket costs associated with their studies and that these be well advertised to the public.

Recommendation 7:

SUPRA recommends that the rate of payment for YA/Austudy be increased to the rate of the Aged pension and that all payments and allowance be indexed quarterly.

Recommendation 8:

SUPRA recommends that all student income support reforms announced in 2010 remain in force and not be cut and that if there is a funding shortfall, that all remaining reforms be funded from general revenue, or, if required, from the Education Investment Fund.

Recommendation 9:

SUPRA recommends that each Centrelink office establish a YA/Austudy Reference Group made up of postgraduate and undergraduate student organization staff who provide casework advice to students; Centrelink staff who deal with YA/Austudy at the assessment and at the policy level; and University staff, where applicable, who deal with or assist students with inquiries regarding financial assistance. The role of such a Reference Group would be to:

- a) provide links between Centrelink staff who are making the decisions and the student organization staff and university staff who are assisting postgraduate students to ascertain their eligibility for YA/Austudy and any other Centrelink benefits related to study;
- b) enable Centrelink staff to provide early advice to student organization staff and University staff of impending changes in policy and/or processing protocols;

- c) enable student organization staff and University staff to advise Centrelink of identified problems in processing practices or in interpretation of the policy; and
- d) to allow a free and transparent flow of information between the public service and those in the higher education sector who are assisting students.

Sydney University Postgraduate Representative Association (SUPRA)

Background

Sydney University Postgraduate Representative Association (SUPRA) was established in 1974. The SUPRA Council is elected annually by postgraduate students at Sydney University, and represents over 16,000 postgraduate students (2010 data) undertaking a research or coursework higher degree.

SUPRA, as a student organization, has a sizeable membership base. Nationally, we have been a leader in recruiting student membership, with more than 6,000 students subscribing annually to the Association since the introduction of compulsory non-membership of student organisations (aka 'voluntary' student unionism).

We work to maintain regular contact with subscribers, via email and print, and we research and produce a range of publications and brochures on University issues such as academic appeals, progression rules, coursework-specific issues, research-specific student issues such as supervision and thesis writing and with other student issues such as childcare, discrimination, bullying and harassment.

SUPRA provides a professional advice and advocacy service for all postgraduate students. Given the extraordinary diversity of postgraduate students at this University and the variations in the mode of course delivery, SUPRA provides this advice and advocacy service via a range of mechanisms such as:

- individual appointments;
- a 'drop-in' service for two hours on each of 3 days out of the 5 day working week;
- online (email) inquiries for those students who are studying by distance education programmes and not able to come to the University or for those students who undertake a placement component for their course and are absent from the University for substantial periods of time or for those students who have other factors such as caring responsibilities which restrict their ability to come to University on days-outside-their-attendance-requirements; and
- outreach work to the campuses of the University (Conservatorium of Music, Sydney College of the Arts, Faculty of Health Sciences at Lidcombe, Nursing at Mallett St Camperdown, postgraduate common rooms at teaching hospitals).

SUPRA case-workers also provide policy advice, research, and support to the Council and President, and are therefore familiar with the latest research regarding postgraduate student experiences. SUPRA is thus able to offer a unique perspective on the experience of postgraduate students, both as a result of maintaining contact with constituents and as a result of its representative, policy and casework services.

We are very mindful of the fact that fellow postgraduate representative student organisations on other campuses have received cuts to their funding of greater depth than that which SUPRA has been subject to. Equally we are aware that those cuts to funding have limited the ability of postgraduate student organizations to prepare and submit submissions to such inquiries as this Review of Student Income Support Reforms. Thus, we consider that it is important for this Review to consider the **postgraduate view** of the Student Income Support Reforms made in 2010.

Our submission to the Review follows.

Introduction and Underlying Principles

Representatives from SUPRA attended the December 2010 Annual Council Meeting of the postgraduate peak body, Council of Australian Postgraduate Associations (CAPA). Postgraduate-representatives from across Australia engaged in lengthy discussion and concluded on the following

policy principles for higher education. As a member organization of CAPA, SUPRA endorses these principles:

- access to higher education in Australia is an inalienable right;
- a high level of participation in higher education is of both public and private benefit. Such benefits may include but are not restricted to better health outcomes, higher income levels, higher levels of interpersonal trust, and higher productivity levels across society;
- base public funding should at least match private contributions to higher education;
- every postgraduate course of study should include some publicly-funded places;
- the cost of postgraduate education should reflect the real cost of course delivery. The higher capacity to earn in some fields should be addressed through a taxation system rather than through higher course fees;
- when setting fees, the capacity to pay should be balanced against the societal and individual consequences of carriage of debt after graduation;
- direct fees are not the only cost of higher education incurred by graduate students. Private contributions may include but are not restricted to foregone income, personal research and education-related expenses not included in tuition fees, and childcare costs.

Question 1: What are the key issues from your perspective in relation to the reforms to student income support arrangements introduced in 2010?

We provide comment to this question from the Review in relation to each of the reforms which are most likely to be relevant to postgraduate students and may have had an effect in 2011:

(A) Parental income test threshold increased:

Given the age bracket of the majority of postgraduate students, SUPRA feels that this element of the Student Income Support Reforms may not be of relevance to many postgraduate students.

However, an analysis of age data of postgraduate students would be appropriate by the Review to ascertain how many postgraduate students receive any Youth Allowance/Austudy and the type of degree in which they are enrolled. The parental income test may well still be applicable to some postgraduate students due to the acceleration programmes in place in public and private schools for those students whom are deemed to be 'gifted and talented'.

A student who is accelerated from Year 5 to Year 7 and who is accelerated further whilst in high school can then also be accelerated in terms of an undergraduate degree through having undertaken University level subject studies whilst still in high school. This will then subsequently place those students in the position to also proceed from an undergraduate degree to a postgraduate degree at an earlier age.

Whilst the numbers who would be in this position would be low, it is conceivable that a postgraduate student who has been accelerated in their prior levels of education may still be of an age where their eligibility for Youth Allowance is still subject to the parental income test.

However, this would also depend, at the time of this Review being conducted, on the exact nature of the postgraduate degree programme a student is enrolled in as, at this point in time, only a small number of postgraduate coursework degrees will entitle a postgraduate student to be eligible for any student income support from Centrelink.

Equally, an analysis by the Review of the Centrelink data for all the postgraduates currently receiving YA or Austudy would enable the Review to capture a picture of postgraduates and

student income support **prior to** the commencement of the major postgraduate-related reform to take effect next year.

(B) Lowering of Age of Independence

SUPRA notes that the reforms reduced the age of independence to 24 years from 1 April 2010; to 23 years on 1 January this year; and to 22 years from 1 January 2012.

This is a significant student income support change as it offers the opportunity for many graduates who have completed their undergraduate degree to continue immediately to a postgraduate qualification. However, under the current criteria, the only postgraduate courses which are eligible for Youth Allowance/Austudy this year are those which are part of an “integrated undergraduate/postgraduate course leading to a Masters degree”.

This particular change to the age of independence which commenced this year may mean that those students who commenced a 3 year undergraduate degree which is part of an integrated undergraduate/postgraduate course leading to a Masters degree (at the University of Sydney this is the case with the Master of Architecture which is part of the pathway to registration as an architect) may have come back to complete the Masters earlier than they had otherwise planned.

SUPRA is aware that there has been a common practice amongst these Architecture students to work for several years before they attempt the Masters of Architecture so that they are over the age of independence and can qualify without having to be subject to the parental income test.

In regard to supporting evidence for this it is too early to indicate any numbers of postgraduate students who may have taken advantage of this lowering of the independence age in this year especially given that there was not a lot of advertising to promote awareness of this change in the community.

In regard to the further lowering of the age of independence from 1 January 2012, equally that will have a beneficial effect for those students who have completed an undergraduate degree when they were perhaps age 20 but who have been working for a few years to ‘wait out’ the time to reach the Centrelink definition of being ‘independent’ on the basis of age. With appropriate advertising of this change SUPRA would expect that a greater number of early career graduates will look at the possibility of postgraduate study earlier than they may have previously.

In particular, for 2012, the lowering of the age of independence in combination with the proposed support for Masters students from 1 January 2012, creates an expectation that many more graduates wishing to undertake postgraduate study will now more seriously look at that as an option than they would have prior to these changes.

SUPRA shares the concern expressed in the submission by the University of Sydney that if there are any changes at this point to the scheduled decreases in the age of independence or the expansion of eligibility to Masters students, this would have a significant adverse consequence for many prospective students who will have been making plans across this year to commence postgraduate studies next year.

The federal government needs to recognize that members of the public and particularly many who are considering undertaking further education do factor changes already announced by the government into their family and/or life planning. A reversal of any of the changes announced in 2010 to student income support arrangements will not only have adverse consequences for

those who are making plans across this year for 2012 on the basis of the reforms but it will also result in adverse consequences for others who may be making plans for further study in the years beyond 2012.

(C) From 1 January 2012 Masters by coursework degrees will be eligible for student income support

This is the most significant reform for postgraduate coursework students made in 2010 taking effect from next year. A common casework experience at the beginning of each semester for our staff so far has been to deal with a number of students who have enrolled in a degree with the anticipation that it will be eligible for income support. The student has sought SUPRA's assistance as they have just discovered that their course, in fact, was not eligible for Austudy.

In some cases this information has led to a student discontinuing their course before the census date so that they can follow other plans or they have had to face the decision to go part-time and work to support their postgraduate studies. In both cases this has resulted in significant frustration for those postgraduate students.

Recommendation 1:

SUPRA **recommends** that the 2010 student income support reforms remain in place and that there be no reversal of any of the reforms.

Recommendation 2:

SUPRA **recommends** that an advertising campaign be undertaken by the federal government to promote public awareness of the student income support reforms and their implications for possible postgraduate study.

Recommendation 3:

SUPRA **recommends** that the Review seek from Centrelink a data analysis report capturing the number of postgraduate students who are receiving any Youth Allowance and/or Austudy for postgraduate studies with a view to obtaining a current picture of the extent of current postgraduate student income support and the demographics of those recipients.

Question 2: How have changes to the student income support arrangements affected: a) students generally, especially access to higher education; b) rural and regional students, especially access to higher education; c) students from low socioeconomic backgrounds, especially access to higher education?

SUPRA considers that the student income reforms which have relevance for postgraduate students have not been in force for sufficient time to be able to make meaningful comment on this question.

Question 3: Which elements for the student income support reforms have: a) most assisted students. How? B) acted as a barrier. How?

As for question 2, the reforms have not been in force for sufficient time to enable SUPRA to make meaningful comment at this point in time, however, we feel that the scholarships such as the Relocation Scholarship and the Start-up scholarships would be appropriate mechanisms to equally be available for postgraduate students to have access to, especially when a postgraduate student in 2012 has had a substantial gap between their undergraduate study and their postgraduate studies.

Recommendation 4:

SUPRA **recommends** that the Start-up and Relocation Scholarships be available to postgraduate students as well as undergraduate students.

Recommendation 5:

SUPRA **recommends** that the Start-up and Relocation Scholarships be paid prior to the commencement of the semester and not 2-3 weeks into the semester.

Question 4: Are there gaps in provision of student income support, especially to students of low socioeconomic backgrounds and/or from rural and regional areas under the current arrangements?

SUPRA has received feedback from students regarding the out-of-pocket additional costs related to their studies (i.e. not living expenses) such as photocopying fees, purchasing of computer equipment and programs and other resources so to be able to prepare and present assignments to the standard required by their University. This is a major gap in student income support for all students undertaking postgraduate study and especially for those from low socioeconomic backgrounds and/or from rural and regional areas. These additional out-of-pocket expenses do need to be addressed.

It has also come to the attention of SUPRA and CAPA that there are a number of postgraduate students who qualify for other Centrelink benefits such as Disability Support Pension, Supporting Parents Benefit and so on. Those postgraduate students who qualify for this range of Centrelink benefits also need financial assistance due to these out-of-pocket study-related expenses.

Recommendation 6:

SUPRA **recommends** that provision be made for additional scholarships and/or start up scholarships tailored to assisting postgraduate students being able to meet the additional out-of-pocket costs associated with their studies and that these be well advertised to the public.

Question 5: What changes to the current arrangements would be needed to meet the objectives of the student income support reforms?

The major issue for postgraduate students is the arrangements which can be made to support themselves whilst undertaking their further studies. It is well recognized that the current YA/Austudy rate of payment is inadequate for the much higher costs of living, especially in a

metropolitan area such as Sydney. The inadequacy of the current payments does deter many graduates from undertaking postgraduate study as it is not possible to study full time unless there is some income support in place. A significant way in which this can be addressed is to increase the rate of Austudy payments to being equal to the rates at which pensions are paid.

Recommendation 7:

SUPRA recommends that the rate of payment for YA/Austudy be increased to the rate of the Aged pension and that all payments and allowance be indexed quarterly.

Question 6: The review will consider options for new Youth Allowance eligibility arrangements, as well as appropriate savings that can be made to pay for extensions in eligibility.

- a) **Should student payments be highly targeted to students from low socioeconomic backgrounds, or spread more broadly to assist a wider cohort?**
- b) **Should more support be directed to rural and regional students than students in similar circumstances from metropolitan areas?**

SUPRA notes the findings from the Bradley Review regarding the significant financial issues faced by Australian students particularly when needing to move away from home in order to study. This is equally applicable to postgraduate students as it is to undergraduate students. If there is a limit on funding available, as a general principle SUPRA would support that whatever funds are available are targeted toward those from low socioeconomic background and from a rural or regional area.

However, the diversity which we see in the postgraduate student population indicates to us that there are no easy conclusions to be made about postgraduate students on the basis of these usual target areas. Given that the most significant student income support reform for postgraduate students (that of all Masters courses being eligible from 1 January 2012) has not yet come into effect, we cannot make any meaningful comment at this point in time about the impact of that reform.

We do wish to draw to the attention of the Review that the complexity of the needs of postgraduate students cannot be underestimated. They obviously are in an older age bracket and, within that age bracket, can cover the whole spectrum from early 20's in age to their 80's. Postgraduate students are more likely to have competing demands on their time, such as full or part time work, family commitments, caring responsibilities for children, caring responsibilities for disabled children, caring responsibilities for older family members, community involvement, and so on.

As a postgraduate student representative organization we have found that, whilst there are many commonalities to the postgraduate student experience based on whether one is studying in a coursework degree or a research degree, there are pressures which arise from these competing demands on a student and there are pressures which arise depending on the specifics of the discipline in which the student is studying.

This has consequences for our staff in terms of the range of options, which may or may not be available for a postgraduate student to pursue to solve a problem.

In a similar way, we anticipate that there will be a range of reactions to the student income support reforms, which are yet to come into force as graduates become more aware of those

reforms. The range of reactions by postgraduate students will need to be regularly monitored over the next couple of years both by student organizations and by Centrelink and by the government.

SUPRA cannot see that there will be savings made from the student income support reforms unless the federal government decides to withdraw one of the reforms yet to come into force. **SUPRA cannot support a withdrawal of any of the student income support reforms.**

Recommendation 8:

SUPRA **recommends** that all student income support reforms announced in 2010 remain in force and not be cut and that if there is a funding shortfall, that all remaining reforms be funded from general revenue, or, if required, from the Education Investment Fund.

Recommendation 9:

SUPRA **recommends** that each Centrelink office establish a YA/Austudy Reference Group made up of postgraduate and undergraduate student organization staff who provide casework advice to students; Centrelink staff who deal with YA/Austudy at the assessment and at the policy level; and University staff, where applicable, who deal with or assist students with inquiries regarding financial assistance. The role of such a Reference Group would be to:

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- b) enable Centrelink staff to provide early advice to student organization staff and University staff of impending changes in policy and/or processing protocols;
- c) enable student organization staff and University staff to advise Centrelink of identified problems in processing practices or in interpretation of the policy; and
- d) to allow a free and transparent flow of information between the public service and those in the higher education sector who are assisting students.

The below recommendations, from the submission by the professional network, The Student Financial Advisors Network (SFAN), are also endorsed by SUPRA. The numbering is as per the numbering by SFAN:

Recommendation Nine:

- We recommend that the Partner Income Test be re-examined as it is a major barrier to lifelong learning.

Recommendation Ten:

- We Recommend that outer regional students who are from families who earn less than \$150 000 should be granted independence regardless of workforce participation and this independence category should attract the Relocation Scholarship.

Recommendation Eleven:

- We recommend that the age of independence be brought in line with the Youth Allowance Job Seeker age of independence to 21 year of age.

Recommendation Twelve:

- We recommend that the Commonwealth Government investigate the use of the National Rental Affordability Scheme, and also investigate funding tertiary institutes to build student accommodation.

Recommendation Thirteen:

- We recommend that the Education Re-Entry Payment be raised from \$208 to \$600 per semester for all other payments that do not attract the Start Up Scholarship.

Recommendation Fourteen:

- We recommend that the government review the legislation and policies that relate to the application of "Reasonable Time" and "Allowable Time" with a view to developing simplification of the legislation and related policies.