

6 October 2009

The Committee Secretary
Senate Rural and Regional Affairs and Transport References Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Sir/Madam,

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

It is with great pleasure that I make this Submission for consideration by the Rural and Regional Affairs and Transport References Committee.

La Trobe University is committed to increasing participation rates of regional and rural students as part of its Regional Strategic Plan 2009-2012. The strategy outlines the University's objectives to raise student numbers by 20% across the regions, increase regional research by 50%, raise the number of international students by 50%, increase the participation of identified equity groups, and build stronger industry and community engagement links. We have established a Regional Office under the Pro Vice Chancellor (Regional) to help ensure that the growth targets outlined in our Regional Strategic Plan are met.

As the largest provider of regional tertiary education in Victoria, the University is well placed to support this with its variably sized regional campuses (Bendigo, Albury-Wodonga, Mildura, Shepparton and Beechworth).

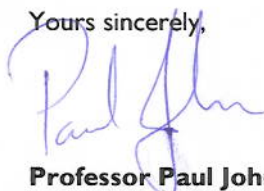
In this submission the University has focused primarily on the changes to Commonwealth income support, drawing widely from the recently released *Victorian Parliamentary Report of the Education and Training Committee into Geographical Differences in Higher Education in Victoria*. The University strongly supports the Commonwealth's objectives of raising participation rates, particularly among low SES students and those from other equity groups.

La Trobe University is meeting the particular needs of regional and rural students by provision of student support, regional scholarships and income support, transition programs and student mentoring on all campuses, and a range of ICT infrastructure. Each of these will need to be addressed fully by the Commonwealth if the equity and expansion targets are to be met.

La Trobe University is acutely aware of the critical regional development role it plays. The University's regional operations are of critical importance to the life and vibrancy of regional Victoria. The University awaits with interest the Commonwealth's broader regional response, in particular around the cost of regional provision.

I wish the Committee success with this inquiry and provide the attached Submission.

Yours sincerely,



Professor Paul Johnson
Vice Chancellor



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

SUBMISSION FROM LA TROBE UNIVERSITY

Introduction

As one of the largest providers of regional tertiary education in Victoria, La Trobe University appreciates the opportunity to respond to the Senate Inquiry into Rural and Regional Access to Secondary and Tertiary Education Opportunities.

In March 2007, La Trobe University had a total of 26,500 students. Of those students:

- 3,129 local students were born overseas from 129 countries of origin;
- 4,608 were international students, representing 105 different countries of origin;
- 6,460 of our students spoke a language other than English at home covering 105 different languages; and
- 82 were Indigenous students.¹

In 2007 La Trobe University had 6,995 students who came from regional or remote areas, of whom 31% were studying at metropolitan campuses and 69% at regional campuses. The University has over 6,000 students enrolled at the regional campuses, and these students are drawn from both regional and metropolitan locations.²

La Trobe University recently released its *Regional Strategic Plan 2009-2012*, evidencing its commitment to increasing participation rates of regional and rural students. The Regional Strategy outlines the University's objectives: to raise student numbers by 20% across the regions, increase regional research by 50%, raise the number of international students by 50%, increase the participation of identified equity groups, and build stronger industry and community engagement links. These measures will be assisted by the Commonwealth's proposed expansion of higher education, particularly if further measures are specifically targeted to increasing regional and rural participation.

This submission is focussed primarily on the proposed changes to Commonwealth income support, and draws widely on the recently released *Victorian Parliamentary Report of the Education and Training Committee into Geographical Differences in Participation in Higher Education in Victoria*.

¹ LTU Cultural Diversity Inclusive Practices Toolkit. <http://www.latrobe.edu.au/cdip/>

² Data are from the Submission to the Parliamentary Inquiry into Geographical Difference in the rate in which Victorian Students Participate in Higher Education, Equity and Access Unit, La Trobe University, March 2008, p.1

The University believes further expansion of income support is necessary beyond the measures currently proposed, in order to drive higher participation rates among regional and rural students. Also required will be targeted measures to support the regional provision of higher education, along with further equity initiatives to support the Commonwealth targets set and an increase in public funding per student. The University has responded to these broader policy challenges in its submission to the Bradley Review.

This is La Trobe University's response to the Inquiry into 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.

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

In 2006, La Trobe University undertook a study which explored the nature of the issues affecting students living in the Loddon Campaspe Mallee region from three specific equity groups: rural and isolated, people with a disability and people from low socio-economic background.

The data was gathered through individual interviews with senior secondary school students in the Loddon Campaspe Mallee region who identified with one or more of the three equity groups as defined by the Commonwealth government. Interviews with teachers from this region were also undertaken. Whilst the study was undertaken in one particular region in Victoria, many of the issues identified could easily be the case in other regions of Victoria.³

The study confirmed that regional students face significant financial hardship whether they attend metropolitan or regional universities. Sources of financial support and costs associated with higher education have been identified as having a substantial influence on their decision to follow a path to higher education. Key factors are costs associated with courses and financial support while studying; availability of part time employment; sourcing affordable and convenient accommodation; access to transport to and from a university campus; parental support and encouragement; access to inspiring role models who have a university background; and access to adequate career guidance and university information sessions.⁴ Students often lack awareness of financial support available and there is a tendency to choose vocational courses over tertiary because of the lower costs involved.⁵

In this context, the Commonwealth's proposed changes to income support will not of themselves support a substantial increase in the participation rates of regional students. The overall package is cost-neutral. Based on Commonwealth Government figures, around 102,000 students will benefit from relaxation of the parental income test, but conversely over 30,000 prospective claimants will no longer qualify for Youth Allowance in 2010 due to changes in the workforce eligibility requirements.⁶ Students moving away from home who already qualify for Commonwealth income support will be eligible to receive relocation

³ *ibid.*, p.5

⁴ *ibid.*, p.3

⁵ *ibid.*, p5

⁶ Parliament of Victoria, Education and Training Committee, Final Report, Inquiry into Geographical Differences in Participation in Higher Education in Victoria, p.178, July 2009

The University is also strengthening its relationship with secondary and, where appropriate, primary schools, through mentoring programs, collaborative and applied research, and student experience models. This engagement is designed to raise educational aspirations in rural and regional areas, recognising that regional students are only around two thirds as likely to participate in higher education as metropolitan students. In addition, La Trobe University continues to fulfil its access and equity mission through a broad range of partnerships with institutions such as the Smith Family, designed to boost participation rates of identified equity groups and assist their transition from school to university.

Changes to Commonwealth income support will not have a substantial impact in expanding alternatives for rural and regional students, but the University awaits with interest the Commonwealth's broader regional response, in particular around the costs of regional provision.

Implications of current and proposed government measures on prospective students living in rural and regional areas

Importantly, rural and regional students often fall into more than one equity group. Across Victoria, the NTEU notes that low SES students comprise 19.5% of students at regional campuses, compared to only 11.1% of students at metropolitan campuses.¹⁰ In 2007, the participation rate of low SES students at La Trobe University's regional campuses was around 25% in Bendigo and Albury-Wodonga, 60% in Shepparton and 70% in Mildura.¹¹ Across all La Trobe University's regional campuses in 2007, regional student participation was above 80%.¹²

The data suggest that the Commonwealth's targets around low SES participation will only be met through an expansion of higher education in regional and rural areas. Conversely, an expansion of higher education in regional Australia is only likely if substantial additional financial support is provided to prospective students. Regional and rural students rely on income support to a greater level than metropolitan students.

As noted, by the Commonwealth's figures, around 102,000 students will benefit from relaxation of the parental income test, but conversely over 30,000 prospective claimants will no longer qualify for Youth Allowance in 2010 due to changes in the workforce eligibility requirements.¹³ Indeed, changes to the workforce eligibility requirements for qualification as 'independent' (the only criterion is now a minimum of 30 hours per week of work for eighteen months) have been lambasted by the Victorian Inquiry as likely to have 'a disastrous effect on young people in rural and regional areas'.¹⁴ The 2009 Gap Year cohort will be most adversely affected by the policy changes, which will have the effect of retrospective legislation.

La Trobe University supports the proposed increase in the number of students eligible for some support. However, neither the Youth Allowance changes, nor the broader proposed changes around equity support and a demand-driven model, are specifically targeted to rural

¹⁰ NTEU (Vic division) submission to the Parliamentary Inquiry into Geographical Difference in the rate in which Victorian Students Participate in Higher Education, March 2008

¹¹ La Trobe University Student Equity Report, Year Ending December 2007, p.14

¹² *ibid.*, p.17

¹³ Parliament of Victoria, Education and Training Committee, Final Report, Inquiry into Geographical Differences in Participation in Higher Education in Victoria, p.178, July 2009

¹⁴ *ibid.*, p.xxi

and regional students. These students have been identified as being significantly disadvantaged financially compared to their metropolitan counterparts in higher education, and are likely to be disproportionately affected by the proposed tightened criteria of workforce eligibility.

The University also notes that some students who are taking their Gap Year in 2009 will be severely disadvantaged by the changes to workforce eligibility requirements, and this will without doubt have its greatest impact in regional areas.¹⁵ Given that examination of retention rates by La Trobe University demonstrates that regional students are just as likely or more likely to persevere with their studies,¹⁶ there is a strong argument for ensuring that these students have the economic resources necessary to commence study in the first instance.

Short-term and long-term impact of current and proposed government policies on regional university and TAFE college enrolments

Broad government policy to fund Australian public universities on the basis of student demand is designed to enable an additional 50,000 students to commence study by 2013 and produce 217,000 additional graduates by 2025. The Commonwealth has also announced a target of 20% low SES participation in higher education, which the University supports. Policies designed to reach this equity target should have a greater impact in regional Australia, where proportions of low SES students are higher. A student-driven model geared to sectoral expansion, the proposed increase in equity funding to higher education institutions, and the changes to income support such as relocation scholarships and relaxing of parental income means tests, will go some way to supporting increased participation of regional and rural students.

La Trobe University's own *Regional Strategic Plan 2009-2012* aligns with the Commonwealth priorities as the University is actively seeking to increase overall student load for the University in regional Victoria by 20% in addition to increasing the percentage of equity group participation by 10%. However, achievement of both the University's goal, and the broader Commonwealth objectives of expansion, will require additional measures to those currently outlined. The gap in higher education participation between regional and metropolitan students is substantial, and further income support measures, along with targeted support of regional provision, will ultimately be required to bridge this gap.

Adequacy of government measures to provide for students who are required to leave home for secondary or post-secondary study

This matter is addressed under the section entitled 'The financial impact on rural and regional students who are attending metropolitan secondary schools universities or TAFE'.

Educational needs of rural and regional students

This submission has outlined that regional and rural students are likely to be part of other identified equity groups as well (eg. low SES). These students defer at higher rates than

¹⁵ *ibid.*, Executive Summary, Chapter 7, Financial Considerations

¹⁶ La Trobe University Student Equity Report, *op. cit.*, p.17

metropolitan students, and as the *Australian University Student Finances Report* of 2006 found, university students are frequently working significant hours to support themselves through study (85% of students working on average 15 hours per week, with substantial numbers working even more hours). Rural and regional students thus require financial support, and assistance with accommodation, transport and related costs.

In addition, regional and rural students are often the first member of their family to attend university, which can impact upon their expectations of university life by way of less understanding by both the student and their family of what to expect in terms of tasks and time required for academic success¹⁷. High proportions of mature age students also study on regional campuses, some of whom are many years past their last period of study. For instance, in 2006 approximately 60% of enrolled students at La Trobe University Shepparton and Mildura campuses were mature age.¹⁸ In general, regional and rural students require flexible programs and pathways, income support, student support services, and assistance to address barriers such as the regional digital divide, in which a lower proportion of regional households have access to computers and the internet than metropolitan households across the nation. The University is meeting these needs through provision of student support, regional scholarships and income support, transition programs and student mentoring on all campuses, and a range of ICT infrastructure. Each of these areas will need to be addressed fully by the Commonwealth if the equity and expansion targets are to be met.

Impact of government measures and proposals on rural and regional communities

The centrality of universities to regional economic growth and development is well-known. As the NTEU noted in its submission to the Victorian Inquiry into Geographical Differences in Participation in Higher Education in Victoria, regional universities ‘generated \$2,871 million in revenue, provided approximately 22,000 full-time equivalent jobs, and spent \$1,574 million on wages and related costs’ in 2003.¹⁹ Regional campuses in Victoria often represent around 10% of gross regional product and regional employment, and the majority of regional graduates, including La Trobe University’s, go on to work in regional areas.²⁰ On our Mildura campus, for example, almost 90% of graduates are subsequently employed in regional Victoria (submission to Vic Inquiry). Over the past decade La Trobe University’s regional campuses have graduated 5,000 teachers and 2,400 nurses.

As the Victorian Inquiry notes, the Commonwealth has conceded that its changes to income support will be ‘roughly cost neutral over the forward estimates.’ There is, therefore, no additional funding for student income support, although more students will be eligible for some form of Youth Allowance payment. The exact impact of the measures proposed is unknown, but their limited scale (ie. cost neutral) suggests likely limited impact.

This conclusion is drawn from the fact that: regional students are more likely to also be low SES and/or from another identified equity group than metropolitan students and, largely because of this connection, regional students are more likely to depend on Commonwealth financial support to attend university. In Victoria, regional students defer their university

¹⁷ Parliament of Victoria, Education and Training Committee, Final Report, Inquiry into Geographical Differences in Participation in Higher Education in Victoria, p.205 and 221, July 2009

¹⁸ La Trobe University internal data

¹⁹ Parliament of Victoria, Education and Training Committee, op. cit., p.134

²⁰ *ibid.*, p.135

studies at three times the rate of metropolitan students, and large numbers of deferring students do not subsequently take up their offer of study. High deferral rates in regional Australia clearly arise primarily due to financial concerns.²¹ By their cost neutrality, proposed changes to income support alone are unlikely to deliver levels of financial support required to significantly expand higher education participation in regional Australia.

The costs of higher education provision are higher per student in rural and regional areas, due to economies of scale and distance. The Bradley Review notes that the current regional loading funding based on student enrolment (c. \$29mn) is inadequate to cover costs of provision and bears little relationship to the actual costs of running these campuses.²² The Bradley Review recommendation that the Australian Government provide an additional \$80 million per year from 2012 to sustain higher education provision in regional areas²³ is supported by La Trobe University. Beyond changes to income support, more targeted measures will be required to achieve the Commonwealth's targets of overall sectoral expansion and expansion of low SES participation.

Other related matters

The University strongly supports the Commonwealth's objectives of raising higher education participation rates, particularly among low SES students and those from other equity groups. While this submission has focussed on proposed changes to income support, the University notes that a holistic set of policies will be required to boost regional participation rates, including targeted measures to support regional provision of higher education. Increasing the rates of higher education participation in rural and regional Australia is imperative if the government's equity and expansion targets are to be met.

²¹ *ibid.*, p.200

²² Australian Government, Review of Australian Higher Education, Final Report, December 2008, p.110

²³ *loc. cit.*