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Official Committee Hansard

SENATE

EMPLOYMENT, WORKPLACE RELATIONS AND EDUCATION REFERENCES COMMITTEE

Reference: Student income support

THURSDAY, 28 APRIL 2005

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SENATE

EMPLOYMENT, WORKPLACE RELATIONS AND EDUCATION REFERENCES COMMITTEE

Thursday, 28 April 2005

Members: Senator Crossin *(Chair)*, Senator Barnett *(Deputy Chair)*, Senators Jacinta Collins, Kirk, Stott Despoja and Troeth

Substitute members: Senator Carr for Senator Jacinta Collins and Senator Allison for Senator Stott Despoja

Participating members: Senators Abetz, Bartlett, Boswell, Buckland, George Campbell, Carr, Chapman, Cherry, Colbeck, Coonan, Denman, Eggleston, Chris Evans, Faulkner, Ferguson, Ferris, Fifield, Forshaw, Harradine, Humphries, Hutchins, Johnston, Knowles, Lightfoot, Ludwig, Mackay, Marshall, Mason, McGauran, McLucas, Moore, Nettle, O'Brien, Payne, Robert Ray, Santoro, Sherry, Stephens, Watson, Webber and Wong

Senators in attendance: Senators Crossin, Stott Despoja and Troeth

Terms of reference for the inquiry:

To inquire into and report on:

The living costs of students enrolled in full-time and part-time courses and, in particular:

(a) current measures for student income support, including Youth Allowance, Austudy and Abstudy, with reference to:
  (i) the adequacy of these payments,
  (ii) the age of independence,
  (iii) the parental income test threshold, and
  (iv) the ineligibility of Austudy recipients for rent assistance;

(b) the effect of these income support measures on students and their families, with reference to:
  (i) the increasing costs of higher education,
  (ii) students being forced to work longer hours to support themselves, and
  (iii) the closure of the Student Financial Supplement Scheme;

(c) the importance of adequate income support measures in achieving equitable access to education, with reference to:
  (i) students from disadvantaged backgrounds, and
  (ii) improving access to education; and

(d) alternative student income support measures.

WITNESSES

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Committee met at 9.08 am

EDWARDS, Professor Anne Rosalie, Vice-Chancellor, Flinders University

CHAIR—I declare open this public hearing of the inquiry into student income support. On 11 March 2004 the Senate referred to this committee an inquiry into current measures for student income support, with particular reference to the living cost of students enrolled in full-time or part-time courses. The committee is particularly interested in the adequacy of youth allowance, Austudy and Abstudy payments and the effect of these payments on students and their families. The committee will also be examining the issue of rent assistance, the effects of student part-time employment on academic progress, the plight of disadvantaged students and alternative income support measures.

I remind all witnesses that in giving evidence they are protected by parliamentary privilege. This gives special rights and immunities to people who appear before committees. People must be able to give evidence to committees without prejudice to themselves and any act which disadvantages a witness as a result of evidence given before the Senate or any of its committees is treated as a breach of privilege.

If we have any observers this morning, I welcome them. I welcome our first witness from the Flinders University of South Australia, Professor Edwards. The committee prefers to take all evidence in public, but of course we will consider any request if you have evidence that you want to give in camera. Your submission is No. 21 and the committee has a copy of that. Are there any changes, additions or alterations that you want to make to that?

Prof. Edwards—No.

CHAIR—I would invite you to make an opening statement and then we will go to questions.

Prof. Edwards—I do not really have anything to add, except perhaps to the major points, because obviously a period of time has elapsed since then. We are now in year 2 of the education and living scholarships that Dr Nelson introduced as part of the Backing Australia's Future package. One would have to say that that is a significant contribution towards those students who have particular financial problems, and it is delivered independently of income support. We drew attention to that at the time.

I certainly commented here, and the Australian Vice-Chancellors Committee commented, that their estimates of how many scholarships they were going to build up to were not going to cover their own statistics on students from low-income groups, particularly Indigenous students. While it is a contribution—and I think it is more directly a contribution to the financial costs of students while they are at university, which is the main focus, obviously, of your investigation and of our concerns—as long as the numbers of scholarships that are provided, independent of the amount, fall short of their own calculations of the number of people who would be likely to be eligible in terms of their income levels, that is a separate measure which sits outside your formal terms of reference. But it is another way of trying to address some of the financial problems that students encounter while they are at university.

When this was written I think we were only three months into the first year of those scholarships being available, and we are now in the second year. Apart from that, I would simply like to reiterate the points that we made. There are issues around the level of youth allowance, Abstudy and other financial support rates that are available for students. There are concerns particularly around the Indigenous group of recipients.

There has been, I think, yet another report from DEST which argues that the changes to Abstudy in the late 1990s did not cause a reduction in the numbers of Indigenous students at universities, although all the universities are utterly convinced it did. There is no other factor that we can identify that could possibly explain that, and the Indigenous centres that the universities have who have been asked about this would all say that it did have an impact, particularly for the high proportion of Indigenous students who come to universities in metropolitan centres from non-metropolitan home addresses.

I do not know why we cannot acknowledge that there must have been a significant change in something, because all the figures up to then, and all the equity and access initiatives that the universities had in place, were developing into, I think, quite a positive trend upwards in terms of the numbers and, hence, the proportion of potentially eligible Indigenous students that would go to university. It certainly was not because there were insufficient students staying on to the end of year 12, and we know that many Indigenous students do not come to university straight from school. The average age for coming to university is older for Indigenous students.

There is a whole range of other factors, so I would certainly want to re-emphasise that point. One of the points I do not make in my submission, but which has been made in other places, is that the whole philosophy of income support—and this is increasingly emphasised at the moment—is that it should not deter people from re-entering the work force. There is a need to ensure that there is no disincentive for people who are receiving income support and seriously considering entering the work force.

That, of course, does not apply to full-time students. There is no intention that the income support they receive while they are students should, at the same time, not be discouraging them from going into the work force, because the reason they are getting it is because they are full-time students. So there can be, I think, a contradiction in the way in which these payments are explained and understood and the way in which the levels of those payments are set, which I do not think applies to that section of the population that is receiving income support so they can study.

In fact, the situation is quite the opposite. The incentive ought to be to try and ensure that the levels of income support are sufficient to ensure that students do not take such a lot of part-time work that they delay the process by which they can complete their studies. The best incentive would be to provide sufficient money to allow most students who are on income support not to have to work at all. They could then study full time and get out in three years or four years, rather than dragging their studies out over five years.

It seems to me that that is not an issue that, as far as I am aware, has been directly raised. I do not think that anybody would argue with it, because it certainly is not the intention of income support that students in universities should not be supported to devote themselves to their

studies. The only other income support payment which sits outside the normal expectations of encouraging people to get back to work is the aged pension.

It seems to me that if we could get that more explicitly as part of the rationale for these payments, it might lead to a different way of looking at whether the income support levels are high enough. If they are pegged to the other forms of income support, which have a different function, then you are never going to be able to break that nexus between how much you are giving those who are eligible for full payments, why you are giving it to them, what the intended consequences are and if you are likely to achieve them.

That is probably the only thing that occurred to me in reviewing what I had submitted previously. I think most of the arguments clearly still stand. I do not have more up-to-date evidence than the evidence that came out of the 2000 study of 40,000 students, for which project I was the chair of the steering committee.

Senator STOTT DESPOJA—Professor Edwards, I will start with that last point—that you chaired that very important steering committee. As you know, most of the evidence that we are using now, or the best evidence we have, is as a consequence of that AVCC work. Were you surprised by the findings?

Prof. Edwards—Yes. I think everybody was. We knew that the last comparable study was 1984, from memory, and there had not been anything as systematic. In fact, this was a much more substantial study than even the 1984 one. We knew that the figures had gone up but, if I remember rightly, we were looking at about 80 per cent of our students, including a lot of students who were enrolled notionally full time who could be working during semester time anything up to one or two full days per week.

That statistic simply was not the case in the 1980s. The work was much more part-time work in a genuine sense, and the part-time work took place often in the evenings, weekends and during non-teaching periods. The fact that there are students out there taking jobs which involve them often working during the day—working at times which directly compete with the most efficient times to schedule classes for students when you have large numbers of them—was really quite striking. The students themselves, I think, were surprised. The NUS was the other partner on that study and, while they had a lot of anecdotal information, I do not think that they thought the figures were quite as high as that.

Senator STOTT DESPOJA—As part of that process, the AVCC recommended a review of income support payments. Have you had much satisfaction in discussions with government over this issue? I hate to call it a wish list, but you have a list of some of the recommendations in the report, or at least some of the ideas that you think a review should consider. Do you feel that there has been any progress made on either a comprehensive review or even movement on any of these specific issues?

Prof. Edwards—I do not think so. It is certainly an issue. I am on the board of the Australian Vice-Chancellors Committee and we obviously have a lot more discussions, with you and others, in between the more formal policy debates that we have about proposed new policies or legislation, and we are often in conversation. No, we have not seen any. One of the things which did come through was Backing Australia's Future, raising the repayment threshold for HECS,

which of course is nothing at all to do with the financial circumstances of students while they are in university, but it was certainly a recognition of the totality of the possible financial deterrents with regard to university study. The other was the education and living scholarships, which were part of that package.

That is the kind of response that we have received, and I would not for a moment want to say that those two measures were not very significant and, I think, very beneficial. As to the core of the issue—which is, 'Have we got the right levels and the right conditions attached to income support for those who are eligible?'—no, nothing has happened.

Senator STOTT DESPOJA—I note that in your submission you refer to correspondence with Family and Community Services over the scholarship issue and the anomalies in the way certain scholarships are treated.

Prof. Edwards—We are still lobbying on that, but nothing has happened.

Senator STOTT DESPOJA—Are you able to provide us with a copy of the correspondence between you and the department? Is that something that we would be able to look at?

Prof. Edwards—I do not know whether we have written anything specifically.

CHAIR—You say in your submission that you wrote to the Minister for Family and Community Services in March 2004. Did you ever receive a response?

Prof. Edwards—I did not check that before coming today. I will look at the file. To be honest, it is a while ago and a fair bit comes across one's desk. I am happy to dig that out.

CHAIR—You probably would remember if you had received a favourable response.

Prof. Edwards—I would indeed, so we can say not. The reason I am hesitating is that I have been in conversations with the vice-chancellors and with senior members of DEST on that issue on a number of occasions, and there is no question that there is not clear understanding in the minister's office and in DEST about what the issue actually is, but the argument that is put is that they cannot make exceptions.

Of course, there were exceptions made for the government's own scholarships. We have pointed out that there is elsewhere in the legislation a requirement that, as part of the set of arrangements that were put in place in the Higher Education Support Act, including the opportunity to increase HECS, institutions who were going to be receiving the government's scholarships were also directed to attend to their own scholarships. We then pointed out that that was not a good use of public money, because the scholarships that we give were likely to lead to the recipients, if they were also on benefits, handing part of the benefits back.

So our money went straight back to the Treasury, which did not, in our view, seem to be a responsible way of using our money. So there was a very strong disincentive for institutions to increase equity scholarships until those arrangements could be changed. Flinders has very modest ones and one of the reasons is that it is much less likely under those circumstances that the recipients will find themselves losing their main income support, so we give bursaries of

$500 to a large number of first-year students—and that was our deliberate decision—in order to try and maximise the chances that the recipients would actually keep the money.

Senator STOTT DESPOJA—Why do you think there is this difference in the treatment between the Commonwealth learning scholarships—the fee waiver and fee exempt scholarships—and others? Is there a rationale behind it that has been put to you?

Prof. Edwards—There are two reasons. One is that it is not their department's responsibility, so another department has to make the decision. The other is that on the current assessment of it there is not a sufficiently distinctive set of justifications for making exceptions for those particular kinds of scholarships against other forms of additional income that might be deemed to have merit—different categories of income support—that recipients have to count for their income. Therefore, why should you make an exception of this one?

I cannot follow the logic of that, given that the purpose of the equity scholarships that the government has put forward is clearly the same purpose as the one that the universities would be putting forward. I cannot see, having made arrangements to exempt those, why they cannot make arrangements to exempt the others.

Senator STOTT DESPOJA—Based on your earlier comments, would Flinders University be prepared to provide more scholarships if perhaps this anomaly was dealt with?

Prof. Edwards—We would certainly look at it. Financially, it is very difficult, obviously, because unless you can attract significant external funds you are actually taking the money out of some other activity that you regard as equally justifiable in providing the best possible educational environment for your students. A limited amount of money goes one way or another. The bursaries that we offer are, I think, a contribution, but if you were to give full scholarships you would be looking at several thousand dollars per person.

If we had several hundred students who were likely to be eligible, which we certainly would have, we would be looking at a very large amount of money, like several million dollars. I do not have several million dollars that I could use in that kind of way. It might be more attractive for external donors in the community and our alumni—people of that kind—if they felt that all the money was going directly to the benefit of a student recipient rather than as an offset for some part of their current income support payment.

Senator STOTT DESPOJA—On the issue of funds, I note that in your submission at page 4 you say:

> Any perceived rise in the cost of tertiary education will have long term impacts on the number of Indigenous Australian people who choose to undertake higher education, and will discourage Indigenous participation.

Why then did Flinders University increase its HECS fees by 25 per cent in its recent round of decisions?

Prof. Edwards—We made the same assessment as everybody else did, which is that we are significantly underfunded. We have demonstrated how underfunded we are, and we cannot continue to provide the kind of education that a university like Flinders is known for. The

increase in the income threshold plus the calculations, which I believe are based on sound methodology, that Bruce Chapman has done actually demonstrate that low and middle income—and particularly females—will not be disadvantaged as a result of the combination of a high threshold and increased HECS.

Indigenous education is a different issue. We talked to the members of our Indigenous centre, and their general view is that they do not want special treatment for Indigenous students. At Flinders we do not have bridging courses. Our students go straight into main courses, and the culture and ethos of Yunggorendi at Flinders is that they will find their own ways of supporting their community members. They do not want the university to have special schemes targeted at Indigenous people. We had consultations with them, and they were not part of the group that protested about the increased HECS. That is their judgment and I am very grateful for it.

In general, I think that Indigenous post-secondary education—just as with Indigenous secondary and primary education—is such a major national issue that it ought to be treated separately rather than being simply part of this kind of inquiry. Although there were some very constructive and enlightened measures in the Backing Australia's Future package, as far as Indigenous staff and Indigenous students are concerned it does not go far enough. I think the whole education situation in relation to Indigenous people is one of the most important things that the country faces.

Senator STOTT DESPOJA—There is no doubt that this will be a key component.

Senator TROETH—Are there many corporate scholarships provided to universities in South Australia for Indigenous people, from a corporate philanthropy point of view?

Prof. Edwards—There are two schemes, I think. There is one that I was involved in setting up, which was for postgraduate students going into fee-paying courses in education, so it was an important area. We raised something like five times $5,000, which would have covered a student wanting to complete a graduate diploma or a masters degree entirely—not their income support but the fees. All the money for that came from corporates. There was one other major external public event in South Australia which raised money, this time for women. Again, there were some undergraduate scholarships and some postgraduate scholarships in universities, all of which have been allocated. From memory I think there were four or five.

They were very major public events, which were around reconciliation issues, and they attracted a lot of corporate interest. I think that was quite a good result. On one of them, I think we would have more scholarships if we had gone on. It was a public auction. I think there is an opportunity to go back and do that again. While two lots of $5,000 does not sound much, the numbers are not very large, so as a proportion that is quite significant.

Senator STOTT DESPOJA—In terms of income support policy, is there something specific about Flinders University in this state that means it is affected in a different way from the other universities? Is there a different demographic at Flinders University from that of the other institutions?

Prof. Edwards—I could not say whether the demographic is similar or whether the numbers greater than those at the University of South Australia. We certainly have more people of

different age groups and more people on low incomes and low to middle incomes than the University of Adelaide does. The data that comes out every year on the various equity groups shows that. We are aware—and the students who you are seeing later this morning, because they made representations to us last year, are aware—of an increasing number of students who are coming to the grant schemes that we run for students who get into really desperate financial difficulties. The demand for those last year went up dramatically, and that was relatively unexpected—a new phenomenon—and we provided some more money.

They would say—and I would say, when you look at the equity data—that we have actively encouraged people to come to university from less traditional backgrounds. Included in those are quite a significant proportion of people who are on very modest incomes.

CHAIR—The government would say to us that the decline in Indigenous students has led to a greater uptake in vocational education and training. That is the answer they gave us when we challenged them about those figures. Would you like to comment on that?

Prof. Edwards—Admittedly it was probably about four or five years ago, but when I was the deputy vice-chancellor of Flinders, the deputy vice-chancellors of the state's three universities did a fair bit of work on the numbers of Indigenous students in the later years of secondary school, the numbers in VET courses in South Australia and the numbers in universities. It was true that there were at that time an increasing number leaving school early and going into VET courses, but the data that we saw, which was produced by NCVER, showed that a very high proportion were in non-vocational one-off short bits of vocational education and training courses.

What seemed to be happening was that the VET sector was, quite reasonably and appropriately, encouraging students to move into some of those areas which looked like they would lead towards jobs but, in fact, a number of them were doing things which were very general and they did not stay. A large number would get one sort of diploma or certificate at one of the levels on the AQF but they were not in fact going into the areas where you could clearly see this was trade linked or occupation linked. It seemed that the advice that was being given that this was a good way to engage the interests of 15-year-old Indigenous students who were not interested in school was not going to work unless the kinds of programs they went into were well supported and then led through a pathway into something which would end up giving them an occupational qualification.

At that time, the three sectors were trying to develop a coordinated strategy to ensure that more Indigenous students stayed in school and made their choices later and choices on the basis of having arrived at a higher level of secondary education. That was a state policy. We were, I think, in discussion at the time—this is the late 1990s—with DEST to see whether they would be interested in funding a project specifically to work across the upper end of secondary school, TAFE and university to try and maximise the benefits for all of us rather than have us competing internally against each other.

CHAIR—That was my question to you: whether or not DEST were willing to be part of any sort of long-term strategy or coordinated strategy to keep the kids at school longer.

Prof. Edwards—Yes, there was some interest. I do not think we had the project funded in the end, but some of the activities continued through liaison and all the people who knew each other in the different education sectors agreed to work together much more closely in terms of the advice that was given to individuals in the Indigenous community in those age groups. We have the same problem as that which exists nationwide, in that Indigenous males between the ages of 16 and their late 20s are not staying in the education system—any parts of the education system—particularly outside the metropolitan areas. That is not so much the case for those who live within the cities as part of city based communities. The concerns in the non-city based Indigenous communities about what is happening to their young men is a major issue.

CHAIR—You have dedicated a fair amount of your submission to addressing the situation with Indigenous students, suggesting that the age of independence be lowered to 21 and that those in receipt of Abstudy have any scholarships they receive exempted from the income test. Do you think there is a need to have a collection of activity and support in order to increase the number of Indigenous people in universities?

Prof. Edwards—Yes, I do. I think it goes back to what I was saying earlier. I think this is not so much a question of trying to improve some elements of the existing set of arrangements that we have in place for non-Indigenous people; it is an issue in its own right. While the numbers at Flinders and other places have picked up again to some extent, they still represent a tiny proportion, so for the next 25 years for that generation we are looking at very slow change. It seems to be that the most critical place to make the interventions is in education. I do believe that some sort of refocusing of national effort on what perhaps could be done is a very important part of tackling this, rather than seeing it as just one issue, more or less in isolation.

CHAIR—Professor, we had some evidence in Melbourne on Monday that, as a result of the pressure put on students in terms of their survival—vis-a-vis income—as you said, students are opting to study over a longer period of time and perhaps not putting as much effort in as they ought to in terms of their grades, although there has been some conflicting research that shows that is probably not a flow-on of having to work one or two days a week. Students are still getting good grades. In my mind, it probably means they are just burning the midnight oil a bit more. Have you noticed a change in the way in which students either use the university or present for classes? Do they have that pressure on them about having to survive and learn?

Prof. Edwards—Absolutely. It is very clear in the study. There are a lot of ways in which you can measure that and they are all the students' own responses. That is much more substantial data. The other data that came out at around the same time is a study that they did at the University of Melbourne on first-year students. That is the other large study that has looked at these issues.

CHAIR—Have things changed significantly since you did the study five years ago?

Prof. Edwards—Possibly not.

CHAIR—It was in 2000, wasn't it?

Prof. Edwards—Most of the things happened from the early to mid-nineties through to that period. That is when most of the dramatic change occurred. There was a continuing significant

increase in students going to universities as a result of the changes in the university system and our enrolment patterns. I think that was really the big difference—from the eighties into the nineties. Since 2000, not having done the study again, it would be hard to say that there is empirical evidence about: has the financial situation become more acute for more people? The impression one gets from talking to students is, yes, it continues to be very tough.

The judgments that students are making about taking a bit extra work—and sometimes they do not have a choice. In the part-time job that they are dependent on they are asked to work more hours or work hours at a different time and the job hinges on them doing that, so therefore they juggle their other commitments. We would have much more use of lecture material through online means and videos that have recorded material. We have students asking for more choice about their tutorial times. We have issues around enrolment time at the beginning of the year for classes—not for the lectures but for the tutorial classes. They want as much notice as possible so that they can try and fit their program around their part-time work—all those sorts of things.

There is a clear assumption that we must have the most flexible arrangements for delivering our courses to allow people to have jobs, because just about everybody will have a job. That is the way the university now operates. It needs to take that on board. It is not a minority that you have to accommodate; it is the majority.

CHAIR—It has been put to us that universities are operating quite differently now—summer semesters, three semesters, even weekend classes—and that makes it harder for students who are juggling. But, conversely, you are saying to us that universities have to be more flexible to take account of the situations that students find themselves in.

Prof. Edwards—There are different categories of students. There are the ones during the year who are working all the time. If they are on income support—there are a lot who are not on income support who are struggling too, so there are two categories. We are talking about those on income support. They have to be enrolled full time, so they must have a certain load, otherwise they are not eligible. The problem there is that they will enrol full time in various subjects and they will not manage to complete them or they will drop one. They cannot drop out because it changes their load and, therefore, they fail. They are caught in a catch-22 situation. Those students are trying to maximise their time: get to the classes so that they obtain what they need and at least get through. But there is another group of students who bulk up their paid work at certain times of the year and are, therefore, not at all interested in summer semesters because that is the period where they work full-on from early December through till the end of February in order to really get some money behind them. For those students, you can make it an option but you cannot build it in as part of a program: a three-semester obligatory program would be most unpopular, but a three-semester where you repeat some of the material in two out of the three semesters, and they have a choice, obviously would suit the students.

However, if there are not large numbers wanting to do it, it is not cost effective for the universities. You are running two lots of smaller classes instead of one. I think we are all juggling a lot of these different elements and trying to get the best balance on a course by course basis, taking into account the needs of students.

Senator STOTT DESPOJA—Following on from that, a bit of a philosophical question: yours is not the first submission to talk about this almost redefining of students as part time

because of all the reasons you have just outlined. Are we destroying the university experience as a result of that? Is there such a thing now as a holistic experience where you not only get your degree but you participate in activities that broaden your—

Prof. Edwards—Perhaps you should ask the group of people who are sitting over there. For a minority maybe, but not for the majority in a place like Flinders, no. There obviously are some universities that have a substantial proportion of students who come from families, some of whom will pay their HECS up-front as well as continuing to support them financially. They probably find themselves in the minority even in those universities, so that the impact on the range of activities which used to sit around the formal educational ones has obviously changed because there are not many people who see that as a high priority for how they want to spend their time.

Students are also very much more diligent about what they are wanting to study formally in their courses. We try to put on challenging courses. We stretch them. The use of the web means that there is a limitless amount of information that could be relevant and interesting to what they are doing, so that if you are at all successful—and one hopes one is—in engaging students' interests, then of course if they do have time at least some of it is spent on broadening their knowledge, not necessarily engaging in some of the student association activities which perhaps they did in the past. But time would have to be one of the most critical factors in all of this.

Senator STOTT DESPOJA—Absolutely. Thank you.

CHAIR—Professor Edwards, I do not have any more questions. Thank you very much for your submission and for making yourself available this morning to come and talk to the committee. It is much appreciated.

Prof. Edwards—The reason why there is much more in the submission about the Indigenous student situation is that this study could not deal with it. We did not have a sampling method to pick up sufficient numbers of Indigenous students. If you did a random sample of students across the universities, they are such a small group that we knew that, unless we went in and deliberately sampled them, we would not have enough data to say anything significantly about it. The reason I spent a bit more time talking about some of the issues that we were aware of, from other sources, was precisely because it was not really part of that study.

CHAIR—Thank you.

[9.52 a.m.]

FORTE, Ms Jacqui Ella, General Secretary, Students Association of Flinders University

FRAZER, Mr James, Education Research Officer, Students Association of Flinders University

ALLEN, Mr Mark, Equity and Welfare Vice-President, University of South Australia Students Association

LEE, Mr Justin, President, University of South Australia Students Association

PEARSON, Mr David, President, Students Association of the University of Adelaide

VAUGHAN, Ms Naomi, Project Research Officer, Students Association of the University of Adelaide

CHAIR—I welcome our next witnesses from the Students Association of Flinders University, the University of South Australia Students Association and the Students Association of the University of Adelaide. We prefer to hear all evidence in public, but if you have something that you want to say to us in confidence or in camera, you can let the committee know and we will try and accommodate that request. You have each provided us with a submission and, for the record, when we receive submissions we number them. Your submissions are Nos 83, 71 and 75. To begin with, are there any changes, additions or corrections that you want to make to those submissions?

Mr Pearson—Yes. The students association has a few additional things to add.

CHAIR—Yes.

Mr Pearson—I will probably speak to those today, if that is okay.

CHAIR—All right. Is that all?

Mr Lee—The University of South Australia has some changes as well.

CHAIR—Yes. That is submission 71.

Mr Lee—We made a slight error.

CHAIR—On page?

Mr Lee—It is on page 5, subsection (3), the last line. It says:

The Students' Association fails to see why students on Youth Allowance are not privy to the same benefits as those on Austudy.

CHAIR—Yes.

Mr Lee—Basically, for the whole thing we are talking about students with Youth Allowance not having rent assistance, whereas students of Austudy have rent assistance; just the other way around, whereby students who have Austudy do not get rent assistance and students with Youth Allowance get—

Mr Pearson—That changes the recommendation 9 to 'Austudy' instead of 'Youth Allowance'.

CHAIR—So that rent assistance be made available to students who receive Austudy. Does each association have something to say to us to start with, before we go to questions?

Ms Forte—David Pearson is making an opening statement on behalf of Flinders and Adelaide.

Mr Pearson—UniSA is slightly different. Flinders' and Adelaide's submissions are fairly similar so we thought we could save time.

CHAIR—All right, and then, Mr Lee, you are going to talk to us.

Mr Lee—Yes.

Mr Pearson—I am making the opening statement on behalf of the Students Association of the University of Adelaide and Flinders University Students Association. Firstly, we would like to acknowledge the Kaurna people of the Adelaide Plains, the traditional custodians of the plains. Secondly, we would like to say that we very much support this inquiry and what it is here for, and we would like to thank the people that initiated it and are supporting it, because it is something that we are very concerned about. We are here on behalf of the peak representative bodies at our universities and student income support is perhaps the most important issue facing higher education today, we believe.

Providing students with the financial support they need in order to reach their academic potential is perhaps the most intelligent investment a government can make—an investment in the future of Australia. Students need student income support systems that truly reflect the current higher education experience. Students are bearing more of the cost of higher education than ever before, thanks to a government that is willing to shift the costs away from the community and directly onto students and their families.

HECS no longer exists. We are now Commonwealth supported students, with the Commonwealth making a contribution to the cost of a degree. Student income support needs to be realistic, accessible and reflecting the increasing costs of higher education and we believe it is not at the moment. The current measures of student income support are failing to meet the needs of thousands of students across Australia. Approximately four out of 10 students receive some level of student income support; still students today are working longer hours in paid

employment and incurring higher levels of student debt than ever before. Students are taking longer to complete their degrees and are in financial hardship, and alarming numbers of students are withdrawing and failing from their studies simply because there is not enough financial support for them.

Sadly, student income support has fallen as far as 37 per cent below the poverty line, and we find that quite alarming in a country such as ours. Student income support is a national issue. It affects students studying on all campuses across the country. However, there are a couple of points we would like to make which are unique to South Australia. In South Australia we have the distinct and unfortunate position of being the only state in the country where all universities increased HECS fees by the full 25 per cent: Adelaide University, then Flinders University and, finally, UniSA. I am at Adelaide University. We have one of the most expensive degrees in the country—$114,000 to study dentistry. That is quite concerning for us.

In November 2004, issue 9 of the AMP.NATSEM income and wealth report *Household debt in Australia: walking the tightrope*, South Australian students were identified as having the highest debts in the country. Close to 15 per cent of South Australians have a HECS debt. Collectively, Australian graduates owe a devastating $9 billion. In the past, student organisations have been able to provide certain amounts of income support for students. Student organisations provide students with emergency loans, scholarships, financial assistance, advice with Centrelink—all of that sort of support—to help students through the tough times which often happen at the beginning of the year. However, the federal government's plans to introduce voluntary student unionism will see this support disappear. The erosion of support for students will eat away at the intellectual landscape of what we are struggling to call a 'clever country'.

The responsibility for adequate support for country students rests with the government and the federal government's failure to recognise this has a longstanding impact on Australia's future. We stand by our organisations' criticisms of the current system and hope that our participation in this Senate inquiry will lead to the development of a system that better supports the students in the pursuit of their full academic potential. We are really happy to see this inquiry happening today. We have outlined in all of our submissions some very similar concerns that many other submissions also have. There is a list of major priorities and we would most like to see some action come out of this inquiry—basically, easing the burden on students which is forcing them to work.

We believe the main priority of university is to study, but unfortunately in university in Australia we have some of the highest rates in the world of students working. I think that was outlined in the AVCC submission: 80 per cent of students in Australia work in comparison to Europe where the highest they had was 70 per cent in France and going as low as 33 per cent in some other countries. That is really concerning. We would love to see some things that ease the burden on students so that they do not have to work and can spend their time studying and getting involved in the other things that university life is about. But that is just an optional extra; that is our wish list at the moment. Really, we would like to see students able to spend their time studying and currently they cannot.

We would like to see things like the payment of Youth Allowance at least in line with the Henderson poverty line, if not higher, and the age of independence substantially lowered to 18—that would be best; 21 as a compromise. But it needs to be lowered. That is a concern, especially

for country students. If you have to move interstate to study or move from one town to another to study because you cannot do it at home, why are you not independent when you have to move? I made a personal submission and outlined my concerns with that. I moved from Alice Springs to Adelaide to study, but still I was considered dependent on my parents. I moved 1,000 kilometres away and I am still considered dependent? It is ludicrous. Rent assistance for Austudy is another one; there is a whole list there. I will now let Justin speak and then take questions.

Mr Lee—Thanks for that. I am speaking on behalf of the University of South Australia Students Association. I would like to make the same acknowledgments as David made and I prefer not to repeat most of them because I agree completely with what David said and the association agrees also. The submissions from most of the universities are similar. However, I would like to point out that the University of South Australia Students Association conducted a randomised focus group of students who were divided into two different groups. We did not at any point put forward to the students that rent assistance for Austudy and all that were not beneficial and they require support and all that. We let the students take control of what they wanted to see and what they felt was not right. Our submission is based on not only these students' views but also other views that we have received by mass emails and so on.

Most of the students in the focus groups that we had gave us most of the information here that raises these problems with Austudy. It is quite clear that the students at the University of South Australia are rather unhappy with the way things are going in regard to the recommendations that we have made, and most of these recommendations are based upon the research that we have done with our students because we ensured that we were on the ground and we made the students come to us. We said to them, 'Tell us what your opinion is about these issues,' and as you can see, based on our submission, the students obviously had issues with no rent assistance for Austudy and the other recommendations which you can read from the submission. Those are basically the points I would like to make. Thank you.

CHAIR—Thank you. I will start off with some questions. Mr Pearson, I will go to you first. I did not realise I had a Territorian here today. It is an issue, particularly in a place like the Northern Territory. I raised this in Melbourne the other day. There are two issues here with students who come from regional and country Australia, where parents might be asset rich but income poor. It is a problem in terms of support for students. But in a place like the Northern Territory, the university offers a very limited choice in courses, so that if you want to do anything relating to medicine, veterinary science, dentistry, pharmacy—to name a few that I can think of; even journalism—you have no choice but to go interstate. People raise with me that they are having to pay rent for their children while they are interstate and supporting them fully, either because the income test is still there, kids are not seen as independent, and the age of 25 is a barrier. How many times do you have students who are in that situation present themselves to you? They are studying in Adelaide because they have had no choice but to leave their home state but are not seen as independent, and the income support is inadequate.

Mr Pearson—Yes, I have had a number of students. I used to live in a residential college, so I had a lot of contact with rural students from all over South Australia and from interstate who came to study in South Australia because of medicine, because of our degrees. There are big concerns there. Another one is that, even if you defer for a year, which I did, and become independent, when you want to go home you are not eligible for the travel assistance that you can get if you are still considered dependent. If you take a year off and make yourself

independent and show that, you cannot get the travel assistance to go home, especially to places like Alice Springs.

When I first moved here, Ansett had just collapsed and I could not get an airfare home, it was so expensive. I could not go home in the first year or so because I could not afford it and my parents could not afford it. Like you said, they might have been, on paper, rich but in reality they did not have a lot of disposable assets.

CHAIR—So you took a year off to actually work and get a bank of income behind you?

Mr Pearson—Yes, which in a way works but the consequences of that are that a lot of students, especially in rural places, get into the work force or have started making money. Then why would they go to uni? You lose a lot of people from the system that otherwise would have gone to university.

CHAIR—It is something that Professor Edwards put to us this morning that we had not heard before—that is, that if the student income support were greater, then students might actually finish their studies earlier and get into the work force faster. There is no incentive there to enter the work force quicker because there are enormous barriers to overcome to just try and survive while you are studying. Yours would be a classic example of that. You would have been in the work force a year earlier if the student income support were greater while you were studying.

Mr Pearson—Yes, for sure.

CHAIR—What other impact does it have on students in terms of their availability to attend classes, efforts they put into study or just general health and welfare and fatigue?

Mr Pearson—If you talk to many of the lecturers, the academics at universities—you can even go along and sit in a couple of lecture halls—you can see students falling asleep left, right and centre because the type of work they get often means they do night fill. It is quite hard to get casual work during the day so they do night work. Then they have to try and get up for their lectures in the morning and attendance rates at lectures is nothing, and tutorials, seminars and pracs, all those sorts of things. Students are not going, in increasing numbers, and the university is having to make up for that by putting increasing content online so that students can do their study at more flexible times because their first priority is working, unfortunately.

CHAIR—What sort of pressures does it put on your associations?

Mr Lee—It puts quite a lot of pressure on it because the main goal of a students association is to take care of the welfare of the students and to promote student interests and so on. It is very difficult when the students are coming to university for the sole purpose of studying and they are unable to get their courses and studies done because of all these issues that they have to face aside from that. Just adding to what David was saying, we have some cases where the cost of travel for students to come to university is particularly difficult. We have some complaints here in our submission as well that some students were unable to afford concession bus tickets.

They have two choices: either they rent outside and take a car and drive there, which obviously has fuel costs and maintenance costs of the car and so on, which they have to cover;

and also travel costs with regard to buses and so on. When the students themselves are unable to even get to the lecture—many of them say they have not been to the lecture, some say they have to skip some meals because they do not have enough money to pay for the meals and that causes them also to not be able to focus well in classes—and when students are unable to focus well in classes, that places an extra burden on them. When there is an extra burden on the students, there is an extra burden on the students association as well because, like I said, we promote the interests of our students.

This also includes student representatives in our student association. We have a lot of student representatives who have come to us, who have personally come to me— because they get paid an honorarium and sometimes the honorarium payment is delayed for some reason or other—and said, 'I really need my honorarium payment because I need to pay for my rent and so on and I can't get past this week.' It is quite clear. Some students just want to come to university and study but instead they are having to divert their attention away from studying towards working and obtaining money which is not really a good case. They should be studying first and after they have graduated with their diploma or whatever degree they get, they can go out into the work force and work. It really places a huge burden on the students.

Mr Allen—Our students association offers an emergency student loan of $50 which is obviously very little, but there is a huge demand for these loans. It is just an emergency loan for students when they get into trouble, if they need to buy some food or something like that, but it is clearly not enough. Our university used to provide larger loans but they have stopped doing that, so this is another big problem. You can tell by the demand for these emergency $50 loans that—

CHAIR—How many people a week would come and want that?

Mr Allen—I do not have the exact figures, which is a shame, but it is a lot. It is a high figure. I can find out for you and get those to you.

CHAIR—We would be interested, particularly if it is at certain times of the year: closer to the middle of the year or the end of the year, if students have worked over Christmas, if their money is running out.

Mr Pearson—Overwhelmingly, at Adelaide University, we give out those loans at the beginning of the year. We have a whole bunch of trusts and scholarships that have been set up over time to give out. They are mainly given out at the beginning of the year because that is when you have to buy all your textbooks and the student services fee is due or you move into a new house. It is usually when students move houses and bonds are due, all that sort of stuff.

Ms Forte—As well as that, at Flinders we have a first-year equity grant which we make available to first-year students at the beginning of their studies. How much people can get from that grant is determined by their need, by the number of people who apply for that grant, by what they are planning on spending it on—for example, textbooks, parking fees, rent. There is an endless list of things that students are needing to spend money on when they first start studying. The number of students that are needing that grant is increasing, so the amount of money we can give to those students is decreasing. It is a never-ending cycle of having to say no to students and, when you can say yes, having to say, 'Well, the amount of help that we're actually able to

give you is less than you need,' when they are still struggling to get rent assistance, dealing with Centrelink, dealing with out of home study.

A lot of those students, especially at Flinders, have just moved. We have a lot of students living on campus. We have a lot of students who have moved from interstate and rural areas and even students who live on the other side of the city that are having to travel for a couple of hours every day to get to uni; it is an enormous strain. Not being able to provide those grants is a terrible strain on us when we have to say, 'We now need to provide more services for you in other ways,' which then puts extra strains on the rest of the organisation.

Mr Pearson—Just to add to what you said before, the AVCC found I think a figure of 30 per cent of students were missing classes frequently because they had to work; and that is in a study they did. Could we just add to what Justin said before about costs of travel. Because rent is a major expense for students, they are increasingly having to go further out into the suburbs to find cheaper rent which just means longer commute times. If they live closer to the city then they can walk to uni but if they have to catch the bus because they have to find cheaper rent further out in the suburbs, it all sort of adds on together.

CHAIR—Yes.

Senator STOTT DESPOJA—Good morning everyone and thank you for your submissions, in particular your recommendations which seem to overlap quite nicely. Just one query I have and probably directing this to Flinders University, but I think it has been reflected in all the submissions—that is, the idea of the level of income support, specifically CYA and Austudy, to be linked to the Henderson poverty line. This is something I have asked other witnesses. I am just curious as to whether or not you would accept it being pegged to a different measure? The reason I say that is, while the Henderson poverty line gives us quite a graphic example of how bad it is in terms of income support measures and it is a good illustration, to attach income support payments to that barometer, which can be quite fluid and depends on things like the number of dependents, for example, I am presuming you would not have problems with us pegging it to something like the male total average weekly earnings or some other barometer. I am not sure how you feel about that.

Ms Forte—We have used the male average income in our submission as well.

Senator STOTT DESPOJA—I noticed that in your fourth recommendation.

Ms Forte—What I want to stress is that, even though we have used both of those different measures, neither of them measure up, neither of them are good enough. The level that it is at, at the moment, even to increase that to the level of the male average weekly earnings would be a substantial increase in the situation the students are getting at the moment.

Senator STOTT DESPOJA—I am talking specifically about pegging it, so it would not necessarily be equivalent to; obviously I am trying to be realistic here—whether it is 25 per cent of MTAWE or whether it is increasing by CPI. I know you have made reference to that in your submissions as well, the other university students associations. If that is something that we talk about, just getting the support from you, you do not think we are getting rid of the Henderson poverty line example for anything other than beneficial reasons.

Mr Frazer—We would certainly support a much more comprehensive measure of poverty in Australia than something like the Henderson poverty line. That would be something that could arise out of this inquiry. We would love to see that.

Senator STOTT DESPOJA—Here is hoping. You have all made reflections on and I note, Ms Forte, your specific comments about the costs of textbooks, but you have all referred to it in your submissions. Thanks for the quotes, USA, we are very happy about that. Do you have any anecdotal or specific evidence about the impact of the abolition of the ETSS? Are you aware of the impact it has had, if any, since July last year when textbooks increased by at least eight per cent? If you want to take that on notice, I am happy with that as well, so that we can get some kinds of figures.

Ms Vaughan—I think definitely we can respond with accurate either anecdotal evidence or figures but just from being around campus and particularly at the start of the year being around UniBooks and hearing students talk about the change in price, you hear students say, 'I will buy this book now and wait halfway through the semester till I buy that book,' because they just cannot buy both. The impact is really being felt by students and they are talking about it a lot. They are talking about it with each other, too. They are not just keeping it to themselves, they are talking to other students, and they are coming and talking to student organisations. The impact has been significantly felt by students, especially at Adelaide. We have had lots of comments from students.

Senator STOTT DESPOJA—The other institutions?

Mr Lee—We noted that point on page 5, subsection (b)(i) whereby we had students complaining that they could only purchase textbooks that were really essential because when you go for a course there are textbooks that you definitely need and some you need but you can probably do without. The problem is, when you go to university, it is not just about knowing one particular bit of information, it is about being able to understand the full concept of things, which you cannot only get from one book. These students are not able to do that because they are only able to purchase one book.

When they purchase these books, as was touched on just now, they purchase them later on in the semester when they realise, 'I really need this book.' Then they will go out and find the money and get the book. Most of them buy the book and sell it later on as a second-hand book. But in a four-year course, obviously by the fourth year you would still want to refer back to what you learnt in the first year when you are doing your exams, and they are unable to do that because they sell the textbooks right after they finish the course.

It also goes for readings, because the university provides readings. Most of these students have commented that they are unable to afford the luxury of purchasing extra readings to bolster their learning, so it basically builds on the point that they are only able to get the bare essentials, the bare minimum that they can afford. Anything in addition they just cannot afford, which gives no help to them because it makes it more difficult to pass the course when they do not have a full grasp of what they are studying.

Senator STOTT DESPOJA—Does the University of South Australia or the student association provide any assistance in terms of book purchases?

Mr Lee—Yes, we do. We offer a second-hand book service and we also offer discounts on books. All the universities have UniBooks. We also help support that. The second-hand book service is utilised a lot. I do not have the statistics with me right now but I can get them for you later on if you need them. But the amount of students that are using the second-hand textbook scheme is enormous. Even I use that second-hand textbook scheme to get some of my books as well.

Senator STOTT DESPOJA—I realise, first of all, that you have enough work at the moment but, secondly, that it is very early in the piece. It is six months into the evolution of this scheme, but that is why I am interested that you have all made reference to it in some way through your submissions. I am not sure at Flinders, if you wanted to comment on that as well, Ms Forte?

Ms Forte—Personally I have had to choose between buying some textbooks and buying others and I know a lot of my friends have had to do the same. It gets to a point where you say, 'Well, what books are there on reserve in the library and what books can I afford to buy?' which is then putting more strain on the other resources that are available to students. It does all tie in to the demand on emergency loans for Flinders students and when they can get that money and what they can put it towards, because the cost of textbooks certainly was already high before it increased. It is one of the most difficult things for students, I think. Anecdotally, it is one of the first things students say to me: it is the thing they have the most trouble paying for at the beginning of every semester.

Mr Pearson—To add to that, I received a number of comments straight after the abolition, or at the beginning of the year, when people went in to buy their textbooks, which were basically that those who could just would not buy their textbook. It is a disincentive for people who buy the course reader, the reading textbook. Often what people do if they cannot afford it straightaway is, when they get to the point of saying, 'I really do need it,' they photocopy the relevant section from the library so that it is increasing costs on people for photocopying.

We have taken the issue up—students increasingly needing to do photocopying—with the universities, as well as the cost of course readers. Increasingly lecturers realise that we cannot afford the textbooks so they are giving us the relevant reading. The reading bricks are getting bigger and subsequently more expensive. Four years ago when I started university you would get your average reader and it would be about $5 or $10. My reader this year was $40 and they are going up, so that is a big cost.

We are taking that to the university but there is only so much they can do. Maybe it is something that needs to be considered by this inquiry, as to whether the government can support the universities in providing photocopying quotas for students and putting a cap on how much they can charge for those readers. Originally they were supposed to be free, under the original HECS system, but now they charge for them because they put copies in the library and that sort of thing.

Senator STOTT DESPOJA—That leads on to my next issue of ancillary fees. I know I am focusing on the expenditure side here as opposed to the income because I think a lot of your points are well made in relation to income support payments or lack of. Obviously there have been court cases to test whether or not there are such things as legal or illegal fees within institutions but from what I gather—readers, as an example, photocopying—there seem to be a

lot of additional fees that students are having to take responsibility for and thus increase the cost of living and thus put strain on their income support payments, if they have any. Can you provide us with examples from your institutions? I note in a couple of the submissions again there is reference to additional costs. Is this something that you are aware of and something that you have taken up with your institutions? Perhaps, Mr Pearson, if you want to start, because you said you were referring this to the university.

Mr Pearson—Yes. We have had discussions a couple of times this year with the Adelaide University administration. They have set up a working party to review how the ancillary fees policy is being implemented. One of the things that happened this year was that the course outline—which is what happens each week and what the lecture will be about and what essay questions you can do, that sort of stuff—for a long time has been provided for free, and it is the university's policy that it is provided for free, but increasingly the lecturers are including that in the course brick, the reading brick which you have to buy for up to $40.

That means the students are not even getting the course outline and often they have to download it from online set-ups at the university—that is how we have it at Adelaide Uni—so that uses up half the student's printing quota for the year. So the university is looking at that, to make sure that does not happen. But there is only so much they can do in terms of keeping the cost for the reading bricks down, because they do charge us the cost price. But at $40 or $60, which some of the law students pay, that is a mammoth amount because they just have to do all of their case studies and that sort of stuff. So we are dealing with the university.

Senator STOTT DESPOJA—You would not have an estimate, or a guesstimate more likely, of the average increase in ancillary fees for students, obviously acknowledging there are different disciplines?

Mr Pearson—I think that is something the university could answer better than we could because they have looked into it. It is something you could ask the universities about.

Senator STOTT DESPOJA—We will ask them this afternoon. USA, did you want to comment?

Mr Lee—In the survey we did on the two groups that I mentioned initially in my opening statement, the group that we surveyed said they spent about $24 to $25 per fortnight on ancillary costs which included printing, photocopy and stationery. When it comes to photocopying, that is not something they can stop because most university students have to do presentations and so on.

Presentations require preparing a report which may require binding and, let us say, getting overheads ready for PowerPoint presentations, getting the stationery relevant to do these kinds of things. That is an estimate that we have, and the students have mentioned that that is an added strain because these are not the types of things that you really consider as part of the fees. In fact, when you take all of it into account it really places a burden on them because $24 to $25 a fortnight is quite a significant amount of money that they have to spend on that. With regard to the readers point, I am not sure because I get my course outlines free. Do you get your course outlines free?

Mr Allen—I get my course outlines free in my course, yes, but there is a lot of money for the readers, though.

Mr Lee—The readers still cost but I think the university has taken most of it; has tried in many ways to reduce the cost of these. The cost that they are putting on most of them is quite minimal. When I go for one of my courses, the course coordinators recommend that the students go to the students association to get the second-hand version of the books because they are trying to ensure that the students do not have to spend more money than they need to. Basically, the university is working with us on most of the problems and not just saying, 'Oh, well, this is what you have to do. Go and do it yourself.' They are assisting the students in working towards that goal. However, because of the lack of funding provided by the student income, it makes it difficult for the students, even though the university and the students association are working together with that.

Senator STOTT DESPOJA—Mr Lee, in your submission you do elaborate on things other than photocopying costs. You have everything from video production, camp costs, accommodation and food, obviously professional printing, protective clothing, lab coats, uniforms replacement, case studies, readers and professional presentation, so we are talking quite a broad range of additional costs here which arguably the university could or should be paying.

Mr Lee—Some of these things we have approached the university with and we are having ongoing dealings with the university with regard to them. I am happy with the way things have been going.

Senator STOTT DESPOJA—That is good.

Ms Forte—I will just make a couple of points. Regarding the cost of photocopying, I especially want to highlight the difficulty for research students, postgraduate students. I have to approve certain loans from the postgraduate students association and increasingly people are now asking for that money for photocopying costs as opposed to textbooks, which was the traditional request, which I think highlights that that cost is increasing. In libraries, obviously certain books are not allowed to be taken out. Research students are constantly having to refer to these texts and their photocopying costs are enormous. We are talking in the hundreds of dollars across a year. Some of those research students are doing this for several years.

In relation to the readers, Justin was mentioning that universities are encouraging the students association to provide second-hand copies of those readers. Something we have trouble with at Flinders is that most of the readers are not valid for more than a semester or a year because the readings change, the texts change, things have to be updated, so we are not able to reuse our readers at Flinders. Although that is certainly not the university's fault, it is just an added cost for students where we cannot really help them with that.

Lastly, in regard to Justin's point about there being so many other costs that are factored into degrees—not just photocopying costs but printing costs and obviously certain clothing for a lot of science students—something which is coming up more recently at Flinders is a lot of nursing students having to have certain equipment when they are put on placement. For example, we had one girl who came to us recently needing a certain type of watch to do a placement. That is

something which she will obviously be able to use in the future, but she could not take that placement without it. She could not just have a cheap watch that she could get anywhere or that we could help her cover the cost of. It was an expensive watch but she needed it to do this placement, and that was possibly going to restrict her from moving on with her studies. So there are always these things coming up and we cannot foresee all of them, unfortunately.

Senator STOTT DESPOJA—We have heard about—and certainly, Mr Pearson, in your evidence you talked about this—the type of job that students are taking. Particularly we have heard evidence about the black economy: the shift work, cash in hand; whatever money students can get to get through their studies. We have also heard evidence of students associations at some universities providing everything from sort of soup kitchens through to a range of other facilities to ensure that students are fed and are able to support themselves. Do you have examples of this from your campuses or from your universities that illustrate what students are having to do to survive, or the kinds of amenities you are having to provide in order to assist students to survive while they are studying?

Ms Forte—At Flinders we unfortunately do not do it all the time, but for certain weeks, for instance, the women's department will run breakfasts in the morning for an event. The Green Transport Office runs a free breakfast when students are riding into university at certain times during the year and they are always well received, but it is something that we cannot, unfortunately, provide constantly.

The figures on the need for them are a little bit blurred, but they are certainly well received by students and appreciated, which I think shows that it is something that they need, with the time that students have to come into university to take advantage of those free meals. They are going out of their way to get there to be fed, which I think highlights the need for it. But, unfortunately, we cannot provide that all the time at Flinders. I am not sure about Adelaide and UniSA.

Mr Lee—I agree with that. Our students association ensures that we often have activities on campus. Not only that, we provide most of our food products free and we cater for all types of student needs. But I agree with Jacqui in the sense that we cannot do it all the time because we do not have bottomless pits of money that we can use to get food every single day for students. I also agree that these events are well received by students. I even had a student who came to me when we were giving out free food and said, 'At least I can have my lunch today.' That was really quite surprising, because if we did not have this event, he would not have had lunch. That was really quite shocking. But I see that the students really appreciate most of these things. We set an event running for let us say two hours and we get food that we estimate can last for two hours, but the food usually goes in less than an hour, which shows how much the students really appreciate these things.

Mr Pearson—At Adelaide Uni we try and do as much of the free food things as we can, like the lunches, the breakfasts, the soup kitchens in wintertime. That is always devoured by the students, whether or not it is just because it is free or they are hungry. If a student can get a free meal somewhere they will, because it just saves having to buy it at home later. So, yes, we do that as much as we can and we also try and give out as many free things, and they always go.

We source them from sponsorship or just try to get them free things like condoms, tampons; folders, old folders that we can get from businesses; we received a box of pencils, and toilet

paper—simple things like that. Students take them. If we can get them and give them out for free, they get devoured. We gave out lab coats earlier in the year that we were able to source. Anything like that the students love. We were looking at setting up a bit of a mini-mart at Adelaide University to sell all these sorts of things really cheaply and have this as a bit of an organisation, but that has been put on the backburner with VSU coming in, so that is a bit of a shame.

In terms of the types of work they are doing, yes, there are a lot of students that I know of that do a lot of underhand cash work because it is cheap, it is easy, it is off the books and so you do not have to deal with the headaches of dealing with Centrelink, letting them know that you are doing work, because it is so difficult to let Centrelink know that you are doing work. If you are on payments, it is a disincentive to do work; the amount of paperwork that you have to go through to let them know that you are working. You cannot earn over a certain amount of money because if you do you are basically working for free because they will take it away from Centrelink. So you may as well not work because you will lose your Centrelink payments to get that money. People do all sorts of dodgy jobs but they work in proper jobs as well.

Senator STOTT DESPOJA—Thank you for that.

Senator TROETH—I appreciate from what you said before that to fit in with your studies it has to be part time, casual and probably not during the day. So, the black economy aside, is it difficult to find work like that? What is the experience of students in finding that work or, indeed, with employers who are willing to accommodate what could be a shifting schedule?

Ms Forte—I might answer that. Our employment service at Flinders is run through our university union. It is very well used by students. Obviously employers are coming to us for all sorts of jobs—from gardening to tutoring to bar work to office work—but they are actually coming asking for students, which is one of the reasons it is so well received. Personally I spent six months trying to find work in my first year and was knocked back every time because I was a student—'Your timetables aren't appropriate.' 'You can't give us definite times on tutorials changing over semesters.' 'You can't guarantee you'll be here for the long term'—things like that.

Although I cannot speak highly enough of our employment service, it is not enough. It is so hard to find casual work that suits students. Like David said, so many of them are working nights. A lot of them are working for incredibly low pay. A lot of people trying to pay rent are being paid $12 or $13 an hour, sometimes to do eight-hour shifts overnight and then come back, get their study done, and still manage to get to tutorials, which they have to attend or they will fail their course. It is a never-ending cycle. But actually finding the work in the first place is very difficult.

Mr Allen—Yes, I agree. From my own experience, I have noticed this as well. We have a similar service at our university and, again, it is very successful and students use it a lot. There is a huge demand for it. But I agree in the sense that it just is not effective enough. There are a lot of students who are still struggling, who have basically given up trying to find part-time work. Also, the time and the energy that it requires to find part-time work when they should be studying is an additional stress, and I do not think that employers fully understand the students'

circumstances and that there needs to be some kind of flexibility. It is certainly an area that we need to look at much more.

Mr Lee—There are some students who have complained that, although they have jobs, some jobs require them to be—and they are expected to be—on call at certain times. Some mean employer will say, 'I need you here at this time because I don't have enough staff members. If you want to keep your job, you come here at this time.' Due to that, some students have to balance between whether or not they should attend a class or keep their job; they decide to go and keep their job because it gives them some income. Obviously, in an ideal situation, they want to keep on with their studies, but if they do not have a job they will not have money to continue their studies. That is why they have to do this. It is quite ironic when you think about it: neglecting studies so that you can get enough money to keep studying.

Mr Allen—Often the place of work is not close to the university, so a lot of students have to rely more on a car to get between uni and work, and also because their daily schedule is a little bit less predictable they cannot rely on public transport as easily to balance out the needs of going to uni, going to work, going home—that kind of thing. Another big concern of mine is the nature of the way things are turning out. There is a much greater reliance on using a car in order to be a student and follow that lifestyle and obviously it is very uneconomical for many students to run a car, especially with petrol not getting any cheaper.

Ms Forte—I would like to quickly add to that. David was mentioning Centrelink payments. A lot of students are restricted in the number of hours of part-time work they can do. That does not suit employers either.

Senator TROETH—So you can put a ceiling on it.

Ms Forte—Yes. 'I can work for you. That's fine. I can work every night of the week, but I can only work 20 hours a week or I lose my Centrelink benefits,' and the employer says, 'Okay,' and then turns around a month later and says, 'Oh, I need you to cover a shift. You'll just have to lose your benefits this week.' Students are constantly being asked to compromise on their ability to live in order to work and study. It is not something that students should have to do.

Mr Pearson—I totally support that. That is how I lost my first job when I came to uni—because I just refused to work when they wanted me to. It was like, 'Well, I'll come in and I'll do it for free, so I'm not doing it,' so I lost the job. But I cannot speak highly enough of the employment service either. It is always overworked, but I personally have received three jobs in my four years at uni from the employment service. There are a couple of other things that I think would be good if this inquiry could look at. Students are increasingly doing those medical tests to get some quick easy cash. I do not know if you have heard about those. There have been some things in the media about it. We have concerns about that, and our employment service will not list those.

Senator TROETH—Are you talking about giving blood or being part of surveys—

Mr Pearson—They are not simple things. No, they take drugs and they take certain cigarettes to see what the effects are and that sort of stuff.

Senator TROETH—Sleep deprivation tests.

Mr Pearson—Sleep deprivation, yes. It is some quick easy cash. There have been some sensationalist claims in the media about students working in the sex industry as well. It does happen. I have talked to students about that. They do it because it is good pay. Some of them do it and do not think there is anything to be ashamed of, but there are issues to look at in terms of needing extra protection from exploitation in that industry, especially when they are quite young. There are a lot of students who work on campus, which is really great—the university prioritising students to work in the library and that sort of thing, to do all the books—but something that I think will be of concern in the future is that student unions employ a large number of students as their casual staff to work in the catering outlets, and if those outlets are privatised or sold off or collapse under VSU, then there will be a lot of students who will be out of short casual work. They can work for a couple of hours over the lunch period in the commercial outlets at uni, which are busy, and it is flexible for them. That will be a big loss for many students.

CHAIR—In closing, in the submission from UniSA, you say:

> Overall, Centrelink assistance is cited as being inequitable and inflexible.

That is not the first time we have heard criticisms about Centrelink. In fact, I think it was put to us on Monday in Melbourne that Centrelink is more about being efficient than effective. What are some of the experiences that you have had, either personally or students have made representations to you, about the system? One girl told us in Melbourne that Centrelink had suggested to her that she ought to go onto Newstart to get more money, rather than keep her common Youth Allowance.

Ms Forte—I know people who have struggled with Centrelink for years. A friend of mine recently, always having trouble getting her Centrelink payments on time, always having trouble working the right number of hours to get her Centrelink payments, left university in order to get full-time work because she did not feel she could continue while getting Centrelink benefits, and she was not able to apply for any other benefit. It forced her to leave her degree and take up full-time employment, which shocks me and obviously from a personal perspective I worry about her. But I just worry how many other students are doing this that we are not hearing about, because Centrelink really is the bane of a lot of students' existence unfortunately. They are terribly difficult to deal with. I am thankful that I do not have to deal with them personally.

CHAIR—Do any of you have a Centrelink office on the campus or a Centrelink officer who comes to the campus?

Mr Pearson—We have education welfare officers, a number of whom used to work for Centrelink, so they know the ins and outs.

CHAIR—But they are not directly placed there at the moment by Centrelink?

Mr Pearson—No, we do not have that.

Ms Forte—We have people who are there to give advice on Centrelink. We offer free fax services to Centrelink through three of our organisations, but Centrelink does not provide that person; we do.

Mr Lee—It is an interesting point. Quite recently the University of South Australia was approached by Learning Connection in a particular section of our university to discuss this issue—to get a Centrelink representative on the university—and we are still undergoing constant negotiations with them which have not concluded yet. It is an ongoing thing.

Mr Allen—I would like to talk a little bit about my Centrelink story, because when I started my degree I was eligible for Youth Allowance and I was receiving Youth Allowance, which meant that I received some rent assistance as well. But then unfortunately I had to take some time off my study because I was unwell, so they put me onto Newstart and I was getting sickness benefits from Newstart. So I went from Youth Allowance to Newstart. But after my time on Newstart and I wanted to go back into studying again, I had to go onto Austudy because I had stopped being on Youth Allowance, and now I lost my rent assistance. So I suffered great financial hardship and I could not afford to live where I lived before; I had to move out. That was a very difficult time and I felt as if I was being penalised for having to take time off because I was unwell.

CHAIR—Why did they make you go onto Austudy and not back to the common Youth Allowance, because you had that period?

Mr Allen—Because I had turned 25. Once you turn 25, if you are already on Youth Allowance before you turn 25 then you can continue.

CHAIR—Okay.

Mr Allen—But if you go off Youth Allowance, say, at 24 and then go back onto it after your 25th birthday, then all of a sudden the privileges and rights that I had under Youth Allowance were taken away from me because I was too old to get rent assistance, which did not make any sense at all. It was a very traumatic time for me.

CHAIR—Whereas if you had not have been sick, you would have kept those benefits.

Mr Allen—Exactly, if I had not been sick. But what happened was, because I was sick, I could not remain on Youth Allowance; Centrelink would not let me. So they put me onto Newstart, which was very bizarre and a lot of paperwork and messing around. It does highlight some of the inequities with that system.

Mr Pearson—I would like to add a couple of things about Centrelink. At the students association at Adelaide we offer free faxing to Centrelink because there is so much paperwork you need to get. It is one of the things we do. But a problem that many students have is that when they do that faxing, the vast majority of students who walk through our doors screaming, it is not about, 'Look at my HECS debt. It's so huge,' it is, 'I've been on the phone to Centrelink for two hours and I still don't understand what they're talking about. What the hell do they want me to do?' I am always telling them to go and see the welfare officers who used to work for Centrelink. But they are continually stuffing things up. They lose the forms that you have to send

in every week and, if they lose it, they will cut your payment and they will not even tell you. So you have done the right thing and you do not even know it; your payment does not get paid that week, it does not go into the bank account.

If you have your banking set up to automatically take your rent out and the money is not in there because Centrelink have lost the form and they did not even bother to tell you, then your rent bounces and then you owe the bank money for the rent bouncing and your landlord is angry, and Centrelink do not even tell you. It is a full-time job dealing with Centrelink and they really need to look at that. Then the overpayments: they will stuff up and pay you too much and then they will make you pay it all back and then the debt students have to Centrelink is really crippling as well. There are a lot of students that have that.

CHAIR—You think the way in which Centrelink handles youth study and Austudy might be something the Audit Office could have a little look at.

Mr Pearson—Yes.

Ms Forte—It is atrocious!

Mr Pearson—The way they treat us.

Ms Forte—They have absolutely no regard for the situation that students are in, and yet it is the purpose for students going to these services. The services just have no concept of the situation that the people they are helping are in and what their mismanagement is doing to these people. It is not just students; it is an overarching problem.

Mr Pearson—You do the right thing and they do not care, and you put in an official complaint and you get no response. I have done that a couple of times.

Ms Forte—One day your bank balance is not as big as it is supposed to be and you are not told.

Mr Allen—You get a letter saying, 'Your payment has been cut off.' It is like, 'Why? What have I done?'

Senator STOTT DESPOJA—We will take up these issues with the department when it appears before us. I want to return very quickly to, Mr Pearson, your rather startling comments on *Hansard* about the sex industry and medical tests. In some respects that is not new, though, is it?

Mr Pearson—No.

Senator STOTT DESPOJA—I remember a long time ago when I was sitting in your shoes and probably being asked by senators about these issues.

CHAIR—Last century probably.

Senator STOTT DESPOJA—It was last century actually! These issues came up. I would like to know—and I am not suggesting that any of that evidence is positive—is it getting worse? This is what, as a committee, we are partly charged with assessing; not only do those circumstances exist, and have existed, but are things getting more deleterious? Do you, in summing up, believe that income support payments and the lack of support for students in a financial sense is getting less?

Mr Pearson—The amount of students that are going to lectures, the amount of attention, the amount of time they put into their studies is decreasing. I do not think anyone can argue with that. I think it is getting worse in terms of a broad picture, in terms of the amount of support for students. It is harder for students to study and manage the different things in their lives that they have to do. In terms of the startling things—the sex industry and the medical tests—the students association at Adelaide Uni is not really in a position to do a lot of research into that, but it is something that we are concerned about. I could say that the medical tests are probably targeting students; there are more tests. That is increasing. I can say that for sure. But in terms of the sex industry, is there no-one watching and keeping an eye on what is happening there?

Ms Vaughan—Regarding the medical testing, I think it is a situation of the targeting of students increasing but students being more desperate for money—that they are more willing to take up those offers—whereas in the past they might have said, 'Well, no, it's easy to find a job. I don't have as many problems with Centrelink.' But now they desperately need the money and so their inhibitions about accepting offers like that have reduced dramatically.

Senator STOTT DESPOJA—They are not being facilitated by any departments or anything on campus?

Ms Vaughan—I am not sure. With regard to product testing, that is all external bodies but I am not sure about the departmental work on campus.

Ms Forte—Most of the tests that are run through departments on campus, I know at Flinders and I am sure it is similar at other universities—psychology tests which usually just involve questionnaires, computer tests, things like that. Most of the medical tests usually involve questionnaires relating to diet, sleep patterns; things like that. But, as Naomi said, it is the product testing that is going above and beyond that. Often the risks of that testing are not made clear. We do not have access to all the information, but where students are offered an enormous sum of money to go above and beyond they are not going to say no to it.

Mr Lee—UniSA is unable to really give a firm comment on the sex industry and the testing because we have not done any research on that. We are unable to say whether it is increasing or decreasing. But with regard to the escalating problem of a lack of student income support, it is quite evident. As years go by, things are increasing, not decreasing at all. The level at which Austudy and youth study are increasing based on the CPI is simply not enough to cater for the students. Students are losing support. They have lost the textbook subsidy, HECS fees have increased; GST. Costs are increasing but the student income support is not increasing to meet the needs of the students. Therefore, with all the recommendations that we have put forward, our main goal is to try and put forward the point that students are not receiving enough support. You can obviously see from the combined recommendations that everything is increasing and students' incomes are not increasing. There is really an inadequacy in the level of support. As

David mentioned, attendance in classes is not as good, and all these factors contribute. It is totally unacceptable when we expect students to study to get a degree, but students are facing an added burden of having to work and study, which takes away the ability to excel in their studies. We as the students association at UniSA, and I am sure the other students associations, see that as quite appalling.

Mr Allen—A good point to make is that a lot of students are taking much longer to do their courses. We were looking at some figures showing the increase in the number of students at UniSA and the amount of money that was paid in student amenity fees last year. The increase in the number of students at our university was fairly substantial but the amount of fees that were being paid had lowered; we received less income last year than in previous years. This shows that fewer students are doing a full-time work load. It is a common trait that a lot of students, because of their work requirements and trying to balance everything, are stretching their degree further than the allocated three or four years, and we have figures to show that.

Ms Forte—We have the same evidence at Flinders. It is something that is being discussed at councils at the moment. Obviously, with all of the changes to higher education recently, it is going to be some time before we can pinpoint the trends, but these sorts of issues are having a great impact—the increase in HECS fees; the lack of student income support; the cost of living that is increasing for students. We are having fewer students re-enrolling in continuing courses and we are having more students taking up part-time study as opposed to studying full time, which is extending their time at university, decreasing their time on campus, which is then having a decrease in campus culture. It is a cyclic thing—everything affects each other. There does not seem to be anything that is improving the situation of students.

The sex industry situation is an extreme example, but I think the real issue is that students are having to lower their standards to accept whatever work there is. Some students may be forced into the sex industry situation or medical testing, which can be extremely detrimental to their health. Students are no longer able to say, 'I want my work experience to be in my field of study so that I have work experience when I finish my degree.' More students are acting as dish-hands and do not have any experience in their field of study to assist them in getting full-time employment when they finish their degree. It is not so much those extreme examples that we have figures on necessarily but it is the trends of students having to say yes to things they would not normally have agreed to do.

CHAIR—Did you want to say something to finish?

Mr Pearson—Yes. Just as we were walking in, you asked Anne Edwards from Flinders University about whether the majority of students want to get the holistic experience at university. I think she said, no, it was more of a minority. I would dispute that. I think the majority of students would like to get the holistic experience—involved in sports, the campus culture et cetera—and increasingly they are not. I do not think that is a choice that they are making consciously—that they don't want the holistic experience. I think the majority of students want that experience, but they are unable to take it up because they are spending their time working rather than being at university studying and getting involved in all the extracurricular activities, challenging ideas, and the whole purpose for which universities are there.

CHAIR—Thank you very much for your time today and your submissions. They have been most helpful.

Proceedings suspended from 10.56 a.m. to 11.20 a.m.

GEORGE, Professor Rigmor, Pro-Vice-Chancellor and Vice-President, Access and Learning Support, University of South Australia

CHAIR—I welcome our next witness from the University of South Australia, Professor George. The committee prefers all evidence to be given in public, but if you have any evidence that you would like to be given in camera or in confidence you can request that and we will facilitate that. The submission we have before us is numbered 113. Do you have any changes or additions to that that you want to make?

Prof. George—No.

CHAIR—Would you like to start by giving us an opening statement, and then we will go to questions.

Prof. George—I had the opportunity of speaking to Mr David Sullivan a moment ago and realised that, in fact, there are not a lot of hearings, so we appreciate the opportunity to be involved in this direct way. I was present for the students previously and I thought that was a terrific session. There are many areas of overlap, so I do not want to labour those sorts of things, although I might mention one or two.

The University of South Australia, as you may be aware, has an act which gives us a particular responsibility around equity, and that is very strong in our mission. We take that extremely seriously. In all areas of the work that we do, we are mindful of students, particularly those in equity groups, so this is a particularly pertinent issue. In fact, 42 per cent of our students are in at least one equity group, with many of them in more than one; 24 per cent come from low socioeconomic backgrounds, and that is far above the 15 per cent or so which is the national average. About 15 per cent of our students are from rural and isolated backgrounds, and we are working on increasing those percentages.

We are mindful of our mission, we are mindful that we have a mandate across the state and we are conscious of the responsibilities there. What this really means is that our profile is rather different from many other universities in this state, in particular the University of Adelaide. We have an older age group of students. About 32 per cent of our undergraduate students are over 24 years of age, so we have a substantially different kind of profile. That is partly because of our history but a range of other things as well.

We are particularly concerned about student issues, and we have in the university a number of ways that we deal with that. In particular, we have two quite significant groups where students have input into issues. One of those is a high-level group, a subcommittee of our academic board, which is called the Student Services Advisory Committee. Justin, who I think was sitting in this seat, made mention of some of the interactions that our university has with the student association. That is a very important group, because students bring to that group their concerns, so some of the issues around the internet quota, the print quota and other issues are dealt with there in a very creative way. We are quite conscious of those issues and quite aware of student concerns. Another group is called the Student Services Subcommittee, which is a subcommittee of a subcommittee of council, so again it is at quite a high level. There, we deal directly with the

interface between the student association and the university, and I chair both of those committees.

Without labouring the point, we do recognise the increased costs that students face. We are conscious of the pressure that is being put on students at every turn, so that things like the increase in the cost of textbooks because of GST is an increased pressure. It adds to many of the other pressures. Certainly in our own university, textbooks being made available in the library has become much more of an issue in recent years. Previously, students would buy the textbooks and the university would then provide other complimentary resources. We are now finding a great deal of pressure for textbooks to be provided.

A Canadian review, which I think was released in April this year, put Australia at 12 out of 16 of the OECD countries, with education costs and living costs totalling about $14,000 or so. We agree that those are realistic figures.

The students mentioned the increases in the CPI and the age of independence issues. We absolutely agree with that. The parental income test is quite curious, where you have a $28,000 threshold. To pay back HECS you have to earn $35,000. I think there are anomalies like this in the system which really make you wonder whether anybody is talking to anybody else about these sorts of decisions.

Rent assistance, which was explored at some length, is another huge anomaly. If you have an older group of students, as we do—over 24 years of age—they do not get rent assistance, when the profile of our university suggests that a large number of our students would need that. There are real and considerable costs—increasing costs—in higher education, which within the university we do our best to focus on. I can talk to you about some of those particular matters later on, if you would like me to do that.

We spoke to our student counsellors in preparation for this inquiry, and one of the issues which you might want to take up is this notion of full-time study where, as I understand it, you have to be full time in each study period, where a student might see themselves as full time over an entire year, picking up summer school courses and so on, but in any given study period they might fall below the 75 per cent. There is a real bureaucratic issue there, I think, about somebody effectively being full time and maybe, at a particular point in time, dropping to half time and yet still going to complete their degree in the requisite time.

The University of South Australia has provided about 200 new scholarships each year, in addition to those provided by the Commonwealth. For quite a long time now we have also provided what we call transition grants, which provide new students to the university with assistance in what we understand to be considerable start-up costs, frankly, for students in getting going; textbooks and so on. An issue around scholarships which I am sure you would be familiar with is the one of exemption. I will not labour that, because I have heard a number of you speak about that publicly.

Finally, the issue of non-metropolitan students was also raised by one of the students. Non-metropolitan students who move to city universities face extraordinary issues, not the least of which is living away from home. The financial costs involved are astounding, and we have, in

our own way, tried to assist in that area, but we believe that there are significant things that can occur with assisting them through Austudy and so on. That is all I thought I would touch on.

CHAIR—Thank you, Professor. Can you give us a more detailed explanation of what this notion of picking up a full-time student actually means these days. I assume you do not mean someone who might start their course in February and do what is considered to be two normal semesters, or two usual semesters, of study. Is that right?

Prof. George—The language has changed since the new BAF system came in, but basically you have to be enrolled in a 75 per cent load in order to be considered full time. There are a lot of benefits attached to that. We have five study periods, I think. The old semester system does not work any more, so most students would begin in what we call study period 2, believe it or not, and that would be the same length as a semester—what was previously the teaching area—but because we have students who would do summer schools, which is study period 1, they may in fact do a course in study period 1 which slightly overlaps with study period 2, but they are officially enrolled in study period 1. So they might be spreading their 75 per cent enrolment over three or four study periods, which would drop in one study period—

CHAIR—If you decided to spread your load over, say, three study periods and did 50 per cent, 50 per cent, 50 per cent, that is still your 150 over the year but—

Prof. George—Yes, you could still do your 75 per cent of the full load, which would allow you to claim to be full time but, in fact, in a particular study period you would fall below the 75 per cent required.

CHAIR—That makes you ineligible—

Prof. George—Yes, it tips you over. Often you find that students will start off with a full load, pull out of one because they are not coping and, if they are not really careful, they will tip themselves out of full time. It is a major issue, particularly for students with mental illness, I have to say.

CHAIR—You say in your submission that you have about 300 Indigenous students each year. Flinders University concentrated quite a lot on the needs of Indigenous students, mainly because it was not picked up in the AVCC's study. What are some of the issues around student support that you think need changing for Indigenous students?

Prof. George—As you know, Commonwealth learning scholarships require us to provide a certain percentage of scholarships to Indigenous students. I was in the group that came up with the guidelines, so I know the anguish around trying to frame this. Basically it means that if you get 100 students applying for scholarships and 10 per cent of those are Indigenous, the number that receive scholarships ought to be about 10 per cent. It is about proportionality and it is about being sensible. For example, if you were at James Cook you would have a vastly greater number of Indigenous students applying than you would at the University of South Australia.

With our Commonwealth learning scholarships, it was much higher than what was required, so we believe they have appropriate access in that way, but I think they have different kinds of pressures on them; for example, travelling to their country. We have a number of students in the

very north, in the Pitjantjatjara Lands, in a quite particular program called AnTEP, which provides teachers for that area. They have a major set of issues around their participation in community life as well as being students. Getting support means they have to study full time, and often that is quite an unrealistic expectation.

CHAIR—It has been put to us that the age of independence is too low for Indigenous students. If they matched your profile, where you have a significant number of students over 24 years of age who are going to university—if they are 25 years or older—they will not of course be getting rent assistance.

Prof. George—No. Community obligations for many Indigenous students are different from those of other students, and they need to return home quite frequently. In the case of the Pitjantjatjara people, they come down here occasionally—not very often—but they move from community to community and they have to have assistance. Even in the Pit Lands, they need that assistance when they move out of their family homes. There are quite particular needs which are focused, I think, in remoteness in some cases but also family obligations. We have rather more Indigenous students than the other two universities in this state, although the others are probably rising.

CHAIR—What can you tell us about the changes in the patterns of the way in which students study that might reflect not only the different world of universities these days but the pressures on them to try and balance study with the limited income support they get?

Prof. George—Huge numbers of them seem to study full time and work full time, so that is a major shift. I think there was a study done by Melbourne University which indicated that over the past five or six years that has been the major shift in the profile of students. What that effectively means is that they are unavailable for tutorials at anything other than six or seven o'clock at night. There is a shift in the way that they study. They do not participate in the life of the university. In our case, they frequently have family obligations as well. There is an enormous issue for students about the amount of work that they do and how that mitigates against them doing well at university.

CHAIR—What sorts of signs do you then see? How does that play out? Do they study over longer periods of time or just study to pass?

Prof. George—I was interested in the comment by our student. I was saying to David that I think that one of the things I ought to do is to go back and look at what those patterns are, because if the extended periods of time are in particular disciplines I would not worry so much, because there are patterns about that. If we have been shifting our load from those where they have been traditionally full time into those where they have been traditionally part time, it would not be an issue, but we would certainly need to look at what those patterns are.

I have not done that analysis, but I will. They are there at weekends. We have a great deal more pressure on our computer pools and those sorts of things, because those students will tend to sit down and just go like mad on an assignment and finish it at three o'clock in the morning. We have 24-hour/seven-day access in our computer pools and there are some students who are there at three in the morning quite regularly. In a sense, we bend over backwards to try and accommodate these new patterns of working in order to help students to get through, but we see

those sorts of things increasing. There is enormous pressure on the computer pools. We have increased the numbers of computers and it is often still not enough at some campuses.

CHAIR—Being accessed at all hours of the day?

Prof. George—Absolutely, and night. Therefore, there are security issues around that, as you can imagine, and we have to be very careful about those sorts of things.

Senator TROETH—I am interested in how what you have to say complements what the students have to say. It is very interesting that you are seeing it at your end, judging from what they have to say.

Prof. George—Without exception, we would be absolutely in line with what the students are saying on this and we work very closely with them. You heard Justin say that. We are extremely careful to 'be with them', as it were, in a lot of these things. Some of the things we have done around print quotas, internet quotas and a range of those other costs resources, I think, are quite interesting. We constantly do analysis on the print quotas that students are using, because we can track all of that. We are constantly looking at whether there are particular groups of students who are using more of their print quota or internet quota than others—whether this is to do with the program or course that they are in; whether it is to do with an equity group that they are in—and therefore trying to put in place measures which might support that.

It is probably true to say that with some of these things it would not matter what we did, students would for all kinds of political reasons say they needed more, but we are also mindful that there have been shifts in this. We do a survey every two years of our students about their experience. It is a quite detailed survey, so we can track over time some of these things. We have noticed that increasingly students are pressurised around anything that costs them money. I think that is a significant issue, even though we are upping the quotas constantly and when we benchmark the print quotas across the nation ours are extremely generous. We are still mindful of it and we are looking to try to improve that.

Photocopying is an interesting issue, because it costs them so much per copy. At our university we have said, 'There are certain readings and we will digitise those and when you run them off you can use your print quota,' which is free up to a certain point. 'Then you can top it up, but it will not cost you anywhere near as much as it costs you for photocopying.' We have tried to be really intelligent about this. The issue about the readers which the students raised is also about cost saving on their part. If they photocopy those individually, it will cost a lot more than if we run off multiple copies for them. We have tried to be quite thoughtful about that.

I have a paper which I am about to take to the academic board about, 'What is the total cost to students around their courses? How can we ensure that in a given program there is a reasonable cost spread?' We are constantly looking at ways of trying to ensure that students do not have blow-outs in some courses, so we monitor that in a particular way.

Senator STOTT DESPOJA—Professor, you have sort of answered my question about the quotas. I was interested in that, because that related to some of the discussions we were having earlier about ancillary fees, but I might go back to the scholarships in a little more detail. In your

submission you say that the USA has generous internet quotas and you had a comment about scholarships. I think you introduced 2000 more scholarships when the HECS fee decision—

Prof. George—Over time, yes. That is an accumulating thing.

Senator STOTT DESPOJA—Can you spell it out for me. Exactly how many are operating?

Prof. George—It is about 207 new scholarships each year. There is 10 per cent of the increase of HECS for scholarships. If all of the students kept going right to the end of their program, that would be about 207 new scholarships each year, but we know that students often drop out. That money would not then disappear, it would be used for more scholarships. It is a commitment of money, which results in about 207 new scholarships each year.

Senator STOTT DESPOJA—Is that commitment of money in the form of cash scholarships?

Prof. George—Yes. It is mirrored on the CLS.

Senator STOTT DESPOJA—You have probably pre-empted my questions in relation to the differential treatment of CLS versus other university and community scholarships, and I note that you have a recommendation in your submission that they all be exempt from that income assessment.

Prof. George—Yes. It is insane!

Senator STOTT DESPOJA—I was going to ask what your thoughts were on that, but maybe 'insane' would be—

Prof. George—It does not make any logical sense to give money and take money. We have tried to warn students, 'If you accept this money, it may have an effect. You have to find that out. We do not know what your other income is.' There is that issue about them having to choose not to take a scholarship. It blows your mind!

Senator STOTT DESPOJA—You have a comment in your submission relating to scholarships, talking about financial support. You say:

> Some is provided in the form of University scholarships, but this is a less effective measure than broadly based government-funded student income support.

Why is that?

Prof. George—The broadly based support, I think, is going to impact more generally on students. The Commonwealth learning scholarships are limited in number. There are, as there should be, quite tight criteria around them. I think it is simply about more people getting access to them. What we know is that many students who are very deserving will not get a Commonwealth learning scholarship. The only other way around this is to vastly increase the number of Commonwealth learning scholarships available and probably the amount that is given as well.

We would not want to knock the Commonwealth learning scholarships, because anything is better than nothing, but at the same time putting money in people's pockets in a more generalised way seems to be a better option for us.

Senator STOTT DESPOJA—In relation to your university fulfilling its equity goals enshrined in its act, is it made more difficult as a result of inadequate student income support or a lack of student income support? Is that something that the university finds difficult?

Prof. George—I think it accentuates the problems that we face. We spend a great deal of time on Outreach. On the statistics, we do extremely well. Take, for example, the low SES area where we do very well by national standards. We have a very active program in the north of Adelaide where, as you know, the statistics are horrendous around this. The $28,000 threshold for parent income is not a lot of money. It would mean those students, if they are going to come to us, are automatically kind of cut off.

There is a whole set of things, I think, about being realistic about what it costs to come to university and what it costs to support a child who is at university. When you have large numbers of these people, which is our brief and we are happy to have that profile—we are not complaining about that—it means that you are spending money which should be spent on textbooks.

I think one of the students mentioned that the university had a scheme where it would lend students money, but almost everybody defaulted. We were millions of dollars down the gurgler because students could not pay that money back and left the university. We were sorry to have to withdraw that service, but the university simply could not afford to continue it. I think those are the sorts of things which you see quite clearly in patterns which develop.

We have a very effective student support system in the university—counsellors and so on who support students—and they are constantly confronted with the complexity of the issue. Money is not the only issue but it makes other matters much more focused and difficult for students to handle. If you had a different kind of profile, I do not think you would have the intensity of that but you would have some of it.

Senator STOTT DESPOJA—True. I asked Professor Edwards this question, and it relates to your different profile. In terms of the institutions in this state—the three universities here—do you feel that the USA is particularly effective, because of the arguments you have just put forward—more so perhaps than Flinders and definitely Adelaide because of low SES participation and factors about where campuses are placed?

Prof. George—I think it is. It is reflected in some of the things we have put in place which other universities have not; the quotas and so on. We recognise that our students generally cannot meet those costs. I think we are much more tuned into that, because we have to be. Because we monitor student satisfaction in a very serious way, we are constantly getting that feedback and we move to do things about that. I think that is the case and it is a matter of profile. I have not had that conversation specifically with the other two universities, although we talk about many other things. That has not been something we have focused on.

Senator STOTT DESPOJA—What I discern is that among the three institutions here, and across the nation, there is unity of purpose on this, and the Vice-Chancellors Committee has made clear its preferred reform, or review at least, of the student income support system. Another thing that the university vice-chancellors seem to be at one on is the issue of voluntary student unionism. Are you happy to put on record a comment from the University of South Australia as to what you think that impact will be on student life, university life and, specifically, student services?

Prof. George—I think it will be disastrous at one level. The university will certainly do what it can, but it will strip out of the system, I think, much of the university life which is there. We would provide what we would see as essential services. We certainly will not let the student body suffer in that way, but there are a whole range of other things which are part of student life.

That is not just about students having a good time. Student associations are traditionally places where we have grown our future leaders. That has happened as much outside the classroom as it has happened inside the classroom. It is in that environment where you have the opportunity for societies and where people can exercise leadership and be engaged in the 'small p' political understandings of things. I do not mean by that some of the things that the government would be implying. It is quite critical that we have places where students are able to learn to do. Universities have provided that service to society. Certainly the essential services will be maintained and we are currently looking at what those are, just in case it all happens, how we can provide them and what mechanisms we might use. We also recognise that it will not be possible to provide a great deal of the other things which are currently there.

Senator STOTT DESPOJA—Thank you.

CHAIR—That is all we have for you. Thank you very much for your submission and for making yourself available today to talk to the committee.

Prof. George—It was a pleasure. Thank you very much.

[11.57 a.m.]

PALMER, Mr Nigel, President, Flinders Postgraduate Students Association

CHAIR—I welcome our next witness from the Flinders Postgraduate Students Association, Mr Palmer. The committee prefers all evidence to be given in public, but if at any time you want to give all or part of your evidence in confidence or in camera, you can make that request and we will facilitate that.

Mr Palmer—Thank you.

CHAIR—Your submission is No. 92 and we have that. Do you have any changes or additions to that?

Mr Palmer—No changes, thank you.

CHAIR—Perhaps we could start with you making a brief opening statement and then we will go to questions.

Mr Palmer—Thank you very much. What I will do is make a brief opening statement and define a few points relating to postgraduate students and income support. As an overview, postgraduate students have often greater living costs and greater studying costs than undergraduate students. With respect to income support, their options are often more limited. Their eligibility for income support schemes is therefore severely restricted. Finally, I would like to offer some evidence that our association has through offering the Flinders postgraduate course work grant over the last few years. That is our own measure of addressing both living and studying costs among course work students. That is an outline of the items I am prepared to speak to, but I can now go to questions.

Senator STOTT DESPOJA—Mr Palmer, thank you for your submission. I will start with item 6, the textbook subsidy; your recommendation that the ETSS be restored. While I am conscious of some of the figures you have given us in your submission, I am wondering if Flinders has any specific figures to date about the impact that this has had on students who are studying this year.

Mr Palmer—In response to that question, I can read out a brief statement that we have, if you do not mind. It follows from our experience of offering this postgraduate course work student grant:

A survey of applicants who received these grants in 2003 shows the majority had incomes between zero and $200 per week, with the average weekly income being $188 per week. It was found that just over 40 per cent of applicants reported they had no regular income and relied on welfare benefits, personal savings, parental or spouse support or casual work for their daily survival needs. It was also found that females comprised the largest group of applicants that reported they had no regular income. In 2003 the majority of grants awarded were used to purchase essential textbooks. Costs of individual textbooks required for courses ranged from $39 to $197, while the most commonly quoted price for essential reading

material was in the range of $80 to $90 per book. Most students requested funding for books listed at three essential texts per topic.

My apologies if all that is not relevant to the question but, with respect to textbooks, that is a major issue we have found through direct experience of administering this grant. We have found the trends have not varied since 2003, so those figures would be current.

Senator STOTT DESPOJA—But of course now you have an added eight per cent minimum to the cost of those textbooks. It will be interesting to hear if you have further evidence; probably gathered at a later stage, I suspect, because it is early days. If you do have anything, would you be willing to furnish the committee with that?

Mr Palmer—Absolutely. I would be glad to follow up with that information.

Senator STOTT DESPOJA—Thank you. What kind of an impact do you think it would have if the part-time scholarships were not subject to tax assessment?

Mr Palmer—That would have a significant impact; not only because tax would not be levied on that income but also that income would not be counted for tax purposes with respect to the receipt of other benefits; in particular, disability support benefits and income support benefits for parents. Recipients of those income support measures would be much better off because the part-time scholarship would not count against them in receiving those benefits.

Senator STOTT DESPOJA—That is a good point. What impact has the decline or the decrease in length of time for APAs had? Has it made a difference? Has it led to better quality of students or papers or greater completion? How would you assess the impact?

Mr Palmer—There is tremendous pressure on postgraduate students to complete faster. I cannot really speak to quality issues, but it is reasonable to assume that if you require students to complete in under 3½ years then quality will have to be sacrificed in order to complete on time. There is a difference between the APA award, which is a scholarship, and the candidature that the government allocates for research higher degree students under the RTS. The students are funded for four years but the scholarship only lasts for three years. There is a further impact on the quality of research there because in that final year, if the student is unable to finish in three years—and it is very often the case that they cannot—they must seek work to support themselves while they are trying to finish their degree. Often that means casual teaching, which is fairly poorly remunerated for the work that is required. It often works out to under $10 an hour for casual teaching work. It is very difficult for those students to finish their studies within even the four years and their options are very limited for external sources of income after the scholarship finishes.

Senator STOTT DESPOJA—Are you getting a lot of feedback on the difficulties associated with the differentiation between the length of scholarship and the length of completion?

Mr Palmer—Yes. Frankly, most students find it hard to figure out why there is this difference.

Senator STOTT DESPOJA—Not just students.

Mr Palmer—They are told that they have four years to finish a degree but they will only be funded for three years. They are also told that a PhD is a significant piece of work, in which they need to offer an original contribution to the field, so these are very difficult priorities to reconcile. I know myself, being a research higher degree student, it is very difficult to live on the scholarship itself. What I will do when it runs out, if I have not finished, I cannot imagine. I will just have to try and finish before it runs out.

Senator STOTT DESPOJA—Another possible impact from the decline in the length of time of the APAs is maybe decreased costs to the university. Is that one of the arguments in favour?

Mr Palmer—As I understand it, the way APAs work is that it is federal money, so the university merely administers the distribution of those scholarships. Increasing the APA from three to four years will come at zero cost to the university and will offer a significant improvement in the quality of research provided by universities.

Senator STOTT DESPOJA—One final question from me is in relation to ancillary fees. It is an issue that has come up repeatedly—that is, students are paying more and more. Do you find this a specific issue for postgrads at Flinders University; that they are having increased ancillary costs?

Mr Palmer—When you say 'ancillary costs', are these course related costs?

Senator STOTT DESPOJA—Course related costs and it could be anything from a lab coat to, particularly for postgrads, conference attendance. We heard from CAPA on Tuesday in Melbourne about the accommodation costs and the cost of transport to and from conferences. This is part of your purview in many cases—those costs, right through to photocopying.

Mr Palmer—Absolutely. Many universities offer what they refer to as research student maintenance. This refers only to research students. They are often allocated a budget of $200 a year for those ancillary costs of pursuing research. I can only speak from personal experience, but $200 does not really get you very far and it certainly does not get you to a conference. Often conference registration fees can be anywhere from $1,000 to $2,000 and they are considered part of your professional development. Although it is nice to have some research student maintenance offered by the university, only research higher degree students are eligible for that. It does not go very far and students end up investing a considerable amount of money to manage and complete their studies. That is both research and course work students.

Senator STOTT DESPOJA—Is it the case at Flinders University that you have the $200 for specific research? Are there other ways that the postgraduate association or other groups try to assist or top up that kind of entitlement?

Mr Palmer—That is a good question. Thank you, Senator. In this case, Flinders offers the research student maintenance. Our association has lobbied for a similar kind of means of financial support from the university for at least course work students with a research component. These students also have to do research. They are funded entirely from their own purse. The top-up that our association has offered in place of that is our course work grant that I referred to before.

It should be noted that this grant is only for study related expenses. We do not allocate grants for living expenses or for bus fare or anything else. Each student has to demonstrate that the money that we allocate is used for study related purposes, and that needs to be endorsed by their supervisor or their academic. That is a measure that our association has used to try and top up. I would imagine that our peers across the country—postgraduate student associations—have similar measures, depending on what the university in their case offers.

Senator STOTT DESPOJA—Thank you.

CHAIR—Mr Palmer, I will ask your views about who is eligible for Austudy, just for the record. In what way does it disadvantage postgraduate students if they are doing a complete masters or PhD by course work? Do you think the emphasis is on trying to get people to do an original area of research rather than, say, a masters by course work?

Mr Palmer—This question is interesting because of the recent rise in popularity of full-time course work degrees for postgraduate students. There are many more students attempting these degrees than there were even five years ago. In each case, there are no income support measures available for those students at all. There is a myth, with respect to these students, that they are already working professionals and that they will be able to recoup the costs of those courses—noting of course that these are fee paying courses; they cannot defer it to HECS. The reality is many of these students—nurses, teachers et cetera—are required to pursue these course work awards as a part of their employment, just to stay where they are.

I believe possibly the reason why there are no income support measures available for these students is the belief that they are already well-off working professionals, whereas our experience is that that is clearly not the case.

CHAIR—What are they then? Are they people who have continued their full-time study but decided to do it by course work rather than original research? It is a matter of choice.

Mr Palmer—Our constituents are divided into two: research higher degree students and course work students. The course work students make up three-quarters of the postgraduate population at Flinders, and I would imagine the trend is the same across the country. The majority of those students in both constituencies are between the age of 30 and 39, so these are very often people who have opted to try to change their career path or develop their skills so they can move up in their chosen vocation or, in many cases, people who are attempting to break into a professional career for the first time. There is a range of different reasons why people come to do these postgraduate course work awards. Given the pressure on students to choose courses that they can clearly demonstrate will lead to a job, they tend to shy away from research degrees toward degrees that more easily demonstrate that a job will follow.

CHAIR—With the knowledge of the industry. I see.

Mr Palmer—Yes.

CHAIR—We have heard from the National Indigenous Postgraduate Association, but what about international students? What is your experience with international students and the support they get?

Mr Palmer—Thank you, Senator, for the opportunity to address another myth. There is a myth that international students come to this country to study and they are wealthy so they have a pretty easy ride; they can afford the exorbitant fees that these universities have come to depend on and they live in luxury in serviced apartments. Our experience is this is clearly not the case. Many of the students that approach us who are in financial hardship, through their grant and otherwise, are international students. It is tempting to speculate that they have invested all of their money into simply paying for the course and have often not allowed themselves very much to live on while they are studying here.

CHAIR—What sort of support should they be given then? The common Youth Allowance like everyone else?

Mr Palmer—This is a difficult issue for me to speak to. I also have had experience as an international student in the United States. It is a difficult time when you are not eligible to work, so possibly in place of some kind of government funding there could be some more generous allowances with respect to the kind of work those students may pursue while they are visiting here.

CHAIR—They are currently capped, aren't they, at 25 hours a week? There is a limit on the hours they can work, isn't there?

Mr Palmer—Yes. I cannot speak for the details, Senator. I will be happy to follow up on notice with that information. My general understanding is that the visa conditions for international students very clearly describe their working entitlement while they are here. I believe they may be more stringent than those I experienced in the United States.

CHAIR—What sort of support did you get over there as an international student? How many hours a week could you work? Did you get any sort of government assistance?

Mr Palmer—My experience in the United States was that it was very difficult. I had to fund myself for the first nine months of studying there. After funding yourself for nine months, you are then eligible to get work on campus. Then if you complete a course of study you are eligible to get what they call a practical training visa, which means you can get work in your field of study. It is still not really a bed of roses for international students visiting the United States. Of course, when the exchange rate works against you it can be very difficult. Some of those provisions certainly saved me and allowed me to study over there. I was able to get work on campus and I was later able to get work in my field. Both, I think, are very good measures for international students.

CHAIR—But you think we could do better here about supporting international students while they are here?

Mr Palmer—Yes, I think so. The US conditions were also very restrictive. Even a meagre number of hours per week, maybe five hours a week, for students from the time they arrive so that they can get casual work would make a very big difference; noting also that a lot of international students come over with dependents, so it is not just individuals. They also have to support families in some cases and it is very difficult for them.

CHAIR—Thank you. Senator Troeth, do you have anything?

Senator TROETH—No. The submission was very clear.

CHAIR—I think we have covered most of the points you raised, so thanks very much for your time today.

Mr Palmer—Thank you for the opportunity.

Proceedings suspended from 12.16 p.m. to 2.06 p.m.

KARMEL, Dr Tom, Managing Director, National Centre for Vocational Education Research

CHAIR—I welcome our next witness from the National Centre for Vocational Education Research, Dr Karmel. Thank you for joining us. The committee prefers all evidence to be given in public, but if at any stage you have any evidence that you would like either in confidence or in camera, you can make that request and we will try to facilitate that. Your submission is No. 34 and we have a copy of that. Are there any changes or additions that you need to make before we begin?

Dr Karmel—No. I am happy to make a very brief opening statement or some introductory remarks, if that would be useful.

CHAIR—I will invite you to do that now and when you are finished we will go to questions. Thank you very much.

Dr Karmel—The National Centre for Vocational Education and Research has a number of areas of activity. First, it is the national statistical agency for the vocational education and training sector. Secondly, it manages and conducts research into vocational education and training. In our submission, we pointed to two resources that we thought would be useful to the committee. The first is some data from the student outcomes survey. We run this survey every year, and it collects data from those who either complete a course at TAFE or complete some units at TAFE. It has a very wide range of data, including items such as sources of income during training, employer support for training and reasons for not completing training. We thought this might be a useful dataset for you that we can explore if you have particular questions.

The second item in our submission is a report we commissioned on TAFE fees and charges. We thought that would be useful to you. The main thing to come out of it is that there is no uniform treatment across the country, and to some extent it is all over the place. As background, I would like to make a couple of observations on the nature of vocational education and training. My first observation is that most students are part time so student income support is usually not the vital issue for them.

This is true even in the younger age groups. For example, if we look at the 15- to 19-year-old group, we find that there are 289,000 part-time students and only 67,000 full-time students. There certainly are some full-time students but they are very much in the minority. Overall, there are only 187,000 full-time students out of over 1.7 million students. The full-time students are an important group but they are not the typical vocational education and training student.

The other point that is quite clear from our numbers is that very large numbers of the students are actually in employment as they study and the majority of them are in full-time employment. From our data—and I need to acknowledge that we do have a reasonable number of unknowns; we do not always get the data from the students—47 per cent were in full-time employment, 22 per cent in part-time employment and the remainder were either unemployed or not in the labour

force, so employment is very important, on average, for vocational education and training students.

The other thing worth noting is that the apprenticeship and traineeship model is a quite important element of the vocational educational training system. The thing that characterises apprenticeships and traineeships is that they are essentially contracts between individuals and employers. That contract relates to employment, so these people are all employed and most of them are employed full time. The other part goes to the training. Typical of the apprenticeship and traineeship model is graduated wages. In the first year of an apprenticeship or traineeship, you tend to get paid a lower amount and it increases as you move forward.

You can get a lot of information on this, but the thing that we find is that it is quite specific to particular industries and particular occupations. To illustrate, I pulled out some information from the Vehicle Industry (South Australia) Repair Service and Retail Award, and we see there that apprentices in their first year get paid $235.70 a week and that gradually increases in the fourth year up to $493.85 a week. That fourth-year rate is quite high relative to what non-apprentices get paid in that industry. The award for adults goes from level 1 through to level 6. Level 1 is a driveway attendant. That is the bottom of the pecking order. At level 1 an adult gets $467.40 a week. That is below what a fourth-year apprentice would get. In fact, the fourth-year apprentice is almost up to level 3.

That is a quite interesting model of income support. This is all very much award by award, so if you are looking at adults in some cases an adult gets exactly the same rate as a junior apprentice. In some cases, there are special rates for them. They get paid an adult wage. For example, in the building industry there are no separate rates, so if you are a 25-year-old and you decide to become a builder then you will get paid as a first-year apprentice, the same as a 16-year-old. That is not true in the vehicle industry. That is all I want to say as opening remarks.

CHAIR—Thank you, Dr Karmel. Your attachment A is a summary of the student outcomes. Do you think it is the nature of the vocational education and training industry that, because there are not scholarships or assistance for students, most of them believe they have to find work—to get a traineeship or an apprenticeship—rather than going into full-time study in the TAFE industry? Is the only way they can keep themselves, if they choose a TAFE option, by having a job?

Dr Karmel—If a school leaver chooses to go to TAFE and they choose to go as a full-time student, they are eligible for income support, as a university student would be if they were a full-time student. There are considerable numbers. In relative terms, they are small but they are still an important cohort. They are usually students who have completed school and are tossing up whether to go to university or whether to continue to TAFE, so they usually have a career in mind and full-time study is the way to get there.

CHAIR—They are about 14 per cent, are they, in your student outcome survey, if they are getting Austudy or Abstudy?

Dr Karmel—We had some statistics about how many were getting income support: 14 per cent of graduates and 10 per cent of those who have just completed some modules were in receipt of Austudy or Abstudy. It is a relatively small group but there are some there.

CHAIR—The nature of the apprenticeship and traineeship system is that generally people are in work, are they not?

Dr Karmel—That is the characteristic of it. It is a job. It is quite different from being a student in that sense.

CHAIR—Should there be improvements in the student income support system for TAFE students?

Dr Karmel—Working in an organisation such as NCVER, I do not really have a view on that.

CHAIR—Would your statistics show you that we might get an increased number of full-time students if there was better support? $237 a week for an apprentice in that industry is not much better than a newstart allowance, is it?

Dr Karmel—I do not know what the figures are, but it would probably be close to that. It depends very much on an individual's circumstances. If you are a 16- or 17-year-old, it is better than a newstart allowance in the sense that it is not means tested.

CHAIR—It is better than nothing.

Dr Karmel—It is difficult to speculate on these things, in the sense that I have children and I am putting them through school and university at the moment and the amount of money they get from me is less than $235 a week. It depends on your circumstances. If you are living at home, I would have thought for a young person $235 a week is enough to get by on quite nicely.

CHAIR—The evidence we have had in this inquiry is predominantly from higher education students who are living away from home or interstate and are struggling with the Common Youth Allowance, by the time they have paid rent and survived or bought books or done all of those other bits and pieces. Generally, what you are saying is those students who are studying in TAFE are predominantly in paid full-time or part-time work.

Dr Karmel—Predominantly, yes.

CHAIR—How many of those in receipt of Austudy or Abstudy or who have no scholarship at all would move into the higher ed sector? Do you have a handle on that?

Dr Karmel—That is a difficult question. I would be happy to have a look from the student outcome survey to try to pull some numbers out, because we ask questions on income support and we know the destinations so we could find out the numbers transferring to higher education.

CHAIR—I am assuming those in paid work do not move into higher ed. They complete their apprenticeship or they might drop out along the way but they stay with TAFE predominantly. I am wondering if 14 per cent of those are on some sort of assistance and perhaps the 17 per cent who are on pensions or benefits move into the higher ed sector.

Dr Karmel—I will take that on notice. We might be able to get some statistics out on that. Certainly you do get reasonable numbers of students going from the TAFE system to higher ed.

Some of those—if they do a diploma, for example—get credit for a degree and can move into higher education.

CHAIR—The nature of the TAFE system encourages people, if not to look for work, to at least try and do some work experience, does it not? There is such a great move to on-the-job assessment that it is pretty hard in the TAFE system these days to—the nature of apprenticeships and traineeships is that it pushes you into work.

Dr Karmel—Yes. The whole basis of apprenticeships and traineeships is training and employment. Some of the training can be on the job. It does not all have to be off the job. Certainly, at the end of it you are meant to come out as a fully-fledged tradesperson or in some other occupation. The vocational education training sector as a whole, by definition, is vocational and is focused towards work. That is not to say that all the courses involve work experience. The apprentices and trainees certainly do but some of the others are very much more in the sense of what you would get at university and what you would get at school—that is, the training is not on the job. It is certainly focused on getting a job at the end. That is the nature of it.

CHAIR—Of the TAFE students that are in receipt of something like Austudy, is there any evidence at your centre that it ought to be increased; that the amount is too low; that there should be rent assistance with it? Do you collect any data such as that or just pure raw figures as to who is getting Austudy?

Dr Karmel—The only data we have is that we do ask questions about why individuals have discontinued their training. We find that around a quarter have discontinued their training because they say they have what they wanted out of their training—that is, they are not seeking a full qualification. Five per cent cite financial reasons. Nine per cent overall cite financial reasons as among the reasons. Financial reasons are really not that important in terms of why people do not finish their training. Of course, we do not have statistics on why people do not start training. That is rather more difficult.

Senator STOTT DESPOJA—I want ask about that percentage figure. Recognising, as you are saying, that in the whole it is a smaller figure, are you able to give us an idea of whether there is any kind of trend within that five per cent group? Are there any distinguishing features? Are they Indigenous students; lower socioeconomic students; students from rural, regional, remote backgrounds, or whatever? It may be the nature of the course. Have you any cross-matching statistics that can give us an idea of who they are?

Dr Karmel—I cannot give you an answer to that off the top of my head, but we could look at that.

Senator STOTT DESPOJA—I am even curious about the courses. It may be that they correspond with high-fee courses. I am not sure.

Dr Karmel—Yes. I would be happy to look at whether there is any relationship between the five per cent and those sorts of characteristics, where there is a course. The things that you would look at include course, age—that is probably important—and other characteristics such as Indigenous status, even though of course the data starts getting a little bit sparse. We have just

run an Indigenous survey, but I am not sure whether that will give us anything on that particular group. I will have a look at that too.

CHAIR—In your submission, on the second page, you talk about the research Watson has done. I think that is the appendix you have attached.

Dr Karmel—Yes. We included that.

CHAIR—Louise Watson has undertaken that.

Dr Karmel—Yes.

CHAIR—It would seem, though, that students in the VET sector who are suffering financial disadvantage are able to apply for, and probably get, exemption from tuition fees or pay a discounted fee.

Dr Karmel—Yes.

CHAIR—Are you saying that where students can prove financial hardship there is a greater capacity to be able to reduce the fees? You do not get that exemption in higher education, do you? If you have financial hardship, there are loans.

Dr Karmel—No.

CHAIR—But at the end of the day you do not get your HECS exempt or your HECS lower.

Dr Karmel—Yes. There is a fair amount of discretion in the vocational education and training sector. Every state is different, but they all tend to have some sort of rule, whether it is having a health card or whatever, which is why they exempt the fees or reduce the fees. But most of these fees are relatively small. There are ones that tend to be higher in some subjects and, of course, the course materials can be quite expensive in some subjects. The other point is that in the vocational education and training sector there are no loans for these types of expenditure. I think there is no doubt that if you are really cash-constrained you would have problems doing some courses.

CHAIR—Unlike the higher ed sector, you can seek to get a reduction in your fees or an exemption from your fees.

Dr Karmel—You can, but in the higher ed sector, of course, for an undergraduate course you can defer your tuition fees, though not your general service fees.

CHAIR—Yes.

Senator STOTT DESPOJA—I think that point is quite an interesting one, because too often we compare the rate and extent of fees across the sectors without acknowledging that up-front nature of many of the TAFE fees, which can make it prohibitive, regardless of the amount.

Dr Karmel—Yes.

Senator STOTT DESPOJA—Your general services fee comment is also well noted. In this state, is it that our laws actually prohibit the collection of a general services fee in terms of TAFE? I am not sure. I need to check that too. Maybe it is just in the front of my mind with rallies on the steps of Parliament House at the moment. I want to pick up that point about the exemptions. Are those fee exemptions in the states and territories exempt from the Social Security Act in terms of income assessment?

Dr Karmel—I am afraid I am no expert on the social security rules. My gut feeling is that they would not be caught up in that, but I would not want to be quoted on that.

Senator STOTT DESPOJA—No. After the anomalies we are discovering in the system, I might ask the department when they appear. In Louise Watson's work, one of her criticisms is of the lack of transparency in relation to fees and charges across the sectors, across the states and territories.

Dr Karmel—Yes.

Senator STOTT DESPOJA—I recall, I think, reading one of the recommendations. I think you were talking about the fees and charges being available on the web as one means of countering that. Do you have any other strategies for ensuring that there is more transparency on the fees that are being charged?

Dr Karmel—Not really.

Senator STOTT DESPOJA—I am sure I read this; I am just trying to work out where I got it from.

Dr Karmel—The issue is that every state has a different set of rules. As you can see from the Louise Watson piece, it was very difficult to find out what was going on. It is difficult to compare like with like, that is certainly true. But it is really up to the systems, in a sense, to declare fee structures that are easy to understand, if that is what you are after.

Senator STOTT DESPOJA—Yes, accountability and transparency in the system. But, you are right, I think it makes it difficult for us as well.

Dr Karmel—The other thing that is really important in this context is the non-tuition costs: the course materials and tools of trade. Louise Watson quotes one figure from a course in Western Australia with non-tuition costs of almost $2,800 a year. This is a fairly substantial amount of money and often just seems to get lost between the cracks.

Senator STOTT DESPOJA—I was going to pursue that in relation to the government's announcement at the election of the $800 tool-box. I wonder if that is going to make a realistic dent in some of the material costs incurred by students. Obviously, it depends on the discipline. I suppose it is a bit too early for anyone to assess the impact of that, but do you have a view?

Dr Karmel—As you said, it very much depends on what trade you are in. If you are a chef, a good set of knives is going to set you back quite a bit of money; $1,000 or $2,000. If you are a

jewellery maker, then the costs of materials can really be quite expensive if you decide to be a goldsmith. $800 is going to be really generous in some areas and not so generous in others.

Senator STOTT DESPOJA—That seems to be, from what I can gather, the only means of assistance that is being provided in terms of paying for those core study materials.

Dr Karmel—Except in terms of apprentices, who get an allowance. As I was quoting before, if you are an apprentice you get a tool allowance of $3.86 a week in the first year and $5.06 in second year, up to $8.10 in fourth year. In some of the awards, there are things built in.

CHAIR—Except in relation to, say, the Northern Territory. All apprentices that were referred to the TCA were forced to sign AWAs, so heaven knows what is in each of those AWAs, but I would be most surprised to see if there was a tool allowance retained in them. My experience is that the award might say one thing but a lot of apprentices are on individual contracts, which might be quite a different thing.

Dr Karmel—It also depends very much on the state of the labour market. In a booming labour market, apprentices are in a much stronger position than in a weak labour market. Many apprentices would be getting paid above the award rates.

Senator STOTT DESPOJA—Thank you. If you have any further information on that five per cent breakdown, it would be incredibly useful.

CHAIR—I think it would be fair to say in this inquiry we have not really had a substantial response from students in the vocational education and training industry.

Senator STOTT DESPOJA—Depending on individual submissions, but in terms of en bloc submissions it is partly because organisations do not have the facilities or the resources. The three student organisations that rocked up here this morning have an entirely different level of support, whereas I look at the TAFE student network in this state and not only is it incredibly diverse, in terms of where they are geographically located, but they are running tens of thousands of students in the system through a student organisation that cannot collect fees and has a couple of grand to support them.

CHAIR—And most of them are in work anyway.

Dr Karmel—Most of them are in work.

Senator STOTT DESPOJA—Exactly. Their age difference is considerable. Many have been in the workforce, or are in the workforce. It is a very different demographic from students. But, still, your point about full time versus part time seems to be the one commonality in this inquiry anyway. You have university students who are increasingly becoming part time, even if they are not classified in that way, whereas in the TAFE sector—voc ed sector—you have a majority of part time which, of course, affects their access to income support.

Dr Karmel—And their need for income support.

Senator STOTT DESPOJA—And the need for income support, indeed.

CHAIR—Dr Karmel, are there no scholarships available for TAFE students that you are aware of? Are they given out by universities or institutions?

Dr Karmel—What do you mean by a scholarship in this context?

CHAIR—I see here you have 'sources of income' and you have 'scholarships/cadetships' with 'none' next to it. Are there scholarships available and no students have taken them up, or is it not even an option that is out there?

Dr Karmel—I will check on that, but my feeling is that it is not a concept that is used in the sector. Certainly, employers do provide support for students. They pay their fees and so on, but they do not really think of them as scholarships. They just pay their employees' fees.

CHAIR—I wonder if the government should think about instituting scholarships for vocational education and training students who are studying full time.

Senator STOTT DESPOJA—Which government? The states and territories are—

CHAIR—The Commonwealth government. Therein lies another issue, does it not? One minute the Commonwealth wants to devolve itself of TAFE responsibilities and the next minute it wants to grab that responsibility.

Dr Karmel—It depends on what you mean by a scholarship. If you are interested in providing incentives for, say, school leavers to go to vocational education and training, I suspect the scholarship of the fees would not make much difference, because it is a relatively small amount of money. If, on the other hand, you are talking about fairly generous living allowances which are not means tested, then I am sure you would get take-up of those. Some individuals would find that more attractive than, say, going to university.

CHAIR—The government has just announced that it wants all Indigenous students who are not at school to move into a TAFE course. How do you or your centre envisage that happening if they are not being supported or sponsored by an employer? Where would they get support for their day to day living expenses?

Dr Karmel—I am not privy to what the government has in mind there, of course, but I have a couple of comments. We already see a very high level of participation by Indigenous students in the VET sector. If in fact a lot of this would be part time, then it may not be such an issue in terms of the support. If you are talking about full-time study or being away from home, then obviously you would need much more elaborate and expensive support structures.

CHAIR—I do not imagine the government is talking about Indigenous students only studying part time. I did not get that feeling from the article I read.

Dr Karmel—No, but that is the standard way of studying vocational education and training. If you can combine it with employment at the same time, in a sense that is the ideal mix.

CHAIR—Has your centre done any initial research about the impact of the announcement of the technical colleges and what that might mean for the sector?

Dr Karmel—No, we have not done any work on that.

CHAIR—It will be interesting to see how that rolls out. Thank you for your time today and thank you for the submission. It is useful.

[2.42 p.m.]

BODMAN RAE, Professor Charles, Dean, Elder School of Music, University of Adelaide

MacINTOSH, Ms Susan, Executive Director, Student and Staff Services, University of Adelaide

PHYSICK, Mr Michael, Project Manager, Student and Staff Services, University of Adelaide

CHAIR—I welcome our next witnesses from the University of Adelaide. Do you have any comments to make on the capacity in which you appear?

Prof. Bodman Rae—I am here wearing several hats, the most important of which in this context is chair of the academic board of the University of Adelaide which has considered these issues. Other hats I wear are director and dean of the school of music.

Ms MacIntosh—I have an interest in student matters and was on the working party that prepared the report for the University of Adelaide submission.

Mr Physick—I was on the working party, as well. I work for the division of student and staff services. I am also the university representative on the Adelaide University Union Board.

CHAIR—The committee prefers all evidence to be given in public, but if at any stage you have all or part of your evidence that you would like either in confidence or in camera, you can request that of the committee and we can facilitate that. We have the submission that you sent us and it is numbered 49. Are there any changes, alterations or additions to that?

Prof. Bodman Rae—I noticed one amusing typo on page 3 in the second paragraph. There is an infelicity there which says, 'This increased to an overage of 14.4.' I gather that is meant to be 'average'.

CHAIR—Yes.

Prof. Bodman Rae—Typos do not usually make different words, but in this case it did.

CHAIR—Would you like to begin with an opening statement and then we will go to questions when you have finished.

Prof. Bodman Rae—Yes, I would. I am here deputising for the vice-chancellor and president of the university Professor James McWha, and in my capacity as chair of the academic board. I would like to start by making the point that this is a very important issue for any university. It is an issue which has already been considered at some length and in some detail by the academic board last year, and is still an ongoing process. The academic board has considered these issues in full with staff and students present. It decided to set up a working party to investigate that; a

working party which had sizeable student representation on it. The submission which we present here is the result of that consultative process with the academic board and our student body.

The issues themselves regarding student financial problems are fundamental academic ones. That is the main point that I wish to represent on behalf of the academic board. We do not regard them as peripheral issues by any stretch of the imagination. These are fundamental issues that impact on the ability of students to focus on their studies, to invest the necessary time to do justice to their studies and so forth. They are absolutely central considerations for any academic board.

The submission itself gives quite a bit of detail which I do not need to reiterate now. You already have it submitted. I would like to draw attention to the conclusions at the end of the paper, on page 5 under section 6. I will read these out for the benefit of the *Hansard* report. These conclusions do cross-reference to the submission on welfare reform 2003 from the AVCC, but we highlight four issues in particular. No. 1:

- the level of Youth Allowance (and Abstudy) and related thresholds for loss of entitlement to the allowance, to take better account of living and course related costs (in addition the University of Adelaide supports the realistic indexation of benefits);

If you miss anything, it is in the written version.

No. 2:

- the age criteria for access on independence grounds, reducing it to 21 from 25.

No. 3:

- incentives for low SES people to participate in higher education;

No. 4:

- ensuring that university scholarships do not cause a reduction in allowance payments such that the value of the scholarship is undermined.

No. 4 is very important. Those are our main conclusions which we would like to highlight today to this committee.

Before we open up to your questions and our responses, I would like to emphasise once more that this is the result of quite extensive consultation internal to the university between staff and through the mechanism of academic board with a wide body of students. We treat it as a very central issue to our university life.

Senator STOTT DESPOJA—Thank your for submission. We are quite conscious that there has been extensive consultation, not only within the University of Adelaide but through the AVCC's work on some of these issues. I want to begin with the issue of the scholarships. Obviously in your submission under point 5 you point out something that a number of institutions have drawn to our attention and that is that university scholarships are not treated in the same way as the Commonwealth learning scholarships that have the fee waiver and the tax exempt status. Do you think your institution would provide more scholarships if they were not subject to the assessment through the taxation process or were not considered income for the purposes of taxation?

Prof. Bodman Rae—I am sure Susan MacIntosh would like to respond to that. If I could just put one comment, first of all. I am sure yes, because we have an existing range of scholarships and existing procedures in place; but one should bear in mind that there are in the community well-meaning people, potential benefactors, that do like to give money to support students where they feel it will go directly to help those students. It is rather debilitating to the university in improving that kind of range of endowments if the potential benefactors know that the money is not going to go where it was intended.

Ms MacIntosh—I support the views that you have expressed. We do have a vice-chancellor scholarship appeal fund and people do wish to give to scholarships, but when they discover that nearly 50 per cent of the scholarship ends up going straight back to the Commonwealth in respect of giving it to students who are in receipt of a benefit, then I think they are quite shocked. It does limit the notion of giving directly to the students, which they find very attractive and want to support. We certainly have a very strong commitment to scholarships. If you ask our vice-chancellor what he would like more than anything else in the world, it is always more scholarships. It is always a very strong view that we hold.

Prof. Bodman Rae—I can endorse that. Our vice-chancellor holds that view very strongly.

Senator STOTT DESPOJA—On that point, Ms MacIntosh, the decision by the university to increase the HECS fees to the allowable 25 per cent was accompanied by a decision by the vice-chancellor of the university to channel at least 10 per cent, as I understand it, of those funds to scholarships. Are they cash scholarships? Given that they are subject to the assessment through taxation, would you provide more of those scholarships if there was a change to the legislation that did not treat those scholarships as income for the purposes of tax assessment?

Ms MacIntosh—We went out for a process of consultation with the students prior to consideration of raising the HECS plus fees. We had feedback from students. Part of that feedback was around the student income support. I think in our submission we mention that a lot of the views that we are expressing are based on that feedback from students as part of that consultation process. There certainly was a push from the students for more equity initiatives and that is part of why we are providing the scholarships, but it was also a commitment from the university community overall, because there was consultation with staff, as well.

We are offering this year 72 equity based scholarships. We have tried to split them in such a way as to minimise the impact on a taxation year, so that students have more likelihood of being able to maximise the benefit of those scholarships. That is why we are paying them in certain tranches. We have done everything we can do, without a change, to maximise the benefit to the students. Obviously if there was a change in that view, we would be better placed to provide more scholarships.

Senator STOTT DESPOJA—I refer to page 4, part 4 of your submission, where you have the success ratio for low SES students table. The ratio is less than one per cent. It is not a huge differentiation in the figures; nonetheless there is a downward trend between 1997 and 2003. I am wondering if there is anything you have that explains that downward trend in terms of the ratio for low SES participation and success.

Ms MacIntosh—I am happy to respond on that. We do not have any other evidence other than there has been some research done nationally on success ratios and they do seem to be showing the same trend in terms of low SES. Given we all use the same national measure as part of the DEST collection of statistics, we were all around that same sort of level in 1997-98. We all seemed to have moved downwards. If you look at paying your way, if you look back to the AVCC research and submission, it would suggest that the pressures on people in this category to be able to combine study and support themselves is becoming more challenging as time goes on.

We think that is one of the major factors reflected there. We could not identify any other single factor. In fact, most of the research in this area says access is the biggest barrier. That is why we recommend in our recommendations that there should be incentives for people of low SES to access education. Access tends to be the bigger barrier, but we are now seeing success ratios declining.

Senator STOTT DESPOJA—I acknowledge that access is a big issue and it is particularly hard to monitor or to assess. A previous witness was also talking about the barriers to entry that we do not hear about unless the students have got in and then withdrawn. This ratio table to me talks more about participation. I know you have given us a number of reasons and obviously one of the main reasons is inadequate income support. I am wondering at the University of Adelaide how you monitor those students from lower socioeconomic backgrounds and particularly monitor those that drop out. Do you have your own set of criteria or way of keeping an eye on it or working out why that trend is taking place at your institution, as well as the others?

Ms MacIntosh—We do have some new initiatives that we have put in place, because we are concerned with the trend. The one that we have trialled this year, and so far seems to be very successful, is something we call 'smoothies', or smooth transition to university, which is a process of supporting low SES identified at enrolment and admissions into university life, and into study patterns. They have a mentor or a buddy, depending on how you want to term it, so for every three students we have one mentor or buddy. They provide social networks.

We provide additional support in terms of educational experience. We provide specialist seminars at certain times in the year. We have social events for them, so that they form a social group within the university. We have linkages in their faculty and area of discipline. We are looking at providing this sort of almost one-on-one support and we are trialling it with a group of 50 students this year, but we had over 150 applications to the smooth transition to university. We are hoping that we have identified a need and we are assisting.

We also provide counselling for students, one-on-one, who feel they are not coping or who have problems in that first semester in making a transition. Maybe they have chosen the wrong program. Maybe they cannot cope with the way that university deals with students, as opposed to high school. A lot of our students who are low SES come from rural and remote areas. As a university, about seven per cent of our students come from rural and remote. Quite often the experience of being in a small country town is very different from being in a large city university. We do have special programs for students to do that, as well.

There is also a range of academic support programs through what was called the Learning and Teaching Development Unit, where they provide specialist assistance to students and specialist programs that students can access in terms of essay writing, mathematical skills, computing

skills and library skills. There are supports that we are promoting quite widely to students as well.

Senator STOTT DESPOJA—Obviously, they are provided for and run through and paid for by the university. Is that a huge outlay at the moment and is it one that you are finding varies? When you were talking about 150 applications, I am assuming that was in first year. That sounds like a lot to me. Are you noticing an increase, sharp or otherwise, in the demand for some of these services or is it pretty standard, year after year?

Ms MacIntosh—It is hard to tell with some of the newer services because it is something we have not offered before, so there is a demand. It was part of our commitment when we made the decision on the HECS fees. We needed to ensure that the students had the best chance of success and to get the most out of the learning experience. The demands for the other opportunities that are provided from the academic areas, the learning and teaching areas, have been growing and we have been putting more resources in. I have noticed that over the last three years it has been a continuing trend.

Prof. Bodman Rae—There is a lot of anecdotal evidence from the university that students across all faculties and areas may come and ask for special consideration when it comes to submitting projects, assessments and so on if they have extensive work commitments outside. It is when we are approaching submission deadlines that those things often come to light. Students may wish to even conceal those things earlier on because they do not wish to be seen to be making problems. They like to try and cope with things privately and get on with it. They do not like to go in for special pleading but sometimes when we get close to submission deadlines there are lots of those kinds of requests. I know, from speaking to colleagues across all academic areas, that these requests for special consideration are getting more, year by year. When we ask, 'What are the reasons underlying your request?' it is more often than not financial pressures and the need to keep up outside work.

Senator STOTT DESPOJA—In terms of today's evidence—the submissions we have received—and Tuesday's evidence, this seems to be the norm rather than the exception now. The AVCC research tells us that 80 per cent of students are working to support themselves during their studies. It is almost like that is the way it is now; there is no such thing as a full-time student any more. Maybe we should rethink our policies accordingly. Do you have a comment on that? Were you surprised by the evidence that you collected within your own consultations, let alone the *Paying their way* evidence? Mr Physick, do you have any views?

Mr Physick—I think that is the case. More and more students working obviously has an impact on the campus culture as well. As a board member of Adelaide University Union, I have noticed fewer students around all day on campus. There would be an opportunity to participate in a variety of activities. The University of Adelaide is quite well known for providing a good campus culture, with lots of other activities.

Senator STOTT DESPOJA—Indeed.

Mr Physick—That enhances the education for students as well. Research shows that they are more likely to stay around if they get involved in other activities at university as well.

Unfortunately, those numbers seem to be declining as students have to work a lot more and spend less time on campus.

CHAIR—You say in your submission that in many cases this has a substantial impact on their educational experience; not only their experience but their outcome, I suppose. Is there a link between the amount of work that students are now having to do in order to survive financially versus the amount of time they spend at university or the quality of the work that they are producing?

Prof. Bodman Rae—If you ask my academic colleagues, they will say yes. If you ask us to prove it and give objective evidence, that might be more difficult because it is in the nature of the problem that people do not wish to declare themselves. People do not wish to brand themselves as difficult or having problems, so they try to soldier on. We see a lot of evidence.

CHAIR—Students are accessing lecture notes online more and more? Are they missing lectures but making sure they get to tutorials? Are they studying over a longer period of time?

Prof. Bodman Rae—There is certainly greater take-up of the online facilities like MyUni, where lecture notes and so on are posted so that they can be accessed outside the real-time event. It is desirable that we should offer those facilities but the more that they are taken up, as you quite rightly suggest, indicates an underlying problem.

CHAIR—It was put to us this morning that it really does not make much sense to not increase student income support—that, in fact, if student income support was increased so that students could complete their studies in the required period of time they would be in work faster. Quite logically, it was put to us this morning that the current system is a disincentive to get into work faster, because you have to delay your study or you have to juggle your study with working and the net result is that people graduate in a much longer period of time. Do you find that is happening with some of the students?

Prof. Bodman Rae—The alternative, which is to squash together the studies maybe over a shorter period of years but more intensively, would create the same difficulties because then you might find that a lot of students who would have to work during that period would be effectively locked out of higher education. I think that would be a dangerous experiment.

CHAIR—If the student income support were sufficient, would it have that desired effect, do you think?

Ms MacIntosh—In the comments we had from our students, they were saying things like, 'If student income support were adequate, I could perform better. I could get better marks, but I have to trade off getting better marks because I need to work because it's insufficient for me.' That is anecdotal again. That is an individual case of a student expressing a view to us.

CHAIR—You say in your submission that many of the students pointed out that the quality of the income support was a greater concern for them rather than the possible changes to HECS, I suppose because HECS is sometime in the future. 'I'll pay it when I get a $35,000 salary threshold.' That is sometime later. But you actually put it to students, 'Are you more concerned

about an increase in HECS or the level of your income support?' They all said, I suppose, the income support.

Prof. Bodman Rae—Can I say exactly how that happened? We considered this issue at a full academic board meeting. The instant comment that came back at that meeting—and I remember it very well—from the student representatives was exactly that. We did not put words in their mouths. That was the very strong force of student opinion at that interesting meeting that we had. It was as a result of that student comment that we then decided to investigate it further and set up the working party into the issue. But from the very starting point that was a very strong student opinion.

Ms MacIntosh—I think it is fair to say they see it as the barrier. HECS is not a barrier to going to university; not having enough to live on is a barrier. It is that initial barrier, which I think is why we also have the suggestion in our submission that the government might look at some way of providing, if you get a learning entitlement now under the higher education reform, that you have a student income equivalent guarantee to be able to study as well. I think that was one of the more innovative ideas one of our students put forward in the submission.

CHAIR—What do you think are some of the impacts on the student income support for your students from rural and remote areas? Do they find it particularly more difficult to survive at university? Different challenges?

Ms MacIntosh—They tend to have a double disadvantage, from our experience. We are now preparing a separate booklet for students and parents from rural and remote areas to identify the steps to coming to university and the ways that we can assist, because quite often they will come from areas where, if they were living at home, they would be fine, but they simply cannot live at home, so they are not eligible for a lot of benefits because of the way the Centrelink system is structured. They are denied the benefits but they are required to live away from home, so they sort of get that double disadvantage. In addition to that, as I mentioned before, they have those transitions from living in what is often quite a relatively small community moving into a very large community. We have a lot of students, as you would have known, from the Northern Territory come to South Australia as well, and that has been a tradition.

CHAIR—I have raised that a number of times in this hearing. I suppose for the Territory more than any other state—maybe there might be a little bit of it in Tasmania, but I am not sure—there is a whole range of courses you cannot even do there. I think this is about the fourth time I have raised this, but students have to go to either Adelaide or Perth, which is where they predominantly go, so we have parents who are paying to support their students. Of course, their choice would be that they would rather not—that people study in Darwin—but that is just not the choice.

Because of their income, because the income threshold is so low, the student gets no assistance whatsoever, so people feel that they are encouraging their kids to go to higher education—to take up, say, medicine or vet science or something—yet there is no incentive there for the kids to do that because it severely disadvantages the parents and the kids as well. You are probably right about a double disincentive there, because there is no choice for some families.

Prof. Bodman Rae—I think it is an extremely important point and, yes, there is in-built difficulty there for students from rural communities. I would just like to say that we do not just rely on the feedback from students who have already come to the University of Adelaide and who are in our system but, as a university, we do a lot of Outreach within the state and the Territory. I do a lot of that myself and I know a lot of colleagues do. When we go to those communities, we get comments of this kind from people that have decided not to come, so people that are not actually in the system. It is important for us to listen to those comments as well and not just go from the evidence from people already within our own system.

Senator STOTT DESPOJA—Can I ask about the issue of ancillary fees? It is something that has come up throughout the submissions but again today and through the evidence provided by the SAUA president. Mind you, I should qualify that he was at pains to emphasise, as they all were, I think, the consultations that are ongoing between the university and student representative organisations. Have you done any research within the university as to the additional charges that students are faced with because of the cost of anything from the readers to the course outline to textbooks, lab coats, course fees for conferences or field trips? Are you aware that these charges are banking up? What is the university doing about them? I am not sure who to address that to.

Ms MacIntosh—Unfortunately, I have the responsibility for ancillary fees and so the policy thereto. I have not done an enormous amount of research, but I am happy to do that. We have not added any additional ancillary fees in the three years I have been at the university. No, we have not increased them.

I would have to say losing the textbook scheme—that was cancelled by the government—has had an impact on the university. I think it is fair to say the academic staff have increased the size of readers because there are no textbook rebates, to give students access to the readings and not having to encourage them to buy the textbooks at greater cost. Therefore, the readings have become larger and we charge them at cost. We use massive machines to lower the cost, to do the photocopying and the reproduction. We need to meet the requirements of the Copyright Act as well.

Senator STOTT DESPOJA—Of course.

Ms MacIntosh—We only charge them at cost. While they certainly are in our library—I am sure Charles can talk about the library and what we offer there—in terms of providing them to students so they can take them away, the readings have become bigger. It is an issue that the students and I are exploring at the moment. We provide course outlines free of charge, as we are required to do under legislation. We also have a principle behind our ancillary fee policy, which I am happy to leave with you and it is also on our web site, which is that if any student feel there is a hardship with an ancillary fee then they can apply to the manager of the area to have the fee waived. If the manager will not waive the fee, the student has a right of appeal.

Senator STOTT DESPOJA—Do you have any statistics on the people who get those fees waived? That would be of enormous interest, considering it is a recurring example through the committee's deliberations.

Ms MacIntosh—I would have to go out to individual areas, because a lot of these are distributed—

Senator STOTT DESPOJA—I am not asking you to go to that effort. It was just in case you had a sense of, 'This department has waived this many fees,' or what have you.

Prof. Bodman Rae—Can I give a slightly different perspective on your question, which is referring to the library, as Susan just intimated. We are fortunate at the University of Adelaide to have exceptionally good libraries. There is not just the main Barr Smith Library, there are various branch libraries. Our own music library is the best in Australia, for example. There is an extremely good law library and so on. The take-up on readers and so on has to be considered in relation to our library provision because, of course, the same materials will be available in hard copy in the library. It is not always as convenient for students to do it that way because they may want to study the things at home, there may be reference copies in the library which they cannot always borrow and so on. But we have excellent library facilities which we are constantly investing in, and I would suggest that that is the primary repository of all academic reference material which is at the heart of so many courses. We have it. There are universities—and I will not name them—which are not so fortunate in that regard, in having such well-stocked libraries, but we are the kind of university that still takes that core library responsibility extremely seriously.

Senator STOTT DESPOJA—It was put to us this morning—and I do not think it was by Adelaide University; I will need to check the *Hansard*—that that was an example, though, of where students were feeling the pinch, or academia generally, because the money that would go into other books in the library was being channelled into ensuring that there were textbooks available, or enough textbook copies available, for those students who could not afford to buy the textbooks or they were not catered for through the readers. It is a bit of a vicious cycle, but it is interesting to have on record your comments about the abolition of the ETSS.

I am wondering, as I have asked many witnesses, if you have any information about the impact of that, albeit it is only six or eight months into the change. Do you have any information on how that has impacted on particular students or groups? That would be very interesting.

Prof. Bodman Rae—The other thing to bear in mind—because you mentioned various other things, including field trips and so on; other extras that sometimes can crop up—is that those extras are not always obligatory things. Students can choose to do them. They are not always compulsory activities. Clearly, if there were a lot of those extras which were compulsory for the programs they are doing, that would be a serious academic issue for us to debate and sort out, but there are many of those activities which are desirable for students to do but not actually compulsory. We would take very seriously any new program proposals which had embedded in them those kinds of requirements that had not been properly costed. But in our processes of program approval, we routinely audit that kind of thing. We go through the program content and we ask difficult questions about what support materials are required, what field trips may be required and so forth prior to the approval.

Senator STOTT DESPOJA—Thank you. I have one more question that is a little esoteric. We were particularly interested to hear some examples this morning from students as to what they do to support themselves. I do not think that has changed over many decades in terms of

students suffering financial hardship. They will tend to get into the black economy, so cash in hand jobs, particularly hospitality, tourism and those sectors where you are less likely to be the subject of taxation provisions.

An interesting example this morning was about students being used in medical experiments. That is an all-encompassing statement, but what they were talking about—and this was evidence from Adelaide University students and the student association as well—was the notion of students being prepared to be used for testing purposes, trying a particular brand of cigarette or tobacco. I think that was one example used. Sleep deprivation was another example cited by the Flinders University Students Association—sleep deprivation courses—basically some of that experimental stuff. Students apparently are being increasingly targeted because it is one way of getting money. Do you know anything about this? I am not suggesting the university is involved in any way, I am just curious if you are aware that this is something apparently on the increase that students are involved in.

Ms MacIntosh—I certainly am not aware of it. I am aware of the so-called black economy and I have written to the local workplace inspectorate and asked them to inspect a number of premises in the city, because I do believe our students and other students are working there and are not being paid an appropriate rate or under appropriate conditions. I have been informed that they will not undertake those inspections.

CHAIR—Is this DEWR, the Department of Employment and Workplace Relations, a central department?

Ms MacIntosh—It is a state government department, and they do not have the power under the legislation to do it. I have to lodge a formal complaint, which I cannot get students to do. I have lobbied for a change in the legislation so that they can do auditing of some of these areas. It is an area where we need to be vigilant for our students because there are risks in certain workplaces that we should be able to bring to their attention—which we do—but I certainly am not aware of the more creative medical approaches you mentioned. Certainly, we are very vigilant to inform students of what they are entitled to in a workplace—a safe workplace and also reasonable remuneration at award rates. We certainly bring that to their attention.

Prof. Bodman Rae—Please bear in mind that we always have to tread a tightrope really and try to consider the interests of the students—take an interest in what they are doing, find out how they are coping—and yet not to be invading their privacy.

Ms MacIntosh—Respect their independence.

Prof. Bodman Rae—And that is a very difficult balance to maintain. It is tempting to approach the thing from the point of view of being in loco parentis. Some of us may instinctively wish to take that kind of level of interest in student affairs. However, we have to stop ourselves because, of course, we can easily step too far over that line and invade their privacy, which would be improper.

Senator STOTT DESPOJA—Please understand I was not suggesting that it was necessarily part of the duty of care. I am impressed by the commitment to that duty of care, but I was wondering if you had heard about that, particularly through the work that you have done in the

working group. It is one thing to look at the income side; it is another to look at expenditure and how students have to spend their money as well. That is the aim of this inquiry, although it has become a bit broad ranging today. Thank you.

CHAIR—We are finished with questions. I thank the three of you very much for the effort you have made in putting this submission together, the time you have taken to consult students and bring that before us and for making yourself available today to give evidence on *Hansard* for us. Thank you very much.

Committee adjourned at 3.22 p.m.