

**Isolated Children's Parents' Association of Australia Inc.**

**"Access to Education"**



**2020-2021 Pre-Budget Submission**

**from the**

**Federal Council**

**of the**

**Isolated Children's Parents' Association of Australia Inc.  
ICPA (Aust)**

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The Isolated Children’s Parents’ Association of Australia, ICPA (Aust), is pleased to provide several recommendations for consideration in the 2020-2021 budget to contribute to achieving equity of educational opportunity for children and students living in rural and remote regions, thus ensuring they have access to a continuing and appropriate education determined by their aspirations rather than their location.

Improving the educational outcomes for rural and remote students requires a nationwide approach to ensure national consistency no matter where education is provided. The financial cost to families educating children in geographically isolated locations continues to rise and the loss of many families from these areas can be attributed to the cost and difficulties of accessing education. While an Assistance for Isolated Children (AIC) allowance exists and is greatly appreciated, the allowance is currently well below the actual costs rural and remote families incur in trying to access education for their children. If the AIC were increased to adequately assist rural and remote families who incur unique educational expenses due to being geographically isolated, other areas of difficulty may be alleviated.

**Table 1. Summary of Recommendations**

<b>Increase the Assistance for Isolated Children (AIC)</b>	<b>AIC Distance Education (DE) Allowance</b>	The AIC allowance needs to be increased to adequately assist geographically isolated families with the expenses incurred to provide their children their compulsory education
	<b>AIC Boarding Allowance</b>	
	<b>AIC Second Home Allowance</b>	
<b>AIC – DE Allowance for 3-4 year olds</b>	Extend the Assistance for Isolated Children’s (AIC) Distance Education (DE) allowance to those taking part in early childhood programs by Distance Education in their transition to school.	
<b>Distance Education Teaching Allowance (DETA)</b>	Introduce a Distance Education Teaching Allowance, as financial recognition of the essential work a distance education tutor performs.	
<b>Tertiary Access Allowance (TAA)</b>	Introduce a Tertiary Access Allowance (TAA) equal to the relocation scholarship for students whose family home is in a rural or remote area.	
<b>Rural Hardship Education Fund (RHEF)</b>	Establishment of a permanent/long term Rural Hardship Education Fund that remains in place so that each time a disaster/hardship hits a rural area, funds are automatically available for geographically isolated students’ education assistance programs.	

## COMPULSORY SCHOOLING

Accessing compulsory education is a significant financial burden for rural families.

- The Assistance for Isolated Children (AIC) allowance needs to adequately address the out-of-pocket costs incurred by rural families whether their children need to study via distance education, board away from home or the family sets up a second home in order to access schooling.

## EARLY CHILDHOOD EDUCATION

### Accessing affordable early childhood learning

- Extend the Assistance for Isolated Children’s (AIC) Distance Education allowance to those taking part in early childhood programs by Distance Education in their transition to school. The only means of accessing early childhood preschool education for approximately 200 children across remote Australia is through distance education programs. While states and territories have provided such programs, families living in remote areas wishing to access these are bearing the entire costs associated with taking part in them. The AIC Distance Education allowance must be extended to this cohort in order to make early childhood programs more affordable.

200 students (Dec 2019) - 2020 rate \$4278 per annum

- 200 students @ \$4278
- Funding required ≈ \$855,600 dollars per annum.
- Total funding allocation over forward estimates (4 years) = \$3,422,400

**Table 2. AIC – DE Allowance for 3-4 year olds**

Number of Students	Funding required per Child	Total Funding per annum
200	\$4278	\$855,600

**DISTANCE EDUCATION**

Families who educate their children via distance education due to being geographically isolated are required to establish and maintain a schoolroom setting, provide extra learning materials and resources and print necessary learning materials which are supplied to students at mainstream schools. In addition, rural and remote distance education families often travel significant distances to participate in school activities that offer interaction and socialisation for their children. The Assistance for Isolated Children (AIC) Distance Education Allowance assists distance education families with some of these necessary expenses in order to educate their children when living in geographic isolation. In order to assist these families further to cover the expenses associated with distance education, the AIC Distance Education allowance needs to be increased.

**Distance Education Allowance increase of \$750 per annum**

5268 students (Dec 2017) receive Distance Education Allowance @ \$4278 per year (2020)

- Increase of \$750 per annum = \$3,951,000
- Total funding allocation over forward estimates (4 years) = \$15,804,000

**Table 3. AIC – DE Allowance Increase**

Number of Students	Funding required per Child	Total Funding per annum
5268	\$4278	\$3,951,000

**Recognition of the financial impact on families who must provide a distance education tutor**

Distance Education Teaching Allowance. For around 1500 families living in isolated regions of Australia, the only means of accessing an education for their children is via distance education programs. While the AIC allowance assists with the setup of the classroom and ongoing costs associated with this method of education, it is not possible without a tutor present in the home schoolroom. Families are required to provide and fund the entire costs associated with providing a tutor, which necessitates the employment of additional staff or a family member (often the mother) must sacrifice an income, often for many years, in order to fill the role. ICPA (Aust) is seeking the introduction of a Distance Education Teaching Allowance (\$6000 per family per annum), as financial recognition of the essential work a tutor performs. Currently In Home Care educators are not able to supervise distance education and restrictions for the AIC mean this allowance cannot be used for a home tutor to supervise lessons. Therefore, for the 1500 families who must have a home tutor available to supervise distance education this comes at an immense personal cost for their children's compulsory education.

**Funding required ≈ \$9 million per annum.**

This Distance Education Teaching Allowance (DETA) should be:

- for families who qualify for the Assistance for Isolated Children scheme – Distance Education Allowance
- paid per family (approx. 1500 nationally) an annual payment of \$6000.00, indexed to the CPI

**Table 3. AIC – DE Allowance Increase**

Number of Students	Funding required per Family	Total Funding per annum
1500	\$6000	\$9,000,000

As a DETA does not yet exist, ICPA members seek an urgent increase in the AIC Distance Education (DE) component to address the true expenses for those geographically isolated families whose only option of schooling is Distance Education.

## **BOARDING**

Many children living in remote regions of Australia must move away from home to attend school. Accessing compulsory schooling through boarding comes at a considerable cost to families. Annual out-of-pocket boarding expenses range from \$10,000 to \$35,000 per child, depending on where families live and which school best suits their children. This expense is unsustainable for most. Some families are splitting the family and moving to town to access affordable schooling, or in some cases choosing between siblings as they cannot afford to keep all their children in boarding school. This is negatively impacting the family unit, small communities and rural schools.

Attending boarding school is a necessity for many children in rural and remote areas due to the distance they are from available schooling. Rural and remote families are expressing a growing concern about the affordability of accessing and utilising boarding schools to educate their children during the compulsory years of schooling. Boarding school costs have increased significantly and the financial impact for these families is enormous. An increasing number of rural and remote families are separating, with the mother and children relocating. This is evidenced by the substantial increases in AIC Second Home Allowance claims. This is a drastic measure by families to reduce educational expenses and negatively impacts the family unit, small communities and rural schools (due to the younger siblings being removed from primary schooling). A significant increase in the AIC Boarding Allowance is required as a matter of urgency.

The disparity between the Assistance for Isolated Children Scheme (AIC) Boarding Allowance and the actual cost of boarding schools across Australia continues to grow, impacting on the intent and effectiveness of the allowance. Rural and remote families are required to contribute significantly more towards the cost of their children's compulsory education.

### **Basic Boarding Allowance increase of \$1000**

5211 students (Dec 2017) receiving Basic Boarding Allowance @ \$8577 per annum (2020) (or cost of boarding, whichever is lower).

- \$1000 per annum = \$5,211,000
- Total funding allocation over forward estimates (4 years) = \$20,844,000

### **Additional Boarding Allowance (means tested component AIC Boarding) increase of \$1000 per annum -**

1303 students (Dec 2017) – 2020 rate \$2454 per annum

- \$1000 per annum = \$1,303,000
- Total funding allocation over forward estimates (4 years) = \$5,252,000

**Table 3. AIC – Boarding Allowance Increase**

Number of Students		Funding required per Child	Total Funding per annum
Basic Boarding Allowance	5211	\$1000	\$5,211,000
Additional Boarding Allowance	1303	\$1000	\$1,303,000

## **SECOND HOME**

The AIC Second Home Allowance assists families with the cost of setting up a second home away from their main place of residence, so children can attend a school on a day-to-day basis. The option of establishing a second home while children are of school age, is important to retaining families in rural and remote areas of Australia. In many cases, the mother and children live in the second home during school times and return to their rural area during school breaks and holidays. This allows the family to access schooling, but also maintain their connection and support with their rural community as well as work and live in a rural area. If the Second Home Allowance was not available, more families would move their entire family permanently to an urban area for schooling. ICPA (Aust) advocates for the Second Home Allowance component of the AIC to be paid at the same rate as the Boarding AIC.

It is in the national interest to ensure isolated children are not disadvantaged in terms of educational and social development and to ensure their educational outcomes are not compromised. These students need the opportunity to attend a school commensurate to their needs which allows them to achieve educational parity with their urban peers. It is imperative for rural and remote families to be able to provide an education for their children while continuing to reside and work in rural and remote regions.

## **Second Home Allowance - in line with Basic Boarding Allowance - \$2000 per annum**

Less than 1000 students receive \$248.60 per fortnight (\$6481.47).

- Increase of \$2000 per annum = \$2,000,000
- Total funding allocation over forward estimates (4 years) = \$8,000,000

**Table 3. AIC – DE Allowance Increase**

<b>Number of Students</b>	<b>Funding required per Child</b>	<b>Total Funding per annum</b>
<b>&lt;1000</b>	<b>\$2000</b>	<b>\$2,000,000</b>

### **Evidence Base**

ICPA (Aust) conducted a Boarding School Research Survey for Geographically Isolated Students in April 2016 which supports this information and contains many comments from families towards the end of the booklet:

<https://www.icpa.com.au/page/attachment/94/final-boarding-school-survey-icpa-aust-with-comments-2016>

### **Total funding assigned through this proposal - \$49,900,000**

\*student numbers are based on the 2017 figures provided by the Department of Social Services.

Extra funds to be used to establish the Assistance for Isolated Children for students undertaking an approved 4-year-old early learning program (preschool) through distance education similar to the AIC Distance Education component, would also be welcomed.

### **Additional Information**

- The AIC is not 'capped' funding and is paid to all eligible students in geographically isolated areas. The number of students receiving AIC has been declining over the years, possibly a result of smaller families and rural-urban drift.
- The Assistance for Isolated Children's (AIC) Scheme was originally administered by the Department of Education and administered by Centrelink. The AIC is NOT a welfare payment but is an ACCESS payment to address equity of access to education for rural and remote students. The AIC does not provide assistance to address multiple or long term social and welfare issues and has no correlation to providing a pathway to long-term dependence; rather, the AIC is provided to assist with accessing education during the compulsory years of schooling and must be returned to the Department of Education.

### **ICPA (Aust) recommends this proposal appear in the coming budget because the proposal:**

- **provides the most effective means of distributing funding to geographically isolated families to assist with access to schooling**
- **uses existing funding mechanisms**
- **will achieve the maximum benefit in assisting students**
- **will maximise the number of rural and remote *students* accessing education.**

**Rural and remote families require a significant increase in the AIC allowances: Basic Boarding Allowance, Additional Boarding Allowance, Distance Education Allowance and Second Home Allowance. After the adjustment increase, the AIC allowances to be annually indexed at the CPI education sub-index.**

### **TERTIARY EDUCATION**

#### **Affordable pathways to accessing tertiary studies**

Tertiary Access Allowance. While the removal of the multiple asset testing forms for Youth Allowance has been welcomed, ICPA (Aust) continues to advocate for a Tertiary Access Allowance (TAA) equal to the relocation scholarship if the family home is in a rural or remote area (1<sup>st</sup> year - \$4626, 2<sup>nd</sup> year and third years - \$2314, subsequent year - \$1156). Reference to such an allowance was also included in the recent Napthine Review into Australia's Regional, Rural and Remote (RRR) Higher Tertiary Education Strategy Final Report, Recommendation Two on page 6.

[https://docs.education.gov.au/system/files/doc/other/national\\_regional\\_rural\\_and\\_remote\\_tertiary\\_education\\_strategy.pdf](https://docs.education.gov.au/system/files/doc/other/national_regional_rural_and_remote_tertiary_education_strategy.pdf) . ICPA (Aust) considers all students who need to relocate to undertake tertiary study, require financial support to assist them in accessing their place of study. At the very least, support must be given to those most in need. Immediate assistance should be available for students from rural and remote areas who constitute a group

currently under-represented at university. In 2016, independent Youth Allowance recipients living in regional areas totaled approximately 4260 students. Students living in these areas, who are not receiving any form of income support, must also have equitable access to tertiary education by way of financial assistance to allow them to access their chosen institution. We are unable to access these figures but suggest they would be few.

This allowance should:

- Not be reliant on students receiving income support payments such as Youth Allowance
- Be an annual payment for the duration of the students' full-time course
- Be \$4626 in the first year in which you are required to live away from home to undertake full time study in an approved scholarship course, \$2314 in the second or third year, \$1156 in the fourth or subsequent year
- Not be received in addition to a Relocation Scholarship.

### **RURAL HARDSHIP EDUCATION FUND**

ICPA (Aust) advocates that a *long-term* Rural Hardship Education Fund (RHEF) should be put into place to assist rural and remote students, schools and early learning centres with the cost of education during times of rural hardship to ensure their schooling can continue unhindered. Across Australia in the past twelve months, we have seen families severely affected by flood, drought and recently fire. All of these hardships and others which may include both natural and manmade occurrences, have a significant impact upon the education of rural and remote children whose families are affected by these hardships.

Due to the unique challenges faced by geographically isolated families in accessing education, some form of educational assistance program for times of rural hardship needs to exist on a permanent/long term basis so that critical time is not lost determining what type of educational assistance can be offered when a crisis occurs. Geographically isolated families who face unique challenges in educating their children, financially and otherwise, need to know that if they are faced with rural hardship, that their children's education will not be affected if they are unable to provide this education themselves. While ICPA (Aust) acknowledge and welcome government assistance measures announced during these events, the huge cost of educating children, particularly for those children who must live away from home in order to access a compulsory education, in general is largely ignored. A permanent RHEF would ensure that assistance for education could be made available immediately when a rural hardship event occurs and alleviate stressful concerns regarding assurance of continued education for families who are already dealing with a difficult situation.

Financial assistance to lessen the burden of educational costs must be established urgently for rural families battling to keep their children at school. This fund could be linked to the current Assistance for Isolated Children (AIC) scheme. The Assistance for Isolated Children (AIC) Scheme is a group of Commonwealth payments for parents and carers of children who cannot attend a local government school because of geographical isolation, disability or special needs. Rural and remote families rely heavily on the AIC to help them address the extra cost of providing compulsory education for their children because of where they live. Approximately 11,300 students in total received the AIC across all of its categories in 2017. The number impacted by long-term drought/hardship and requiring additional assistance through a Rural Hardship Education Fund at any one time would most often be considerably less, An established fund would not need to assist the total number of identified rural/geographically isolated students receiving AIC all at one time, but could be designed to offer relief to those in affected areas as situations arose.

### **Recommendations:**

**That a Rural Hardship Education Fund (RHEF) to be put permanently in place to assist rural and remote students, schools and early learning centres with the cost of education during times of rural hardship to ensure their schooling can continue unchanged.**

**The establishment of a permanent/long term Rural Hardship Education Fund that remains in place so that each time a disaster/hardship hits a rural area, funds are automatically available for geographically isolated students' education assistance programs should include, but not be limited to:**

- **Supplementary payment made to the Assistance for Isolated Children allowance (AIC) for families identified as being in rural hardship. For example: living in drought affected areas/states.**
- **Additional funding for Rural Schools, Early Learning/Long Day Care Centres in affected areas.**
- **Itinerant and specialist teachers made available to enable more support for Distance Education students and Rural Schools, including home visits in remote classrooms and other localised support resources.**

- **Adjusted Child Care Subsidy rate/ Additional Child Care Subsidy (temporary financial hardship) available long-term to assist affected families to access In Home Care and child care for young children.**
- **Tertiary Access Allowance for rural and remote students enrolled in university, training courses, or apprenticeship**

**Geographically Isolated recipients of the Assistance for Isolated Children allowance should be the focus of any drought/RHEF supplementary payment of the AIC.**

**Assistance for Isolated Children supplementary assistance amount should at minimum be reflective of previous AIC drought assistance payment rates with consideration of rise in education costs.**

- **At least \$2000 per student, per year.**
- **Should be for Geographically Isolated/Rural and Remote students (*a portion of students receive the AIC for different reasons such as medical needs or exclusion and do not necessarily live in a rural or remote area, so may not have the same family income impact due to rural hardship as those identified as geographically isolated/rural and remote*).**

The total number of recipients of Assistance for Isolated Children is approximately 11,000, which incorporates non-geographically isolated children also who would not be affected by a Rural Hardship. ICPA (Aust) have been unable to obtain numbers for geographically isolated students who receive AIC, however we would expect that not every student eligible for geographically isolated AIC in any given occurrence of rural hardship would need assistance at the same time. For example, additional AIC assistance of \$1000 per child was provided to approximately 500 geographically isolated AIC recipients in the area affected by the North West Queensland floods in early 2019.

Further information on the Rural Hardship Education Fund proposal can be found at <https://www.icpa.com.au/documents/download/1189/federal-current-issues/rural-hardship-education-fund-october-2019.pdf>

This submission forms part of our work in advocating for allowances to further assist families and students in rural and remote areas of Australia in order to gain equity in accessing education. Funding these allowances would assist considerably in alleviating and overcoming the challenges families face when educating their children in isolated regions of Australia. The ICPA (Aust) Briefing Papers are available at <https://www.icpa.com.au/documents/download/1189/federal-current-issues/rural-hardship-education-fund-october-2019.pdf>. Please do not hesitate to contact ICPA (Aust) Federal President, Mrs Alana Moller for further information as required.