



## Compulsory Education Increase to the AIC Boarding Allowance

Since 1973, successive Australian Governments have provided financial support through the Assistance for Isolated Children's (AIC) Boarding Allowance to families with children who do not have reasonable daily access to an appropriate government school. Much has changed since the AIC scheme was first introduced; the duration of compulsory education has increased and accessing regional term hostels has decreased due to continual closures. Changes are needed to ensure this allowance meets the needs of families in the twenty-first century.

For many children living in remote regions of Australia, accessing appropriate schooling requires relocating great distances to attend boarding school. In the pursuit of education, families must find accommodation and suitable pastoral care for their children. In most cases, there is little option other than accessing private boarding schools in large cities, as they are often the only schools that offer boarding facilities. Attending these boarding schools comes with the additional high tuition fee attached to the school. One cannot be had without the other- it is a package, and an added cost to rural families. Boarding school is a necessity for many rural families rather than a luxury. Our members have indicated that the out of pocket costs range anywhere from \$10 000 to \$35 000 per child, per year depending on where students live or allowances/scholarships that are available.

Rural and remote families are expressing a growing concern about the affordability of accessing and utilising boarding schools to educate their children during their compulsory years of school. 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 a drastic measure by families to reduce educational expenses and negatively impacts the family unit, small communities and rural schools.

ICPA believes the misconception that farming families are able to draw down on a high asset base for the purpose of meeting education costs must be addressed. Businesses in rural and remote areas, particularly family farming ones, operate in an asset-rich but income-poor environment. The assets that form a vital part of the operation of these primary production businesses are generally not disposable, nor likely to be considered by a financier as acceptable to draw down on to fund the education needs of children. Employees in remote areas find it difficult to provide an education for their children as they too need to access boarding school where there are no local high schools. Rural families often have several children attending boarding school at once, requiring them to fund the high out-of-pocket education costs which would not be necessary if they could access a school from home on a daily basis.

There is a growing disparity between the AIC allowance and the costs of students attending boarding school. The consistent increase in the gap between the AIC Boarding Allowance and the cost of boarding school fees is widening exponentially demonstrating it is no longer achieving the aim of assisting with affordable, equitable access to education for geographically isolated families. Rural and remote families are being asked to contribute significantly more towards the cost of their children's compulsory education.

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 that is 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.

**ICPA requests that the Federal Government provide a significant increase in the AIC Basic Boarding Allowance for rural and remote families. Some boarding families also require a large increase in the AIC Additional Boarding Allowance, with consideration given to the allowance covering the full educational cost for these students as they have shown appropriate financial need. After these adjustments, the AIC allowance to be annually indexed to the CPI education sub-index.**