



Briefing Paper

Tertiary 2025-2026

The Isolated Children's Parents' Association of Australia, ICPA (Aust), is a voluntary, apolitical, national parent organisation working on behalf of our members for equity of access to appropriate education for children living outside of metropolitan areas. Access to tertiary education should be an equitable option for all Australian students that have the ability and ambition, regardless of their geographic location.

Rural and remote students remain underrepresented in higher education, with lower participation and completion rates than their metropolitan peers. The barriers are persistent: cost, relocation, limited accommodation, socioeconomic disadvantage, distance, and lack of tailored support services. The single greatest barrier remains cost — both relocation and ongoing living costs. Without targeted support, rural and remote students face inequity in their opportunity to pursue higher education.

ICPA (Aust) continues to advocate for financial support, equity in access to government assistance, and recognition of the unique challenges faced by rural and remote students.

SUMMARY

1. Financial Barriers: Relocation, Rent and Living Costs

- Relocation costs remain prohibitive, including travel, rental bonds, residential college fees, technology setup, and transport.
- Rent assistance has failed to keep pace with market increases, particularly in urban centres.
- Motions call for increased Centrelink Rent Assistance, a dedicated rural/remote rent assistance program, and placement/travel allowances.

2. Youth Allowance and Income Support

- Current parental income limits are too low.
- Independent status often requires a gap year that disadvantages students.
- Liquid Assets Waiting Period penalises savers.
- Application processes remain cumbersome, especially in poor internet areas.

3. Tertiary Access Payment (TAP)

- TAP provides \$5000 in the first year but does not extend beyond.



4. Accommodation and Support

- Residential colleges to prioritise rural and remote students.
- Remote students studying from home require suitable facilities.

5. Practical Placements and Workforce Shortages

- Unpaid practicums in teaching, medicine, and allied health impose high costs.
- Commonwealth Prac Payments must be expanded to more disciplines.

6. Recognition of Rural Learning and Training Pathways

- Recognition of Home Tutors' experience as RPL.
- Expansion of agricultural education pathways, AgCareerStart program, and ag-focused teaching streams.

7. HELP Debt and Indexation

- Current timing of indexation is inequitable.
- Advocacy seeks reform to apply indexation after tax-return repayments, and expand HELP waivers for rural teachers and health workers.

ISSUE 1 - Financial Barriers: Relocation, Rent and Living Costs

For students from rural and geographically isolated communities, the most significant barrier to tertiary participation remains the financial burden of relocation and ongoing living expenses. Unlike metropolitan students, who often have the option of continuing their studies while living at home, rural students must relocate to access higher education. This requirement imposes unavoidable costs such as travel to the city or regional hub, accommodation bonds, residential college fees, connection of utilities, and the purchase of essential items to establish independent living. These costs are compounded by the rising expenses of food, transport, and communication, placing tertiary study beyond the reach of many families.

The cost of rent is particularly prohibitive for geographically isolated students. With highly competitive rental markets in major regional centres and capital cities, students are often forced into insecure or unaffordable arrangements that compromise their study experience. Rent Assistance payments from Centrelink have not kept pace with escalating rental costs and do not reflect the true expenses faced by those who have no choice but to live away from home. Unlike their metropolitan counterparts, rural and remote students are a distinct disadvantaged group who face significantly higher costs simply to begin and maintain their studies. Without adequate support, many are compelled to take on excessive part-time work, which can jeopardise academic success.

These ongoing financial pressures also affect student retention and completion rates, with many rural students deferring, withdrawing, or never commencing tertiary studies despite being academically capable. Programs such as the Tertiary Access Payment have provided welcome assistance, but support remains limited to the first year and does not address the recurrent financial burden over the duration of a degree. Expanding relocation and rent support, introducing targeted assistance that



acknowledges the unique costs faced by geographically isolated students, are critical to ensuring equitable participation and improving outcomes for this cohort.

RECOMMENDATIONS

- Extend relocation support to all years of study, not just the first year.
- Substantially increase Rent Assistance and create a rural/remote-specific rent program.
- Ensure relocation and living cost support is accessible to all students, regardless of Youth Allowance eligibility.
- Introduce targeted financial assistance to reflect the higher living costs faced by geographically isolated students

ISSUE 2 - Youth Allowance and Income Support

Youth Allowance remains one of the most critical support mechanisms for rural and remote students, yet its eligibility settings continue to disadvantage this cohort. The current parental income thresholds are set far too low and fail to reflect the true costs of supporting children who must live away from home to study. Families already face the added expense of relocation, rent, and ongoing living costs, making it unrealistic to assume they can contribute at levels set for metropolitan families. Raising the parental income thresholds, or applying rural-specific adjustments, is essential to ensure that financial support reaches the students who need it most.

Equally concerning is the requirement that many students must take a 14-month gap year of full-time work to qualify as independent for Youth Allowance purposes. While this workforce participation test was intended to create fairness, it can act as a deterrent to tertiary study, with some students never returning to education after the break. Those who do return often face disrupted study pathways and reduced motivation. Students from rural and remote areas, who are independent by necessity due to relocation, should be recognised as such upon commencing tertiary studies without being forced into a lengthy gap year.

Other barriers within the system further penalise responsible and proactive students. The Liquid Assets Waiting Period delays access to Youth Allowance for students who have saved responsibly during their working year, leaving them without financial support at the very time they face the heaviest upfront costs of relocation. Compounding these inequities are cumbersome application processes reliant on internet connections, including the one-time passcode system that frequently fails in remote areas. These processes cause delays, confusion, and in some cases, students abandon their applications altogether. Streamlined, accessible systems and fairer eligibility settings are urgently needed to ensure Youth Allowance functions as a true support, not an additional barrier.



RECOMMENDATIONS

- Raise parental income thresholds to reflect the real costs of supporting students living away from home.
- Grant automatic independent status to rural/remote students upon commencing tertiary study.
- Remove the Liquid Assets Waiting Period for students who relocate for study.
- Improve Centrelink processes and ensure application systems are accessible in low-connectivity areas.

ISSUE 3 - Tertiary Access Payment (TAP)

The Tertiary Access Payment (TAP), introduced in 2021, has been a welcome initiative providing up to \$5,000 to assist eligible rural and remote students with the significant costs of relocation in their first year of tertiary study. This support acknowledges that geographically isolated students face unavoidable expenses simply to commence higher education, including travel, rent bonds, and the purchase of essential items to establish a home away from their family. For many students, TAP has been the difference between starting university immediately after school and deferring study due to cost barriers.

However, while TAP provides relief in the crucial first year, the costs of relocation are not confined to the initial move. Each subsequent year students must continue to fund rent, utilities, and travel back and forth from their home communities. Families from rural and remote areas often carry this financial burden for the entire duration of a degree, and yet TAP is currently restricted to a single payment. Extending the program to cover multiple years, or aligning it with the Relocation Scholarship model, would more accurately reflect the ongoing financial disadvantage faced by these students.

Further reforms are also required to ensure the payment is accessible and equitable. Providing dedicated TAP call centre staff, similar to the Assistance for Isolated Children line, would deliver much-needed expertise and support. Expanding access and streamlining administration are critical to ensuring that TAP achieves its intended purpose: enabling rural and remote students to pursue tertiary study without insurmountable financial barriers.

RECOMMENDATIONS

- Provide dedicated TAP call centre staff trained to support rural/remote applicants.
- Align TAP with the Relocation Scholarship model for fairer ongoing support

ISSUE 4 - Accommodation and Study Support

For many rural and remote students, access to suitable accommodation is one of the first and most pressing hurdles when commencing tertiary education. While some universities guarantee



accommodation for first-year students, colleges may not extend this allocation beyond a student's first year.

The consequences are significant. Students who are newly independent and inexperienced in managing rental obligations such as leases, utility connections, and shared housing are left vulnerable. For those transitioning directly from boarding or home schooling environments, the lack of structured accommodation can compound the difficulty of adjusting to city life, affecting both wellbeing and academic success. Priority access to residential colleges for rural and remote students would alleviate some of these inequities and support smoother transitions into tertiary life.

For students who remain at home to study by distance, challenges are no less significant. Rural households often struggle to provide dedicated learning spaces equipped with essential technology, internet access, and study resources. An Assistance for Isolated Children (AIC) allowance tailored to tertiary students studying from home would help families establish appropriate facilities. Such an investment would recognise the additional burden of creating an effective learning environment in geographically isolated households and ensure students studying remotely are not disadvantaged compared to their peers in traditional campus settings.

RECOMMENDATIONS

- Guarantee priority access to residential colleges for rural and remote students.
- Increase bursaries and scholarships tied to accommodation need, not location preference.
- Introduce an AIC allowance for students studying tertiary courses from home.
- Support universities to expand affordable housing options tailored to rural and remote students.

ISSUE 5 - Practical Placements and Workforce Shortages

Mandatory practicums form a substantial component of many degrees, particularly in teaching, medicine, veterinary science, nursing, and allied health. While vital to professional training, these placements impose significant financial burdens on rural and remote students. Often unpaid and requiring relocation for weeks or months at a time, placements necessitate additional accommodation, transport, and living expenses — costs that are rarely offset by existing support. For students already managing the expense of living away from home for study, these additional burdens are untenable.

The introduction of the Commonwealth Prac Payment (CPP) was an important acknowledgment of placement poverty, yet its scope remains limited to teaching, nursing, and social work students. This exclusion fails to reflect the reality faced by those in other professions who undertake equally demanding placements. Students in medicine, veterinary science, and allied health — professions critical to the sustainability of rural communities — are particularly disadvantaged, as they often undertake longer or more frequent placements in rural and remote areas where costs are higher.



Expanding the CPP to all disciplines with mandatory practicum requirements, and introducing a placement-specific travel allowance, would reduce financial stress and encourage more students to complete rural placements. This investment would not only improve equity for rural students but also strengthen workforce pipelines into areas experiencing chronic shortages. By supporting students during training, government policy can directly contribute to long-term solutions for rural education and health workforce sustainability.

RECOMMENDATIONS

- Expand the Commonwealth Prac Payment to include medicine, veterinary science, and allied health.
- Introduce a dedicated travel allowance for rural/remote placements.
- Provide additional living cost support for students undertaking extended or multiple practicums.
- Incentivise rural placements to encourage future workforce distribution.

ISSUE 6 - Recognition of Rural Learning and Training Pathways

The contributions of Home Tutors in geographically isolated communities represent a wealth of educational experience that is currently undervalued in formal systems. These individuals, often parents or caregivers, play a critical role in delivering school curricula to children through distance education programs. Recognising this experience as Recognition of Prior Learning (RPL) towards qualifications such as teacher aide or teaching degrees would provide formal acknowledgement of their skills and create clear pathways into the education workforce.

Beyond individual recognition, investment in rural learning pathways is critical to addressing systemic workforce shortages. Expanding agricultural education within secondary and tertiary systems — through elective offerings, specialist training pathways, and integration into teacher education courses — would help build capacity in an industry central to Australia's economy. Universities offering agricultural teaching pathways could address the shortfall of qualified teachers in this field and ensure that rural schools are better equipped to deliver relevant curricula.

Complementary programs such as AgCareerStart demonstrate the success of structured, funded initiatives that link students to careers in agriculture and related industries. Ongoing government support for such programs, alongside broader agricultural teaching streams and workforce incentives, would strengthen the rural education pipeline. Together, these measures would provide rural students with clearer career opportunities while simultaneously addressing pressing skills shortages in their communities.



RECOMMENDATIONS

- Recognise Home Tutor experience as RPL towards teacher aide and teaching qualifications.
- Expand agricultural education pathways in universities and teacher training.
- Provide ongoing government support for programs like AgCareerStart.
- Encourage universities to develop elective subjects and streams that prepare teachers in agriculture-related fields.

ISSUE 7 - HELP Debt and Indexation

The Higher Education Loan Program (HELP) has long been promoted as an interest-free way for students to access higher education, yet the timing of debt indexation creates inequity. Currently, indexation is applied on 1 June each year before student repayments, withheld from wages through the tax system, are credited against their debt. This means graduates are penalised by having indexation applied to a higher balance than they effectively owe, despite having contributed throughout the year. For rural and remote graduates already burdened with higher study costs, this arrangement is particularly unjust.

Calls for reform centre on aligning indexation with the end of the financial year, after tax returns have been processed and repayments applied. This simple change would ensure fairness, allowing repayments to reduce balances before indexation occurs. The government's temporary measures, such as proposed one-off loan reductions, provide short-term relief but do not address the systemic inequity embedded in the current system. A permanent adjustment to indexation timing would create lasting fairness and transparency for all students.

Beyond timing, HELP debt policy has the potential to play a powerful role in workforce distribution. Expanding HELP debt waivers or reductions for teachers, allied health professionals, and medical practitioners who commit to working in rural and remote areas would provide strong incentives to address chronic workforce shortages. Such measures not only support graduates in managing their debt but also directly contribute to strengthening services and opportunities in the communities that need them most.

RECOMMENDATIONS

- Align HELP debt indexation with the financial year so repayments are credited before indexation applies.
- Expand HELP waivers and reductions for teachers, health, and allied health professionals in rural/remote areas.
- Waive or reduce HELP indexation for graduates who commit to multi-year service in rural and remote communities.
- Review HELP repayment rules to ensure fairness for rural students with higher study and relocation costs.



Conclusion

Rural and remote students face persistent inequity in accessing tertiary education. While measures such as Youth Allowance reforms and the TAP have provided partial relief, significant gaps remain. Without expanded financial assistance, streamlined Centrelink processes, targeted accommodation and rent support, and equitable recognition of placement costs, these students will continue to be disadvantaged.

The ICPA (Aust) calls for the 2025–2026 Federal Government agenda to address these inequities and ensure that rural and remote students have fair, supported access to tertiary education.