



AIC Basic Boarding Allowance Discussion Brief

ICPA (Aust) seeks:

An increase of at least \$4000 to the Federal Government's Assistance for Isolated Children (AIC) Basic Boarding Allowance (BBA) and indexation to the CPI Sub Index: Education.

Background: AIC Basic Boarding Allowance

When introduced in 1973, the Assistance for Isolated Children (AIC) scheme provided 55% of the average boarding fee to assist children to attend boarding schools to access their education. However this amount has been eroded over time.

Many children living in remote regions of Australia do not have adequate daily access to a physical secondary school and therefore must board away from home to attend school. Accessing compulsory schooling through boarding institutions comes at a considerable cost to geographically isolated families. Recent survey data, collected from a cross-section of ICPA members nationwide, showed that more than 75% of respondents bear out-of-pocket expenses of over \$5000.00 per term just for boarding fees and essential travel. This gap is their out-of-pocket expenses after they receive the AIC Basic Boarding Allowance. That is an out-of-pocket gap of over \$20,000 per year per student. These calculations do not include the additional costs of school or tuition fees. This expense is becoming increasingly unsustainable.

As the disparity between the AIC Boarding Allowance and the actual cost of boarding fees across Australia continues to grow, impacting on the allowance's intent and effectiveness. Rural and remote families are required to contribute increasingly more towards the cost of their children's compulsory education year after year with only incremental annual increases to the allowance.

Recommendation: \$4,000 increase to the boarding allowance

An urgent increase to the AIC Boarding Allowance of at least \$4000 to cover at least 55% of the average boarding fee followed by indexation to the CPI Sub Index: Education to truly reflect the costs of education.

Figures:

Approx. 4000 geographically isolated (GI) students receiving Basic Boarding Allowance @ \$9396 per annum (2023) (or cost of boarding, whichever is lower).

- \$4000 per annum = \$16 million
- Total funding allocation over forward estimates (4 years) = \$64 million

AIC – Boarding Allowance Increase

Number of GI Students		Funding per Child per annum		Total Funding per annum
Basic Boarding Allowance	4000	Current Funding	\$9396	\$37,584,000
		Additional Funding	\$4000	\$16,000,000
		Total per annum		\$53,584,000

*student numbers are approximate only in each State and Territory.

The table below illustrates this growing trend across all States/Territories.

Comparison of average Boarding fees and Assistance for Isolated Children (AIC) Scheme								
AIC – Basic Boarding Allowance 2015	AIC – Basic Boarding Allowance 2022	% Increase of AIC 2015-2022	State	Average Boarding Fee 2015	Average Boarding Fee 2022	% Increase of Boarding fees 2015-2022	% Boarding Fees covered by AIC 2015	% Boarding Fees covered by AIC 2022
\$7897	\$8856	12%	Vic	-	\$26 412	-	-	33%
			SA	\$19 991	\$23 304	16%	39%	38%
			ACT	-	\$28 885	-	-	33%
			Qld	\$17 288	\$21 235	22%	46%	41%
AIC – Basic Boarding Allowance 2014	AIC – Basic Boarding Allowance 2022	% Increase of AIC 2014-2022	State	Average Boarding Fee 2014	Average Boarding Fee 2022	% Increase of Boarding fees 2014 - 2022	% Boarding Fees covered by AIC 2014	% Boarding Fees covered by AIC 2022
\$7667	\$8856	15%	NSW	\$20 331	\$24 345	19%	38%	36%
AIC – Basic Boarding Allowance 2016	AIC – Basic Boarding Allowance 2022	% Increase of AIC 2016-2022	State	Average Boarding Fee 2016	Average Boarding Fee 2022	% Increase of Boarding fees 2016 - 2022	% Boarding Fees covered by AIC 2016	% Boarding Fees covered by AIC 2022
\$8015	\$8856	10%	WA	\$19 636	\$23 315	18%	40%	38%
AIC – Basic Boarding Allowance 2015	AIC – Basic Boarding Allowance 2021	% Increase of AIC 2015-2021	State	Average Boarding Fee 2015	Average Boarding Fee 2021	% Increase of Boarding fees 2015-2021	% Boarding Fees covered by AIC 2015	% Boarding Fees covered by AIC 2021
\$7897	\$8557	8%	Tas	\$15 467	\$19 533	26%	51%	44%
			NT	\$14 233	\$24 830	74%	55%	34%

Visit www.icpa.com.au/au/resources/briefing-papers for the full AIC Briefing Paper



AIC Second Home Allowance Discussion Brief

ICPA (Aust) seeks:

The Second Home Allowance be paid at the same rate as the Basic Boarding Allowance to alleviate the rising costs of living.

Background: AIC Second Home Allowance

The AIC Second Home Allowance assists geographically isolated families with the cost of setting up a second home away from their principal place of residence so their child/ren can attend a school daily. The option of establishing a second home while children are of school age is vital 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 equitable schooling while maintaining their connection and support with their rural community and work and live in a rural area. If the Second Home Allowance were not available, ICPA (Aust) foresees that many more families who cannot afford the cost of boarding school or, for various reasons boarding school does not suit the family, would move their entire family permanently to an urban area for schooling.

Recommendation: Increase the Second Home Allowance to the same rate as the Basic Boarding Allowance

Second Home Allowance - \$6260 per annum

Less than 1000 students currently receive \$7136 p/annum.

- Increase of additional \$6260 per annum = \$6.26 million
- Total funding allocation over forward estimates (4 years) = \$25 million

AIC – Second Home Allowance Increase

Number of Students	Funding per Child per annum		Total Funding per annum
<1000	Current Funding	\$ 7136	\$ 7,136,000
	Additional Funding	\$ 6260	\$ 6,260,000
	Total per annum	\$13,396	\$13,396,000

*student numbers are approximate only in each State and Territory.

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AIC for 3-4 year-olds Discussion Brief

ICPA (Aust) seeks:

An extension to the Assistance for Isolated Children (AIC) – Distance Education (DE) Allowance to 3-4 year-old geographically isolated children accessing an approved distance education early learning program in the year prior to their compulsory schooling.

Background: AIC for 3-4 year-olds

The only means of accessing early childhood preschool education programs for approximately 250 children across remote Australia is through approved distance education programs. While States and Territories have provided such programs, families living in remote areas wishing to access these programs bear the entire costs associated with taking part.

The report into Education in Remote and Complex Environments¹ endorsed this request with a key recommendation from the report ***that the Commonwealth support early learning programs through the Assistance for Isolated Children Scheme Distance Education Allowance in the 2021 Budget***. ICPA (Aust) implore the government to accept and implement this recommendation.

Figures:

No more than *250 students – \$4698 per annum (2023 rate)

- 250 students @ \$4698
- Total funding allocation over forward estimates (4 years) = \$4.698 million

Total Funding required ≈ \$1,174,500 million per annum.

AIC – DE Allowance for 3-4 year-old

Number of Students	Funding required per Child	Total Funding per annum
250	\$4698	\$1,174,500

*Student numbers are based on the 2021/22 figures in each State and Territory.

Visit www.icpa.com.au/au/resources/briefing-papers for the full AIC Briefing Paper

¹ https://www.aph.gov.au/Parliamentary_Business/Committees/House/Employment_Education_and_Training/RemoteEducation/Report



Distance Education Teaching Allowance (DETA)

Discussion Brief

ICPA (Aust) seeks:

That the Federal Government implement a Distance Education Teaching Allowance (DETA) for geographically isolated distance education families.

Background: Distance Education Teaching Allowance

For approx. 1000 families living in geographically isolated regions of Australia, the only means of accessing education for their children is via distance education programs in the home. There are extensive extra costs associated with educating children through this mode of delivery. While the AIC Distance Education allowance assists with various costs associated with participating in distance education, it is not permissible to use the allowance to assist with costs related to teaching, tuition and supervision as noted in section 5.4.1 of the Assistance for Isolated Children Scheme Guidelines.²

The very nature of geographically isolated distance education means that a distance education tutor is required to be in every Distance Education home classroom. Families must provide and fund the entire costs associated with providing this tutor, which necessitates a family member (often the mother) sacrificing an income to assume this role, or the employment of additional staff to fill the role (or the mother's role outside of the schoolroom), often for the duration of compulsory primary (and sometimes secondary) schooling. Geographically isolated (GI) families undertaking distance education programs do not receive any funding to assist with meeting the costs of providing a supervisor, or distance education tutor, for their children.

These calculations highlight the average financial loss and implications of a mother undertaking the distance education tutor role.

Family member as geographically isolated distance education tutor	
Average hours per day	6-8 hours per day, approx. 40 weeks per year
Average years spent as DE tutor for one child	8 years (Kindy/preschool plus primary school)
Average total hours spent tutoring one child	9600 –12,800 hours
Minimum Wage	\$23.23 per hour
Unpaid Work/Wages forgone (number of hours x Minimum wage)	\$223,008 - \$297,344
Superannuation @ 11% foregone	\$24,530 - \$32,707

Recommendation: The introduction of a Distance Education Teaching Allowance at a rate of \$6000 per family per annum as financial recognition of the essential work Home Tutor performs.

² <http://guides.dss.gov.au/assistance-isolated-children-scheme-guidelines>

The 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. 1000 nationally) as an annual payment of \$6000.00, indexed to the CPI.

Distance Education Teaching Allowance (DETA)

Number of GI Families	Funding required/family/annum	Total Funding per annum
Approx. 1000*	\$6000	\$6,000,000

*Student numbers are approximate only in each State and Territory

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