



# Boarding, Hostels, Second Home Portfolio

## 2024 Conference Report

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The proverb “it takes a village to raise a child” is no more accurate than when applied to rural and remote boarding children. As representatives of boarding parents and their children, ICPA (Aust) is pleased to work closely with other groups to ensure the standard of boarding in Australia continues to be first-class.

It has been a full year for the Federal Boarding/Hostels/Second Home Portfolio, with the support of all of Council and our members, particularly in regard to seeking an increase to the Assistance for Isolated Children (AIC) Allowance. Further though, the topics of the Commonwealth Regional Scholarship (Pilot) Program, the AIC application and renewal forms, the Direct Measure of Income (DMI) School Funding Model and financial assistance for boarding facilities to adequately cater for students with disabilities have all been actively advocated.

### Costs of Boarding

ICPA (Aust) continues to spend a significant amount of time advocating for recognition of and additional assistance for the extensive out of pocket expenses associated with educating children from geographically isolated locations. In 2023, Federal Council’s research found that many of our members bear out of pocket expenses in excess of \$20 000 per student per year for their children to attend boarding school. Seeking an affordable, equitable compulsory education has been high on the ICPA (Aust) agenda for many years, indeed, as we know, our forebears spent much time advocating in this space, with the inception the Assistance for Isolated Children Scheme in 1973 by the then Labor Government, directly attributed to the advocacy of ICPA.

In 2023, ICPA (Aust) welcomed the announcement of the pilot program known as the Commonwealth Regional Scholarship (Pilot) Program which was developed to provide scholarships for low and low to middle income families from regional, rural, and remote areas to assist with boarding school fees and associated costs. ICPA (Aust) worked closely with the Federal Department of Education as this program was developed and had the opportunity to suggest criteria for eligibility including those requested in a motion carried at Conference. The pilot program eligibility and criteria were finalised in late 2023. More information can be found here <https://www.education.gov.au/commonwealth-regional-scholarship-program>. ICPA (Aust) understands that the first roll out of the scholarship saw 70 rural and remote recipients gratefully receiving the assistance. At our recent delegations and at other opportunities, ICPA (Aust) has endeavoured to seek advice as to the future of the program, however at the time of writing of this report we have not been able to ascertain any firm direction. We have been assured that we will be informed of any future updates and will be consulted in any review of the program.

Late last year, after Federal Council again raised concerns of the impact of the Direct Measure of Income (DMI) funding model for non-government schools and the flow on effect that this will have on school fees, particularly for boarding families. The Assistant Minister for Education, Senator the Hon Anthony Chisholm responded acknowledging these concerns. He noted that the Direct Measure of Income methodology is deemed to be a robust and accurate funding model and cited that the aforementioned Commonwealth Regional Scholarship (Pilot) Program could potentially help to address the concerns raised. While Federal Council were pleased to receive this acknowledgement and welcomed the implementation of this program, its scope in its first year has provided assistance to only a limited number of families, whereas there is potential for many more families to be impacted should the DMI methodology result in fee increases.

Federal Council would welcome any information or data related to the impacts of the DMI on schools and the families who must utilise them to access compulsory education which may assist our advocacy in this space.



While the additional assistance made available through the Commonwealth Regional Scholarship (Pilot) Program was welcomed in 2024, ICPA (Aust) continues to firmly believe an increase to the Assistance for Isolated Children (AIC) - Basic Boarding Allowance (BBA) is required to ensure that all rural and remote families who have no choice but to send their children to boarding school to access their compulsory secondary education can afford to do so. All rural and remote families who do not have access to equitable education require adequate financial assistance. To this end, Federal Council has continued on a dedicated campaign appealing for an AIC-BBA increase, citing that geographically isolated families are faced with unique costs to educate their children, not felt by those in metropolitan locations and these are ever-increasing. With the support and guidance of communications and advocacy consultants C7even, Federal Council has employed a variety of strategies aimed at compelling the Federal Government to restore the AIC Basic Boarding Allowance to its original value of 55% of average boarding fees, including an [e-petition](#) which now has over 4000 signatures and an open letter endorsed by other stakeholders, both directed to the Minister for Social Services, Hon Amanda Rishworth MP, who has jurisdiction over the AIC. We also included the request in our [2024-25 Pre-Budget Submission](#).

Federal Council has also had two delegations to Canberra with Ministers, Members of Parliament and Senators since the 2023 Federal Conference at which the request for an AIC increase was the central advocacy. We were pleased with the support received across all parties with a number of Members of Parliament and Senators following up with a variety of actions in support of our request.

We also welcomed the opportunity to hold a virtual meeting with Minister Rishworth in April. At this meeting, the Minister raised some concerns about unintended impacts an increase of the AIC – BBA may have on school fees, citing the possibility of resultant fee increases. Following discussions with other stakeholders, including the Australian Boarding Schools Association we have advised the Minister that ICPA (Aust) firmly believes this would not be an issue. Unfortunately to date however, the request has continued to fall on deaf ears and regrettably, no additional funding was allocated in the budget handed down in May.

Federal Council has also continued to request an expansion of the AIC eligibility criteria and in particular criteria associated with the Limited Program Schools to allow more disadvantaged rural and remote students to be eligible for assistance to access equitable educational opportunities. ICPA (Aust) has detailed specific suggestions included in the motion last year which could be implemented. In raising this topic, Federal Council has highlighted the nature of the educational facilities in some very remote and remote towns whereby students face limited subject choices and reduced educational opportunities and that an expansion of the Limited Program Schools criteria to facilitate increased AIC eligibility for rural and remote students would address the educational disadvantage some students face in these very remote and remote contexts. Unfortunately at this time this has not been addressed.

On a positive note, Federal Council was pleased to report to members late last year that the request for the AIC Renewal Form to allow 'Assessment for Additional Boarding Allowance' to be selected when students transition from Distance Education to Boarding School was actioned and finalised prior to the mail out of 2024 renewals. Further, over the renewal period we did not receive any contact from members experiencing issues with the process. This is a welcome outcome, considering the many problems members faced in the recent past. Federal Council works closely with representatives from Services Australia and the Department of Social Services and are grateful for the continued support and assistance we receive from them. Should members have any issues or queries which they wish Federal Council to raise on their behalf, please make contact with us.

### **Fringe Benefits Tax**

Over a number of years, Federal Council has sought on behalf of members the removal of the Fringe Benefits Tax (FBT) for businesses who assist their employees residing in geographically isolated areas, by providing financial assistance to enable their children to attend boarding school. Federal Council continue to highlight to the Federal Government that in many rural and remote locations, there is insufficient access to suitable compulsory education facilities and therefore boarding school is the only option available. Thus some



employers offer valuable financial assistance to their employees to assist with the exorbitant expenses incurred to provide their children an equitable education in rural and remote locations, in order to retain staff. Currently this assistance is deemed a Fringe Benefit. We have also noted that in recognition of conditions in rural and remote locations, the Australian Tax Office already offers certain FBT concessions and benefits such as for employer provision of housing where there is a lack of sufficient residential accommodation in remote locations and Federal Council has requested similar concessions be made for employers in geographically isolated locations to assist employees with the costs associated with expenses incurred for their children's compulsory education.

Correspondence has been sent to the Treasurer Hon Jim Chalmers MP, along with other relevant Ministers, Members of Parliament and Senators, including the Minister for Agriculture, Senator the Hon Murray Watt on several occasions this Council year. A response received from Treasury on behalf of the Federal Treasurer in March, acknowledged that access to quality and affordable education is a high priority for regional, rural and remote students, families and communities and the difficulties faced by employers in remote and regional areas in attracting and retaining their staff and their families. While making no commitment to implementing our recommendation for the removal of Fringe Benefits Tax on employer contributions to employees' children's education expenses in a geographically isolated context, we were informed that Treasury would use our correspondence to inform advice made to Government on policy issues impacting the tax system.

#### **Funding for students with a disability in residential boarding facilities**

Federal Council have made contact on several occasions with the Minister for the NDIS & Government Services, Hon Bill Shorten MP seeking additional funding for geographically isolated students with a disability who must live away from home in a residential boarding facility to access appropriate education, so that their needs can be met, and reasonable adjustments and accommodations can be implemented in accordance with The Disability Standards for Education 2005. We highlighted that it is imperative that boarding facilities be equipped to adequately cater for geographically isolated boarding students with specific education needs. Unfortunately we have not received a response from the Minister. Federal Council was however, pleased to see the recent additional certificate course being offered to boarding staff by the Australian Boarding School Association (ABSA) - "Fostering Inclusive Environments for Boarders with Disabilities". It is heartening that the need for such learning has been recognised and is being facilitated.

Leading the Boarding/Hostels/Second Home Portfolio this year has been a privilege and I thank my fellow portfolio members, Julia, Ali and Jennifer, along with all of Council and ICPA members for their contribution to our advocacy in this area.