

Isolated Children's Parents' Association of Australia Inc.

"Access to Education"



2021-2022 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 Federal 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 of rural and remote students requires a nationwide, collaborative 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 equitable education. While an Assistance for Isolated Children (AIC) allowance exists and is gratefully received and appreciated, the Allowance is currently well below the actual costs rural and remote families incur when it comes to 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 might be alleviated.

Table 1. Summary of Recommendations

Increase the Assistance for Isolated Children (AIC) Allowance	AIC Distance Education (DE) Allowance	The AIC allowance needs to be increased to adequately assist geographically isolated families with the expenses incurred to provide children with compulsory education
	AIC Boarding Allowance	
	AIC Second Home Allowance	
AIC – DE Allowance for 3-4 year olds	Extension of the AIC Distance Education (DE) allowance to those taking part in early childhood programs via Distance Education in their transition to school.	
Secure funding Rural and remote Mobile Early Childhood Services	Mobile Early Childhood Services, in particular Mobile Playgroups in rural and remote areas be supported with adequate and ongoing Funding.	
Distance Education Teaching Allowance (DETA)	The introduction of a Distance Education Teaching Allowance as financial recognition of the essential work a geographically isolated distance education tutor performs.	
Tertiary Access Allowance (TAA)	The introduction of a Tertiary Access Allowance (TAA) equal to the Relocation Scholarship for students whose family home is in a rural or remote area.	
Rural Hardship Education Fund (RHEF)	The establishment of a permanent/long term Rural Hardship Education Fund that is available each time a disaster/hardship impacts a rural area. Funds should be automatically available for geographically isolated students’ education assistance programs.	
Living Away from Home Allowance (LAFHA)	An immediate increase to the Commonwealth Living Away from Home Allowance (LAFHA) for Australian Apprentices and indexation to CPI to better assist with rising costs of living.	

Increase the Assistance for Isolated Children (AIC) Allowance

Accessing compulsory education is a significant financial burden for rural and remote geographically isolated families.

ICPA (Aust) seeks an increase in the Assistance for Isolated Children (AIC) allowance to ensure it adequately addresses the extensive out-of-pocket costs incurred by rural and remote geographically isolated families whether their children need to study via distance education, board away from home or the Family sets up a second home to access schooling.

While the AIC is indexed annually in line with the CPI, this does not adequately reflect the increasing costs of providing education for geographically isolated children. Indeed, in 2021, due to the financial situation arising from the COVID-19 pandemic, no increase in the payment rates have been made, except for a small increase to the Second Home Allowance. We request that the 2021-2022 budget includes increased support for geographically isolated families.

AIC Distance Education Allowance

Due to geographical isolation, families who educate their children via distance education, 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 geographically isolated Distance Education families with some of these expenses. However, the AIC Distance Education allowance requires a further increase to better reflect the extensive and ever increasing expenses associated with the provision of distance education.

Distance Education Allowance increase of \$750 per annum

5268 students (Dec 2017) receive Distance Education Allowance @ \$4278 per year (2021)

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

Table 2. AIC – DE Allowance Increase

Number of Students	Funding per Child per annum		Total Funding per annum
5268	Current Funding	\$4278	\$22,536,504
	Additional Funding	\$750	\$3,951,000
	Total per annum	\$5028	\$26,487,504

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

AIC Boarding Allowance

Many children living in remote regions of Australia must move away from home to attend school. Accessing compulsory schooling through boarding institutions 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's needs. This expense is unsustainable for most.

Attending boarding school is a necessity for many children in rural and remote areas due to distance from available schooling. Rural and remote families are expressing growing concern about the affordability of accessing and utilising boarding schools to educate their children. Boarding school costs have increased significantly, and the financial impact for these families can be unmanageable and unsustainable.

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 Allowance's intent and effectiveness. Rural and remote families are required to contribute significantly more towards the cost of their children's compulsory education.

A significant increase in the AIC Boarding Allowance is required as a matter of urgency.

Basic Boarding Allowance increase of \$1000

5211 students (Dec 2017) receiving Basic Boarding Allowance @ \$8577 per annum (2021) (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) – 2021 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 per Child per annum		Total Funding per annum
Basic Boarding Allowance	5211	Current Funding	\$8577	\$44,694,747
		Additional Funding	\$1000	\$5,211,000
Additional Boarding Allowance	1303	Current Funding	\$2454	\$3,197,562
		Additional Funding	\$1000	\$1,303,000
Total per annum				\$54,406,309

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

AIC Second Home Allowance

The AIC Second Home Allowance assists families with the cost of setting up a second home away from their principal place of residence so that 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 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 schooling and maintain their connection and support with their rural community and work and live in a rural area. If the Second Home Allowance were not available, more families would move their entire Family permanently to an urban area for schooling.

It is in the national interest to ensure that isolated children are not disadvantaged in educational and social development and 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.

ICPA (Aust) requests that the Second Home Allowance component of the AIC be paid at the same rate as the Basic Boarding AIC.

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

Less than 1000 students receive \$249.28 per fortnight (\$6481.28).

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

Table 3. AIC – Second Home Allowance Increase

Number of Students	Funding per Child per annum		Total Funding per annum
<1000	Current Funding	\$6481.28	\$6,481,280
	Additional Funding	\$2000	\$2,000,000
	Total per annum	\$8481.28	\$8,481,280

Evidence Base

ICPA (Aust) conducted a Boarding School Research Survey for Geographically Isolated Students in April 2016 which supports this information, including comments from families towards the end of the booklet. The survey results can be found [HERE](#)

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 resulting from smaller families and rural-urban drift.
- The Assistance for Isolated Children's (AIC) Scheme was initially governed 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.

In addition to increases to the AIC allowances to better support geographically isolated families to access education, ICPA (Aust) seeks the indexation of AIC allowances in line with the CPI Education Sub Index instead of the CPI. This alignment would better reflect the actual cost of educational expenses and ensure parity in the long term.

Inclusion of these recommendations in the upcoming budget would:

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

Distance Education Teaching Allowance

ICPA (Aust) seeks the introduction of a Distance Education Teaching Allowance (\$6000 per Family per annum) as financial recognition of the essential work a Tutor performs.

For around 1500 families living in geographically isolated regions of Australia, the only means of accessing education for their children is via distance education programs. As the Federal Government acknowledges through the provision of the AIC – DE Allowance, which is gratefully received, there are extensive extra costs associated with educating children in this format. However, while this Allowance assists with the setup of the classroom and some other expenses costs associated with this method of education, it is not permissible to use this 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.¹

The very nature of geographically isolated distance education means that a distance education tutor is required to be in every Distance Education 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, or the employment of additional staff, often for the duration of compulsory primary (and sometimes secondary) schooling, to fill the role. For geographically isolated families who must educate their children by distance education, the costs of the provision of the essential distance education tutor are borne entirely by themselves.

ICPA (Aust) request that a Geographically Isolated Distance Education Teaching Allowance be made available for all families eligible for and in addition to the geographically isolated category of the AIC – Distance Education Allowance, with the following points to note:

- a. The AIC-DE Allowance for 2021 is \$4278 per child; however, as per the AIC guidelines aforementioned, this cannot be used to assist with any costs associated with the provision of the distance education tutor in the home classroom.
- b. Where families are unable to provide a tutor for geographically isolated distance education, they may instead move to a second home or send children to boarding schools, for which the Federal Government provides:
 - i. For families eligible for boarding allowance for their children

¹ <http://guides.dss.gov.au/assistance-isolated-children-scheme-guidelines>

- 2021 figures – Basic Boarding Allowance \$8557 per child per year or up to \$11 011 with additional boarding Allowance for a total of between \$25 671 - \$33 033 per 3 child family per annum.
- ii. For families eligible for the Second Home Allowance
 - 2021 figures - \$6481.28 per child per year up to 3 children, equating to a maximum of approximately \$19443.84, per 3 child family

Each of these amounts equates to significantly more costs to the Federal Government than a \$6 000 payment per Family to assist with the provision of a tutor. For example, utilising the measure of a 3 child family once again would equate to an extra cost per child of approximately \$2000, still less per child than the Second Home Allowance and significantly less per child than even the minimum amount per child eligible for Basic Boarding Allowance. Even for families with only one child studying by distance education, the \$6000 payment on top of the current AIC – DE Allowance would be less than the maximum amount available for AIC Boarding Allowance.

Table 4. AIC Allowances Comparison – Boarding, Second Home, Distance Education

Second Home		Boarding		Distance Education		
Up to three children	Up to \$19443.84 per family per year (2021)	One child	Up to \$11 011 per family per year (2021)	One child	Current	With addition of \$6000 DETA
					\$4278 per family per year (2021)	\$10211 per family per year
		Two children	Up to \$22022 per family per year (2021)	Two Children	\$8422 per family per year (2021)	\$14422 per family per year
		Three children	Up to \$33 033 per family per year (2021)	Three children	\$12633 per family per year (2021)	\$18633 per family per year

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

Total Funding required ≈ \$9 million per annum

Table 5. Distance Education Teaching Allowance

Number of Families	Funding required per Family	Total Funding per annum
Approx. 1500	\$6000	\$9,000,000

EARLY CHILDHOOD EDUCATION

AIC – Distance Education Allowance for 3- 4 Year Olds

ICPA (Aust) is seeking the extension of 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 programs bear the entire costs associated with taking part. The AIC Distance Education Allowance must be extended to this cohort to make early childhood programs more affordable. The recent report into Education in Remote and Complex Environments² endorsed this request with a key recommendation from the report **that the Commonwealth modify funding arrangements for mobile early childhood**

² https://www.aph.gov.au/Parliamentary_Business/Committees/House/Employment_Education_and_Training/RemoteEducation/Report

education to provide flexibility and surety of Funding for these services in the 2021 Budget. ICPA (Aust) implore the government to accept and implement this recommendation.

200 students (Dec 2019) – 2021 rate \$4278 per annum

- 200 students @ \$4278
- Total funding allocation over forward estimates (4 years) = \$3,422,400

Total Funding required ≈ \$855,600 per annum.

Table 6. AIC – DE Allowance for 3-4 year olds

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

Mobile Early Childhood Services in Rural and Remote Areas

ICPA (Aust) requests that the upcoming budget includes adequate and ongoing Funding for mobile playgroups and early education programs for rural and remote children and funds be available for the creation of new services in geographically isolated areas where early childhood services do not exist.

For many years, various mobile children’s services have provided social contact, professional advice, playgroups and early childhood programs for young children in geographically isolated areas. They play a vital role in offering developmental opportunities for children and interactions with parents in small rural communities and outlying, often very isolated, areas. In many cases, these services provide the only face-to-face interaction for children of similar ages.

Flexibility and certainty of funding for these services are vital to the provision of the critical early childhood programs for these children and communities. The following issues need to be addressed:

- Mobile playgroups no longer funded under Budget Based Funding (BBF) were transitioned to Indigenous Advancement Strategy funding or to new Child Care system funding. Neither model sufficiently caters for the unique services provided by mobile playgroups to rural and remote families, especially those services that do not include child-care.
- No provision appears to be available for the establishment of new mobile playgroups.
- Funding is currently inadequate and uncertain.

The recent Report into Education in Remote and Complex Environments² recommended that the **Commonwealth modify funding arrangements for mobile early childhood education to provide flexibility and surety of Funding for these services in the 2021 Budget.** ICPA (Aust) implore the Federal Government to implement this recommendation in the 2021-2022 budget to ensure rural and remote children can access otherwise unattainable early childhood services.

TERTIARY AND TRAINING

It is vital that rural and remote students are provided with the incentives to pursue post-secondary education and that adequate financial assistance is provided to access tertiary and training options.

Tertiary Access Allowance

ICPA (Aust) seeks financial support for all students who need to relocate from home to undertake tertiary study to help them access their place of study.

ICPA (Aust) welcomes the new Tertiary Access Payment and other measures designed to support and assist rural and remote tertiary students financially. However, these measures fall short in providing the well-documented assistance needed by all geographically isolated students to relocate for tertiary study, and we request that a Tertiary Access Allowance or an enhanced version of the Tertiary Access Payment be established. This Allowance should:

- Be equal to the Relocation Scholarship
- Not being 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.

Living Away from Home Allowance (LAFHA)

ICPA (Aust) seeks urgent consideration of an immediate increase in the Commonwealth Living Away from Home Allowance (LAFHA) for Australian Apprentices and trainees from rural and remote areas to reflect their actual living expenses.

Eligibility criteria for LAFHA are based on the recognition that an apprentice has moved away from their parental or legal guardian's home for the first time to access an Australian Apprenticeship and is only available for those who are ineligible for Youth Allowance, Austudy or ABSTUDY payments. While ICPA (Aust) is extremely appreciative of this Allowance, the current payment rate of LAFHA does not adequately provide meaningful support to an apprentice with the cost of living, including rental bond and rent.

The *Strengthening Skills Expert Review of Australia's Vocational Education and Training Systems*³ reported that 'low training wages for up to four years was cited by respondents to the Review as one reason why young people are less attracted to the traditional apprenticeship model.' Without additional support to subsidise their living costs apprentices face extreme financial pressure when pursuing this pathway exacerbating lack of incentive for rural and remote young people, who must live away from home to pursue these pathways. Many simply do not complete their qualifications as a result.

Furthermore, rural and remote students who choose to study VET courses are faced with similar challenges as tertiary students in accessing financial assistance for living expenses. It is necessary for most students living in rural and remote areas to relocate to larger centres to access training centres and businesses with the capacity to fulfil their VET course requirements.

The current incentives and provisions for apprentices and trainees are appreciated; however, the Living Away from Home Allowance (LAFHA) is inadequate as it does not reflect the real cost of living for these young people. The gap between this Allowance and the actual cost borne by rural and remote apprentices and trainees living away from home is substantial, and further financial assistance needs to be made available.

Rural Hardship Education Fund (RHEF)

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. Such unpredictable and at times unprecedented events 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 should 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, their children's education will not be affected if they cannot fund and provide this education themselves.

³ <https://www.pmc.gov.au/resource-centre/domestic-policy/vet-review/strengthening-skills-expert-review-australias-vocational-education-and-training-system>

While ICPA (Aust) acknowledge and welcome government assistance measures announced during these events, the considerable cost of educating children, particularly for those children who must live away from home to access 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.

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 and mentioned above for Isolated Children (AIC) scheme. 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 permanent Rural Hardship Education Fund (RHEF) be established 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 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:

- **A supplementary payment made to the Assistance for Isolated Children allowance (AIC) for families identified as being in rural hardship, e.g., 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) is available long-term to assist affected families to access In Home Care and child care for young children.**
- **Tertiary Access Allowance (TAA) 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 the 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 who would not be affected by a Rural Hardship. ICPA (Aust) has 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 [HERE](#)

This submission forms part of our work in advocating for allowances to further assist families and students in rural and remote areas of Australia to gain equity in accessing education. Funding these allowances would help alleviate and overcome the challenges families face when educating their children in isolated regions of Australia. The ICPA (Aust) Briefing Papers are available at the following links:

Table 7. ICPA (Aust) Portfolio Briefing Papers

Portfolio	Briefing Paper
Boarding/Hostels/Second Home	HERE
Communications	HERE
Curriculum	HERE
Distance Education	HERE
Early Childhood Education and Care	HERE
Rural Schools	HERE
School Travel	HERE
Specific Education Needs	HERE
Tertiary Education	HERE
Training	HERE

Please do not hesitate to contact ICPA (Aust) Federal President, Mrs Alana Moller for further information as required. Contact details are available on the cover sheet.