

2. Improving access, opportunity and choice in tertiary education for regional, rural and remote learners

Issues

- Despite the additional challenges that students in regional, rural and remote (RRR) areas face, many go on to achieve outstanding academic results and career outcomes. Recently, there has also been growth in the proportion of young Australians from regional and remote areas involved in post-secondary education.¹
- However, in general, educational attainment rates for higher-level vocational education and training (VET) and university qualifications are significantly lower in RRR areas compared to cities.² The lower levels of attainment reflect a range of factors including fewer study options, particularly in smaller towns. While online learning is playing an increasing role in the provision of education, there are problems with access to internet in many rural and remote areas, and evidence shows that completion rates are lower for online and part-time learners.
- The support needs of learners vary significantly depending on whether they are school leavers, returning to study after a gap year, or are mature-age. Those in more remote locations also tend to face greater challenges.
- RRR students and their families also face additional financial challenges, particularly where they need to relocate to study but are not eligible for full income support payments based on their parents' income. As a result, students from RRR areas often delay their studies or take a gap year. This means that many RRR students who aspire to go to university or higher level VET may end up choosing alternative pathways or returning to part-time training or study much later in life.
- Individuals from RRR areas are more likely to undertake VET, reflecting the different workforce needs of smaller towns. While VET can provide a great pathway to employment and further study, arrangements for articulation and recognition of prior learning vary between institutions and can be difficult to navigate.

Discussion

Access to post-secondary education study options

While submissions highlighted many high-quality education and training courses on offer in RRR areas, overall, learners have less access, choice and opportunities in RRR areas than in cities. RRR areas are often 'thin markets' for education provision, where a low population density can make it unsustainable for providers to operate or provide a large suite of academic programs. The lack of access to education provision is reflected in participation rates. Compared to those in very remote areas, people living in major cities are four times as likely to participate in university, and twice as likely to participate in higher-level vocational training.³ The importance of VET in RRR areas was a consistent theme in consultations and submissions. There are greater VET participation rates in regional and remote areas when compared to cities⁴, and VET qualifications often suit the various industries and jobs available in RRR areas.

¹ Per cent of 21-year-olds involved in post-secondary education by remoteness area (of their home location at age 16). 'Involvement' includes people with a Certificate III or above, or currently studying at TAFE, university, other technical or higher education institutions. Australian citizens only. Remote includes 'Very Remote'. Norton, A., Cherastidtham, I., Mackey, W. and Lannan, F. (2019) Presentation to the Regional Education Expert Advisory Group. Grattan Institute, Melbourne.

² Young Australians from regional areas are around half as likely to have a university qualification or higher-level VET qualification by their mid-twenties when compared to their metropolitan peers. 12 per cent of students from regional areas have a university qualification by this stage, compared to 22 per cent of people from metropolitan areas. Furthermore, an advanced diploma or diploma is the highest level of qualification for 4.8 per cent of students from regional backgrounds, compared to 7.4 per cent of students from metropolitan backgrounds. Australian Government Department of Education and Training (DET) (2018) Internal Analysis based on the Australian Census Longitudinal Dataset, 2011-2016.

³ In major cities, 7 per cent of 15-64 year olds participate in higher education, compared to 6 per cent in inner regional, 5 per cent in outer regional, 4 per cent in remote and 2 per cent in very remote areas. In major cities, 28 per cent of VET enrolments are Certificate IV or above, compared to 22 per cent in inner regional, 19 per cent in outer regional, 18 in remote and 13 per cent of very remote areas. DET (2018) internal extract of unpublished NCVER data, Total VET students and courses 2014-2017 – program enrolments; Higher education statistics, unpublished; ABS, 2016, Census – Counting Persons, Place of Usual Residence 2016 (accessed through Census TableBuilder), Australian Government, Canberra.

⁴ In 2017, 22 per cent of 15 to 64 year olds living in cities were enrolled in VET, growing to 30 per cent in inner regional, 31 per cent in outer regional and 36 per cent in remote areas. NCVER (2018) Australian VET statistics: total VET students and courses 2017 – data slicer; ABS (2016) Census – Counting Persons, Place of Usual Residence 2016 (TableBuilder).

To increase their choices, people in RRR areas often have to relocate, or pursue other options through online learning (if they have reliable internet access). While these options are the preference of some individuals, for others they are a necessity rather than a choice. Moreover, online learning can lead to a higher risk of non-completion.⁵

Consultations highlighted how policy settings can limit access. For example, regional universities pointed out that there is limited scope for them to expand access under the current capped system for Commonwealth funded university places. Within these caps, it will be difficult to address the disparity in participation and attainment rates. Concerns were raised about recent cuts in publicly funded VET services, particularly in remote towns where the economics of providing training is marginal but critical for engaging students and meeting local skills needs. Recent years have seen VET student numbers grow in the cities but with an overall decline in regional and remote areas.⁶ As RRR learners are more likely to have a VET qualification and work experience, issues with articulation and recognition of prior learning disproportionately affect them - particularly when there are less education and training options in their community.

As the OECD notes, on average, individuals with higher levels of education have higher incomes and better employment and health outcomes.⁷ Other benefits include opportunities to pursue their career of choice, move to better jobs, retrain to enter new industries or become more effective at their current role.

Financial barriers

A major theme of consultations and submissions was that financial barriers limit and delay access for some RRR learners. Some recent action has been taken by the Government (information on existing initiatives can be found [here](#)), however consultations suggest further measures are necessary. Regional students are twice as likely as metropolitan students to move away for university,⁸ which can double the cost of a degree.⁹ During consultations, RRR parents of relocating learners emphasised the significant financial stress on households, particularly those supporting multiple children – they consistently cited a cost of \$25,000 to \$30,000 per annum per student. The higher costs of supporting regional students who live away from home is recognised by the existing Youth Allowance system, which provides up to \$12,000 extra per year to support RRR students compared to city counterparts who live at home. However, despite this support, university applicants from regional areas are less likely to accept university offers than those in cities¹⁰.

In addition, the Expert Advisory Group heard that the cost of travelling to campuses or to undertake training or study components can be significant for people living in RRR areas - especially where public transport is unavailable or timetables do not align with study times. These financial and time costs can be particularly acute for mature-age learners, who are more prevalent in RRR areas than cities and often juggle family and carer commitments.

The financial barriers can mean RRR learners not only have less choice of what and where they study, but when. Twice the proportion of students from RRR areas defer their university offers compared to those in cities, often to earn money to support their studies and/or to qualify for Independent Youth Allowance.¹¹ Research by the Grattan Institute shows the best predictors of successful completion of education is the age individuals begin tertiary education and the mode of study – full time or part-time.¹² RRR students who take a gap year and hence delay the start of their tertiary studies are, on average, less likely to complete post-secondary education.

⁵ Cherastidtham, I., Norton, A., and Mackey, W. (2018). University attrition: what helps and what hinders university completion? Grattan Institute, Melbourne, p. 9

⁶ Despite overall growth in student numbers of 3.8 per cent between 2015 and 2017, in regional areas student numbers grew only slightly (0.3 per cent) and in remote areas declined (by 8.2 per cent) over the same period. NCVET (2018), *Australian vocational education and training statistics: Total VET students and courses 2017*, NCVET, Adelaide, p. 14.

⁷ OECD (2017), *Education at a Glance 2017: OECD Indicators*, OECD Publishing, Paris, p. 23.

⁸ In 2014, 57 per cent of regional students relocated for university studies compared to 27 per cent of metropolitan students. Baik, C., Naylor, R. & Arkoudis, S. (2015). [The first year experience in Australian universities: Findings from two decades. 1994-2014](#), Centre for the Study of Higher Education, The University of Melbourne, Melbourne, p. 80.

⁹ Godden, N. (2007) *Regional young people and youth allowance: Access to tertiary education*. Centre for Rural Social Research, Wagga Wagga, cited in Cardak, B., Brett, M., Bowden, M., Vecchi, J., Barry, P., Bahtsevanoglou, J. and McAllister, R. (2017) [Regional Student Participation and Migration: Analysis of factors influencing regional student participation and internal migration in Australian higher education](#). National Centre for Student Equity in Higher Education. Curtin University, p. 6.

¹⁰ Even though university applicants are more likely to receive an offer than those in cities, they are less likely to accept it (70 per cent compared to 77 per cent for metropolitan students). DET (2018) [Undergraduate applications, offers and acceptances](#), Australian Government, Canberra, p. 34.

¹¹ 17.7% of RRR learners defer their university offers, compared to 8.1% for metropolitan areas. DET (2018) [Undergraduate applications, offers and acceptances](#), p. 25

¹² Cherastidtham, I., Norton, A., and Mackey, W. (2018). University attrition: what helps and what hinders university completion? Grattan Institute, Melbourne, pp. 40-1

Given these issues, there was strong support for extending youth allowance to students who need to travel long distances or relocate but do not qualify based on their parents' incomes. Action to explore this issue further is canvassed below. While such changes could make a significant difference in supporting the choice to study earlier, they could involve a large potential cost to the Budget and, depending on the change proposed, may be of limited benefit for families with annual incomes below \$160,000, who account for more than three quarters of households.

Possible further actions

Drawing on the range of suggestions canvassed in consultation and submissions and its consideration of these issues, the Expert Advisory Group is seeking feedback on the following ideas for further action:

Increasing access to post-secondary education options

- **Enhance the Regional Study Hubs program:** Closely monitor the outcomes of the Regional Study Hubs program and consider further enhancements, including:
 - Sharing and disseminating best practice between Hubs
 - Exploring potential to expand the program, including a flexible range of models including opportunities to integrate hubs with existing TAFE and university campuses.
- **Additional places for regional university providers:** Consider providing additional Commonwealth-funded university places in RRR areas, including for enabling and sub-bachelor courses, which play a particularly important role in supporting pathways and meeting the education and training needs of RRR areas.
- **Internet access:** Deliver access to 21st century internet services, which is crucial to improving educational opportunities and outcomes for RRR students. Building on the 2018 Regional Telecommunications Review, investigate current internet access for students and tertiary education providers in RRR areas, to inform ongoing action to enable students to access reliable, high speed and affordable internet services within a reasonable proximity to where they live.
- **Recognition of prior learning:** Implement a more consistent, transparent and transferrable system of recognition of prior learning and credit transfer to support pathways for articulation between providers, including a national credit points system, informed by the Australian Qualification Framework review.
- **VET service provision:** Collaborative work by the Commonwealth and state and territory governments to improve access to high quality VET programs in regional and remote areas, including providing greater flexibility for providers to access subsidies across states and territories and meet the needs of cross border populations.

Improving access to financial support

- **Income support payments:** Building on the Government's recent initiatives to make it easier for RRR students to access Youth Allowance, consider measures to further improve access to income support and address the higher deferral rates for RRR students, such as assistance with relocation, accommodation and travel costs for higher education and VET students.
- **Other scholarship programs and accommodation support:** Consider expanding scholarship programs administered in the Education and Training portfolio, including changes to consolidate and simplify the various schemes, or provide additional support with relocation and accommodation costs.
- **Information on financial support:** Improve online access to information and provide students/families with more easily understood information on financial support available for higher education and VET studies, by improving existing websites or creating a new portal that consolidates existing information.