

## THE NEW YOUTH ALLOWANCE AND ACCESS TO HIGHER EDUCATION

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*In mid-1998 the Australian Government implemented a new payment system for student financial assistance in which the Youth Allowance replaced Austudy. An analysis of recipient rates as of September 1998 showed that only 37 per cent of full-time undergraduates were accessing the payment. It is argued that the severity of the means test is such that it excludes students from households with modest incomes and that this is contributing significantly to their low participation rates in higher education.*

Successive Australian Governments have declared that they favour equality of access to higher education. In 1987 the Labor Government stated in its 'Equity policy' for higher education that its goal was to approximate the social characteristics of the tertiary student population to those of the relevant wider population. Various equity categories and policies were articulated in order to identify the problem and lay the foundation for initiatives to improve opportunity. Some progress has been made, particularly with

women and persons of Non-English-Speaking-Background (NESB). But not with those from disadvantaged socio-economic backgrounds.

Young people from lower middle and working class backgrounds are under represented in the higher education system. Though there has been a great increase in the numbers of students enrolled in universities and colleges since the late 1980s, there has been little improvement in the proportion coming from lower socio-economic background

families.<sup>1</sup> Most of the publicly available data on this issue are drawn from analyses of students' home addresses. Since the Department of Employment, Training and Youth Affairs (DETYA) does not collect information on parents' occupation or income, but does require postcode data, students' home addresses have had to serve as a proxy measure of socio-economic status (SES). The measure used is based on the average occupation and educational characteristics of adults by postcode.

Even on this admittedly poor indicator, the results are troubling. They show that for the major metropolitan universities, students from areas classified in the lowest ranked 25 per cent of postcodes within the respective metropolitan areas make up barely 10 per cent of the student body. Because many of the students coming from these low Socio-Economic-Status (SES) areas may in fact come from relatively well off households within these areas, even these dismal results probably understate the problem. Our concern is much broader than the DETYA 'low' SES category. When the issue of class equity is examined from the point of view of the availability of student finance, it turns out that students from households with genuinely low incomes are at least assured of obtaining financial support for their living expenses from the Youth Allowance. It is prospective students from families with modest incomes, particularly those from stable blue-collar and lower white-collar families, who are most at risk of being denied opportunity in the higher education system on financial grounds. As is shown below, a substantial proportion of these students do not qualify for the Youth Allowance.

What can be done to produce more equitable outcomes? The Coalition Gov-

ernment, like its predecessors, requires universities to produce 'equity' planning strategies. But the universities have limited resources with which to do anything significant about the problem. As a result, there are few scholarships that have been established by individual universities for students from low income backgrounds, but with high academic merit.

We believe that student finance is at the heart of the equity issue. The existence of equity targets and the well-meaning rhetoric about promoting opportunity emanating from university equity officers means little if students do not have access to funds sufficient for their living expenses. Student groups themselves have been energetically putting this point forward. Indeed, their main message to the recent Review of Higher Education Financing and Policy (the West Review) was that they wanted more assured access to Government support through Austudy, or since mid-1998, the new Youth Allowance.

#### **Household occupation versus household income**

While it may seem obvious to students that access to funds from sources other than parents is a crucial determinant of participation in higher education, academic research does not support this proposition. The issue was debated in the West Review. Largely on the advice of the Australian Council of Educational Research (ACER), which has argued that increased financial support would not have much impact on improving class-based equity, the West Review ignored the students' claims.

The ACER argues that the effect of class background on higher education participation is largely mediated through the impact of parents' education and

occupation on students' aspirations and on their capacity to negotiate examination entry barriers, rather than parental income.<sup>2</sup> This was also the conclusion of another influential study, in this case of South Australian students in the mid-1980s. The authors concluded on the basis of a regression analysis of various student background characteristics, including parental occupation and household income, that 'parental occupation and education are more important than income as a determinant of participation'.<sup>3</sup>

The Australian Government recently commissioned a review of higher education enrolment patterns by John Western and his colleagues, part of which explored the factors shaping class equity. The purpose was to find a better indicator of socio-economic equity than that of the classification of post-codes noted above. As with the earlier studies, Western concludes from his team's survey work in Queensland that there is a closer correlation between student enrolment and parents' occupation and education levels, than with parents' household income.<sup>4</sup>

The studies cited carry a plausible message. Factors associated with parents' occupations and education are likely to shape their children's job aspirations and thus their willingness to compete for entry to the higher education system. Parents with tertiary level education are most likely to be better placed to further their children's education, partly through their financial capacity to send the children to private schools, and partly through their own intellectual background ('intellectual capital') which they pass on to their children through the home environment.

While we accept the findings of these studies, we do not believe that they justify the conclusion reached by ACER or by the West Review that income can be

ignored in equity policy. Whatever the class background of prospective students, they still need a source of funds to live on if they are to engage in full-time study. Not all parents with high educational levels necessarily earn high incomes. Those who do not may be more willing to sacrifice family income to their children's education than some other parents. But why should the prospects for higher education for these students be risked?

A more serious concern is the large number of prospective students from lower middle- and working-class families who complete their secondary school program to year 12, particularly at Government schools, but who do not proceed to university. Most of these students have satisfied entry requirements to university, although of course, many (if not most) courses have entry barriers based on Tertiary Entry Scores. It is also the case that previous studies have demonstrated a link between Tertiary Entry Score and the success of students in passing university subjects at university.<sup>5</sup>

There were 107,308 year 12 students enrolled in Government schools in Australia in 1997 compared with 65,464 in Private schools.<sup>6</sup> For the Government schools this represents a retention rate to year 12 of 65.7 per cent. Given that Government schools attract much lower shares of students from wealthy backgrounds than private schools, and (as noted below) that only a minority of adult men hold professional and managerial positions, the implication is that large numbers of children at Government Schools must have derived from families whose parents were employed in other occupations. Analyses of the propensity of public and private school students to move to university show a much higher rate of university enrolment for students completing year 12 at private school than

for their counterparts at Government schools.<sup>7</sup> In Victoria, in 1997, there were more commencing undergraduate students from private schools than from government schools, despite the fact that in 1996 there were 46 per cent more students enrolled in year 12 at Government schools than at private schools.<sup>8</sup>

The key point here is that many Government school students, and no doubt some private school students, have demonstrated by successfully completing year 12 at a level sufficient to satisfy university entry requirements that they have overcome part of the socioeconomic barrier of access to higher education which has been described by the ACER and other researchers. Why is it, then, that so many more students completing Year 12 at Government Schools fail to cross the boundary between year 12 and the commencement of undergraduate studies? One likely contributing factor is lack of funds to finance their living expenses. Financial assistance is available through the Youth Allowance (previously Austudy). However, we demonstrate below that most students from lower middle and working class families where at least one of the parents earns close to average weekly earnings are not eligible for the Youth Allowance. Their only realistic alternative funding source, other than part-time work, is their parents. But for those whose parents earn only modest incomes, such support is problematical at best.

The Australian Government's continued focus on parents' occupation and education deflects attention from this point. In the case of the recent review by Western, it was recommended that students be required to provide information on parents' occupation and education and that this information (rather than household income) be used as the basis for

judgements about the representation of student by socio-economic background.<sup>9</sup>

The Government has decided to accept this recommendation and in the near future additional information will be made available which has the promise to provide further documentation of the class bias in university enrolments. The recent survey data from Monash and La Trobe universities cited below substantiates this point.

The strength of the relationship between socioeconomic status, as measured by parents' occupation and education and university education is clear. But when the Government rediscovers this relationship what will it do? This is the crucial issue. The Government cannot go back in time on behalf of students not blessed with parents possessing high intellectual capital and somehow retrospectively compensate them. Perhaps a campaign in the schools to stimulate the interest of young people from low SES backgrounds in higher education (such as that initiated for girls since the 1980s) would help. But the most realistic option is to assist those students who have got themselves into a position to apply for a university place, despite the disadvantages of class background. This can be done by helping them to overcome the financial barrier to taking this step. As we show below, for this to occur it will require reform of the Youth Allowance payment to make it accessible to a wider range of students.

This issue is not addressed in the ACER or Western reports. Nor has the Higher Education Division of the Department of Education, Training and Youth Affairs (DETYA) devoted any of its resources to exploring the matter (at least as judged by the studies it has commissioned). Furthermore, DETYA has not published anything on the take-up rates

for the Youth Allowance or Austudy which could illuminate the question. Perhaps fears about the budgetary implications of such attention have inhibited DETYA. If so, it is hard to believe that this is consistent with the Coalition's strong advocacy for equal opportunity for those with talents but limited financial resources to make use of them.

#### **Access to the Youth Allowance**

Austudy and, before it, the Tertiary Education Assistance Scheme (TEAS), was intended to help students from low income backgrounds finance their university studies. Unfortunately, there has been very little research on the how effectively the award filled this role. Chapman concluded from his review of Austudy in 1992 that 'there is a significant pool of people whose desire to continue in post-compulsory education is being frustrated by lack of finance'.<sup>10</sup> Judgements about this issue have been difficult because of the absence of data on the proportions of students actually receiving the award, particularly those whose eligibility depended on an assessment of their parents' means. By 1996, when we began to look into this issue, it was found that most recipients of Austudy were students receiving it as 'Independents', usually because they had reached the age of 22, at which point they were no longer means tested on their parents' income.<sup>11</sup> For students aged less than 22, who were means tested on their parent's income, barely a third were eligible.<sup>12</sup> Since 1997, even the option of waiting till age 22 to enrol and then taking up Austudy has diminished because the Coalition has raised the age at which students could access the award as Independents from 22 to 25.

In mid-1998 the Coalition Government succeeded in implementing further

reforms to the Austudy system. It was amalgamated into the larger Youth Allowance scheme and the responsibility for the payment was transferred from DETYA to Centrelink. Eligible students now receive the Youth Allowance rather than Austudy. The rules for access are basically the same as they were under Austudy. However, when the Youth Allowance legislation was passed, the opposition parties succeeded in opening up the criteria for Independence somewhat, mainly by allowing students who had earned at least \$13,500 over an 18 month period since leaving school to apply as Independents regardless of their age. This reform had the potential to ease the impact of the 1997 measure which raised the age at which students could access the award as Independents.

We are in a better position now to assess the outcome of these measures because it has become far easier to access the relevant data following the transfer of the payment system to Centrelink.

#### *Youth Allowance recipient rates*

Table 1 summarises the results of our analysis. It shows that just 33.8 per cent of potentially eligible full-time undergraduate students aged less than 25 were receiving the Youth Allowance as of September 1998. These figures were derived from full-time undergraduate enrolment data by birthdate provided by DETYA and from Youth Allowance data derived from Centrelink records.

For the main body of full-time undergraduates through the ages 18 to 21 the recipient rates are consistent at around 33 per cent or a little lower. It is not clear why the rate for those aged less than 18 is relatively high. The increase in recipient rates for students aged 22 through to 24 reflects the increased proportion of students who would have received the

award as Independents. The great majority of students below the age of 22 are subject to the means test on their parents' income. The low recipient rate is a consequence of the severity of this means test. Furthermore, many of those who do qualify for the Youth Allowance do not receive the full rate (around \$176 a fortnight for those living at home and \$267 per fortnight for those living away from home), again because of the means test. In the case of a family with one child, the parental means test begins to apply when the family income reaches just \$23,500 per year. For every additional four dollars of parental annual income over this level, the annual Youth Allowance award is reduced by a dollar. Thus for a family with one student child, an annual income that is \$10,000 over the \$23,500 threshold, would result in a reduction in the Youth Allowance of \$96 per fortnight so that a student living at home would receive only \$80 a fortnight. As a further example, for a Youth Allowance applicant subject to the parental means test, where one of the parents receives average weekly earnings (around \$750 per week, or \$39,000 per year, for adults) or where both parents earn quite low wages that in total are \$39,000 per year, such an applicant would receive nothing. This means that the parental means test effectively excludes most dependent students from blue and lower white collar families where the main breadwinner holds a full-time job earning close to average weekly earnings, or where both parents work in lowly paid jobs.

As stated above, in 1997 the Coalition raised the age at which a student was assessed as an Independent (that is on his or her personal income, plus spouse where relevant, rather than on the parents' income) from 22 to 25 years. Before this measure was introduced, prospective

**Table 1: Youth Allowance recipient rates for full-time undergraduates by age of student, September 1998**

Age	Full-time enrolments <sup>a</sup>	Youth Allowance <sup>b</sup>	Per cent receiving Allowance
< 18 yrs	12,286	5,068	41.3
18 yrs	44,497	13,576	30.5
19 yrs	62,609	18,500	29.5
20 yrs	56,939	18,354	32.2
21 yrs	42,526	14,131	33.2
22 yrs	26,132	9,223	35.3
23 yrs	15,759	6,512	41.3
24 yrs	10,319	6,294	61.0
< 25 yrs	271,067	91,658	33.8
> 24 yrs	49,840	26,887	53.9
Total	320,907	118,545	36.9

<sup>a</sup> The age data for full-time enrolments were projected forward eight months to match the data for Youth Allowance.

<sup>b</sup> 24,809 of the > 24 yr old group were receiving Austudy rather than Youth Allowance.

students whose parents were unable or unwilling to provide assistance, but whose income made the student ineligible for Austudy, could contemplate beginning their courses with some Government financial assistance when they turned 22. Such students would now only be able to gain the award if they had earned \$13,500 over 18 months since leaving school or if they were married (and if they or their spouses met the means test on their personal income which all applicants are subject to).

The figures in Table 1 indicate that, as of September 1998, only 35.3 per cent of 22 year old, 41.5 per cent of 23 year old and 61 per cent of 24 year old full time undergraduates respectively received the Youth Allowance. Though we do not hold fully comparable data for earlier years, unpublished data provided by DETYA for the number of recipients receiving the award as Independents in 1996 and 1997 indicates, that the 1998 recipient rates for students aged 22-24 are now much lower than they were in 1996 and 1997.

## **The La Trobe and Monash**

### **University experience**

Both La Trobe and Monash Universities survey their commencing undergraduate students on an annual or, in Monash's case, biennial basis. All students are asked about their parents' occupations, education and birthplace, though not their parents' income. They are also asked about other aspects of their situation, including the main source of the funds they will rely on while undergraduates.

We have analysed the 1998 survey results for both universities. Although the surveys took place early in 1998 and therefore preceded the introduction of the Youth Allowance, the results give a good indication of the social origin and financial situation of commencing students. (Overseas full-fee students are not included.) The Monash students are restricted to the main Clayton campus and thus are a tightly targeted group likely to come from relatively high socio-economic backgrounds. The analysis has been limited to the Clayton campus because we hold comparable data for earlier years' commencing groups which provides a basis for trend analyses. The La Trobe group is larger than that from Monash because it includes students commencing at all of the La Trobe metropolitan and regional campuses and therefore covers a wider socio-economic base.

### *Socio-economic background*

When DETYA gathers additional information on parents' occupations and education, it will find what those acquainted with the literature already know: university students come predominantly from middle to upper middle class family backgrounds. At Monash University, nearly two thirds (64.4 per cent) of commencing students in 1998 came from

professional, managerial and para-professional families as defined by the occupation of the father (see Table 3). This concentration appears to be increasing. The previous surveys in 1996 and 1994 indicated that 59 per cent of commencing students came from such backgrounds.<sup>13</sup>

La Trobe University has used a slightly different classification of occupations, but the upper and lower professional categories and the big and small manager and employer categories when combined are considered to be comparable to the Monash grouping described above. These categories accounted for 50.6 per cent of all commencing full-time La Trobe undergraduate students (see Table 2). Though lower than the Monash figure, this figure still implies a major over-representation of students from professional/managerial backgrounds.

As a rough indication, in May 1998, 37.6 per cent of employed males in Australia were in professional, managerial and para-professional occupations.<sup>14</sup> At the other end of the scale, Table 3 shows that 9.7 per cent of Monash commencing students came from households with fathers occupying the lower skilled manual occupations (plant and machine operators and labourers) and 8.3 per cent of those starting at La Trobe (manual workers). Yet men holding such jobs in Australia in May 1998 accounted for 24.9 per cent of all employed men.<sup>15</sup>

It is only with the students whose fathers were born in Southern Europe or Vietnam that one finds substantial numbers from blue collar backgrounds. Students from families where the father is employed in clerical or sales and service occupations are barely represented at all!

### *Sources of student finance*

Tables 4 and 5 confirm our earlier conclusion about the limited access to

**Table 2: Commencing full-time undergraduate students, La Trobe University, 1998: father's birthplace by father's occupation, percentages**

Father's birthplace	Father's occupation											Total %	No.	No. of students born in Aust.
	Upper prof.	Lower prof.	Big employer/manager	Small employer/manager	Intern. white collar	Clerical	Skilled blue collar	Manual	Not employed	Other <sup>a</sup>	Not known			
Australia	17.8	6.6	9.1	23.5	4.6	2.3	11.2	6.7	1.7	6.0	10.4	100.0	2,254	2,185
U.K.	21.9	9.1	10.8	15.1	3.4	3.4	15.9	4.3	0.4	4.7	10.8	100.0	232	173
Greece	3.8	1.6	4.3	21.0	3.8	1.6	18.3	20.4	1.6	12.4	11.2	100.0	186	171
Italy	7.2	2.1	7.7	18.6	3.6	2.1	21.6	10.8	1.5	13.4	11.3	100.0	194	186
Former Yugo.	4.1	2.7	1.4	13.7	1.4	4.1	20.5	16.4	4.1	20.5	10.9	100.0	73	59
China	12.5	4.2	4.2	8.3	4.2	4.2	4.2	4.2	-	16.7	37.5	100.0	24	8
Hong Kong	13.3	13.3	6.7	13.3	6.7	-	13.3	20.0	6.7	-	6.7	100.0	15	7
India	31.0	6.9	6.9	17.2	6.9	3.4	6.9	10.3	-	3.4	6.9	100.0	29	19
Malaysia	30.0	15.0	20.0	15.0	-	5.0	5.0	-	5.0	-	5.0	100.0	20	9
Lebanon	-	2.7	2.7	27.0	-	-	5.4	2.7	10.8	24.3	24.3	100.0	37	30
Turkey	-	-	2.7	10.8	2.7	-	8.1	18.9	21.6	29.7	5.4	100.0	37	31
Vietnam	5.7	-	7.5	13.2	-	1.9	18.9	13.2	13.2	13.2	13.2	100.0	53	8
Egypt	20.7	6.9	-	17.2	-	3.4	17.2	10.3	6.9	6.9	10.3	100.0	29	21
New Zealand	28.1	3.1	9.4	21.9	3.1	3.1	3.1	3.1	9.4	3.1	12.5	100.0	32	21
Others	16.4	7.0	4.6	14.0	3.2	2.2	15.0	10.0	4.6	6.2	16.8	100.0	500	300
Total	16.0	6.1	7.9	20.6	4.0	2.3	13.0	8.3	2.6	7.2	11.6	100.0	3,715	3,228

<sup>a</sup> Other comprises home duties and retired.

Source: La Trobe University, unpublished

**Table 3: Commencing full-time undergraduate students Monash University, 1998: father's birthplace by father's occupation, percentages**

Father's birthplace	Father's occupation											Total %	No.	No. of students born in Aust.
	Mana-gerial	Prof.	Para-Prof.	Trade	Clerk	Sales & Service	Plant & Mach. Op.	Labourers	Home duties	Not known				
Australia	35.4	36.4	4.0	9.5	1.4	4.2	2.2	2.2	0.4	4.1	100.0	1,248	1,227	
U.K.	34.0	29.3	6.3	12.0	2.1	4.2	5.2	2.6	1.0	3.1	100.0	191	140	
U.S.S.R.	8.6	48.6	2.9	8.6	-	14.3	5.7	2.9	2.9	5.7	100.0	35	9	
Greece	16.7	10.0	1.1	25.6	2.2	5.6	13.3	15.6	4.4	5.6	100.0	90	86	
Italy	19.5	15.9	1.2	40.2	2.4	2.4	6.1	11.0	-	1.2	100.0	82	81	
Poland	15.2	30.3	3.0	18.2	3.0	9.1	3.0	6.1	-	12.1	100.0	33	19	
Former Yugo.	5.3	18.4	7.9	31.6	-	2.6	5.3	23.7	2.6	2.6	100.0	38	29	
China	16.2	29.7	8.1	12.2	1.4	4.1	4.1	8.1	5.4	10.8	100.0	74	22	
Hong Kong	25.0	27.3	9.1	9.1	2.3	4.5	4.5	2.3	2.3	13.6	100.0	44	11	
India	16.0	44.0	8.0	8.0	8.0	2.0	2.0	4.0	-	8.0	100.0	50	19	
Malaysia	29.7	39.6	5.9	7.9	3.0	2.0	4.0	5.0	1.0	2.0	100.0	101	26	
Sri Lanka	31.8	34.8	1.5	7.6	6.1	4.5	1.5	3.0	-	9.1	100.0	66	19	
Vietnam	6.8	8.0	4.5	5.7	2.3	6.8	11.4	33.0	8.0	13.6	100.0	88	22	
New Zealand	26.3	50.0	2.6	5.3	5.3	5.3	2.6	-	2.6	-	100.0	38	24	
Other	22.1	28.1	4.5	13.2	2.3	5.0	4.8	7.9	1.6	10.5	100.0	516	284	
Total	28.2	31.8	4.4	12.0	2.0	4.5	4.0	5.7	1.3	6.1	100.0	2,694	2,018	

Source: Monash University, unpublished

Austudy. In 1998, just 33.7 per cent of La Trobe students and 21.4 per cent of Monash students indicated that they expected to rely on Austudy as their major source of funds while studying. In the 1996 student survey of the Monash Clayton campus students, 26.3 per cent

indicated that they expected to rely on Austudy.<sup>16</sup> This decline probably reflects the tougher eligibility criteria introduced by the Coalition Government in 1997. The tiny number of students stating that they hold scholarships substantiates the

**Table 4: Commencing full-time undergraduate students, La Trobe University, 1998: father's occupation by student's expected source of funds, percentages**

Father's occupation	Austudy (Yth Allow.)	Parents	Scholarship	Work	Social	Other	Total students	No.
	Percentages							
Upper professional	15.6	43.6	0.2	35.7	0.3	4.5	100.0	596
Lower professional	21.3	41.8	0.4	31.6	0.9	4.0	100.0	225
Big employer/manager	20.1	40.5	-	35.0	1.0	3.4	100.0	294
Small employer/manager	29.5	38.2	0.1	27.3	0.4	4.4	100.0	765
Intermediate white collar	28.2	33.6	1.3	31.5	2.0	3.4	100.0	149
Clerical	39.1	29.9	1.1	24.1	1.1	4.6	100.0	87
Foreman/skilled blue collar	36.2	27.3	0.2	31.1	1.0	4.1	100.0	483
Manual	44.3	27.5	-	22.3	2.3	3.6	100.0	309
Other	65.2	8.6	0.8	15.8	2.1	7.5	100.0	374
Not known	45.0	16.6	0.7	23.8	2.8	11.1	100.0	433
<b>Total</b>	<b>33.7</b>	<b>31.3</b>	<b>0.3</b>	<b>28.1</b>	<b>1.2</b>	<b>5.3</b>	<b>100.0</b>	<b>3,715</b>

Source: La Trobe University, unpublished

**Table 5: Commencing full-time undergraduate students, Monash University, 1998: father's occupation by student's expected source of funds, percentages**

Father's occupation	Austudy (Yth Allow.)	Parents	Scholarship	Work	Social Security	Other	Total students	No
	Percentages							
Managers	13.0	58.9	0.5	21.8	0.5	5.1	100.0	760
Professionals	13.3	64.1	0.4	17.0	0.7	4.6	100.0	857
Para-Professionals	19.5	55.9	-	17.8	0.0	6.8	100.0	118
Tradesperson	28.7	49.1	0.3	17.0	0.6	4.3	100.0	324
Clerks	27.3	45.5	-	20.0	-	7.3	100.0	55
Sales & Service	36.9	38.5	-	18.0	-	6.6	100.0	122
Plant & Machine Operators	26.2	41.1	-	21.5	0.9	10.3	100.0	107
Labourers	43.1	36.6	0.7	15.0	0.7	3.9	100.0	153
Other	65.7	25.7	-	5.7	-	2.9	100.0	35
Not Known	43.6	30.7	-	17.2	1.2	7.4	100.0	163
<b>Total</b>	<b>21.4</b>	<b>53.9</b>	<b>0.3</b>	<b>18.4</b>	<b>0.6</b>	<b>5.3</b>	<b>100.0</b>	<b>2,694</b>

Source: Monash University, unpublished

comment made above that the universities themselves have little to offer by way of financial support. Thus parents or work are the only serious alternative sources of money for living expenses in the absence of the Youth Allowance.

There is a significant difference between the two student bodies in their recourse to these alternatives. In the case of the Monash students, parents dominate as the source of funds (53.9 per cent) and, to a lesser extent, work (18.4 per cent). For the La Trobe students it is partly parents (31.3 per cent) and partly work (28.1 per cent). We suggest that the difference reflects the wider socio-economic background of the La Trobe students included in the analysis.

The major objective in presenting this information has been to draw attention to the predicament of dependent students from families with moderate income (in the \$30,000 to \$40,000 bracket). Such families are likely to be struggling to pay the family bills and thus are not in a position to meet the living expenses of a full-time student son or daughter. Tables 4 and 5 exemplify these concerns. They show that only about a third of students with a father in a clerical or manual occupation expect to receive Austudy.

The Monash and La Trobe surveys of parents occupations show clearly that the numbers of students coming from these backgrounds are very small. Of those that do, Tables 2 and 3 show that in the case of manual workers, high proportions come from ethnic backgrounds. As indicated in Table 6, students from such households are the most likely to be receiving Austudy. This undoubtedly reflects the low incomes of many of these parents. In this sense, Austudy (and now the Youth Allowance) is well targeted to assist those with very low resources and thus genuinely in need. The availability of student

**Table 6: Proportion of commencing full-time undergraduates who expect to rely on Austudy (Youth Allowance) by father's birthplace, 1998**

Father's birthplace	La Trobe	Monash
Australia	31.7	17.5
United Kingdom	26.2	12.6
Greece	32.3	26.7
Italy	27.8	17.1
China	41.7	37.8
Lebanon	70.2	70.0*
Turkey	72.9	75.0*
Vietnam	59.8	59.1
Malaysia	30.0	11.9
New Zealand	43.7	15.8
Total (includes others)	33.7	21.4

\* Small numbers

financial assistance to this group, particularly the Vietnamese, helps explain their well known record of high rates of attendance at university<sup>17</sup> and is rightly something the equity planners can be proud of.

The record for prospective students from other backgrounds is not something to be proud of. Critics may say that if the students themselves, or their parents, were better motivated they could overcome the barriers to higher education, just as some of those from the ethnic communities cited have done. But, as Table 6 shows, many students from these communities expect to receive Austudy (now the Youth Allowance). Our results show that, unlike the ethnic students in question, there are large numbers of other prospective students whose parents' circumstances place them just outside the income range for receipt of the Youth Allowance. They also need financial help. Some of the parents in this situation are prepared to sacrifice for their children's education and some students are prepared to work while

studying full-time.

But if the Australian Government is serious about equality of opportunity in the higher education system, is it fair to place such a burden on the parents or the students involved? Those who have to work are at a grave disadvantage in pursuing their studies relative to those who get the Youth Allowance or those whose parents can afford to support them.

The most effective measure to improve access to higher education amongst lower middle and working class families is reform of the Youth Allowance eligibility criteria. At a minimum, this should begin with a reassessment of the severity of the means test on parents' income and of the harshness of the decision implemented in 1997 to require most students aged 22-24, as well as their younger counterparts, to be means tested on their parents' income.

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THE END

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