Education and Training Committee

Final Report

Inquiry into Geographical Differences in the Rate in which Victorian Students Participate in Higher Education

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Parliament of Victoria

Education and Training Committee

Inquiry into Geographical Differences in the Rate in which Victorian Students Participate in Higher Education

Education and Training Committee

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Chair's foreword

It is my pleasure to present the report of the Education and Training Committee on its inquiry into geographical differences in the rate in which Victorian students participate in higher education. This is the largest inquiry ever undertaken by the Committee, attracting unprecedented interest from Victorian communities in every corner of the state. The Committee extends its sincere appreciation to everyone who took the time to contribute written submissions, as well as those who participated in the extensive public hearing program, some of whom travelled long distances to assist in the Committee's investigations. Special thanks must also go to the many young people who contributed greatly to the inquiry by sharing their personal experiences, concerns and aspirations.

There is no doubting the importance of geographical differences in higher education participation, or the profound differences in higher education participation across Victorian communities. In every regional location visited by the Committee, as well as many more that the Committee could not reach during this inquiry, access to higher education is a significant concern. Young people in some metropolitan and interface areas also face significant challenges getting to university, especially those from low socioeconomic status backgrounds. These issues have also received extensive consideration at a national level, as part of the review of Australian higher education undertaken by Professor Denise Bradley and an expert panel on behalf of the Australian Government.

Time and again, the Committee heard about the difficulties faced by young school leavers in rural and regional areas who are contemplating leaving home to study. This exciting time in young people's lives inevitably brings a multitude of challenges, as they farewell family and friends and branch out into new environments. However, an even greater concern for many of these young people and their families is the high cost of university study, particularly the cost of living away from home. The Committee heard that these concerns are responsible for a disproportionately high university deferment rate among rural and regional students, many of whom may never go on to pursue their studies.

Student income support is therefore a major contributing factor in university participation. While the Committee welcomes recent national reforms to enable more students from low-income families to access Youth Allowance, it is concerned that the specific circumstances of rural and regional young people still have not been adequately addressed. Already, many such students defer their studies to meet eligibility criteria for income support and this route to financial independence is set to become even more difficult under the new system. In the Committee's view, all young people who must relocate to undertake their studies should be eligible to receive student income support.

The Committee also found that the causes of geographic differences in higher education participation rates go beyond the obvious barriers of distance and costs. They also stem from differences in the ambitions and aspirations of students and their families, school completion rates and academic achievement levels. Addressing these differences will require a broad range of interventions, which will give Victorian students both the desire and the tools to achieve in education at the highest level.

The Committee welcomes the Victorian Government's recent announcement that it is set to develop a new Higher Education Plan for the state. This plan will support the Victorian Government's contribution to national higher education reforms, and provide for growth in tertiary education provision and participation throughout Victoria. The Committee believes

that this report will be a vital resource for those developing and implementing the plan, and calls on them to set and pursue new targets for higher education participation for communities that are currently under-represented. It is only by raising participation rates among these communities that overall participation targets are likely to be met, and the benefits of higher education spread more equitably.

I would like to thank my fellow Committee members for contributing their time, ideas and expertise to this important inquiry. Committee members are unanimous in their belief that university participation rates for under-represented groups must be increased, and that a breadth of initiatives will be necessary to achieve this. Committee members would also like to thank the staff of the Committee secretariat for their invaluable assistance in coordinating the extensive public hearing program, analysing a substantial body of evidence and preparing the final report.

I trust that the recommendations made in this report will provide the impetus for strategies that will improve opportunities for all Victorians to participate successfully in higher education.

Geoff Howard MP
Chair

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Chapter 1
Introduction

Higher education generates important benefits for both individuals and society. To students, university study offers an avenue for personal growth and fulfilment, while imparting knowledge and skills that open the door to life opportunities. At the same time, the higher education system produces skilled graduates who are vital to local and national economies and to civil society. It is therefore important that individuals have opportunities to participate in quality higher education, irrespective of their background or home location. Unfortunately, while overall higher education participation in Victoria is high, there are substantial and long-standing differences in the rate of participation across different areas and social groups. These differences arise from a complex mix of interrelated geographical, socioeconomic and cultural factors, which begin to affect students well before the transition from school to university.

Evidence to the inquiry was collected over the period February 2008 to April 2009. The Committee received 189 written submissions and heard evidence from 307 witnesses. Public hearings were held in nine locations around Victoria. The Committee also undertook investigations in the Australian Capital Territory, Western Australia, Finland, Scotland and Canada.

Chapter 2
Context for the inquiry

The Committee commenced this inquiry with data analysis aimed at understanding the nature and extent of geographical differences in the rate in which Victorians participate in higher education. This analysis confirmed the existence of pronounced geographical differences in higher education participation across the state. It also revealed that these differences arise at different points in the higher education process, from making a university application, to receiving an offer and then either enrolling, deferring or rejecting the offer of a university place.

In 2007, the Victorian Tertiary Admissions Centre received 56,327 higher education applications from Victorian domestic applicants. Almost 34,000 of these were made by school leavers, representing 60.1 per cent of total higher education applications in that year. The remaining applications were made by 'mature age' and 'previous school leaver' applicants, who accounted for 33.3 per cent and 6.5 per cent of total applications, respectively.

In 2007, 77.6 per cent of Victorian school leavers who completed the VCE applied for a place in a higher education course at university. There were marked differences in application rates within and across metropolitan, non-metropolitan and interface areas. University application rates were below the state average in each non-metropolitan region except the Western District, and were also low in the interface areas. The university application rate for the metropolitan area was 81.7 per cent, although this figure masks important differences across metropolitan areas.

In 2008, the majority of university applicants across Victoria received the offer of a university place. School leaver applicants from non-metropolitan areas were slightly less likely to receive an offer than their metropolitan counterparts, although non-metropolitan applicants more frequently received an offer in their first preference course. School leaver university applicants from interface areas were least likely both to receive a university offer, and to receive an offer in their first preference course. Consistent with a national pattern, school leavers were more successful in securing university offers than non-school leaver applicants.

In 2007–08, nearly 14 per cent of school leavers in non-metropolitan areas rejected their university offer. This compares to a rejection rate of 8.6 per cent in metropolitan areas and 9.2 per cent in interface areas. Additionally, one in three school leavers from non-metropolitan areas who received a university offer deferred their studies. In comparison, the deferment rate was 10.1 per cent for metropolitan school leavers and 13.4 per cent for school leavers in interface regions. This disproportionately high deferment rate among non-metropolitan school leavers was a recurring theme throughout the inquiry, and is of concern to the Committee.

Another important aspect of participation in higher education is the rate of successful completion. While there is insufficient data to allow detailed analysis of retention and success rates, the Committee notes that past studies have generally found slightly higher completion rates among metropolitan students. Anecdotal evidence received throughout the inquiry supports these findings.

It is important that the transition to higher education is understood within the wider context of all available post-school pathways. This is because most non-university pathways also make a valuable contribution to individuals and society, and may also form a foundation for participation in higher education later in life. Findings from the 2007 On Track survey of Victorian school leavers showed that in most metropolitan regions with lower transition rates to university, relatively high movement into upper and entry level VET meant a reasonably high overall rate of transition to tertiary education. In contrast, non-metropolitan regions had relatively low levels of transition to upper and entry level VET among school leavers, compounding lower levels of transition to higher education.

The Committee's inquiry took place during a period of considerable reappraisal and change in national higher education policy. In May 2009, the Australian Government announced a reform agenda aimed at transforming the scale, potential and quality of the nation's universities. The Victorian Government announced in April 2009 that it will develop a new Higher Education Plan, which will inform the Victorian Government's contribution to the implementation of national reforms, and provide for the substantial growth in tertiary education provision planned for Victoria for the period to 2025.

The Committee believes that the Higher Education Plan presents a valuable opportunity for raising overall higher education participation rates in Victoria, while simultaneously improving equity in participation. In this regard, the Committee recommends that the Victorian Government set participation targets for under-represented groups, particularly those in rural and regional, interface and low socioeconomic status metropolitan areas. These targets should be supported through Victorian Government policies and programs aimed at lifting school achievement and completion of the Victorian Certificate of Education (VCE), raising aspirations for higher education, enhancing entry prospects, and reducing the practical barriers to participation. The Committee also recommends that the Victorian Government maintain and improve the On Track survey of Victorian school leavers to ensure it continues to inform policy and programs at the local, regional and state level, and as a means of monitoring progress towards higher education participation targets.

Chapter 3
School achievement and completion

Together, academic achievement at school and completion of year 12 form an important foundation for participation in higher education. The Committee found that geographical differences in school achievement and completion are among the most fundamental causes of geographical differences in the rate in which Victorian students participate in higher education.

Research has consistently found that low achievement during compulsory schooling is associated with a greater likelihood of early school leaving. Where low achievers complete year 12, they are less likely to undertake the VCE or to achieve highly in the VCE, and less likely to develop university aspirations. Achievement in the VCE has a direct impact on access to higher education, because universities generally select students based on the Equivalent National Tertiary Entrance Rank (ENTER). As well as being more likely to secure a university offer, students with high achievement in the VCE appear to have stronger university aspirations. They are more likely to apply for and accept a university place.

In Victoria, students have a range of academic and vocational options for completion of year 12 or its equivalent. Completion of any of these qualifications confers benefits and can lead to successful post-school transitions. Significant to the inquiry, however, each has different implications for participation in higher education. VCE and International Baccalaureate (IB) programs have been designed with university pathways in mind, and unsurprisingly, students who complete these qualifications have the highest subsequent participation in higher education. Conversely, senior secondary students who participate in vocational and applied programs are less likely to make the transition to university, even where they combine their vocational studies with completion of the VCE.

The Committee found that overall, Victorian students perform well academically in comparison to students in other jurisdictions. Nevertheless, overall strong performance co-exists with marked differences according to location and socioeconomic status. Students from low socioeconomic status backgrounds have lower levels of average achievement from early childhood through to the final year of secondary school. Students in non-metropolitan areas also have lower average achievement than metropolitan students, although this geographic disparity is less marked than socioeconomic differences.

Young people in Victoria are comparatively likely to complete a year 12 or equivalent qualification. Again however, students from low socioeconomic status backgrounds and non-metropolitan areas are less likely to complete year 12 than their counterparts from metropolitan areas and high socioeconomic status backgrounds. Although Victoria's overall rate of year 12 or equivalent completion has increased over recent years, the Committee found that the VCE completion rate has declined somewhat.

The Committee also found evidence of geographical and socioeconomic differences in the type of year 12 or equivalent qualifications undertaken. Students in non-metropolitan areas and students from low socioeconomic status backgrounds are more likely to participate in vocational programs during years 11 and 12. While existing data does not allow definitive conclusions to be drawn, the Committee is concerned that the recent decrease in Victoria's VCE completion rate may be a result of declining VCE completions in low socioeconomic status and non-metropolitan areas. This has the potential to limit options for university study in areas where participation in higher education is already low. The Committee sees a need for further analyses of data associated with this trend, its causes and implications.

Ultimately, increasing participation in higher education in areas that are currently under-represented will require better outcomes from schooling—a challenging goal. The Committee believes that improved academic achievement and increased year 12 or equivalent completion will require system-wide school improvement, particularly in

non-metropolitan and low socioeconomic status areas. The Victorian Government's Blueprint for Education and Early Childhood Development outlines a range of strategies for achieving this. Another aspect of work in this area should address persistent teacher workforce shortages in some geographical locations and areas of study.

The Committee believes that the Victorian Government should continue to focus on year 12 or equivalent completion as a priority area. The approach to lifting school completion rates must be multi-faceted, and schools should be provided with integrated support to address the multiple causes of early school leaving. Within this, there is a need for policy and programs that support increased completion of the VCE, particularly among under-represented groups. To achieve this, all students must have access to subject choices that match their interests and aptitudes. Additionally, the Committee believes that there should be greater opportunities for students in rural and regional Victoria and disadvantaged metropolitan schools to access revision and extension activities to help boost their achievement in the VCE.

Chapter 4
Aspirations towards higher education

The aspiration to go to university is a critical prerequisite to participation in higher education. Unless an individual has some interest in university study, they are unlikely to apply for or accept a place in higher education. Where higher education aspirations are strong, individuals and their families may be willing to make significant sacrifices to make dreams of attending university a reality, while for students with weaker aspirations, barriers to higher education participation are likely to have a more decisive influence. Differences in the aspirations of young people across Victoria are an important contributor to differences in higher education participation rates.

Attempts to raise aspirations towards higher education must be informed by an understanding of the nature of aspirations and how they are formed. The Committee heard that university aspirations arise from an array of attitudes and beliefs about the relevance, value and attainability of higher education. These are influenced by a number of complex and interrelated factors, including the family's socioeconomic and cultural background, and the school and community environments.

The Committee recognises that 'high' aspirations need not be university aspirations. Throughout the inquiry, the Committee heard from individuals, schools and communities who highlighted the benefits of other post-school pathways, with some participants even suggesting that aspirations towards higher education may be too well developed in certain areas of Victoria. While acknowledging the value of the full range of post-school pathways, the Committee has focused on the potential to raise aspirations towards higher education as one means of lifting the participation rates of under-represented groups.

Strategies for raising aspirations were a central topic of discussion throughout the inquiry. The Committee heard that career education can influence aspirations by raising awareness of the range of available opportunities, encouraging students to consider a variety of options and pathways by which they may be able to reach their goals. However, career education is a complex and diverse field and the Committee found that the quality of career education in Victorian schools varies. While the Victorian Government's Managed Individual Pathways program was widely supported, the Committee heard that some students require more information about higher education, and more individual support in exploring and planning their post-school pathways. The Committee believes that the Victorian Government could improve the quality of career education in Victorian schools by: phasing in a requirement that all career teachers have a postgraduate (or equivalent) qualification in career education; providing ongoing professional learning for career educators; consulting with the Career Education Association of Victoria to determine appropriate staff time allocations for

career education roles; and supporting and promoting greater engagement of parents in career education activities.

Activities undertaken by universities that foster aspirations may be grouped into the two broad categories of recruitment and outreach. Recruitment activities, often coordinated or undertaken by marketing or dedicated recruitment staff, are motivated by a university's interest in attracting students. Recruitment activities typically provide information about courses, entry requirements and the university through publications, guest speakers and careers fairs or similar events. Outreach activities differ from recruitment or marketing in that they are typically aimed at populations with lower levels of participation in higher education, and are motivated by a desire to improve access and equity for under-represented groups. Rather than promoting one particular university, outreach programs also have the broader aims of demystifying higher education, promoting awareness of university life, fostering university aspirations, and lifting student achievement. The Committee heard that university outreach programs are likely to be most effective where there are strong university-school partnerships, collaborations across institutional boundaries, and engagement of the broader community.

The Committee believes that the Victorian Government should implement a statewide program aimed at raising aspirations and increasing participation in higher education among under-represented groups. The program should engage students from the early and middle years of secondary school, and include activities aimed at raising student achievement. It should also include a rigorous evaluation and research program to identify those strategies most effective in raising aspirations and participation in higher education. The Committee believes that a significant factor in the success of this program will be the involvement of parents and families in career education and aspiration-raising activities. The Committee recognises, however, that raising aspirations will be both difficult and futile if other barriers identified during the inquiry are not addressed. It therefore believes that initiatives to raise aspirations must be accompanied by interventions and supports that provide people from disadvantaged groups with a genuine opportunity to participate in higher education.

Chapter 5
Admission into higher education

Victorian universities have a range of selection processes and entry pathways. At present, the ENTER remains the dominant selection method for school leavers. The ENTER has the advantages of being simple to administer and a comparatively good predictor of success in university studies. However, there is a need for ENTER-based selection to take account of equity principles. While the Special Entry Access Scheme appears to have improved equity in ENTER-based selection, the Committee believes that there is room for further improvement in this area.

The Committee believes that the Victorian Government should undertake research into the limitations of the ENTER as a selection tool for students from non-metropolitan areas and low socioeconomic status backgrounds. The Committee also encourages universities to continue to complement ENTER-based selection with additional mechanisms (such as aptitude testing and recommendation-based selection) to identify capable students who may otherwise be overlooked. The Committee believes that these mechanisms may be effective as equity measures where they are specifically targeted at students from under-represented areas and groups.

The Committee found that enabling programs provide an important alternative entry pathway into higher education for many students. Enabling programs share the common aim of providing alternative entry into higher education, while building academic and other skills to prepare students for the rigours of university study. Students gain an opportunity to familiarise themselves with the range of courses and services available at the university,

and to develop an understanding of expected academic standards. For those who are unsure of their career and study direction, participation in an enabling program is an opportunity to explore academic options and confirm the decision to undertake university study. The Committee believes that there should be greater access to enabling programs and recommends that the Victorian Government work with the Australian Government to provide incentives for universities to increase access to enabling programs for students from under-represented groups.

Articulation from Vocational Education and Training (VET) into higher education is another important alternative pathway that attracted a great deal of comment during the inquiry. VET studies can provide access to university for students who initially failed to gain entry, while prompting others to consider higher education for the first time. Like enabling programs, participation in VET provides opportunities to build skills and confidence and, consequently, students who move from VET into higher education tend to be successful in their university studies.

The Committee found that at some Victorian universities admission to higher education courses on the basis of VET studies is substantial. These universities, working in partnership with TAFE institutes, have expended considerable effort aimed at increasing and enhancing articulation from VET to higher education. Despite this, progress has been uneven across universities, and the Committee sees a need for urgent and substantial improvement, particularly with regard to credit transfer arrangements.

Differences in curriculum and assessment between the VET and higher education sectors increase the difficulty of negotiating articulation and credit transfer arrangements. Sectoral differences in accreditation, governance and funding add another layer of complexity. The Victorian Registration and Qualifications Authority has worked to address some of these barriers through the development of the Credit Matrix, and the Committee believes that this work should be prioritised as a matter of urgency. The Committee believes that the Victorian Government can further support increased articulation from VET to higher education by working through the Ministerial Council for Tertiary Education and Employment to set deadlines and targets to address existing impediments, and by supporting TAFE institutes to negotiate and promote articulation arrangements. To ensure that these changes translate into real benefits for students, the Committee believes that the Australian Government should monitor and reward universities' performance in relation to credit transfer. This will require improved data collection about articulation from VET to higher education, including characteristics of articulating students, particular pathways taken, credit granted and the academic outcomes of these students.

The Committee notes that increased articulation from VET to higher education will not necessarily increase equity in participation in higher education. For this to be achieved, students from under-represented groups must undertake upper level TAFE qualifications and take advantage of opportunities to articulate into higher education. Therefore, the Committee believes that as part of its skills reform agenda, the Victorian Government should put in place strategies to increase participation in upper level VET qualifications among students from low socioeconomic status backgrounds.

Chapter 6
Provision and accessibility

One of the most obvious differences between metropolitan, outer urban and non-metropolitan areas in terms of higher education is in the level of local provision. Traditional models of on-campus delivery and off-campus distance education are today complemented by other approaches that incorporate elements of both on-campus and off-campus study, and which often rely on collaboration between communities, universities and other education and training providers. Therefore, an important issue addressed during

the inquiry was the way in which these different models of local delivery influence participation rates.

The traditional university experience of on-campus study remains the most common mode of participation in higher education. In Victoria, as in other Australian jurisdictions, higher education campuses are concentrated in metropolitan areas. However, the Committee's investigations made it clear that universities and campuses in rural, regional and interface areas are highly valued by their host communities. Despite the substantial challenges these institutions face, they are seen as playing a vital role in regional development, and in promoting participation in higher education by providing local study opportunities. Participants in the inquiry emphasised the importance not only of a local university presence, but of the quality and range of courses available.

The higher cost of higher education provision in regional areas is well documented and was widely acknowledged by inquiry participants. The Committee believes that funding models should be revised to ensure there are sufficient incentives for universities to deliver a diversity of high quality higher education courses into regional areas, closely linked to labour market needs. Revised funding models should take into account the need for increased collaboration in the delivery of such courses, as well as the need to raise aspirations and demand around courses relevant to local economic growth and employment opportunities.

While campuses in regional and interface areas should be maintained and strengthened, alternative models of delivery are also required. The Committee heard that off-campus study can fill an important need for some students, although it was generally not considered as an effective mode of study for school leavers. Delivery of higher education through 'university centres' and TAFE institutes was often viewed as more useful in meeting the needs of rural and regional communities. University centres differ in terms of their size, functions, staffing arrangements and location. They are smaller in size and more limited in scope than most university campuses, offering few courses, typically in a blended learning mode which combines online and face-to-face teaching and learning. Some centres also support higher degree research students, or have other links with research activities. University centres may be stand alone facilities or co-located with other organisations such as TAFE institutes. The Committee welcomes the expansion of higher education delivery through university centres and TAFE institutes, and believes these models should be extended through greater collaboration between education sectors, in consultation with local communities.

The use of blended learning attracted significant comment throughout the inquiry. While many inquiry participants acknowledged the potential benefits of blended learning, there was a widespread perception that blended learning can be an inferior pedagogy that is disengaging, unsupportive and unappealing to many prospective students. Participants emphasised the importance of retaining substantial face-to-face teaching, group interaction and support if blended learning is to be an attractive and high quality option for regional students. The Committee also heard that for blended learning to be effective, academic staff must be trained in how to design and deliver units in this mode, and be supported by appropriate technological capabilities. The Committee supports these views and believes that the Victorian Government should advocate through the Ministerial Council of Tertiary Education and Employment for a major review by the Tertiary Education Quality Standards Agency into the provision of blended learning, to benchmark best practice and set mandatory quality guidelines for future delivery in this mode. Further, the Committee believes that higher education accreditation and quality assurance processes must include an assessment of each specific mode and site of delivery to ensure that all students, regardless of location or study mode, are receiving a quality education.

Chapter 7
Financial considerations

A major task for the Committee was to understand how financial considerations impact on participation in higher education. While the long-term financial rewards are considerable, the costs of participation in higher education are also high. The Committee considered three types of costs associated with participation in higher education: the direct costs of study; the costs of living as a student; and the opportunity cost of foregone income while studying. The Committee found that the high cost of undertaking university study can affect access to university for potential students, as well as the persistence of students once they enrol in a higher education course.

While some participants discussed the impact of the cost of study materials and tuition fees, difficulty meeting the cost of living was the strongest theme to emerge during the inquiry. It is not surprising that people from disadvantaged socioeconomic circumstances and students who live away from home to study are most affected by the costs of participating in higher education. The Committee heard that the cost of living away from home to study is approximately $15,000 to $20,000 per year, although some participants suggested that it can cost even more.

Accommodation in on-campus colleges or residences is often the preferred option for students who relocate to study. As well as a convenient location, on-campus accommodation offers a bridge between home and independent living. However, on-campus accommodation is usually the most expensive choice, and often out of reach for many of the students who would benefit most from the additional support available through on-campus residential services. Shared rental accommodation is generally a less costly option, but was still considered prohibitively expensive by many inquiry participants. Participants also felt that transport costs present an additional financial barrier, particularly for those in outer urban, regional and rural areas.

The Committee received a great deal of evidence about the sources of income available to help meet the costs of participating in higher education. These include government income support, scholarships, wages from paid employment, and support from family. The Committee heard that a substantial proportion of students struggle to accumulate sufficient income to meet the costs of undertaking their university course.

Government income support payments (including Youth Allowance, Austudy and ABSTUDY) are a major source of income for many higher education students. Youth Allowance was of most relevance to participants in the inquiry, and the Committee found that many in the community are greatly concerned about eligibility criteria for Youth Allowance. While some participants believed that Youth Allowance is too easily available to students from relatively wealthy families, many more argued that Youth Allowance is not available to those in most need.

The Australian Government announced in May 2009 that it would phase in a lowered age for independent status for government income support (from 25 years to 22 years by 2012), and increase the parental income test threshold for access to the maximum rate of Youth Allowance or ABSTUDY to align with the Family Tax Benefit A income test from 2012. Once legislated, these changes will see increased levels of assistance payable to families most in need. While welcoming these changes, the Committee does not believe they will significantly improve access to higher education for those who must live away from home to study.

Throughout the inquiry, the Committee heard that for many rural and regional students, access to higher education is dependent on their ability to access the Youth Allowance through existing workforce participation criteria for independence. Although there are currently three workforce participation routes to independence, the Australian Government

has announced that it is tightening the criteria. From 2010 only those young people who have worked for a minimum of 30 hours per week for 18 months will be eligible for Youth Allowance under the criteria for independence. The Committee believes that this change will have a disastrous effect on young people in rural and regional areas. The Committee firmly believes that all young people who are required to relocate to undertake university studies should be eligible to receive government income support, and has recommended that the Victorian Government advocate for this change to eligibility criteria for Youth Allowance.

For those in receipt of government income support, the adequacy of payments was an issue raised throughout the inquiry. There was widespread agreement that Youth Allowance payments have not kept pace with rising expenses, and are too low to meet the costs of living, particularly in capital cities. The Committee heard that inadequate income can negatively affect the wellbeing and academic success of students. The Committee agrees that Youth Allowance payments are insufficient and should be increased to reflect the costs of living.

The Committee received evidence that scholarships are an important source of income for many higher education students. The Australian Government provides scholarships through its Commonwealth Scholarships program, while additional scholarships are available through a wide range of organisations, including universities, state and local governments, community organisations and the private sector. Students who have been awarded a scholarship are able to work fewer hours in paid employment, and therefore experience reduced financial and emotional stress. However, the Committee heard that it can be difficult for young people to identify relevant scholarship programs and that application processes are often complex and time consuming. In addition, the Committee heard there are insufficient scholarships available to meet current needs, and the value of scholarships is often not sufficient to facilitate participation in higher education among disadvantaged groups. The Committee was particularly concerned to note that under announced changes to the Commonwealth Scholarships program, the amount available under the new Relocation Scholarship, available from 2010, will be substantially less than the amount available under the existing Accommodation Scholarship, which it replaces.

The Committee believes that further research is needed into the role and effectiveness of scholarships in widening access to higher education for under-represented groups. This research should seek to determine the value of scholarships likely to make a difference in access to higher education for under-represented groups. The Committee also believes that an early intervention approach to scholarships should be piloted. Under this approach, disadvantaged senior secondary students would be provided with a Learning Account which would be made available upon successful completion of secondary school and enrolment in higher education. Students would also be supported to consider higher education as an achievable goal through an integrated package of interventions including a structured career education program, peer mentoring and a transition support program.

The Committee heard that given the inadequacies of government income support, paid employment is an increasingly important source of income for Australian higher education students. Australian students have the highest workforce participation rates of any comparable country. However, the Committee heard that finding and maintaining employment can be difficult for many students, particularly those who have to relocate in order to undertake their studies. Many inquiry participants also suggested that part-time work, if excessive, negatively affects student wellbeing, engagement in university life, and academic achievement, thereby increasing the risk that a student will discontinue their studies.

The Committee found that a common strategy for dealing with the costs of undertaking higher education is to defer the costs. The Higher Education Loan Program offers students the opportunity to delay the payment of tuition fees until their income is above the minimum threshold for compulsory repayment. Some participants argued that a similar scheme should be established to allow students to take out an income contingent loan to cover living

costs while studying. While agreeing that the Higher Education Loan Program provides essential support to students and should be retained, the Committee believes that further analysis and research is needed before income contingent loans to meet living costs are considered for implementation in Australia.

The Committee was concerned to find that many young Victorians who wish to commence a university course defer their studies for financial reasons. There was widespread concern that a significant proportion of students who defer do not subsequently return to study. High deferment in rural and regional Victoria is of major concern to the Committee, given that fewer young people in rural and regional areas complete secondary school, apply to university and accept university offers. While recognising the benefits that a gap year can provide, the Committee does not believe that deferring university studies should be a necessary financial decision. The Committee therefore believes that a fair and accessible system of government income support is essential, combined with additional interventions aimed at reducing the impact of financial barriers on participation in higher education.

Chapter 8
Transition and completion

After the long journey to enrolment, students must complete their studies if they are to enjoy the full benefits of participating in higher education. The Committee heard that the transition to higher education is a period of change during which first-time students need to adapt to the academic, cultural and social environment of university. Participants suggested that the magnitude of the adjustment can be greater for students from rural and remote areas, and for those from low socioeconomic status backgrounds. Difficulties in making this transition may increase the risk that the student will drop out of university.

The importance of accommodation was a particularly strong theme in evidence about supporting students' success at university. In Victoria, higher education students have a range of accommodation options, one of which is on-campus student accommodation. Due to the additional support and social opportunities available, many participants argued that on-campus accommodation is a useful stepping stone to independence, and is ideal for most rural and regional students. There was significant concern among inquiry participants, however, that students from rural areas often miss out on a place in on-campus accommodation, or are unable to access it for financial reasons. The Committee believes that students from rural and regional areas should be given priority in selection processes for on-campus accommodation. Participants also called for increased provision of affordable, supported and supervised accommodation for young students. The Committee agrees that there is a need for the Victorian Government to work with other stakeholders to evaluate the current availability and potential expansion of affordable student accommodation.

Universities provide a range of services aimed at enhancing the first year experience and supporting student transitions, as well as enhancing student wellbeing and success more generally. The Committee considered the importance of these services and programs if targets are to be met for increased and more equitable participation in higher education. Several participants argued for increased funding for universities that educate larger numbers of students who are likely to require greater support to successfully complete their higher education studies. The Committee supports this view and welcomes Australian Government moves to provide a funding loading to help universities provide intensive support to disadvantaged students, with the goal of improving retention and completion rates for these groups.

Student organisations have also traditionally had a strong role in supporting the social transition to university through clubs and societies, orientation week activities and other social events. The Committee heard that the capacity of student organisations to provide

essential support services may have been diminished in recent years as a result of the abolition of compulsory upfront student fees in 2005. The Committee therefore welcomes changes, announced in late 2008, that will allow universities to levy a fee for student services.

While a range of services and programs are already in place, the Committee found that there is a need to ensure that tailored services are targeted at those students with the greatest need. In particular, participants argued for increased targeted support for students from rural and remote areas, such as mentoring programs and pre-university transition initiatives. The Committee also considered how programs that engage parents in transition activities may help students from low socioeconomic status backgrounds. The Committee believes that the Victorian Government should work with universities and other stakeholders to strengthen and better target programs and services for students transitioning to higher education. The Committee also sees a role for the Victorian Government to develop a country-city twinning program that provides students at small rural and remote schools with opportunities to visit metropolitan environments and meet peers from elsewhere.

Chapter 9
Indigenous students

Indigenous Australians are the most under-represented group in higher education. The experience of Indigenous students was an important focus for the inquiry, in the context of the Victorian Government's overarching Indigenous policy framework, *Improving the Lives of Indigenous Victorians* and the Council of Australian Government's (COAG) six targets for closing the gaps in outcomes for Indigenous people under the National Indigenous Reform Agreement. Of most relevance to the inquiry, these include increasing school retention, achievement and year 12 attainment, and improving participation in post-secondary education.

The number of Indigenous people enrolled in higher education Australia-wide is increasing. There has also been a shift in enrolments, with a reduced proportion of Indigenous students enrolling in sub-degree programs and an increased proportion enrolling in bachelor and postgraduate programs. Indigenous students are enrolled predominantly in three key disciplines: Society and Culture (33.7%), Education (21.2%) and Health (16.5%).

Indigenous females are more likely to participate in higher education than Indigenous males, and Indigenous students have a different age profile compared to other students. In 2006, the average age of a commencing Indigenous undergraduate student in Australia was 29 years, compared to 22 years for other students. Indigenous students have a subject pass rate 23 per cent below their non-Indigenous peers. They also have lower apparent retention and completion rates than other students. However, Indigenous graduates have higher take-up rates into full-time employment than non-Indigenous graduates, and the mean starting salary for Indigenous graduates is higher.

The Committee is aware that the Australian Government, through a range of initiatives that provide both academic support and financial assistance, aims to increase participation in higher education by Indigenous Australians. The Committee is also pleased to note recent moves in the Victorian higher education sector to improve participation rates for Indigenous students through the Toorong Marnong Accord, which was singed in December 2008 by the Victorian Aboriginal Education Association and the Victorian Vice-Chancellors' Committee.

The Committee heard that as with other students, a number of factors affect the ability of Indigenous students to participate in higher education long before the threshold of enrolment has been reached. Lower school participation and achievement was identified as a significant barrier for Indigenous students. The highest level of education achieved for many Indigenous Victorians is year 9 or below, and less than a quarter of Indigenous Victorians have completed year 12. While Indigenous students in Victoria generally perform

better than those in other states, they remain substantially behind other students and cohorts with similar socioeconomic profiles. Average performance remains poor against key measures such as participation, attendance, literacy, numeracy, retention and completion. In addition, the over-representation of Indigenous students undertaking vocational rather than academic studies in years 11 and 12 was identified as an issue of potential concern.

To improve education outcomes for Indigenous students, the Department of Education and Early Childhood Development, in close partnership with the Victorian Aboriginal Education Association, developed a new education strategy in 2008, known as Wannik. The Committee sees Wannik as a potential means of improving the level of engagement and achievement among Indigenous school students, thereby providing the basis for future participation in higher education. The Committee believes that improved access to computer and multimedia resources, both within and after school hours, will be critical in lifting school achievement for Indigenous students.

The Committee heard that Indigenous students face a range of barriers to the formation of aspirations towards higher education, including those associated with socioeconomic status and perceptions of relevance, affordability and achievability. The Committee believes that in developing a statewide program to raise aspirations, the Victorian Government should include strategies aimed at addressing the specific needs of Indigenous students. The Committee believes that strategies aimed at raising aspirations for higher education within Indigenous communities should focus on three key areas: creating a culture of high expectations; developing and promoting role models and mentoring programs; and improving the quality of career education, taking account of the specific cultural needs of Indigenous students. Aspiration-raising activities should start during the middle years of schooling, and should also aim to engage the parents and families of Indigenous students.

The Committee found that Indigenous students require a range of entry pathways into higher education. Many universities offer special entry programs to enable Indigenous students to access higher education without the need for an ENTER. The Committee found that foundation courses that build skills and confidence can be particularly beneficial for Indigenous students. Evidence to the inquiry also suggests that pathways from VET to higher education, as well as programs to facilitate transition from the workforce, may be effective in improving higher education opportunities for Indigenous people. The Committee believes that Indigenous TAFE students seeking to progress to higher education should be provided with an individualised pathways plan outlining agreed articulation and credit transfer arrangements.

The Committee recognises that Indigenous people have strong connections and commitments within their families and communities, which are essential to their sense of identity. For many Indigenous people, the need to leave their family and community networks to participate in higher education is a major concern. The Committee therefore believes it is especially important for Indigenous people to have opportunities to participate in higher education through a blended learning model that allows them to remain in their local community while studying. The Committee recognises that the success of these models will depend on high levels of engagement with, and responsiveness to, the needs of individual Indigenous communities.

The Committee is aware that financial disadvantage is a significant factor in the lower participation rates of Indigenous Australians in higher education. It heard that the provision of financial support has proven to be a crucial factor both in access to higher education for Indigenous students, and in their success in their chosen course of study. In general, the Committee welcomes changes to ABSTUDY recently announced by the Australian Government. However, as with Youth Allowance, the Committee is concerned that these changes may not go far enough to address the needs identified during the inquiry. The Committee therefore believes that government income support programs should be closely monitored and reviewed to ensure they provide adequate support for Indigenous students to participate successfully in higher education. The Committee also supports the continued

expansion and promotion of targeted scholarship schemes by federal, state and local governments, and the higher education sector.

The Committee sees lower retention and completion rates among Indigenous higher education students as a key concern. The Committee believes that Indigenous students can, and should, benefit from transition support services available to non-Indigenous students. Additionally, the Committee believes that higher education completion rates for Indigenous students can be improved through the continued development of culturally inclusive study environments, and the implementation of additional support services aimed at addressing the specific needs of Indigenous students.

Recommendations

Chapter 2
Context for the inquiry

Pages 36–37

2.1 That the Victorian Government work with universities and the Australian Government to support the national participation targets of:

- 40 per cent attainment of a qualification at bachelor level or above among Australians aged 25–34 by 2025; and

- 20 per cent of commencing undergraduate enrolments from low socioeconomic status backgrounds by 2020.

2.2 That, as part of its new Higher Education Plan, the Victorian Government set targets for participation in higher education among under-represented groups, particularly those in rural and regional, interface and low socioeconomic status metropolitan areas.

2.3 That the Victorian Government maintain and continually improve the annual On Track survey of Victorian school leavers and the On Track Longitudinal Study, in order to inform education policy and programs at the local, regional and state levels.

Chapter 3
School achievement and completion

Page 67

3.1   That the Victorian Government continue to focus on lifting year 12 or equivalent completion rates by:

- implementing system-wide school improvement strategies, with particular attention to schools in low socioeconomic and non-metropolitan areas; and

- providing schools with integrated support that enables them to tackle the full range of factors that contribute to early school leaving.

3.2   That the Victorian Government expand the collection and publication of annual data on year 12 completion rates to include analyses of data for different qualifications (VCE, VCAL and VET certificate) between different geographical areas and socioeconomic groups.

3.3   That the Victorian Government analyse and report on recent trends in VCE completion rates, including:

- VCE completion rates for Victoria as a whole and for different geographical areas and socioeconomic groups;

- causes and implications of any changes in VCE completion rates; and

- strategies to increase VCE completion rates, particularly in low socioeconomic and non-metropolitan areas.

3.4   That the Victorian Government support increased completion and higher achievement in the VCE, particularly among under-represented groups, by:

- assisting smaller schools to expand VCE subject choices;

- developing a scholarship program for VCE students to participate in revision and extension activities;

- expanding accelerated learning programs;

- supporting schools to offer access to university-run tertiary extension studies that can contribute to ENTERs; and

- providing online written and interactive extension and revision materials.

Chapter 4
Aspirations towards higher education

Pages 99–100

4.1   That the Victorian Government implement a statewide program aimed at raising aspirations towards higher education for students from under-represented groups. The program should:

- engage students from the early and middle years of secondary school;

- raise awareness among students and their families of higher education as a worthwhile and viable post-school pathway;

- integrate and resource targeted programs to assist students to improve academic achievement to meet their aspirations;

- integrate aspiration-raising activities with other strategies to address the barriers to higher education participation for under-represented groups; and

- include a rigorous program of evaluation and research.

4.2   That the Victorian Government continue to fund the Managed Individual Pathways program, and improve the quality of career education in Victorian schools by:

- phasing in a requirement for all career educators to have a relevant graduate diploma or equivalent qualification;

- providing additional scholarships for career educators to attain a relevant graduate diploma;

- providing ongoing professional learning for all Victorian career educators; and

- consulting with the Career Education Association of Victoria to determine appropriate staff time allocations for career education roles, with the aim of improving levels of individualised student support.

4.3   That the Victorian Government, in partnership with local governments, universities and other stakeholders, consider further opportunities for co-location of school and university facilities in areas where participation in higher education is low.

4.4   That the Victorian Government develop systemic programs at a school and regional level aimed at engaging parents in career education and aspiration-raising activities, and regularly monitor and review the outcomes of these programs.

Chapter 5
Admission into higher education

Pages 129–130

5.1 That the Victorian Government work with the Australian Government to provide incentives for universities to increase access to enabling programs for students from under-represented groups.

5.2 That the Victorian Government undertake research on the limitations of the ENTER as a selection tool for students from non-metropolitan and low socioeconomic status areas. The research should:

- clarify the relationships between location, population density and ENTER, identifying any systemic measurement bias;

- investigate the effects, if any, of VCE subject availability and choice on ENTER attainment; and

- identify any modifications in the calculation or use of the ENTER required to make it more equitable.

5.3 That the Victorian Government require increased articulation and credit transfer from VET to higher education by:

- prioritising development of the Credit Matrix through the Victorian Registration and Qualifications Authority as a matter of urgency;

- setting deadlines and targets to address differences in accreditation, governance and funding between the VET and higher education sectors, through the Ministerial Council for Tertiary Education and Employment;

- advocating to the Australian Government that it monitor and reward universities' performance in relation to credit transfer; and

- funding TAFE institutes to employ pathways coordinators responsible for negotiating and promoting articulation and credit transfer arrangements.

5.4 That the Victorian Government develop and implement measures aimed at increasing participation in upper level VET qualifications specifically among students from low socioeconomic status backgrounds.

5.5 That the Victorian Government work with the Australian Government to improve and align data collection about articulation from VET to higher education in order to improve knowledge about transitions, including:

- numbers of articulating students;

- basis of admission for articulating students;

- geographic, economic, social and cultural characteristics of articulating students;

- particular pathways taken;

- credit granted; and

- academic outcomes of articulating students.

Chapter 6
Provision and accessibility

Page 166–167

6.1 That the Victorian Government advocate for Australian Government funding for regional higher education provision that:

- is based on the actual cost of provision in different rural and regional locations;

- is directed in large part at maintaining and strengthening existing regional campuses;

- supports expansion of collaborative regional delivery arrangements between universities for high quality higher education courses and increased research capacity;

- utilises existing facilities and resources (including TAFE institutes) in rural and regional areas, where appropriate;

- provides incentives for universities to offer high value courses that balance student demand and workforce need; and

- is sufficient to ensure a high quality face-to-face component in undergraduate courses delivered through blended learning.

6.2   That the Victorian Government advocate to the Australian Government that it ensure that accreditation and quality assurance of higher education courses address each mode and site of delivery.

6.3   That the Victorian Government advocate through the new Ministerial Council for Tertiary Education and Employment for a major review by the Tertiary Education Quality and Standards Agency of the provision of blended learning by the higher education sector, to benchmark best practice and set mandatory quality guidelines for future delivery in this mode.

6.4   That Skills Victoria work with regional universities and campuses to provide annual detailed advice on local skill shortages in regional Victoria.

6.5   That as part of the Victorian Government's ongoing commitment to improving public transport, it review public transport services to education and training institutions in non-metropolitan areas. This review should include consideration of public transport linkages within and between non-metropolitan localities.

6.6   That the Victorian Government support TAFE institutes to collaborate and partner with universities in the delivery of higher education courses in regional Victoria.

Chapter 7
Financial considerations

Page 201

7.1   That the Victorian Government advocate to the Australian Government for an increase to student income support payments, taking into account costs of living.

7.2   That the Victorian Government advocate to the Australian Government that young people who are required to relocate to undertake tertiary studies be eligible to receive Youth Allowance.

7.3   That the Victorian Government, in collaboration with universities, pilot an early intervention scholarship program for students from under-represented groups and areas.

7.4   That the Victorian Government coordinate an industry placement program to assist higher education students from regional areas and low socioeconomic status backgrounds.

Chapter 8
Transition and completion

Page 223

8.1   That the Victorian Government work with higher education providers, other levels of government, and developers to evaluate the current availability and potential further development of affordable supported student accommodation in Melbourne for rural and regional students.

8.2   That the Victorian Government work with universities and other stakeholders to strengthen support to students making the transition to university, by:

- assisting small rural and remote schools to provide students with opportunities to visit metropolitan environments and meet peers from other areas as part of a country-city twinning program;

- examining the causes of lower course completion rates among higher education students from remote areas, and developing options for additional support; and

- facilitating the development of further targeted support programs reflecting best practice, including mentoring programs, pre-university transition initiatives and activities that involve parents in transition support.

Chapter 9
Indigenous students

Pages 255–256

9.1   That as part of a statewide initiative to raise aspirations towards higher education (recommendation 4.1), the Victorian Government:

- create a culture of high expectations for Indigenous students at all levels of education;

- maintain the scholarship program for high achieving Indigenous school students;

- through the Ministerial Taskforce on Aboriginal Affairs, develop and resource a program for Indigenous role model speakers to visit Victorian Indigenous school children, particularly those in the middle years, with the aim of lifting year 12 or equivalent completion;

- ensure that Indigenous students receive individualised and culturally appropriate career education; and

- engage parents and families in these initiatives.

9.2   That the Victorian Government work with universities and Indigenous communities to improve participation in higher education by Indigenous Victorians by:

- supporting targeted, high quality blended learning and community-based models of delivery;

- developing culturally inclusive curriculum and study environments;

- providing targeted scholarship schemes;

- advocating to the Australian Government for increased income support; and

- maintaining mentoring, academic and other support programs for Indigenous higher education students.

9.3   That the Victorian Government, in consultation with the Victorian Aboriginal Education Association and the Victorian Vice-Chancellors' Committee, support the development of a career guidance pathway program for Indigenous TAFE students. The program should involve individualised pathway plans outlining agreed articulation and credit transfer arrangements for Indigenous students seeking to progress from TAFE to higher education.

9.4 That the Victorian Government implement a program to ensure that all Indigenous school children have access to computers both during and after school hours and that the program be regularly monitored and reviewed.

List of figures and tables

Figures

Tables

Acronyms and abbreviations

ABS	Australian Bureau of Statistics
ABSTUDY	Aboriginal and Torres Strait Islander Study Assistance Scheme
ACE	Adult and Community Education
ACER	Australian Council for Educational Research
AIM	Achievement Improvement Monitor
AQF	Australian Qualifications Framework
ASG	Australian Scholarships Group
AVID	Advancement Via Individual Determination
COAG	Council of Australian Governments
CPI	Consumer Price Index
CSIRO	Commonwealth Scientific and Industrial Research Organisation
DEECD	Department of Education and Early Childhood Development
DEEWR	Department of Education, Employment and Workplace Relations
DEST	Department of Education, Science and Training
ENTER	Equivalent National Tertiary Entrance Rank
FAST	Foundation for Academic Studies
GAT	General Achievement Test
GDP	Gross Domestic Product
GOALS	Greater Opportunity of Access and Learning with Schools
HECS	Higher Education Contribution Scheme
HEESP	Higher Education Equity Support Program
HELP	Higher Education Loan Program
IB	International Baccalaureate
ICT	Information and Communications Technology
INTRAIN	Indigenous Training and Recruitment Initiative
IT	Information Technology
LGA	Local Government Area
LIFT OFF	Learning in Fife and Tayside: Opportunities for the Future
LLEN	Local Learning and Employment Network
LOTE	Language(s) other than English
LSAY	Longitudinal Surveys of Australian Youth

MIPs	Managed Individual Pathways
MRS	Monash Residential Services
NAIDOC	National Aboriginal and Islander Day Observance Committee
NAPLAN	National Assessment Program–Literacy and Numeracy
OECD	Organisation for Economic Co-operation and Development
PACTS	Parents as Career Transition Support
PISA	Programme for International Student Assessment
SEAS	Special Entry Access Scheme
SEIFA	Socio-Economic Indexes for Areas
SES	Socioeconomic status
SNAP	Schools Network Access Program
SPU	Student Progress Unit
TAFE	Technical and Further Education
TER	Tertiary Entrance Rank
UAI	Universities Admission Index
VCAA	Victorian Curriculum and Assessment Authority
VCAL	Victorian Certificate of Applied Learning
VCE	Victorian Certificate of Education
VET	Vocational Education and Training
VTAC	Victorian Tertiary Admissions Centre