



# Changes to AbStudy

AEU FEDERAL ELECTION FACT SHEET

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## Changes to the School Term Allowance

From 2007 the Howard Government has made changes to the way it provides ABSTUDY School Term Allowance to schools and families<sup>1</sup>. The one-off annual Allowance payment to the school will be up front at the start of Term 1 as will the payment to the child.

Payments to the child for Terms 2, 3 and 4, however, will be made up front on the condition that parents provide evidence in writing from the school of the student's attendance for at least 85 per cent of the previous term. The changed payment arrangements are intended to encourage improved school attendance. Those students who don't meet the required attendance rate each term are to provide a letter from the school stating that the absence is due to circumstances beyond the student's control e.g. funerals and cultural obligations.

Whilst the AEU supports the policy position that all Aboriginal children attend school, there is no evidence to support that the roll-out of punitive measures, including the cutting of Government support payments will in any way increase school attendance. Indeed the Government's own evaluation of the 'Halls Creek Trial' showed that **"... the school attendance of ... children did not improve over the course of the trial."**<sup>2</sup>

It is therefore incumbent upon us to question the effectiveness of this program and how these changes will encourage improved school attendance.

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[http://www.aph.gov.au/Senate/committee/eet\\_ctte/estimates/bud\\_0607/dest/e324\\_07.pdf](http://www.aph.gov.au/Senate/committee/eet_ctte/estimates/bud_0607/dest/e324_07.pdf)

2

<http://mediacentre.dewr.gov.au/mediacentre/ministerandrews/releases/hallscreektruancytrialapartialsuccess.htm>

The Federal Government must conduct a review of this program following 12 months of implementation in order to determine whether the punitive policy of with-holding Government payments is an effective strategy to encourage school attendance. This review should be public and should result in a publicly available report.

## Reduced Abstudy expenditure will impact on TAFE students

The Howard Government will spend less in 2007-08 on ABSTUDY than in 2006-07<sup>3</sup>. The drop in estimated ABSTUDY tertiary expenditure in 2007-08 is due to the 2006-07 Budget initiative which will limit the period of time to four years that a student can receive the ABSTUDY Living Allowance or Pensioner Education Supplement while studying vocational and technical education courses at the Certificate I and Certificate II levels.

This is likely to impact upon the high participation rate of Indigenous Australians at TAFE. There are a range of reasons, including health issues and family and community obligations, why it may take a person longer than 4 years to complete a Certificate level I or II course.

Whilst it is important to encourage Indigenous peoples in to higher level qualifications, for many Indigenous students, general education and literacy has to be considered as integral to skills and employment training to support their education.

These changes mean that many TAFE students may not access financial assistance from ABSTUDY should they take longer to complete their courses.

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[http://www.aph.gov.au/Senate/committee/eet\\_ctte/estimates/bud\\_0607/dest/e325\\_07.pdf](http://www.aph.gov.au/Senate/committee/eet_ctte/estimates/bud_0607/dest/e325_07.pdf)