

The International  
**JOURNAL**  
*of*  
INTERDISCIPLINARY  
SOCIAL SCIENCES

Volume 2, Number 2

Alternatives to Neo-liberal Dictates in Higher  
Education

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THE INTERNATIONAL JOURNAL OF INTERDISCIPLINARY SOCIAL SCIENCES  
<http://www.SocialSciences-Journal.com>

First published in 2007 in Melbourne, Australia by Common Ground Publishing Pty Ltd  
[www.CommonGroundPublishing.com](http://www.CommonGroundPublishing.com).

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ISSN: 1833-1882  
Publisher Site: <http://www.SocialSciences-Journal.com>

THE INTERNATIONAL JOURNAL OF INTERDISCIPLINARY SOCIAL SCIENCES is a peer refereed journal. Full papers submitted for publication are refereed by Associate Editors through anonymous referee processes.

Typeset in Common Ground Markup Language using CGCreator multichannel typesetting system  
<http://www.CommonGroundSoftware.com>.

# Alternatives to Neo-liberal Dictates in Higher Education: The Fight against Student Poverty

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*Abstract: University students from low socioeconomic backgrounds in Australia face increasing levels of poverty, escalating course fees and associated costs, and are required to meet a myriad of conditions in order to obtain financial support, all within the Australian Government rhetoric of rights and responsibilities. This is despite a new program of Government scholarships and the existence of widespread university-level support schemes aimed at reducing student poverty. The proportion of students from low socioeconomic backgrounds who are enrolled at university has decreased, which raises concerns about a growing socioeconomic polarisation of Australian society. Current research in this area neglects the local-global link; unless student poverty is contextualised within the broader paradigm of neo-liberal globalisation, any action taken to combat it will be limited. By situating the micro-level experiences of student poverty within the current macro-level global political context, counter-movements can be better understood and enhanced, and alternatives can be developed. Through the example of a large-scale scholarships program for low-income students at Queensland University of Technology in Brisbane, this paper will highlight the link between the current global political climate and the micro-level experiences of student poverty. Alternatives to the current paradigm will be explored and developed through a holistic lens which brings into view the experiential as well as the global.*

Keywords: Higher Education, Student Poverty, Globalisation, Neo-liberalism, Scholarships, Welfare

**T**HE GLOBAL ENTRENCHMENT of neo-liberal ideology and the pursuit of “free” market economies has required a focus shift from the collective to the individual, from public to privatised, and from others to the self (Kenway 2006). With the rise of individualism, there has been a move away from the notion that higher education is the right of citizens and a social investment, towards one which “places extreme faith in the market” (Torres & Schugurensky 2002, pp. 429). The notion that university education provides a benefit to society has been superseded by the use of economic models that determine free or highly subsidised higher education is regressive because it subsidises high socio-economic groups at the expense of all taxpayers, including those on low incomes (Biffi & Isaac 2002). With increasing emphasis on efficiency, student fees have been raised in order to both recover costs that are no longer being met by governments, and to fund programs of study that offer a competitive edge within the market-place (Rasmussen 2006). The provision of choice as a response to so-called community “needs” sells the university to a wide variety of consumers in order to raise money (Kenway 2006). These changes illustrate a reliance on financial incentives rather than educational values (Marginson 2006b, pp. 46). Yet universities exist, not for profit, but to “accumulate

quality and serve the community” (Gallagher 2005, pp. 14). Australia’s conformation with a neo-liberal model of privatisation of public services has been coupled with a shrinking and more regulated welfare state. The Australian government has reintroduced university fees and tightened the requirements of student income support. These interlinked changes to the macro-level policy agenda have had profound effects upon higher education students at a micro-level with increasing levels of financial stress reported in numerous surveys (Australian Vice Chancellor’s Committee (AVCC) 2007; Long & Hayden 2001; McInnes & Hartley 2002). There is a threat that without alternatives for student support, there will be a continued decrease in enrolments of low socio-economic status students at university resulting in an increasingly stratified society.

## **Government reforms to Higher Education**

Global commercial competition has effected cultural organisational change in Australian universities, where an entrepreneurial business model is now followed (Marginson 2006a). In 1989, a major overhaul of higher education in Australia was undertaken “to allow market principles to improve efficiency and performance” (Rasmussen 2002, pp. 12). The reforms were also part of an effort to develop a highly skilled and highly waged workforce framed



within policies of privatization, deregulation and user pays (Dudley 1998). The Higher Education Contribution Scheme (HECS) was designed to recover a partial amount of the full cost of a course of study for an individual student; initially with fees set equally across discipline areas (Marginson 2006a). To assist domestic students unable to afford up-front fees, interest-free loans, indexed annually against the Consumer Price Index (CPI), were introduced, repayable once an individual's income reached a specified level, thereby making a student's economic situation less relevant as a determinant of university enrolment (Chapman 1997). Access to the loan is not means-tested however students who are able to pay their fees upfront are rewarded with a discount of 20% (reduced from 25% in 2005).

Further reforms in Australia came into effect in 2005 and enabled universities to set their own fees, up to 25% above the government determined base rate. Full-fee student places which were not in any part government funded were also introduced. This further aligned with broader government policies that value competitiveness at both a national and international level. The underpinning ideology for partially deregulated fees was to enable individual universities "to capitalise on their particular strengths and determine the value of their course offerings in a competitive environment" (Nelson 2003, pp. 11). At least 28 of Australia's 37 public universities took up the option to increase HECS fees up to the maximum 25% (Beer & Chapman 2005). The Australian government's influence over universities has now been maximised to encourage change towards corporatisation. By making government funding contingent on institutional enrolment quotas, universities have been encouraged to implement competitive marketing strategies to stimulate student interest and choice within the higher education market-place.

The increased cost of higher education could act as a deterrent for potential students from low socio-economic backgrounds due to not only the financial struggle whilst studying, but the significant debt incurred in income-contingent loans (McLean & Holden 2004; The Senate Community Affairs References Committee 2004). Some studies have found that, thus far, this has not occurred (Biffi & Isaac 2002; Chapman 1997; Chapman & Ryan 2003; Rasmussen 2002), although the number of mature-age applicants fell by 10 percent when HECS was introduced (Le & Miller 2005). Student loan schemes and various cost recovery plans to fund higher education are now either in use or under consideration in many countries (Rasmussen 2002).

As an alternative to reforming income-support, the government introduced Commonwealth Learning Scholarships (CLS). These were designed to provide additional financial support to low-income students,

many of whom were already in receipt of government benefits. There are two types of CLS, one for students relocating from outside urban areas (A\$4,240 per year) and one for all other students (A\$2,120 per year). The scholarships, first awarded in 2004, are ongoing for up to four years, targeted at students studying their first undergraduate degree and experiencing financial hardship. The CLS scheme is administered by each university, which receives no additional funding for the significant administration load. There are many specific eligibility criteria for the CLS, however universities are able to determine their own model of poverty assessment as they are responsible for administering their own quota of CLS. Due to each university assessing poverty differently and having a different composition of students, students in receipt of a CLS at one institution may be better off than students who miss out at another. The introduction of the CLS scheme prompted universities to lobby the government to reform restrictive legislation regarding income-support. Arguably, scholarship schemes and other institutional initiatives are unable to match the scale that more generous and more widely available government income-support could.

Other changes since 2005 have seen the HECS place renamed as a "Commonwealth Supported Place" (CSP). This changed wording reiterates that a student's place at university is government funded and highlights the ideological shift in focus towards the individual, rather than the collective benefit of higher education. Restrictions on the eligibility requirements for the loan scheme and the introduction of full-fee places suggest that the Australian government may shrink the available number of CSPs in order to make full-fee paying places the most widely available option for undergraduate university students (Marginson 2005).

### ***Measuring Student Poverty***

Defining poverty is a contested process due to its relative nature, and propensity towards arbitrariness. However, poverty can be defined as being below a generally accepted minimum standard of living; the benchmark in Australia since 1973 has been the Henderson Poverty Line. It is constructed using dollar value estimates that are perceived to cover essential living costs by an income unit (either as an individual, couple or family group) (Melbourne Institute 2006; Saunders 2005). The dollar value amount is maintained and updated on a quarterly basis. Other studies map poverty to the OECD Half Median Poverty Line (showing that 11% of Australians live in poverty) (Lloyd, Harding & Payne 2004). A recent report has also mapped geographical areas of disadvantage based on educational attainment, job

skills, income and court convictions amongst others (Vinson 2007). These definitions highlight that poverty is a relative concept and that it should be contextualised locally to address national issues. It is of concern that despite an economic boom over the past decade, there has been little reduction in poverty in Australia, and as the economy becomes more uncertain there is even greater need to protect those at the bottom (Harding, Lloyd & Greenwell 2001).

The definition of poverty used to measure the access and participation rates of low-income students at university in Australia is the Socio-Economic Index for Areas (SEIFA) which assesses the educational attainment and occupation of adults living in geographically defined areas. The indices are used to contextualise areas rather than to explain individual disadvantage, as persons living within an area are

not homogenous (Australian Bureau of Statistics 2006). Twenty-five percent of the population at the lower end of this index are deemed to be low socio-economic status (LSES). The most recent national figures available show that of the total domestic student population, 14.51% are from LSES areas, compared to the population representation of 25%. Since 1996, this figure has barely changed although it has been trending downward since 2001 (see Table 1). Using the SEIFA index to measure LSES student enrolments is flawed, partly because there is a time lag in its availability (SEIFA Indices from 2001 Census data first used in 2006), but also because it captures wealthy students living in low SES areas while poor students living in high SES areas are not counted. It also does not describe the *experiential* element of student poverty, and whether or not it has worsened over time.

**Table 1: Representation of Low SES students in Australian universities, 1996-2005**

Year <sup>1</sup>	No. of Low SES students <sup>2</sup>	Low SES students as a % of all domestic students
1996	86,932	14.49%
1997	90,155	14.61%
1998	91,557	14.68%
1999	92,779	14.73%
2000	93,012	14.79%
2001	102,598	15.13%
2002	105,011	14.93%
2003	104,910	14.78%
2004	103,316	14.62%
2005	102,394	14.51%

<sup>1</sup> 1996 - 2000 data is based on first half year data. 2001-2005 data are based on full year data.

<sup>2</sup> From 2001 onwards, Low SES data is based on 2001 Census SEIFA, 1996 - 2000 data based on 1996 Census SEIFA.

Appendix 3.1 Commencing and All Domestic Students by Equity Group, (Commonwealth of Australia 2007, pp. 256). Copyright Commonwealth of Australia, reproduced by permission.

### **Student Income support and Centrelink**

There are three major income support measures for students, paid through the government statutory agency, Centrelink: ABSTUDY, Austudy and Youth Allowance. Students may also be in receipt of other types of welfare benefits depending on their circumstances, for example payments for those with a disability, those looking for work whilst studying a part-time or postgraduate course, and those caring for children or other dependants. These benefits have eligibility requirements that appear to be arbitrarily constructed, set according to government priorities,

resources and political pressures (Saunders 2002). As indicated in the 2005 Senate Committee Report on Student Income Support, the benefit schemes show little understanding of the lived experience of poverty.

Youth Allowance is available to students aged between 16 and 24 years on the basis of a parental income means-test, unless students are deemed independent, and then it is assessed on the basis of a personal income means-test. Independence is obtained through various means but is normally granted only after an individual earns at least 75% of the national training wage award over an 18 month period. This amount is attainable for young people who work in full-time unskilled jobs over twelve months, if they defer studies to do so. Other students may achieve this by working almost full-time and continuing their studies, although working long hours

puts students under considerable stress (McInnes & Hartley 2002). Eligibility for ABSTUDY (study payment for Indigenous Australians) is assessed on the basis of parental income, or personal income for independants or those in State (including institutional and foster) care. Austudy is income support available to students 25 years and over, and eligibility is determined on the basis of a personal means test. Both Youth Allowance and ABSTUDY provide access to Rent Assistance, which is an additional payment for students whose weekly rent is above a threshold. Austudy recipients without dependants are not eligible to claim Rent Assistance<sup>3</sup>.

Payments are incrementally reduced from the maximum when a student’s income is above a threshold. Any amount that is not earned up to threshold is added to an “income bank” up to a maximum of A\$6,000. The amount in the income bank can be used to prevent fortnightly payments being affected if students earn over the fortnightly amount later in the year.

Centrelink benefits paid to students are well below the Henderson Poverty Line, (Table 2). Although Table 2 does not reflect diverse individual student incomes, it indicates that at least some deprivation is likely to be experienced by students in receipt of benefits, particularly those without access to non-cash support via family networks. Whilst Centrelink does provide other support, for example parenting

payments, disability pensions and pharmaceutical benefits, benefits overall still result in students living close to the poverty line. Of students in receipt of the maximum paid employment amount prior to government benefits being affected, only recipients of ABSTUDY would be able to maintain an income that could cover more than essential living costs. Recipients of Youth Allowance with Rent Assistance could just reach the poverty line by earning up to the maximum before benefits are reduced, however recipients of Austudy earning up to the maximum still remain 14% below the poverty line because they do not have access to Rent Assistance. For students with complex lives (such as sole parents and carers) who are unable to supplement their income support with paid employment as well as meeting their study commitments, the lived experience of poverty is further exacerbated.

Taking into consideration the disparity between current student income-support benefits and the Henderson Poverty Line, it is clear that major reform is required. Universities alone cannot fund this gap nor should they be expected to. An all of government approach is needed to substantially increase the amount paid to students as well as relax eligibility requirements. These changes are necessary in order to build a more diverse graduate community, representative of the general population including those from low socio-economic backgrounds.

**Table 2: Centrelink income support payments and the Henderson Poverty Line**

Income Unit	Centrelink (Welfare) Payment	Total A\$ per f/n	Henderson Poverty Line A\$ per f/n	A\$ & % below Henderson Poverty Line
Single, independent full-time student 16 to 24 years	Youth Allowance + sharers rate of Rent Assistance	417.43	682.62	-265.19 (-39%)
Single, independent full-time student 16 to 24 years	Youth Allowance + Rent Assistance	452.10	682.62	-230.52 (-34%)
Single, dependent student 18 to 24 years	Youth Allowance	229.10	459.40	-230.30 (-50%)
Single adult student <sup>1</sup> over 25 years	Austudy	348.10	682.62	-334.52 (-49%)
Single Indigenous independent student	ABSTUDY + Rent Assistance	528.39	682.62	-154.23 (-23%)
Single Indigenous dependent student	ABSTUDY	424.30	459.40	-35.10 (-8%)

<sup>1</sup> This table has been updated and modified from The Senate Employment, Workplace Relations and Education References Committee: Student income support, June 2005 using September 2006 quarter figures from Melbourne Institute of Applied Economic and Social Research for Henderson Poverty Line and current Centrelink figures (2007).

<sup>3</sup> Since writing this paper, Austudy recipients have now been granted access to Rent Assistance.

### **Australian University Student Finances 2006**

Inadequate student income support coupled with increasing university fees has compounded the situation complex social and economic factors which prevent LSES students from completing university. In 2006, the council of Australia's university presidents undertook a national survey of student finances (AVCC 2007), as a follow up to a survey undertaken in 2000 (Long & Hayden 2001). Almost 19,000 students from all of Australia's 37 public universities responded to the survey which asked questions relating to income, finances, social circumstances, paid work and non-cash assistance. The findings show a worsening of student finances since 2000, despite an economic climate of affluence; findings also highlight the significantly worse situation of Australia's Indigenous students. The results showed a greater reliance on paid work as a source of income compared to 2000 (AVCC 2007). This reconfirms an Australian Council of Social Service (ACOSS) report finding that there had been a three-fold increase in the amount of part-time work students are undertaking since 1984 (2004).

Of students who were employed during the academic year, almost 40% of those studying full-time and 33% of those studying part-time reported that paid work adversely affected their study (AVCC 2007). The average hours worked per week for undergraduate full-time students was 14.8; the recommended full-time study load of lectures and private study time generally totals 40 hours per week. The report stated that these figures "*raise questions about what is a reasonable and manageable amount of paid work for a university student in the context of the demands of full-time study and the possible effects on the quality of education for students who are distracted from study by extensive work commitments*" (AVCC 2007, pp.34). McInnes and Hartley reported that a combination of inadequate income and work stress affect health which in turn affects academic performance and the experience of student life (2002, pp. 4-5).

More students were incurring debt through loans, and loans as a category of expenditure doubled overall, with a 156% increase for full-time undergraduates since 2000 (AVCC 2007). There was a significant increase in non-cash assistance such as meals and textbooks, although not all students have access to these types of assistance. Despite comments from the Minister of Education, Science and Training that students needed to be more frugal (Julie Bishop MP, quoted in Armitage & Macnamara 2007), the report showed that actual expenditure had declined

in real terms (once CPI adjustments are made) and that the proportion of income spent on food and housing increased. This decline in expenditure is concerning given that the Australian Bureau of Statistics index for food increased by 30.4 % and by 23.4% for housing in the same period (AVCC 2007, pp. 29). It is unsurprising that 12.8% of respondents reported regularly going without food or other necessities because they could not afford them (AVCC 2007, pp.37). This figure was even higher for undergraduate full-time students (14.7%) and increased exponentially for Indigenous students (25.4%). McInnes and Hartley found similar sentiments expressed by university student counsellors in 2002, with students facing more desperate financial situations without money for food, rent and electricity.

### **The Queensland University of Technology Context**

Despite the lack of adequate income support measures provided by government, universities are expected to attract and retain a diverse student population including students from low-income backgrounds. It is well known that low-income students don't attend university for a wide variety of reasons, not all of them economic (Heagney 2004; McLean & Holden 2004). Outreach activities have been conducted across the nation for many years, such as special entry programs and targeted support for low-income students whilst in their first year at university<sup>5</sup>. Once these students are at university, they are prone to drop out due to financial hardship and long hours spent at paid employment. Should low-income students stay at university, their experience at the micro-level is one of financial hardship and stress, as evidenced by various surveys (AVCC 2007; Long & Hayden 2001; McInnes & Hartley 2002; Queensland University of Technology 2006). In the increasingly privatised sphere of universities, shrinking government support for students via the welfare system and rising course costs, universities have sought to address student poverty through their own means. For universities who increased fees up to the 25% maximum in 2005, the introduction of equity scholarships is particularly important (Le & Miller 2005).

In order to counter the difficulties students experience as a result of the neo-liberal political project, new ideas are required to "span the traditional left-right divide" (Saunders 2002, pp. 10). One such alternative has been developed at Queensland University of Technology (QUT) through a perpetual fund. QUT's Learning Potential Fund (LPF) was developed predominantly from donations from alumni and staff, matched on a one to one basis up to a ceiling of

<sup>5</sup> In 2006, QUT also developed a DVD designed for high school students from low-income backgrounds with the intention of creating aspiration, details at <http://www.projectu.com.au/>.

A\$500,000 by the Vice-Chancellor, the occasional bequest, and salary savings from strikes. The intention of the LPF is long-term: to grow the base to a size where the interest accrued can fund a suite of financial support measures. It is a major initiative designed to continue to thrive regardless of changes to government or decision-making bodies within the university.

QUT's scholarships scheme was further enhanced by funding secured when the university raised HECS fees to the 25% maximum, due to equity concerns about the impact on LSES students. Fifteen percent of the income from the increase was allocated to a suite of measures which were designed to address the various barriers low-income students experience in aspiring towards, accessing and completing tertiary study. The expansion of the scholarships scheme was one part of these measures. Coupling the money from increased HECS fees with interest earned from the LPF, the scheme now offers a suite of financial assistance, open to students in financial need. From 1999 to April 2007, 1181 QUT Equity Scholarships and 2111 QUT Equity Bursaries have been awarded, and 171 students have received an Access Scholarship (for school-leavers from targeted schools in low socio-economic areas). Over the course of 2007, the QUT Equity Scholarship Scheme will pay A\$2.25m worth of scholarships and bursaries. Mirroring the growth of financial assistance has been a computer giveaway scheme, which has awarded 1450 computers since 2003<sup>6</sup>. A number of additional bursaries are funded by the Faculties, Divisions and the Student Guild<sup>7</sup>, all of which reflect and contribute to the University's culture of giving. Government-funded CLS are also allocated through the scheme. QUT's model was derived from the pre-existing scheme slightly revamped to fit with government guidelines.

### ***The Micro-level Experience***

It is difficult to define poverty by using only statistical data and absolute income amounts particularly when students' experience at tertiary level is so diverse. It is the lived experience of poverty that illustrates its reality "in a way that the statistics can never do" (Saunders 2005, pp. 112). The assessment model for applications to the QUT scheme is reviewed each year in order to fine-tune it and ensure that it is as equitable a tool as possible, reflective of the student experience and changing economic and social conditions. Each application is assessed using a number

of criteria and awarded points for each item. Points are aggregated and applications rank-ordered by the total. The scoring guidelines and criteria take into consideration both quantitative and qualitative information provided by the applicant such as income and expenditure, financial and time poverty (for students who have carer responsibilities), things they go without because they are unable to afford them, and other significant events or situations which impact on their daily life and ability to give time and attention to their studies. Information regarding personal circumstances highlights factors that compound poverty; however it is the description of financial hardship that reflects the day to day student experience.

Applications for the first semester of study in 2007 were received from domestic (1671) and international students (219), the bulk of whom were undergraduate (69%). As in previous years, they highlighted the complex lives of poor students and the compounding effects of difficult social circumstances and low incomes. Almost two percent of applicants were Indigenous Australians, who were awarded additional points in recognition of entrenched disadvantage. A significant number of applicants were from a non-English speaking background (10%). Two-thirds of applicants were women. Many students experienced time poverty relating to caring for others such as child dependants or family members who have a disability or need assistance and support. This time poverty impacted on the ability of students to work part-time in order to supplement their income. Only 6% of applicants reported that they were not missing out on basics, with the bulk of students having difficulty making ends meet. Twenty percent of applicants reported significant financial stress, considered as not being able to afford an adequate diet, juggling bills, indebtedness and missing out on a number of basics each fortnight. Of these applicants, 57% also wrote about social circumstances that posed significant difficulties in day to day life. Thirty-seven percent of applicants reported difficulty in purchasing textbooks and many either bought second hand books or went without. Eighteen percent reported that they could not afford an adequate diet or had difficulty covering the cost of food. The success rate for applicants was exceptionally high due to the significant amount of funding available in 2007, with almost 75% of students receiving a scholarship (A\$2100 or above), or a bursary (A\$1000).

<sup>6</sup> The reconditioned desktop computers, with free internet dial-in to the university, are given to students who do not own a computer or have obstacles to using computer labs on campus.

<sup>7</sup> Following significant budget cuts in the Student Guild following the introduction of Voluntary Student Unionism, the Student Guild is no longer able to offer bursaries as part of this scheme. It has been argued that the introduction of voluntary student unionism was an attack on a centre of oppositional culture by the neo-liberal Howard government (Connell 2006, pp.183).



### **Scholarship Impact**

Universities have competing priorities and governing bodies want to see the results of investments in a social justice agenda. In order to ascertain the impact of the financial assistance offered through QUT's scheme, a survey was conducted of all low-income scholarship and bursary recipients in 2005 and 2006. The 2006 survey was available online for two weeks for 847 students who were first awarded assistance in that year. No incentive was offered to students to complete the 11 question survey, which took approximately five minutes to complete. Questions were a range of types: summated rating, LIKERT-scaled, closed and open-ended. The response rate was high (63%), although lower than in 2005 (78%). The survey findings in 2005 and 2006 were consistent and showed that the scholarships had a large impact on student's financial situation, with particular regard to alleviating the stress associated with financial difficulties. Seventy-two percent of students reported that the scholarship helped them to give more time and attention to their studies to a large or very large extent. The majority of students reported that this was because it helped with educational and living expenses, and it reduced stress, worry and the necessity for paid work. Further, students said that holding a scholarship made them feel supported and affirmed by the University. The scholarship program appeared to have a retention effect, with the majority of students claiming it helped them stay at university rather than drop out. Open-ended comments from the survey confirm the positive effect of the scholarship program, and the intensity of student appreciation. However, 17% of students in receipt of a university scholarship or bursary stated that their Centrelink benefits were adversely affected. Only the CLS are currently legislated not to count as income for Centrelink benefits, so some students reported that they were worse off having received the scholarships because their benefits were affected.

### **Disconnections**

Despite the evidence found at QUT that scholarships do impact positively on outcomes, it has only been in 2007 that a possible reversal of the downward trend of LSES enrolments has been indicated. Students on scholarships remain in financial stress, with many requesting early payments of their scholarship instalment in order to get them through the semester. The number of students applying for scholarships has increased each year. In spite of the goodwill of university schemes such as that operated by QUT, they are disconnected with government policy on student income support benefits and have resulted in the increasingly dire financial circumstances of students as described above.

While universities work to address the issues of student poverty, the Australian government has not kept abreast, and positive results have been diminished through the treatment of university scholarships as income for Centrelink purposes. Students who work to supplement their Centrelink benefit can find their government benefits reduced as a result of receiving a non-government scholarship, this is despite the fact that at QUT, the most valuable scholarship averages out to only A\$96 per fortnight. This significant issue has been raised by universities with the Australian government but so far has not effected policy change due to lack of support from the two major political parties. However, special legislation that government-funded CLSs *do not* count as income for Centrelink purposes indicates that there is government-level awareness of the futility of treating equity scholarships as income. Legislation that scholarships be exempt from income-testing is essential to reconnect government policy with university initiatives.

In addition, the low "income bank" for students is either a disincentive to work, or more commonly, requires that students are working longer hours than ever before just to cover their basic costs (AVCC 2007; McInnes & Hartley 2002; QUT 2006). Lobbying governments for an increased income bank must be continued. The introduction of CLSs has also highlighted government awareness of the need for increased levels of support for LSES students as well being a possible diversionary tactic away from the increased fees and decreasing LSES representation at university since 2001 (Table 1). Arguably, given the tight restrictions on eligibility requirements for Centrelink benefits, it could have been more beneficial to LSES students across the board if Centrelink benefits were increased rather than a scheme of scholarships introduced. Serious consideration must be given to increasing the Centrelink payment amounts for students; making Rent Assistance available to Austudy recipients<sup>3</sup>, and relaxing stringent eligibility requirements for independent status.

The escalating cost of university fees coupled with poverty discourages potential students from choosing to invest their time and energy in study and is detrimental to our common future (ACOSS 2004). Strategies to redress this imbalance need to recognise the interconnected global and local aspects and "identify where the tensions and contradictions with national tradition, politics, and commitments lie" (Kelsey 1998, pp. 70). Given the global political climate, and the shift in societal attitudes to the individual rather than collective benefits of university education, it seems unlikely that the Australian government will enact radical change in order address student poverty. The development of university initiatives such as QUT's is therefore crucial in prevent-

ing further socio-economic polarisation within the community. However, even within the neo-liberal political climate, there can be government-level changes to dovetail with work done at the local level.

The Australian experience highlights to the global community the importance of integrated government and local initiatives. In revealing the micro-level experience of student poverty, and linking it with global imperatives of privatisation and user-pays ideology, the disconnections between neo-liberal ideology and equity “on the ground” are highlighted. It is vitally important that any consideration of in-

creased fees or decreased student income support schemes consider the experiential, qualitative elements of student life in order to shape more holistic policies. Educational reforms must “systematically focus on creating unity within diversity” (Power 2000, pp. 162), and recognise the inherent benefit to all society of higher education.

*This paper is dedicated to Maria Macindoe (1961-2007) who was instrumental in the establishment of the scholarship program for low-income students at QUT, and contributed significant work to this paper.*

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Maria Macindoe (1961-2007) was instrumental in the establishment of the scholarship program for low-income students at QUT, and contributed significant work to this paper. During her career, Maria also lectured in education and worked with Indigenous students in regional and remote areas.



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