

Submission to Senate Inquiry into:
'Security and Other Legislations Amendment (Income Support for Students)
Bill 2009'

Hayden Walsh,

Dear Senators,

As a rural student currently undertaking the HSC I am deeply concerned that my future studies at University may be in jeopardy due to the federal government's changes to Youth Allowance.

I have not been able to qualify for Youth Allowance in the past as my parents combined income is just above the threshold, having to make do without government assistance all of my life, including: no paid maternity leave, baby bonuses, and first home buyers grants. As a result my parents have worked hard to get whatever work they could and have raised their hand for any promotions that would give my sister and I the quality of life.

We have neither asked for government assistance nor have we received it. But when I too have struggled through the HSC to get the mark I have worked for and the university I would like to attend, in the hope that the federal governments "Education Revolution" would assist me in my career path, instead rural students like myself have been marginalised by the changes to Youth Allowance. The chance for this quality of life, education, has again become the privilege of the wealthy rather than a right for all Australians.

The changes to the Youth Allowance criteria have made no dent on those wealthier students though who have repeatedly rorted the system for extra 'pocket money'. Instead the changes have carved out middle Australia and stagnated many rural students chances at continuing their tertiary education.

As you no doubt know, the changes include an overhaul of the timeframe in which to undertake a Gap Year, originally \$19532 could be earned within 12 months (or a maximum of 18 months) which would satisfy the criteria for financial independence and thus allow qualification to Youth Allowance. Under the changes, 18 months is now the minimum period in which to work or a maximum of 2 years. The issue I and many of my cohort have expressed anger towards is the fact not only do we have to work this greater amount of time (which many would become disenchanted by University study), but the fact our deferred University studies have been perpetuated needlessly and will cost our position at university. The choice has become unequivocal amongst many students: either attempt tertiary education without the much-needed financial assistance, putting strain on both regional parents and students. Or, qualify for Youth Allowance and thus forfeit our position at university.

The fact the federal government stated it would save \$1.8 billion in the 'May budget' through "cuts" is a testament to the kind of 'Education Revolution' the federal

government has provided rural Australians or rather made cuts to. It seems a poor way to increase Australia's economic stability by forcing rural students on an 18 month Gap Year to work, especially as the current financial situation allows for little to no work placement. In small town communities, like Port Macquarie, the vast amount of students graduating this year like myself will find it difficult to meet the requirements, that is a minimum of 30 hours a week work, when part-time and casual positions are scarce enough of which few are likely to provide 30 hour a week positions. In view of this fact Subsequent Gap Year students will find increased difficulty if the previous year 12, who are attempting to qualify for Youth Allowance over an 18 month to 2-year period, still hold a monopoly of jobs.

Also, relocating to university offers a huge impediment financially to rural students who often come from low socio-economic backgrounds. And while the federal government has made compromises, allowing those students who live more than 90 minutes away from a university to be eligible for Youth Allowance upon taking a Gap Year, this still does not rectify those inherent problems of financial support and equity.

Metropolitan students though have the opportunity of still living at home whilst rural students should only hope that the new government scholarships help in part with their accommodation and course costs.

The existing Commonwealth Accommodation Scholarship which allows students \$4324 per annum has been 'revised' by the changes and duped as the 'new' Relocation Scholarship which offers far less than the original. This has decreased financial assistance significantly to \$4000 in the first year and only \$1000 each year thereafter, though in order to qualify you must already be in receipt of Youth Allowance, which is now increasingly difficult to apply for. These changes as I have said draw the line between those students who can afford university and those that soon will not. A change in financial assistance does not mean a change in rent or weekly prices for on campus living.

Making it impossible for rural students to attend university is no advancement in Australia's education, nor is it an effective means to rebuild our economy. Tertiary education should not be a privilege as I have stated for those who can afford continuing education but a right all Australians should enjoy. These changes certainly disadvantage regional Australia, which is pertinent why the proposed changes should be rectified so that both our own and future generations have the opportunity to university education.

Regards,

Hayden Walsh