



## PORT MACQUARIE HASTINGS YOUTH ADVISORY COUNCIL

### **Submission to Senate Inquiry into: 'Social Security Amendment (Income Support for Regional Students) Bill 2010'**

Dear committee members,

The Port Macquarie Hastings Youth Advisory Council (YAC) makes this submission supporting the Bill to improve access to tertiary education for "Inner-regional students".

With present representation of "Inner-regional" youth attempting to qualify for Youth Allowance by means of a Gap Year, the YAC understands the inherent difficulty many of these students find in meeting the new eligibility requirements for independent Youth Allowance.

As Port Macquarie's local economy relies on seasonal work, it is unequivocal that job prospects for beginning Gap students are from the outset remote, furthermore making any attempt to achieve the required 30-hour average week unachievable. As a result these students must source other means of income, if possible taking up a second, third, fourth, and in very few cases even a fifth job just ensure that they meet the stringent criteria. In reality this is an abhorrent situation to be in for these young people but an unremitting one too as a Gap Year for many students from Camden Haven, Laurieton, Bonny Hills, Lake Cathie, Port Macquarie, Wauchope, and Telegraph Point, is the only chance at furthering their education without totally capitulating to the massive costs of relocating, living, and uni fees.

The current Youth Allowance eligibility criteria approaches inner-regional students with two possibilities to get to university, both are intrinsically flawed:

- a) Independence - An inner-regional student may take an 18-month Gap Year over two years, earn \$19,532 within that time, and qualify for full assistance.
- b) Dependence - An inner-regional student may head straight to university from school, and receive assistance based on their parental income until the age of independence is attained.

Option A for many Inner-regional students here in Port Macquarie is a disincentive. Not only do students struggle to find and complete 30-hours a week work, but the prospect of a lengthy 18-month Gap is one students would rather not commit to. This is highly disenchanting and unfair on Inner-regional students when they must put their studies on hold needlessly while those that can afford university do not have to. Likewise the YAC have expressed dismay that other students, living the other side of the line arbitrarily drawn on a map, may qualify at half the effort these students have to put in only to get out the same minimal assistance.

Other cases presented to the YAC show there are students that are further affected by the parochial changes that refuse to compromise with a number of universities and their deferral policies. In this instance there are still universities that disallow an 18-month Gap Year, and most that won't accept mid-year intake into courses such as medicine, health, and the arts. This unacknowledged will have huge impacts on those inner-regional students weighing their choices right now, and one that will certainly determine whether the student will attempt to qualify for full assistance (if possible given the aforementioned effects) or head straight to uni with minimal assistance.

Option B looks at how those students not taking a Gap Year will still be disadvantaged. For those students heading straight to uni this option will be hugely popular, but one that will be acted upon with little knowledge of how it may affect them. Assistance is calculated for these students based on their parental income, so long as it does not go exceed the \$150,000 threshold, essentially the more you earn the less you will be assisted. This may seem like a clear-cut means test but is in fact a way that prevents a large amount of students from attempting to qualify for "full" independent Youth Allowance. This is just a bribe for students that don't want to spend 18 months attempting to qualify under the superfluously stringent rules, instead offering a less than livable "watered-down" assistance compared to independent Youth Allowance. While access to this partial allowance has increased due to the changes, what option B is not however as it seems to be constructed this way, is an answer to a welfare issue. This is an "assistance" issue, one where the Government should be helping inner-regional students to educate themselves as they are more likely to return to regional areas to teach education or practice medicine there, where there is already a great need.

Of these two possibilities for inner-regional students under the present rules, neither is supported by the YAC. As both force students to choose between qualifying for independence, putting their studies on hold and working unachievable targets, or, heading straight to uni with minimal assistance and in the process burdening parents who must ensure they keep their combined income to a minimum, or else intermittently fluctuating the student's support.

Adding to the existing contention of the new eligibility criteria, the YAC would like to note a particular flaw with the extended qualifying period inner-regional students must adhere. While it is already difficult for these students to meet the new rules, many about to undertake a Gap Year will be doing so without jobs. This is due to Gap students this year who still have six months to complete their Gap Year, meaning the jobs that are supposed to be vacant for the next cohort in fact don't exist. Under the old rules this was not an issue, but now causes much consternation as current Gap students are monopolizing job opportunities for new Gap Students. This is unsustainable and ineffective if inner-regional students want to qualify for independent Youth Allowance.

It would be imprudent not to pass the Bill at this time, especially when so many students are in the midst of deciding their futures and how they might access it. Perpetuating this inequity will not allow for those gaping areas that are desperate for qualified people like teachers or nurses to be filled. Therefore it is crucial that the Bill to include "Inner-regional" students is passed, so that all young regional Australians may have a fair chance to be educated, and without discrimination.

Regards,

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Port Macquarie Hastings Youth Advisory Council