

SOUTH EAST LOCAL GOVERNMENT ASSOCIATION INC

Incorporated under the provisions of The Local Government Act

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Business Hours - 9.00 am to 5.00 pm - Monday to Friday

Committee Secretary
Senate Education, Employment and Workplace Relations Committee
PO Box 6100
Parliament House
CANBERRA ACT 2600

President:
Mayor Richard
Vickery

Executive Officer:
Rob Forgan

Re: Inquiry into Social Security Amendment (Income Support for Regional Students) Bill 2010.

The South East Local Government Association Incorporated (SELGA) welcomes this opportunity to make our submission to the above Senate inquiry.

Member Councils:

City of:
Mount Gambier

SELGA is a regional subsidiary representing 7 Constituent Councils in the South East of South Australia and was established pursuant to Section 43 of the Local Government Act 1999 by the member Councils. Our region lies roughly half way between the metropolitan cities of Adelaide and Melbourne and has a population in excess of 65,000. It is roughly equidistant (450 kms) from the tertiary education centres and universities in Adelaide and Melbourne.

Districts of:
Grant

SELGA's mission is to represent and serve our Member Councils and to advance our regional community through effective advocacy, facilitation and innovation.

Kingston

Naracoorte Lucindale

Robe

Tatiara

Wattle Range

The seven Councils are: The City of Mount Gambier, District Council of Grant, Kingston District Council, District Council of Robe, Tatiara District Council, Naracoorte Lucindale Council and Wattle Range Council.

The majority (approx. 40%) of our regional population resides in the city of Mount Gambier, which is home to over 25,000 residents.

In regard to the “Inner Regional” criterion we have made a number of representations to Australian Government Ministers and Senators on the issue of equitable access to education and a review of the Independent Youth Allowance criteria. Our Association lodged a submission to a Senate Enquiry on Education on behalf of our young students in August 2009.

Executive Summary

- Changes resulting from the Bradley Report were welcomed overall, but overlooked the need for change to the “Inner Regional” criteria for Independent Youth Allowance. All students under the “Inner Regional blanket” will continue to be disadvantaged.
- The requirement of students to work 30 hours a week over a 2 year period (up from 15 hours per week) during University is not only unreasonable, unfair and impractical but discriminatory.
- We believe that the changes overlooked the needs and circumstances of rural and regional students.
- The current Australian Standard Geographic Classification (ASGC) is an inappropriate tool for determining eligibility.
- The application of ASGC can lead to action from students and their parents to “play the system” by using out of town addresses, e.g. their relatives home address to qualify as “Outer Regional” This for some may be an unwanted action of last resort.

The Terms of Reference

a. The extension of youth allowance payments to eligible students whose family home is located in Inner Regional Australia.

Current eligibility criteria for the Independent Youth Allowance criteria discriminate against country students who are classified as “Inner Regional”.

The current “Inner Regional” classification will act as an impediment to rural, regional and remote students across Australia accessing tertiary education. In our Mount Gambier community we already know of students opting out and abandoning their plans.

The majority of our students have to move away from their family home to access higher educational opportunities not on offer in their own communities. Most of our students relocate to the capital cities of Adelaide and Melbourne. This imposes a costly burden on students and their families.

The estimated and known costs associated with sustaining a south east student away from home are well in excess of \$15,000 per annum. Research figures put this closer to \$20,000 per annum. This expensive burden is carried by families who naturally want to see their children achieve their career ambitions and their full academic potential.

The costs of not going on with higher studies on offer in metropolitan areas also have a negative financial and social impact on our regional and rural communities. Our region in particular has had ongoing skill shortages and has been actively competing to recruit skilled workers from other regions and overseas to address this skill shortage. The ability to “grow our own” in the longer term is diminished by the continued application of the “Inner Regional” criterion. The current Independent Youth Allowance criterion is a disincentive for our students going onto further studies. If ignored, it will further amplify the skill shortage issue experienced throughout Australia especially Regional Australia.

The choices for students in rural and regional Australia are limited. In Mount Gambier we are fortunate to have a regional TAFE and a UniSA presence. This is fine if our students are considering careers in nursing, social work or business, but for other options it means young people leaving their home and communities and heading to the city some 450 kilometres to the east and to the west.

However, in considering the changes arising from the Bradley Report we believe that the Government has overlooked the serious impact of the Inner Regional and Outer Regional classifications.

The requirement for students to work for 30 hours a week for at least 18 months during a 2 year period to be considered financially independent from their parents will hurt rural and regional students and in time our own regional communities.

Rural and Regional Students who make the move to the city will find the move harder than those who have gone before them. These students do not have the same support networks as those in the city, many of them leave behind their close friends and few have access to the networks and contacts that result in them acquiring employment and adjusting to city life. During times of rising unemployment levels in Australia our regional youth are particularly vulnerable.

The 30 hour a week requirement will even test the capability and resilience of our best students who will attempt to balance the demands of full time study and work. The notion of balanced equilibrium with study, work and recreation may be unachievable. For those who somehow could achieve this, the contact networks required to secure a job in the city are often lacking. In reality, our youth will be unable to manage the demands of a 30 hour week job with a higher education study load.

Educational research indicates that study is seriously comprised in terms of successful completion when the demands of a part time job exceed 10-12 hours per week. A 30 hour per week requirement, 3 times that recommended for Year 12 students shows little regard for this body of research.

This requirement to work a 30 hour week for 18 months over a 2 year period does not mesh well with Universities whose policy only allows students to defer for 1 year. The 18 months over a 2 year period for Independent Youth Allowance eligibility does not take this into account.

The work commitment of our youth or gappies cannot be faulted. Over the years, they have demonstrated their independence by leaving their homes in our towns and centres to relocate to other regions to take up employment before relocating to study. Employment opportunities in our towns and regional centres are limited compared to metropolitan centres.

As stated earlier and in various submissions to Ministers and Senators on this issue the impact of the "Inner Region" classification should not be shrugged off and ignored. The high costs of education combined with the high costs of relocation will impact on the participation of rural and regional students. There will be a resultant reduction in numbers attending higher education and the gap between city and country will be widened rather than bridged.

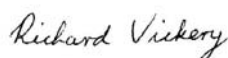
There will be an increase in the number of families who will leave rural and regional Australia to provide their children with opportunities for higher education. There is year to year evidence of this happening and it is resulting in the loss of professional and skilled families who move to the city to give their kids what they believe is the best start to the careers. This will impact on economic and community development and will result in population decline.

There is a risk that if the Independent Youth Allowance criterion remains as it is students and their parents may rort or "play the system", by using out of town addresses, e.g. their relatives home address to qualify as "Outer Regional". This for some may be an unwanted action of last resort. In locations such as Mount Gambier where you may have one person on one side of the boundary road eligible and a neighbour living on the opposite side the temptation may be great.

The long term effects are likely to lead to lower education levels, a reduction of tertiary qualified people who want to live and work in rural Australia. With lower education levels, there are the associated risks of higher unemployment, population decline, poorer health, shorter life expectancy, increased crime etc.

In the short term, our expectation is that the inquiry with will look at the core and urgent issue of fairness and equity and end this form of discrimination against our regional students.

Yours sincerely



Richard Vickery
President

3rd December 2010