

09 December 2010

Committee Secretary  
Senate Standing Committee  
Education, Employment and Workplace Relations  
PO Box 6100  
Parliament House ATC 2600  
[eewr.sen@aph.gov.au](mailto:eewr.sen@aph.gov.au)

Dear Senators,

**RE: Senate Inquiry – Independent Youth Allowance**

The South West Local Learning and Employment Network is concerned that the future aspirations of young people in rural and regional areas of Australia will continue to be eroded unless urgent action is taken to make further education more affordable for young people who are forced to leave home to attend the course of their choice.

Regional disadvantage has existed for decades but has never been properly addressed or even considered at a national level. This endemic disadvantage must be high on the agenda when setting the rules governing financial support for students. The needs of this cohort of students have been systematically ignored for years, creating a large group of people for whom further education is simply unobtainable.

This is a situation which must be reversed as a national priority.

The current debate and the high level of anxiety regarding the Independent Youth Allowance (IYA), in our view is a symptom of a greater problem: affordability, access and provision of post compulsory education including the fact that rural and regional young people DO NOT have equal opportunities when it comes to education, but particularly further education.

The changes to Independent Youth Allowance adopted by the former Rudd Federal Government were disastrous for rural and regional students. While the concept of closing the loopholes being exploited by some students, mainly from metropolitan areas, is to be applauded, the reality is that the new system made going away to study a 'course of choice' even more out of reach for many more regional students.

The concept of earning \$30,000 over two years to qualify for the allowance is not practical for regional students and presents a real risk of ending the hope of a tertiary education. The original criterion of \$19,000 over 18 months is already a challenge beyond the reach of many rural and regional students.

Studies clearly show that students are less likely to return after taking a long break from their schooling.

Another feature of the new rules which must be abolished is the inner and outer regional zoning system. This system made no sense because young people from all rural regions face the same financial barriers to leave home to continue their education.

Drawing an arbitrary line between communities meant families on one side of a road could qualify while their equally deserving neighbours just metres across the road failed to qualify for support. This was a ridiculous system which failed to recognise the needs of rural and regional residents.

The exclusion of students from 'inner regional' zones will deter many from obtaining a higher education. This was another example of a rule change which made it more difficult for rural and regional students to go to university.

There is a critical need for the Independent Youth Allowance (IYA) system to demonstrate recognition of affordability (or lack of) amongst rural and regional students. Access to IYA is seen by many rural and regional families as **the only way** to afford further study.

The lack of financial assistance available for students who must relocate to study is hindering the opportunities of young people. This is proven in achievement rates which are much lower amongst regional Australians.

To change the rules to make IYA more difficult to access for people who genuinely need assistance is devastating for rural and regional families. We are battling to overcome a systemic problem where families are not even considering the possibility of further education due to the known costs associated with having to leave home to study. It is imperative that we start working at the primary school level to address this situation but raising aspirations amongst non-aspirants is almost impossible when we know that the affordability issues remain.

While South West LLEN supports the reintroduction of the former IYA guidelines, we believe that the whole system needs to be reviewed to better recognise the needs of rural and regional students.

Due consideration must be given to the real costs faced by students who leave their home and community to access the course of their choice. The table below shows the annual costs faced by country students attending university in Melbourne.

2009 Minimum Cost Living Away From Home			
Item	Detail	Amount Per Month	Total Per Annum
Rent only	UniLodge Carlton	\$1,278.33	\$15,340.00
Food amenities and necessities	Weekly allowance	Per week \$80.00	\$4,160.00
Phone (mobile)	Monthly Plan	\$79.00	\$948.00
Electricity, internet and gas (based on current monthly bill)	Unilodge charges	\$137.33	\$1,648.00
Essential travel (home but not metro) at 8 trips/annum	Return Train Travel	Per trip \$58.00	\$464.00
<b>Minimum Total Costs per annum</b>			<b>\$22,560.00</b>

\*No student fees, Uni amenities, daily transport, books or materials included

Statistics add weight to our argument that rural and regional students are disadvantaged.

Our region, the Barwon South West, falls well below the state average for completion of year 12 and has one of the lowest rates of students going on to achieve a Bachelor Degree (33.7 per cent in 2009 compared to the state average of 49 per cent).

The 2009 study *Deferring a University Offer in Regional Victoria* (copy enclosed) found that a trend of increasing regional disadvantage is evident in the pattern of rising rates of deferral amongst regional school completers. In 2007, 15.7 per cent of regional Victorian school completers deferred a place at university, two and a half times the rate of deferral found amongst metropolitan students. Cost-related factors and financial barriers were prominent in the reasons given by these young people for deferring a place at university.

The research suggested that some deferrers in country Victoria were less likely to take up a university place than others.

The Federal Government must do more to assist students achieve their goals by allowing them access to study their course of choice, not put more roadblocks in their way.

Yours Sincerely,



Toni Jenkins  
Chief Executive Officer  
South West Local Learning and Employment Network