

Re: Submission to Senate Enquiry re Youth Allowance

July 11, 2009

My response to this enquiry is founded on my community role as a parent, and also as an educator in the TAFE and University sector. Firstly, I will address from a personal perspective how the proposed changes will affect my family, then outline what I consider to be the broader educational outcomes of these 'reforms' on rural and regional communities

Personal impact of these proposed changes on my family

My husband and I are the proud parents of 4 young people aged from 13-21 years. I imagine we fit a traditional pattern of employment- my husband works full time while I have worked predominantly in a part time capacity since the birth of our children. This has been essential in our household due to my personal health status and those of 2 of our children who also have health conditions that have required increased attention, our need to contribute to our community through participation in our children's out of school sporting activities, and our very strong belief that we want to provide the best model for our children to grow into valued contributing members of society . Our children all have attended local schools. In 2009, we are looking forward to our eldest child completing tertiary studies. He attended Wollongong University to study engineering after qualifying for independent Youth Allowance. Engineering is not available at Charles Sturt University, Wagga Wagga, and he is proud that he has managed to be self sufficient while he has been at University.

Our next child completed HSC in 2008, and planned with the encouragement of his school career advisor, information provided at post school options advisory days, and Centrelink advice to pursue a gap year for 2009. His reason for this was to enable him to be independent and therefore self funding before moving away to his deferred university place at ANU to study in 2010. Following HSC, he has worked a number of jobs and saved in order to qualify for independent youth allowance in 2010. This is absolutely necessary if a child in regional Australia from a middle income family, needs to move to study. Children from lower income families have always been able to access financial assistance, and high income families quite readily pay for their children to attend boarding school and then continue this pattern with family funded university study. I believe that even with the proposed changes it is the middle income range of families- like ours, that is most affected. There is no local option to study in his preferred area of interest Asian culture, politics, history, language and security analysis. Therefore- there is no option but to move away and therefore incur huge costs in order to study...costs that would not be incurred if the option to study was available whilst still living in the family home.

The gap year has not been an easy or pleasurable option for our son. It simply has been hard work, but an important step in understanding what life can be working in an unskilled and unchallenging position. The euphoria of his completion of formal school education and achievement of a satisfying UAI has been replaced with the reality of the loss of the social environment of school, and the daily 8-5pm grind of the workplace.... then comes the announcement by the government that the guideline that they have been working so hard to achieve has been swept out from beneath them. I cannot understand this hugely unethical and unjust treatment by the government who espoused pre-election their high aspirations for education. Accommodation on campus at ANU is currently sitting at about \$14, 000 pa. This is a huge lump out of my annual gross income of approx \$40000 ...and does not take into account text books or other incidental expenses. At a conservative guess I imagine that to keep our son at ANU next year we would be looking at approx \$18000 pa...the combined degree he has deferred is a 5 year study program...Do the sums on that!

We have checked the financial criteria proposed by Julia Gillard and would not qualify for assistance under the proposals to increase the number of students who can access assistance.

This is what our family will have to find if he is no longer eligible for independent YA. We have told our son that we want him to go to uni in 2010. We can see that if he doesn't move to university in 2010 it is highly unlikely that he will go at all...a huge loss to our community. Our son who weighs family ethics of fairness and self reliance into all our discussions on this says he cannot go to uni funded by us, as his brother was independent and he does not want us to be concerned about finding the additional money. On the other hand as parents we cannot allow him to shelve his plans for another year (or permanently) to jump impossible hurdles imposed by a government that is out of touch with young people and their needs. I did not mention that we also have a daughter currently in Year 11, so potentially in another 2 years we would need to double the figure above to allow our children the opportunity to study the course of their selection. Could you find an additional \$36000 pa for a number of years while both children are studying, by which time our last child will join that scenario. This is a crazy disadvantage for rural and regional dwellers across Australia. As rural parents we need the current option to qualify for independence within 18months of HSC to remain.

We also request that further consideration be given to the following key issues

- **The situation of 2008 HSC graduates who have been caught by the change in conditions mid way through their qualification period. Rather than these proposed changes being effective in January 2010, it must be relaxed to allow this group to achieve the target that they commenced with the completion of HSC in 2008, i.e. 18months from the HSC. This group has been particularly adversely affected by the proposed changes...Subsequent HSC groups will have the opportunity to make decisions based on full knowledge of the requirements- that has not happened to these students. One can only imagine what would happen if a similar situation occurred in private enterprise. I wouldn't imagine the court system would see this as a fair and just action!**
- Independent Youth allowance should not be paid to students who are living at home, simply – they are not independent. They are not subject to the same living costs as students who are required to move away to study...and should be treated differently. The costs that could be returned to the system if this large group that was identified by the Bradley report would be substantial leaving the system more available to young people who need it.
- Current government criteria for independent youth allowance articulates with the preferred option for students of a one year post HSC deferment pattern. It is also in accordance with university policy of allowing only a one year deferment. Change of policy to the proposed independent work options of 30hpw would mean that there is no longer the opportunity to defer awarded positions
- Rural towns cannot support gap students who must find 30hpw for 18months in a 2 year period. This proposed requirement does not recognise the huge difficulties in gaining employment locally or the seasonal nature of a lot of rural work (e.g. fruit picking, grain harvesting, shearing, tractor driving etc) where workers may be required to work significantly greater than 30hpw at times and have no weekly work in interim periods. The government needs to research how students have qualified for independence in previous years- it is frequently by juggling a number of part time jobs. I believe it should remain based on a dollar value not hours worked. This observation has also been supported through my interaction with first year students at a rural university as a casual lecturer- I have had the opportunity to see first hand what a difference independent youth allowance has made to young people from a rural back ground. Many of the students who have been able to come to university after qualifying for independent youth allowance have had all manner of jobs in their gap year- frequently working huge weekly hours on seasonal jobs like picking fruit and veges, grain harvest,

shearing and then weeks off til they pick up more work. Would any of these young people qualify with the requirement for 30hpw for a period of 18months? Highly unlikely....this is shortsighted as it does not consider that young school leavers struggle to pick up regular weekly jobs and often manage by juggling a variety of very part time and irregular jobs such as bar work and child minding, waitressing etc

- From our observations, the 'relaxation' of parental income restraints on determining eligibility for financial assistance does not take into account the number of subsequent children in the family. In a family such as ours with 4 children, this is a significant issue. It is not just children aged 16-23years living away from home that cost money, and this does not appear to be recognised

In summation,

I consider that the proposed change to independent youth allowance is a direct assault on rural communities. The % of rural youth articulating to further study already does not equate with the % of city youth articulating to university....the proposed changes will not alter this- in fact it is likely to further the gap, and increase the inequity. A long term connection of this situation is that if you don't have country kids articulating to uni, we will suffer further shrinkage of our rural population. It is rural kids who ultimately return post study to rural areas to provide health services, teach, and offer other professional services. Think this through...for the future of Australia.