

Submission to the Rural and Regional Affairs and Transport Committee Inquiry:

Rural and Regional Access to Secondary and Tertiary Education Opportunities

From: Patrick Secker MP
Federal Member for Barker

As the Federal Member of a large rural and regional electorate I make this submission because I have a strong interest in education for rural and regional students.

Not only is education an individual's inherent right, but education is also closely related to an individual's employability, financial capacity and social wellbeing, as well as to regional development and sustainable rural communities: all of which contribute to the overall health of people who live in rural and remote areas.

Nationally, rural and remote Australians comprise 36 per cent of the total population, but only 17 per cent of tertiary students.

This under-representation indicates that rural residents are missing out on education and career opportunities, and impacts adversely on the supply of professionals willing to work in country towns, such as teachers, nurses, doctors, vets and accountants. This is not just an equity issue for country people in terms of access to education but, if allowed to continue, will impede economic development in rural areas.

The rate of rural students attending University is much lower than that of city students and that is not because they are dumber – it is because of the extra costs incurred to move to be nearer to the University, which a student living at home does not have.

This is clearly the difference as most other factors are similar.

If the Government insists on its changes and even if the retrospective nature of those students currently in their 'gap year' is changed, this difference remains.

The electorate of Barker is one of the most heavily agricultural seats in Australia. We have the unusual rural combination of a relatively low weekly family income level with low levels of people in professional occupations. Ours are not wealthy families with high incomes.

The policy change proposed by the Rudd Government seems to be predicated on the assumption that young people undertake work just so that they can achieve Youth Allowance independent of the parental means test. The Minister compounds this myth by stating publicly that many of these students come from families earning in excess of \$300,000.

This is nothing but a myth – for rural and regional students they are working to save for the significant costs of their study. The \$19,000 or so that they strive to earn over 18 months was never the stepping stone to Independent Status for Youth Allowance alone– indeed, that amount would be eaten up in the very first year in securing accommodation and funding transport and living costs. It did not go to the cost of books or tuition as it can for city students.

The economic downturn combined with ongoing drought has meant a decline in the employment sector in the rural and regional sector.

Young people in rural and regional Australia simply do not have access to the fast food, hospitality and manufacturing sector of their city counterparts in order to work full time or indeed part time to save for their tertiary education.

Tertiary education, whether at university or in the TAFE sectors, requires for rural and regional young people that they overcome a number of hurdles.

Tertiary education studies options for regional and rural students in the electorate of Barker are almost non-existent in their hometown. More often than not, students will have to move away from their family, friends and community, to a new place to study their chosen course, in the closest capital city.

In the electorate of Barker, students in the Riverland live 300 kms from Adelaide and those in the South East live 450 kilometres from Adelaide and more from Melbourne.

I have made the analogy frequently: that an 80 cent bus ride to University every day and back home for tea with Mum and Dad is simply not an option for students living that distance away from home.

Aside from the cultural change of moving hundreds of kilometres from home, many regional and rural students experience financial difficulties in their first year of study, and for many, the subsequent years.

As a result many students leave university or TAFE before finishing their courses because they and their families simply cannot afford it. The proposed change in policy which effectively denies many students Youth Allowance will worsen this situation.

This is not offset in anyway by the proposed changes to reduce the age of independence, since most students by the age of 22 have already completed their university degree.

The economic difficulties for rural and regional students are significant. They must find a means of income or financial support because are compelled to move from the family home to independent living. They face costs of finding affordable accommodation, finding part-time employment if need be, travel costs when returning home, university/TAFE fees other than tuition fees.

The reintroduced \$250 compulsory student amenities fee has not helped. For many rural and regional students, finding that money will mean denying them a trip home for Easter or an important family function.

Aside from economic factors, rural and regional students face marginalisation in attending a university in Melbourne or Adelaide, eg. friendship networks, geographical distance from home, pressure of long travel times and lack of close family emotional support in living away from home.

The transition to tertiary education for young people from regional areas of Australia is very difficult, with a myriad of financial, cultural, personal and academic difficulties. Our students leave a strong support network within the family and their community.

Disadvantages for rural students (and their families) include the stresses and risks of living away from home and the unavoidable costs of establishing and running a new base in the city in which they will study.

This compounds the financial stress experienced by most students, country or city, with the current rate of Youth Allowance set at 20 per cent below the poverty line.

Even if they succeed in gaining Youth Allowance, it is not enough to fund accommodation, transport, living and study costs hundreds of kilometres from home.

Students may need to work unduly long hours while studying, thereby risking poor health, including malnutrition, and less than optimal academic performance.

It has been estimated that the annual living costs for a regional student living away from home are between \$15,000 and \$20,000 – not including relocation and start-up costs of \$3,000-\$6,000.

Some scholarships are available, but applications are due at the beginning of the academic year, so most first-year rural students who defer their studies for Youth Allowance cannot apply until their second semester or second year. This makes no sense given that their most challenging financial period occurs when they first relocate to their tertiary education institution.

Cost is a major inhibitor for rural people seeking to obtain higher education. Rural families are faced with the prospect of making significant financial sacrifices that often involve going into serious debt. The result is that many students from country areas simply do not undertake tertiary study.

A related inhibitor is the re-direction or loss of interest in higher education as a result of the deferral of studies.

Rural young people will often choose to work for twelve months before participating in post-compulsory education in order to generate savings and eligibility for living away from home (Youth Allowance) that will support their education away from home. A number of these never re-enter formal education.

Removing the requirement that they can work part time for 18 months means they will be required to defer for 2 years. This will inevitably mean that a greater number will never enter formal tertiary education.

Universities do not generally permit allow students to defer their placement for two years. The changes proposed by the legislation will result in students, whose parents are unable to afford to send their children to university without the assistance of youth allowance, being required to forfeit their offered tertiary place and re-compete with new applicants after two years, denying many their course of first choice.

The downside of low tertiary retention rates is their impact on the future. When tertiary aspirations are lower in a region for whatever reasons, it means there are and fewer role models for future generations. It is a trend that must be reversed at its root cause.

There is a 'bigger picture' issue that influences the ability and desire of young people for ongoing education that centres on the viability and prosperity of rural, regional and remote communities.

When rural and regional communities face poor economic times, they frequently suffer not only a loss of services (including schools) but also a loss of confidence in themselves and in the broader society. Even when conditions turn around and things get better, lost services and outward looking confidence are not easily regained.

Until recently, pretty much all of Barker was drought declared. The ongoing drought, reduced water allocation means that times are tough and continue to be tough.

The median weekly family income for Barker residents is less than \$800. 23% of persons are engaged in agriculture.

SUMMARY

Higher education provides students from regional, rural and remote areas with many advantages. These include improved career, socio-economic and health outcomes.

There are also advantages for rural communities more broadly, as rural origin is a key determinant of professional people's willingness and ability to join and function effectively in the rural workforce. There are also major economic advantages to the nation as investments in education bring returns in improved workforce productivity and savings in health costs.

Maintaining access to equivalent educational opportunities is therefore a critical element in keeping rural and regional communities viable and enthusiastic.

Strategies must be devised to address barriers to participation to ensure that tertiary education is financially accessible to all students, no matter whether they live in the city or country.

The proposed policies will do precisely the opposite.

Extra financial costs for rural families have already been identified as a disadvantage in the attainment of higher education. Young rural people need ongoing and adequate income support to ensure that the option of studying away from home is attractive to them and that they can do it successfully.

The proposed policy change wherein the ability to achieve independent status through earning up to \$19,000 in 18 months after leaving school is removed - will directly disadvantage rural and regional students.

By virtue of their rural and regional residence, they will have fewer opportunities to meet the full time work criterion and this, together with the significant start up costs will kill the aspiration of tertiary education for many regional and rural students.

Policies need to take account of local and regional differences. For the benefit of future generations of people in rural, regional and remote areas, support and incentives in the education system should be designed in such a way as to ensure that at least 30 per cent of the graduates of all higher and vocational educational streams come from those areas.

I propose that any student who has to leave home to attend University should be provided with an accommodation allowance of approximately \$6,000 per annum.

This could have an income test provision of \$150,000 (indexed) for parents as is legislated for other government income support.

This would satisfy the Government concerns over rich people receiving Independent Youth Allowance, while at the same time delivering some equity to rural students.

A handwritten signature in black ink, appearing to read 'Patrick Secker'.

Patrick Secker MP
Federal Member for Barker