

Youth Allowance submission for senate inquiry

Dear Sir/Madam,

I wish to submit the following in relation to the senate inquiry into the proposed changes to the Youth Allowance affecting many students in rural and regional Australia. I feel that we are an average "Middle income" rural family and I am concerned as to how we can give our children the opportunities we did not have. **do the sums – for the Doyle family 3 children, little or no assistance, and the cost to send 3 children to university \$60,000 per year. By the time we pay tax we only net \$85,000 how can middle income family afford to send their children to university.

Doyle family

Mark – Police Officer (maximum education year 9)
Di - Administration Officer (maximum education year 10)
Jemma (18) – GAP year
Trent (17) – Year 12
Jayden (14) – Year 8

Stats

- 36% of students at their school deferred university in 2009. This would be so they can qualify to gain independence on the youth allowance. Those students who gain independence on the youth allowance still require financial assistance from their family on average \$200 p.w.
- Currently 33% of rural students take up tertiary study compared to 55% of metro students.
- The highest group of unemployed in Australia is the 17-24 aged groups.
- The average family has 2-3 children.
- The cost involved for a student to leave home is roughly \$20,000 p.a. per child. (not including HECS)

Problem with the proposed changes

- Rural and regional areas already have a workforce shortage. I believe the proposed changes would deter professional (higher income) families from going rural and potentially families would be forced to move to metropolitan areas to support their family.
- Research shows that if you come from a rural background you are more likely to go back to the rural area after university.
- There is already unemployment issues particularly in rural and regional areas for 17-24 age group, the GAP students, if fortunately enough to find work are taking employment opportunities from others not intending on going to university but looking for work.
- It would be extremely difficult for a student to work for 30 hours a week for 18 months within a 2 year period. (I think this would be dangerous if they continued with their university course whilst working 30 hours per week)
- I believe that if the proposed changes go ahead, universities are looking at allowing students to defer for up to 2 years - 2 years is a long time (I wonder how many would actually get to university)

Rural and Remote student options

- Will force middle income families to go further into debt.
- Family may move to metropolitan areas so their children can go to university.
- Middle income family children not attending university.

Inquiry into Geographical Differences in the rate in which Victorian Students participate in Higher Education.

Please read the following link http://www.parliament.vic.gov.au/etc/fs_inq_he.html which is a two year report undertaken by the Victorian Government, Education and Training Committee, which the final report was released last week. Some of the main points from the report:

- Rural and regional students receive a lower ENTER score and are less likely to go to university. (page 106)
- The committee recommended that ALL young people who must relocate to undertake their studies should be eligible to receive student income support. Although the committee acknowledges that this policy may see some relatively wealthy students eligible to receive income support, it believes that the overall benefits of the policy far outweigh any potential disadvantages. (page 179)
- Young people would find it extremely difficult to qualify for Youth Allowance (page 178)
- Additional funding with an increase in the relocation scholarship. (page 181)
- with proposed changes there is no additional funding for income support (page 178)

Can rural and regional families receive equity with their city friends?

Suggestions

Have a distance from the student's family home to University; of due to distance (between 50-80 km's) they would automatically be entitled to independent Youth Allowance.

Summary

The recent inquiry by the Victorian Government into the Geographical difference should be implemented to assist struggling rural and regional communities. There is already a professional workforce shortage in rural and regional area. We need to educate our own in the hope that these students once educated will come back to become an asset to the rural and regional communities.

The reported main reason for this was the excessive cost involved in leaving home to attend university, apart from the HECS debt which could be paid off at a later date.

What happened to Rudd's Education Revolution??

Yours truly,

Dianne Doyle