

## **Submission to senate committee**

### **The financial impact on rural and regional students who are attending metropolitan secondary schools, universities or TAFE;**

It is estimated by career teachers that the cost of living and going to university in a city area is between \$20,000 and \$26,000. The estimated cost in a regional centre is \$15,000 and \$20,000. (Source The career path - uni costs, podcast ABC Riverina radio 6<sup>th</sup> July). So this estimate puts the average cost at \$5,500 per year higher in metropolitan areas

Many students who completed the HSC last year have taken a gap year to work, despite a collapsing job market, assuming they would qualify for Youth Allowance in May next year after meeting the income criteria..

Under youth allowance rules before the recent federal budget, prospective students where eligible for the full independent youth allowance if they earned \$19,532 in an 18-month period.

This qualifying rule will be abolished from January 1, 2010, meaning that it will take a minimum of 18 months in two years of close to full time work of 30 hours per week employment to qualify for independent youth allowance. This change coupled with the fact that students can only defer their current university offer for one year will result in many not taking up tertiary studies.

Many rural students have no choice and must attend a city University to get their qualification

### **The education alternatives for rural and regional students wanting to study in regional areas;**

Many students from the 2008 HSC choose a tertiary pathway before the proposed changes were announced. In many cases students have no choice and have to attend city universities to obtain a particular qualification. Students also gain entry to their highest eligible preference. Those choices were made before the changes were announced.

### **The implications of current and proposed government measures on prospective students living in rural and regional areas;**

The implications of the proposed changes will be large with the high probability of increased youth unemployment in rural and regional areas.

Students will be forced to work for two years and will find the transition back into study more difficult and it could lead to increased dropout rates from universities. It could then have the flow on effect of skill shortages in rural areas.

The increased costs of supporting students at university could not come at a worse time with the ability of families to cope financially diminished due to the ongoing drought and climate change impacts

### **The short- and long-term impact of current and proposed government policies on regional university and TAFE college enrolments;**

Enrolments will decrease and education opportunities will be for the very wealthy and the disadvantaged. Middle class income families will be squeezed out of providing the best education for their children.

There will be ripple effects through society with small rural towns being impacted upon. Many families will have to move to the bigger sponge towns so their children can find part time work and university students can live at home. This will challenge the viability of the small rural towns and change rural Australia for ever.

**The adequacy of government measures to provide for students who are required to leave home for secondary or post-secondary study;**

Government allowances do help to cover some of the costs in attending universities but most students still have to work at least 15 hours per week while studying at university and work full time during breaks. City students may just have to catch a different train and still live at home

**The educational needs of rural and regional students;**

The educational needs of rural students are no different to urban students and in many cases they need a wider range of qualifications. Rural students are more likely to return to the rural areas to take up skill shortages in rural areas. With food security becoming more important as we move into a low carbon economy we need qualified service providers in regional areas and there should be more incentives for rural students to gain higher education

**The impact of government measures and proposals on rural and regional communities**

Rural communities will be under threat to survive as families move away. Services in these towns are dependent on a critical mass of population to survive

**Other related matters.**

Please consider the serious impact changes to the youth allowance will have on the rural youth of Australia.

Many students are now saying if they had known about these changes at the start of this year, they would have made different choices. It is unfair to change the rules after students have made a decision based on the previous criteria to have a gap year.

Under the new rules for Youth Allowance, from 1st January 2010, regional students whose parents earn over \$42,000 in combined income will receive nothing, leaving many families reconsidering their ability to send their children to university.

Rural students have relied heavily on meeting the workforce criteria on independence before going to university. That is because, while their parents' income may be too high for youth allowance, they face substantially higher costs in sending their children away from home to attend university.

The government needs to consider carefully the impact this change will have on regional working families. The so called education revolution is unfair on those caught between policies and could in fact lead to a long term decline in university participation by rural students.

There are other issues from the budget that seem to be getting the majority of media attention but this issue goes to the heart and soul of rural Australians and will not be forgotten at the next election. Please consider carefully your vote when the legislation comes before the senate. Consider amendments to the changes so young citizens and leaders in the future are not disadvantaged. My son who is currently working in a gap year will be directly affected, so at least any changes to youth allowance should not come in until June next year. The changes however will cause long term damage to the options available to my 15 and 10 year old daughters in the future.