

7 August 2009

The Committee Secretary  
Senate Standing Committee on Rural and Regional Affairs & Transport  
PO Box 6100  
Parliament House  
CANBERRA ACT 2600

Dear Sir

**RE: INQUIRY INTO PROPOSED CHANGES TO YOUTH ALLOWANCE**

Thank you for the opportunity to make a submission.

I am a farmer living at Tumbarumba, mid way between Sydney and Melbourne, 3hours east of Canberra. My husband and I have a son, just finishing Year 12 this year. He is keen to study Electrical Engineering at University. The nearest universities offering his course are in Sydney, Melbourne and Wollongong. All will require him to live away from home.

#### **Terms of Reference of the Inquiry**

##### **1. Financial impact on rural and regional students attending metropolitan universities**

We have a farm which produces wine grapes and prime lambs. Over the past 5 years the grape prices have fallen by 40%, input costs have risen. Both my husband and I have off-farm jobs to supplement the farm, and to help us through droughts.

If our son is not able to qualify for Youth Allowance by working for 12 months and going to University in 2011, I seriously doubt that we will be able to afford to send him. As there is a national shortage of engineers, this seems to be such a short-sighted move.

Tumbarumba is a remote community. It is 110km to Wagga Wagga and 95 km to Tumut, which have the nearest TAFE. Our nearest University is CSU Wagga, which doesn't have Electrical Engineering. Wherever we send him to University we will have to fund his cost of accommodation at college or similar and living expenses. He will contribute where possible by working in holidays, but Engineering degrees are really full-on and don't allow much time for part time work.

In the past 3 years I have increased my off-farm work from 2 days to 4 days, and I still run the farm on weekends, with minimal outside labour, to make ends meet. This change in the Youth Allowance will cause us real hardship. My husband has poor health, so is limited in what he can do on the farm.

This Youth Allowance would be the first assistance we had applied for from the Commonwealth government.

##### **2. The Education alternative for rural and regional students wanting to study in regional areas**

There is no formal tertiary education in Tumbarumba, and as stated above, the only Engineering courses are in Sydney, Melbourne, Wollongong or Canberra. These all involve living away from home, with the attendant cost

##### **3. The implications of existing and proposed Government measures on prospective students living in rural and regional areas**

At present, our children can work for a year and earn the required amount of money to qualify for Youth Allowance. Under the current criteria, they can enrol in their university course and start in Term 1. They mightn't receive the allowance for a couple of months, but they can at least start Uni at the right time.

As I understand it, with the new proposal, the student has not only to earn the prescribed amount of money, but show that they have worked 30hours a week for 18 months. This means that even if they start work as soon as the HSC finishes, they will not have racked up 18 months by the time 1<sup>st</sup> term starts in March the following year.

The consequence is that they cannot start their course until a mid-year intake, or they have to defer for another year. This is just not practical.

This is not always possible, and it is not in the best interest of the students' introduction to tertiary studies, a new city, new friends etc. It's setting them up to fail.

In the case of Electrical Engineering, I have made enquiries at UTS Sydney, my son's first preference, and he can't start Electrical Engineering mid year. UTS was basically unaware of the impact these proposed changes were going to have on their student intake.

Electrical Engineering is a 5 year course at UTS. If my son can't start for TWO years, because of the change in the Youth Allowance criteria, it will be 7 years since his HSC before he finishes. This is a hardship on him, us and the community which needs well qualified young people in the economy.

I am concerned that if students miss their entry into a course for 2 years, they will lose interest, they have to compete against ever increasing UAI's, and it becomes even more difficult for them to get into residential colleges. When they do, they are getting much older than most of their contemporaries who are city based.

In conclusion, I think the ramifications of this proposal have not been thought through in relation to regional and rural families. It unfairly discriminates against rural and regional students. I don't object to some form of means test to ensure the system is not abused, but give our kids a chance to enter and excel at the professions which match their passions.

Yours sincerely,

JULIET CULLEN  
Farmer and working mother