

Senate Committee Rural and Regional Education
Parliament House
Canberra
ACT 2600
Australia

Dear Sir

OBJECTION TO PROPOSED CHANGES TO YOUTH ALLOWANCE SCHEME

We wish to express our opposition to the proposed changes to the Youth Allowance Scheme and ask that these concerns be presented to Parliament. Our objections are based on the following;

1. In order to qualify for Youth Allowance, the proposed changes require employment for 30 hours per week for a period of 18 months. This would be very difficult to achieve for various reasons including the following:
 - a) 30 hours per week is essentially a full time load. As such the potential for students to balance work and study would be non-existent.
 - b) The modern workforce has evolved into one of flexible hours and arrangements. It is quite likely that many employers may not offer one particular person 30 hours per week.
 - c) Having just left school, the young people seeking such employment are likely to be unskilled. This would significantly limit the potential to secure employment at the level required.
 - d) The present economic climate limits job prospects.
2. In order to qualify for Youth Allowance, the proposed changes effectively dictate that students would not be able to undertake tertiary education for at least 2 years after leaving school. For example:

School ends in November 2009.

Employment at the required level for 18 months takes the student to May 2011.

If the university does not accept mid-year enrolments or has certain course pre-requisites, the student would not commence study until February 2012.

It is reasonable to suggest that such a scenario would cause the following problems:

- a) Some courses, which include bonded placements for rural medical students at UNSW, cannot be deferred.
 - b) How many universities are prepared to offer 2 year deferments?
 - c) Disrupts the academic progression from school to tertiary education.
 - d) May reduce motivation and focus to pursue tertiary education.
 - e) Diminishes academic skills and knowledge (bearing in mind that most prospective students are likely to be engaged in unskilled jobs).
 - f) Having to wait at least 2 years to get into a course unreasonably extends the period of time before a student can be gainfully employed in the career of their choice. Effectively a BA would be extended to over 6 years!
3. Students and families from regional areas would be severely disadvantaged as follows:
- a) The reality is that most students from regional areas do not have the option to live at home while they study.
 - b) The majority of courses on offer require the student to move away from home at an average cost of \$15,000 per annum for rent, food and educational expenses. Even for those above the income threshold this is a significant commitment which would be cost prohibitive for most regional families. This is further compounded for the many families that have more than one child seeking further education.
 - c) While Youth Allowance makes it possible for regional students to attend university, on-going parental support is still required to ensure all relevant expenses are met (bearing in mind that many will still need to repay a sizable HECS debt once their studies are completed).
4. The present scheme is fair and equitable due to the following:
- a) It is flexible.
 - b) It enables students to demonstrate independence, dedication and resourcefulness by combining study and work within realistic parameters (i.e. the ability for a student to earn \$18,000 in 18 months is achievable as evidenced by the performance of students to date).
 - c) It supports the aspirations of regional families.
 - d) It facilitates a reasonable transition from school to tertiary education.
 - e) It makes further education accessible and affordable for the broader community.

On a personal note, the circumstances of our son are a testimony to the strengths of the present scheme for rural students. He was offered a bonded medical position at UNSW. This position cannot be deferred. He was able to commence his studies and under the present flexible arrangements work for a surveying company to achieve his independent status in 18 months. However it would not be possible to sustain this level of work as his course commitments increase and so the Youth Allowance is critical. He will return to the country and practice on the completion of his studies.

His brother is presently completing his HSC. It was his intention to also seek a rural entry into medicine at UNSW. We have grave concerns about our capacity to fund such a lengthy degree coupled with a third son requiring tertiary education support two years following.

Rural areas already have difficulty attracting medical professionals and so to reduce even further the rural students able to take up the offer of such courses would be disastrous. All of our three sons intend to return to rural areas. They simply need financial support during their education. The investment in such young people would be returned tenfold.

Finally, it is important to note that no other government decision would impact so negatively and profoundly on us and our children than these proposed changes. We are insulted that Julia Gillard would dismiss these concerns as "scare-mongering".

We are grateful for your representation.

Yours sincerely

Peter and Joanna Basha