

SUMMARY

This submission will be structured according to the eight (8) Terms of Reference (a – h), as set out by the Senate Committee and will focus predominantly on the **post-secondary education opportunities of the youth population of Gippsland East.**

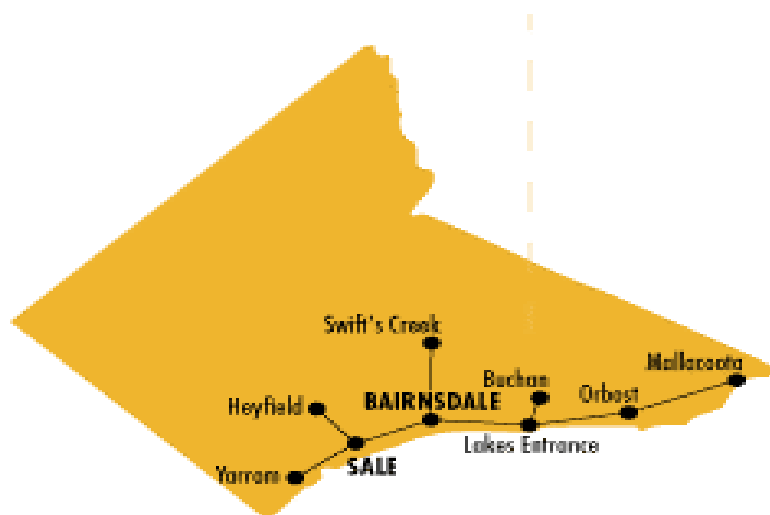
Prior to addressing each of these Terms of Reference, an overview of the Gippsland East region will be outlined.



Senate Inquiry into Rural and Regional Access to Secondary and Tertiary Education Opportunities

*Submission to the Senate Rural and Regional Affairs and Transport Committee
Inquiry into the adequacy of Government measures to provide equitable access to secondary and post-secondary education opportunities to students from rural and regional communities attending metropolitan institutions, and metropolitan students attending regional universities or TAFE.*

This submission will be structured according to the eight (8) Terms of Reference (a – h), as set out by the Senate Committee and will focus predominantly on the **post-secondary education opportunities of the youth population of Gippsland East**. Prior to addressing each of these Terms of Reference, some background on the Gippsland East region will be outlined.



THE REGION

Overview

The region of Gippsland East incorporates two local shire areas - East Gippsland and Wellington – and comprises 14% of the Victorian landmass. The terrain is characterised by

mountains, rivers and lakes which contributes to isolation due to limited access and transport options.

The population of the region is **83,939** (GRIS, 2007), and is characterised by large numbers of retirees and declining youth populations particularly in the 25-39 year age group.

Between 1% and 4% of the entire population is Indigenous (ABS Census 2006), however the Indigenous population in some towns considerably higher. For example, 4% of the population of Bairnsdale and Lakes Entrance is Indigenous, whereas 6% of the population of Orbost is Indigenous. This rate is even higher amongst young people in some areas. For example, 10% of Orbost Secondary College's student population is Indigenous.

Education levels are relatively low with only 28% of the region's population having completed Year 12 or equivalent, which contrasts with the State figure of 44%:

Highest Level of School Completed: Year 12 or equivalent	
East Gippsland	28%
Wellington	27%
Country Victoria	32%
Victoria	44%

Source: ABS, 2006.

Whilst **44%** of Victorian Year 12 completers took up university places in 2008, only **28.3%** of Gippsland East 12 completers took up university places (*On Track Survey*, 2008). Students in Gippsland East are forced to defer for economic reasons:

Reason for Deferring	Gippsland East	Victoria
Would have to leave home	55%	30%
Costs of travel	39%	25%
Family financial pressure	49%	23%
Qualify for Youth Allowance	28%	18%

Source: *On Track*, 2008.

Incomes are considerably lower, with the median family income (\$Weekly) in East Gippsland being **\$868**, and in Wellington, **\$1,021**. This contrasts with the Australian figure of **\$1,171**. Thus, the East Gippsland median family income is **25% below** the Australian median family income, and the Wellington median family income is **13% below** the Australian median family income. (ABS, 2006 Census)

Measures of Disadvantage

There are a number of indexes that measure levels of disadvantage in communities. The ABS Socio-Economic Indexes for Areas (SEIFA) have been derived to measure different aspects of social and economic conditions in areas of Australia. The indicators used include: low income, low educational attainment, high unemployment, and jobs in relatively unskilled occupations.

East Gippsland is scored at **971.38**, with Wellington at **993.8**. This compares with a Gippsland score of **980.63**, and a Victorian score of **1,015.00**. Both local government areas fall below the Victorian average, and the Australian average (**1000**) (Vinson, 2004).

Generational poverty is also a significant issue. Young people tend to become parents earlier than their urban counterparts, with **6%** of young women aged 15-24 being mothers, compared with **3%** across Victoria (ABS 2006 Census).

In Gippsland East **20%** of Indigenous women who give birth are **under 20**, whilst **8%** of non-Indigenous women who give birth are **under 20**. This compares with **3%** of Victorian (non-Indigenous) women who give birth who are under 20 (Koori Human Services Unit, DPCD, 2009).

Gippsland East LLEN submission to Senate Inquiry into Rural & Regional Access to Secondary & Post-secondary Education, August 2009.

Another measure of disadvantage scores postcodes on a scale from 0-20, with 20 having the highest ranking of advantage. **East Gippsland postcodes all score at a level of 8 or less, with the majority under 6, and 2 postcode areas scoring less than 2. Wellington has 5 postcode areas scoring between 10 and 12, with the remainder at 6 or under, with two postcodes scoring at 2 or under. No postcode area in the region ranks above a score of 12** (Vinson, 2004).

Across Victoria, **31 of the 40 most disadvantaged postcodes are located in rural areas. 7 of the 30 most disadvantaged postcodes are located in Gippsland East.** (Vinson, 2004: 73-74).

Young people in Gippsland East are also disadvantaged by lack of access to the internet:

18-24 years	No Internet at home
East Gippsland	38.98%
Wellington	30.17%
Victoria	19.7%

Source: Office of Youth, 2008.

Gippsland East is a region of great natural beauty and economic potential, however its youth population does not have equal access to the sorts of opportunities that their urban counterparts take for granted as the following address to the Terms of Reference of this Inquiry outline.

Terms of Reference

a. the financial impact on rural and regional students who are attending metropolitan secondary schools, universities or TAFE

While city students tend to live and study from home, rural students incur relocation, living and rental accommodation at a cost of around \$15,000 to \$20,000 per year.

Even though Minister Gillard explains that the Family Allowance cut off points have altered, Family Payment limits and tapering mean that the flow through of dollars will be minimal to most families unless they are on the base rate income of approximately \$42,559. The tapering reduces allowance amounts from the full rate of \$244.40 per fortnight to almost nothing for those at the higher end of household income. Tapering will mean that the children of middle income earners get decreasing amounts of Youth Allowance. Full payment of Youth Allowance is \$371.40 a fortnight while the poverty line is \$673.12 per fortnight.

By focussing on parental income and not geographic location, this policy is inadvertently privileging metropolitan students and disadvantaging rural students.

Young people may find it very difficult to be able to move away to attend University due to **financial barriers**: It is estimated that it will cost a regional student between \$15 000 to \$20 000 per year to study in the City (not including tertiary fees which can be deferred through HECS). Costs include accommodation, living expenses, textbooks, printing credits, student work placement, public transport or car expenses, and forced moving between home and on campus college accommodation during student holidays etc.

Despite recommendations under the Bradley Review, Youth Allowance hasn't been raised.

Students living away from home ARE living independently. They fend for themselves, cook, clean and most work part-time (if they can). Apprentices and trainees receive an allowance if they have to travel more than 90 kilometres. On top of that allowance (and rental assistance) they are earning a wage. Why are students different?

If students have to defer university for two years, less may end up going to university in the long run. Generally, a better case scenario is that we are able to support those who wish to go on to higher education and encourage those young people who do not want (or cannot achieve) higher education into jobs that offer vocational pathways locally. This would support new government policy at both Commonwealth and state levels.

It is one thing to be eligible for a \$20 per week payment (and the \$4,000 relocation grant) and quite another to access the full Youth Allowance amount for a 4 year degree that would support a rural young person in meeting some of the \$20,000 per year required to relocate and live away from home.

b. the education alternatives for rural and regional students wanting to study in regional areas;

If a young person from East Gippsland wishes to attend university, they are forced to move away. The closest university, Monash Gippsland, is two hours travel (one way) from Bairnsdale, 3 hours from Orbost and even further from the Omeo Region and Mallacoota, so young people from these parts of East Gippsland need to live away from home to study, even to attend their closest university. The only viable commute would be from Sale to Monash, which is a distance of 70 kilometres, with an approximate driving time of one hour and ten minutes. Some Far East Gippslanders study in Canberra or Albury. A portion of these students return to their communities on weekends to participate in work, sport and community life.

PROXIMITY OF GIPPSLAND EAST CENTRES TO CLOSEST UNIVERSITY TOWNS/CITIES						
	Bairnsdale		Orbost		Mallacoota	
	Distance	Travel time	Distance	Travel time	Distance	Travel time
Churchill (Gippsland)	139 km	2 hrs	229 km	3 hrs	373 km	5 hrs
Canberra	453 km	5.7 hrs	365 km	4.5 hrs	358 km	4.5 hrs
Albury	308 km	4.3 hrs	349 km	5 hrs	493 km	6.7 hrs
Melbourne	282 km	3.7 hrs	373 km	5 hrs	516 km	6.7 hrs

NB: This is based on **car** travel time. If students are relying on public transport, as many are, these travel times will be much greater.

Locally, East Gippsland TAFE (EGTAFE) offers a range of courses from Certificates I – IV, and a limited range of diploma courses are offered. Degree level courses are not offered at EGTAFE. Most Year 12 completers who are able to go onto tertiary study must leave the region to pursue courses of their choice, as the table below shows:

GELLEN region 2008 enrolments

UNIVERSITY	No.	TAFE/VET	No.
Monash	42	East Gippsland Institute	21
Deakin	22	RMIT	8
Melbourne	19	Central Gippsland TAFE	7
RMIT	9	William Angliss TAFE	4
La Trobe	8		
Other	38	Other	24
Total	138	Total	64

Source: On Track, 2008.

Gippsland East LLEN submission to Senate Inquiry into Rural & Regional Access to Secondary & Post-secondary Education, August 2009.

The introduction of a HECS style fee structure to the TAFE system will further disadvantage those students who currently opt for TAFE as the only affordable alternative to a university education.

c. the implications of existing and proposed Government measures on prospective students living in rural and regional areas;

Using real-life scenarios, these implications will be considered:

“Garry” is a current deferee. He works 5 hours per day for 5 days per week in a local takeaway food chain store. Garry will neither make \$19,500 to qualify for independent Youth Allowance under the existing criteria nor will he qualify under the new criteria of 30 hours employment per week. Garry has been unable to increase his hours of work. He has given up his dream of taking up his university offer. Garry’s parents are middle income earners but will be unable to afford to support him in Melbourne. They and Garry will be entitled to very little with the new allowance rates. How many young people from East Gippsland will end up like Garry? How many middle income earners will leave the region to go to Melbourne or Canberra to live and work in order to provide accommodation for their offspring who will not be able to afford to live away from home?

Cost of travel, relocation and accommodation have contributed to the rise in the rate of deferrals for rural students which are already 2.5 times greater than their city counterparts (Polesel, 2009).

Taking a Gap Year is not a choice; it is a necessity for many young people; and the ONLY way to get a higher education and/or a course of choice. These students are deferring in order to seek employment. The successful ones meet the eligibility criteria for independent youth allowance. From 1 January 2010 the workforce participation criteria for independence will be limited to having worked full time for at least 30 hours per week for at least 18 months in the last 2 years. Students will no longer qualify for independence by earning \$19,500 in 18 months or working 15 hours per week for 2 years.

‘Matt’ was dux of his East Gippsland Secondary school in year 12 in 2008. He has deferred his place @ Melbourne University and is undertaking a Certificate II Retail traineeship in his hometown. Matt turned down two other offers of employment which wouldn’t have enabled him to earn \$19,500, although the work would have been much more related to his future degree study. Matt has taken a traineeship that ideally would be a pathway for a vocational student, rather than a gap year opportunity for a deferee.

Young people in East Gippsland **will not** be able to find full time employment in the local labour markets. The 2009 ‘*On Track Connect*’ interviews are showing unusually high numbers of deferred students who have been **unable to find adequate employment even under the existing rules** for qualifying for Independent Youth Allowance. Further, with higher deferral rates, there will be many more students **flooding the labour market targeting full time employment**. There will not be enough full time work for all students, especially for those students in more isolated areas and in smaller communities.

'Suzi' completed year 12 in 2008. She has deferred her place in a social work degree @ Victoria University for 2009. Suzi has been working part-time in a local video store. Now that the holiday season is over, Suzi is employed for less hours on a casual basis. Suzi is despondent because she will not qualify for Youth Allowance on the existing system ie. she will not be able to earn \$19,500 over 18 months. She has less chance of qualifying under the changes because she cannot get 30 hours of work per week. Suzi has not been able to find additional employment.

Local employers say that the deferrers are **competing for the jobs** that would have gone to young people who had no intention of going to university anyway. These "other" rural young people are often left working **below their potential**, in part time, temporary, casual or seasonal employment.

Jane completed Year 12 in 2008 and achieved a below average ENTER score. She wasn't offered a university place, and she had not applied for any TAFE courses. Jane would like to undertake a traineeship in her local community, however those available have been taken by deferees who are doing their gap year. Jane is currently unemployed.

If young people want to be eligible for independent youth allowance, they may have to defer their course for 1.5 yrs if the course allows a mid year intake or two years if it doesn't. This is especially troublesome for some young people who require the orientation and support the Universities offer at the start of the year. Moving away from family and community is not easy as is shown by the number of country students who do not remain in their course and instead return home. The attrition rates for students from rural areas is an under-researched issue. The limited research which has been done indicates that students from rural and remote areas do drop out at a higher rate than their metropolitan counterparts (*Inquiry into Geographical Differences*, 2009).

These young people will have limited means to secure employment away from home and will be left **very vulnerable to unemployment**.

d. the short and long term impact of current and proposed Government policies on regional university and TAFE college enrolments;

Currently it is unclear exactly how the proposed policies will impact on regional university and TAFE college enrolments.

Deakin University has indicated that it will consider changing its deferral rules to accommodate deferrals of up to 24 months; RMIT University is not planning to alter its deferral policy and Monash University's deferral policy is being considered (*Bairnsdale Advertiser*, 10/7-09).

Under the current Government policies, in order to qualify for Youth Allowance, students are deferring. Whereas **11%** of metropolitan 2008 Year 12 completers deferred, **21%** of Gippsland East Year 12 completers deferred (*On Track*, 2008). The most commonly cited reasons for deferral include "would have to leave home" and "qualify for Youth Allowance".

Obviously the high proportion of deferring students lowers enrolments at regional universities such as Monash University (Gippsland). As outlined in (b) above, a large proportion of Gippsland East students enrol at Monash Gippsland. Any changes to Youth Allowance which make it more difficult for students to receive Youth Allowance will, presumably, decrease enrolments.

e. the adequacy of Government measures to provide for students who are required to leave home for secondary or post-secondary study;

The current practice of defining students as either dependent or independent is inadequate in a rural context. Students who leave home to study incur costs of between \$15,000 and \$20,000 per annum.

Young people can no longer apply for the Commonwealth Learning Scholarships support (where they didn't need to be receiving student income), as they have been replaced. The Commonwealth Accommodation Scholarship is being replaced by a new Relocation Scholarship. Young people **must** be receiving income support to access this new scholarship and they will receive \$10,296 less than the original scholarship for a four year degree. The Relocation Scholarship is contingent on receiving Youth Allowance. It pays less than the former Commonwealth Accommodation Scholarships which provided \$4,324 per year for three years (\$12,972).

Rural students need to be considered differently to metropolitan students. Looking at parental income does not address the other issues that rural students who are forced to leave home to study incur.

The recent Parliamentary Inquiry into geographical differences in relation to participation in higher education found that

...there is a lack of research which specifically addresses the causes of lower retention and completion for students from remote areas. This is an issue requiring further research which may help universities, schools and governments to devise appropriate strategies to support students from remote areas through to completion of their higher education course. (Parliament of Victoria, July 2009: 209)

The Inquiry found that retention rates for students from remote areas "is between seven and ten percentage points lower than urban students" (Parliament of Victoria, July 2009: 209). The Inquiry participants suggested that this disparity may be due to "difficulty adjusting to the metropolitan environment and disconnection from strong social networks" (Parliament of Victoria, July 2009: 209).

In addition to this, given the general overview of the region outlined above, many students' parents would not have any understanding of the world of tertiary learning that their children are experiencing. University culture would be quite foreign not only to these rural students, but especially to their parents. Currently policies do not take into account these all of the obstacles to tertiary study that rural students face. Looking at parental income alone is inadequate. Considering students' geographic location, as well as parental income, would be a fairer way of assessing students' needs.

f. the education needs of rural and regional students;

Rural and regional students have the same needs as metropolitan students, *however metropolitan students get many more of their needs met than students from a rural background.*

- All students require their basic needs of food, clothing and shelter to be met. For rural students this is challenged by the imperative to leave home.
- All students need to feel supported emotionally and socially. For rural students this is challenged by the imperative to leave home.
- All students need to have the time to devote to attending classes and studying. For rural students this is challenged by the imperative to work to support themselves financially as median family incomes in regions such as Gippsland East are well below metropolitan median family incomes.

Educational Needs of Rural Students			
	Food, clothing & shelter	Emotional & social support	Adequate time to attend classes & study
Rural	-	-	-
Metropolitan	☺	☺	☺

The ability of rural students to meet their education needs are challenged by having to leave home without sufficient financial means.

- g. the impact of Government measures and proposals on rural and regional communities;

As outlined in the Overview of the Region at the outset of this Submission, there are already numerous indicators in relation to population, education levels, deferral rates and income levels that signal this region is already significantly disadvantaged.

Gippsland East is a region that should be **increasing** its education levels, not lowering them. Government should be supporting this in order that young people, once qualified, return to the region and fill positions in skills shortage areas such as medicine, nursing, health, education, science and technology.

The proposed criteria for independence that students will have to have worked at least 30 hours per week for at least 18 months in the last 2 years is unrealistic. Rural communities already have higher youth unemployment levels, so the likelihood of finding 30 hours of work for deferees is slim. If they are forced to leave home to find this 30 hours of work per week, they will not be able to save enough to qualify as their earnings will be spent on living costs.

Currently young job seekers in rural areas are competing with deferees for a limited pool of jobs. Increasing the requirement from 15 hours to 30 hours will place even more pressure on this situation.

h. other related matters.

Rural Proofing

A policy which has received considerable attention in both the United Kingdom and New Zealand in recent years is **rural proofing**. The objective of rural proofing as a policy is to ensure that rural communities and individuals are not penalised because they live outside of an urban area.

- Rural proofing is a guarantee from government that when policies are being developed, policy makers will consider rural circumstances and needs.
- Rural proofing allows policy makers to consider how the **impact** of the policy could be different in rural areas.
- If a new policy is likely to impact differently on rural communities, rural proofing allows policy makers the opportunity **to adjust policy to meet rural needs and circumstances**

Youth Allowance is a policy that requires rural proofing.

As outlined at the outset of this submission, the region of Gippsland East is characterised by a small population (less than 84,000), a relatively high Indigenous population, a declining youth population, low median incomes, low education levels, reduced internet access and isolation due to terrain and limited transport options. Long distances from university towns means that young people who wish to attend university must move away from home. The potential of the region, given its natural resources and sheer size, is unrealised. Gippsland East requires a strong foundation of a well educated, tertiary qualified workforce in order to improve the socio-economic conditions of its population.

Using Postcodes as measures of disadvantage

Across Victoria, **31 of the 40 most disadvantaged postcodes are located in rural areas**, and **7 of the 30 most disadvantaged postcodes are located in Gippsland East** (Vinson, 2004).

Disadvantage then, is clearly connected to where one lives.

Part of rural proofing in relation to Youth Allowance would be to consider applicants' postcodes as measures of disadvantage along with parental income and other considerations.

If an applicant for Youth Allowance lives in one of the disadvantaged postcode areas, it is highly unlikely that they will be able to fulfil the requirements necessary to qualify for Independent status, eg., work 30 hours per week.

References

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