



Country Women's Association of NSW

*Incorporated in 1931 by an Act of NSW Parliament
Constituent Society of the Associated Country Women of the World
ABN 82 318 909 926*

30 July 2009

The Committee Secretary
Senate Rural and Regional and Transport References Committee
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Sir/Madam,

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

The Country Women's Association of New South Wales would like to make comment to this inquiry in relation to the Federal Government's proposed changes to the work criteria for the Youth Allowance Scheme.

For many rural students it is essential to work a gap year in order to obtain the full allowance because rural students generally have to move to a larger town or city to gain access to educational facilities. They cannot choose to live at home and undertake tertiary studies.

While the parents' income may be above the threshold to qualify as a dependent, there is also the added burden of parents having to subsidise their children's living costs to live away from home while studying. Therefore it is quite often essential for many rural students to qualify for youth allowance as independents.

Many students deferred their course and commenced their "gap year" and employment under the old rules. The proposal to introduce the changes immediately means that those operating under the old rules will not qualify under the new. Accordingly many will not have worked enough hours to qualify before the term starts in February 2010.

The new rules see those on a gap year having to work an average of 30 hours a week for at least 18 months. This raises a number of additional problems for rural students, namely:

- A gap year to earn independent status is a long established pathway to university for rural students
- Deferment at a university is only permissible for one year, so will these rules also have to change to accommodate the new requirements? If not automatic deferment will be lost to those who will now have to work for an 18 month period
- It is extremely difficult for young people in country towns to obtain part-time work at all, so an increase in the hours to be worked to 30 hours a week will further disadvantage rural families
- To enable these potential students to undertake part-time work they usually have to purchase a vehicle (due to lack of public transport), and even move away from home – again added expense to rural families while trying to qualify for youth allowance.

The CWA of NSW believes that the proposed changes to the Youth Allowance Scheme is particularly detrimental to potential rural students, and could have the effect of seeing a decline in rural students undertaking tertiary studies. Any decline in rural representation in tertiary institutions is not to be encouraged, and assistance should be provided to ensure this does not happen – in fact schemes should be introduced to encourage rural students to undertake study and then return to their communities to address the shortages of trained professionals.

Most importantly, the CWA of NSW is concerned that retrospective legislation is not fair and students who are attempting to gain a qualification to contribute to their community and country are going to be penalised.

We call upon the Federal Government to ensure the necessary amendments are made to the proposed changes to the Youth Allowance Scheme.