

A Submission to the Senate Rural and Regional Affairs and Transport Committee
Re: Inquiry into Rural and Regional Access to Secondary and Tertiary Education
Opportunities

As a current Gap Year student living the regional NSW, I have experienced firsthand the detrimental effect that the proposed changes to youth allowance effective 2010 would have on prospective students aiming to relocate to attend the university of their choice. The estimated cost of relocation for a regional or rural student is \$8000-15000, and a vast number of middle class families rely on youth allowance to assist with this discrepancy in cost.

Prior to the changes proposed in the 2009 budget regarding Youth Allowance, which would see the criteria for independence reduced dramatically, I had planned to attend Melbourne University in 2010. I worked extremely hard in the HSC so I would achieve the marks to study Media and Communications. I come from a divorced, regional family, and although through for various reasons I would not receive youth allowance under the new adjusted taper rate system, we do not indulge financially. Both my families, like other middle class working families, have a mortgage and rent to pay, the educational expenses of other children, and the day to day living expenses that are a logical by-product of having a family. To add to this the burden of financially supporting a second household close to my chosen university would be devastating to my family's financial situation.

I do not expect, nor would I be financially able, to be supported at university by my parents. As an adult, it should not be as difficult as it currently is to prove my independence from my family, and it should definitely not be made more difficult in January 2010. No matter the government's definition of independence, I will be financially independent from my parents in 2010. To prove this, I have been working three jobs this year, with the intention of qualifying as independent in 2010 under the \$19 500 criteria for independence; this has not been simple; living in regional Australia does not present a lot of opportunity for the employment of unskilled school leavers. It was a decision I made after responsibly consulting my schools advice, as well as the guidance of the Centrelink, and with a careful consideration of what was, at the time, the government's policy.

The proposed changes have drastically altered my plans for tertiary studies. I do not deny that rorting occurred under the current independence criteria, or that a change has to be made to the system, however, this change should not retrospectively harm the future of any prospective students like myself and many other gap year students in Port Macquarie and Hastings area, nor should it come at the detriment to regional and rural students in the future. The proposed changes have rendered it improbable that I will attend university in Melbourne next year; they discriminate against those students living in regional communities for whom relocation is not a luxury, but a necessity for middle class families who wish to give their children the best opportunities for the future.

The retention of the criteria which states that young people can prove their independence by working 30 hours a week consistently for 18 months is also highly problematic for all future students, and, more specifically, a significant issue for regional and rural students. Not only would students be deferring two years of graduate salary to work at the minimum wage, the current economic crisis is also a stifling climate in which to attempt

to find full time, unskilled employment in any area. Supplementary, in locations such as the Hastings employment is commonly part time, with the seasonal nature of our local economy relying heavily on tourism, making consistent hours difficult to obtain for any young person.

The proposed changes do not adequately address the discrepancies in the tertiary education system between those living in regional areas and those in metropolitan areas where the relocation is imperative to further education. The relocation scholarship proposed should not be based on means, but on access. Additionally, no measures passed into legislation should retrospectively effect prospective students, with the changes regarding the changes to youth allowance independence criteria not being introduced until the 2010-2011 financial year.

Thank you for the opportunity to raise these issues,
Jess O'Callaghan
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