

P&C

ASSOCIATION

c/- , , FINLEY 2713

President: Mr Geoff McLeod

Secretary: Mrs Lynda Whiley

Senate Committee

The Rural and Regional Affairs and Transport References Committee

Parliament House

ACT 2600

4th August 2009

Dear Senate Committee

Changes to the Independent Youth Allowance

I write on behalf of the parents and guardians of students within the Finley, Berrigan, Jerilderie and Tocomwal communities in southern NSW to express our concern regarding the recent announced changes to the Youth Allowance.

The closest tertiary institution to our region is campus at Wagga, 200 km north and La Trobe University campus at Albury, 150 km east. Students from country areas such as the southern Riverina must live away from home to attend these or other tertiary education facilities. This comes at a significant cost to families and the students. In many, many cases the student has to raise the funds to meet the living away from home costs. These costs include accommodation, living and travel to and from home and to and from sporting or other extra curricular activities. In recent years this requirement has been exacerbated by the impacts of the current drought.

The independent Youth Allowance has been a critical component of the financial resources to enable country students to complete their tertiary education. It costs a minimum of \$350 per week to live while at University. On campus college fees that cover basic living costs for 5 days start at around \$250/week.

Historically country students have undertaken part time work after leaving school, worked during semester breaks while at university and during term and during the summer breaks to raise the initial funds to qualify for the Independent Youth Allowance. They then work tirelessly during subsequent university holidays to raise the next year's living expenses to supplement the Youth Allowance. This is done while their city counterparts study during term and holiday during their tertiary study years.

Country students will now be forced to take two years away from study. The recent drought conditions in much of rural and particularly in the southern Riverina in NSW combined with the economic downturn has severely limited the employment opportunities for these young people. The reality is they will be forced to move away from home to find a job and hence will have to meet all their living away from home expenses while earning thus limiting their capacity to raise the funds needed to live while doing their tertiary training.

The need to take a gap between study and school of two years will not suit many students. Some will never return to study. There is also some doubt as to whether universities will allow students to defer courses for more than one year. Research in has shown that only 55% of students who defer for a year take up their University place within four years. A number of universities do not currently permit course deferment beyond one year

The changes to the Youth Allowance are, in reality meaning that tertiary education will not be available to all those students capable of completing a course. It will be primarily limited to those who can live at home while studying, those with wealthy parents and those who can access employment during a gap year while living in their family home. As students need to qualify for the Youth Allowance to be eligible for the Commonwealth learning scholarship, restricting eligibility to the youth allowance has a significant flow on effect for rural students. These scholarships are an important encouragement for students to further their education and are critical for funding accommodation and learning aids such as textbooks.

The proposed changes are undermining the confidence of the region's community in the Federal Government to govern for all Australians. These changes do nothing to enhance the educational opportunities for rural students.

We ask that;

the rules for qualifying for independent Youth Allowance be reviewed to remove the 30 hour per week requirement.

Students not be forced to defer a course for two years in order to receive financial support from Government to cover living costs

Consideration be given to different Youth Allowance qualification requirements for students with residential addresses (in year 12) greater than 50 km from the nearest tertiary education facility offering a course in the chosen field

the living away from home allowance of \$371 be increased, recognizing it is below the Henderson Poverty line and is equal to about 50% of the cost of living for a student a transition period apply to any changes to ensure that students who completed their schooling in 2008 are not disadvantaged by changes to the youth allowance guidelines

Yours sincerely

Geoff McLeod  
President

Cc Ms S Ley, Federal Member for Farrer  
Mr. J Williams, State Member for Darling