

To all Committee Members,

After attending tertiary open days in past weeks I am compelled to write to urge the Government to reconsider the proposed changes to the Youth Allowance Independence qualifications. This proposal gives little consideration to the high costs for rural families sending children away from the family home to study. I had been determined not to be alarmist prior to this compelling evidence.

We are a rural family who will find it extremely difficult to provide a tertiary education for our children under these proposed changes. Our son commenced VCE this year with an aim to attend tertiary education to study Engineering, an identified area of skills shortage in Australia. To undertake this study he will need to move away from home.

We are considered a 'middle income' family. Both of us are very lucky in this economic climate to have full time jobs. Our son will not qualify for Youth Allowance even with the increase to the parental income test. Our combined income is too high by a small margin for Family Assistance. This of course means that we will also miss out on any of the proposed Youth Allowance 'start up' grants, living away from home allowance or rent assistance. After obtaining information from the tertiary institutions, our son will also be precluded from applying for most of the scholarships on offer as most require eligibility for 'Centrelink Income Support'.

On campus accommodation has an estimated cost of \$9500 per annum. This of course does not include any living expenses or required study costs. As a family we cannot work out how we can subsidise these costs on our own. We are by no means in the financial position to do this. We are paying a mortgage and educating our other child. We have visited the bank with the view of the potential of re financing our home but this will place us \$50000 further into debt which is such a disadvantage compared to students lucky enough to be able to live at home. There is also the possibility that our other child may commence further education before our son finishes.

We have for several years discussed with our son that he will need to undertake a 'GAP' year to potentially qualify for some financial assistance. I have in my work seen how hard many young people have to work to obtain the approximately \$19000 now to obtain Youth Allowance independence with many working several jobs to get the amount. With the current economic climate seeing many employment opportunities on a casual basis it will be extremely difficult for young people to find a position or positions offering a regular 30 hours per week. The thought of having to defer a course for 2 years is a concern, with young people perhaps considering that earning a wage is a better option than study.

I read with interest the reports that have appeared in the media stating that there is an inequity in tertiary education between metro and rural students. The Education and Training Committee have apparently tabled a report, which reiterates the need for better university subsidies for rural students.

Our options if the proposed changes proceed are limited and a worry for our family. We are committed to giving our children the best opportunities possible but at what expense to our family. The thought of having to all relocate to allow further education is also not an option given we are established in our current community.

We have already missed out on all the 'bonus' incentives offered in the Government stimulus packages and will not be eligible for the tax Education claim even though we have had to purchase the same laptop for our son as those families able to take advantage of this claim. Worrying about how we finance tertiary education is yet another blow.

Please it is imperative that options be considered to give the same opportunities to ALL rural students.

With Regards

Melissa Walsh