

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

Fair Go for Rural and Remote University Students

Rural and Remote students moving from regional country areas **must** automatically qualify for Independent Youth Allowance.

Firstly, the retrospectivity of the proposed changes is extremely unfair. Many decisions and commitments have been made based on the assumption that FULL independent youth allowance would be available for students commencing University in 2010, not some part payment, nothing at all or full time work.

When you **MUST move** many hundreds of kilometres from your home to study full time, there has to be recognition of this fact and that there is significant costs involved (\$15 - \$18k pa per child is widely mentioned), costs associated with maintaining a 2nd, 3rd place of residence, rents, utilities, insurances etc, etc, etc. This does not include the actual costs associated with going to university; books, fees etc, this is costs to just get them into a position where they can attend university on a daily basis. Plus they still come out the other end with a HECS debt.

Rightly or wrongly, independent youth allowance has been the assistance used by Rural and Remote students from regional areas to offset these costs, costs that **are not** born by city families. Over the course of a 4 year degree \$60 - \$72k is the impost born by regional families per child (imagine this going into superannuation). In many instances this was achieved by meeting the 3rd element of work force participation criterion, earning, in 2009, \$19,532 in an 18mth period since leaving school, ie taking a gap year. Yes there are some additional payments available now and they are welcome; but we have lobbied for these **on top** of the full independent youth allowance payment for **Rural and Remote Students** for many years, **not** on top of a **reduced** independent youth allowance payment. The current level of independent youth allowance does not cover the above mentioned costs even with rent assistance we still fall short. The **some** (now reduced) support offered does not quite cut it when such costs have to be worn when compared to our city cousins. Oh, by the way, they can go out now and earn \$400 / fortnight, up from \$236. Good solution, hours they should be studying they now can work. What about some down time for socialising and living their lives?

Having income limits and having to jump through hoops, as far as number of hours worked over 2 years is concerned to qualify for full independent youth allowance is crap for country kids. Why does any system use as a base to start cutting out full payment at \$42,559 pa when the minimum wage is the equivalent of \$56,553 pa (\$543.78/wk, source www.fairpay.gov.au)? This means any dual income family has no show of getting full independent youth allowance automatically. We all know that if you want to get anywhere these days you need 2 incomes in any household. Those who want to progress and better themselves and better this country are penalised again. Where are kids in regional areas going to get 30hrs per week (all but full time) for 18mths when the employer knows they will up and leave anyway, notwithstanding the current economic environment? The policy of 'earn or learn' floating around at the moment is a joke. If our kids want to learn, first they must earn, so in fact, they must do both, earn AND learn.

The whole Independent Youth Allowance assessment revolves wholly and solely around financial and income tests. These kids are already removed from their family environment and support networks; they need to maintain there own living quarters, cook, clean, wash etc, everything an independent person does but they are not regarded as being independent. Joke! There is no comfort in going home to a nice home cooked meal, washing and ironing done, beds made etc. for our kids.

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I am a professionally skilled person, as is my wife; I am an accountant and my wife a counsellor – we are not high income earners! Professional people with a skill base that is easily transferable to the city: and we have certainly discussed moving from our rural home to the city to save this **\$60 - \$72k per child** for our children to attend University. We have many skilled and professional friends who are also considering the same: long time rural country people who cannot afford to pay this amount of money for their children to attend university. While the Rudd Government may be making more places for students from *extremely* low income families they are excluding opportunity for students from middle income families.

What will this do to country areas in attracting and keeping professional people? Not only will the 'brain drain' on regional Australia grow as qualified people move to the cities to support their children's higher education, **but the long term Social Impacts on already hurting rural and remote regions for the future, is frightening.** It's not hard to picture future rural communities of extremely low income earners (\$42,559 combined income) far outweighing that of professional middle income earners, who are becoming more dependent on professional services which are not available to them..... Catch 22.

The new criteria will also see Rural and Remote students lose their university place as they will have to work for 2 years instead of 1. It is a fact that the uptake of rural and remote students is much lower than that of city based students and the new rules will see that drop even more.

Past research has also shown that the best way to attract qualified people to regional areas is to ensure regional students have fair access to higher education. Universities recognise this by giving bonus points to regional students, yet here we have changes that will reduce support in many instances

The bottom line in all of this is **the Rudd Government want to save money, \$1.82m over 4 yrs at the expense of rural and remote students** at a time when we need more skilled professionals returning to rural regions all over the country. Many rural and remote areas already hit by and suffering the long term impacts of declining local and global economies and drought, experienced over many years with no end in sight. Perhaps it is actually cheaper to continue importing people from other countries to fill these positions rather than give rural and remote kids the opportunity to return to their and other regions throughout the country to share and develop their professions.

It's quite simple really; **rural and remote students** from all regions across Australia who leave home to attend University *are* in all sense of the word, **Independent** and must be assessed as such; in a manner quite separate from those living in city areas.

We are happy to contribute to our children's education, and have been all along, but those of us working and living in rural and remote country Australia are tired of being penalised for where we live. These proposed changes only add further cost. **We just want a fair go for rural and remote students.**

Regards,
Brenton & Julie Peltz