

MJ& GM Wells

5th August 2009
Committee Secretary
Senate rural and Regional Affairs and transport References Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Sir / Madam

In September of last year I was fortunate to visit Parliament House in Canberra with a group of fellow students studying politics from our region in the mid north or South Australia. We met briefly with the deputy Prime Minister to ask questions and present issues which related to their region. At this meeting I posed a question relating to the issues faced by young people from country areas trying to access Tertiary study. The response to my question was that the Labor government were in the process of looking at many improvements and reforms to funding for education and they were committed to improving participation in universities and recognized the difficulties faced by rural students. I looked forward to this year's budget in the hope that some of these promises may finally be delivered.

Upon reading the budget in May I was appalled to find that the exact opposite in fact had been proposed. The Government can surely not be serious about increasing student participation rates by making a student work full time for 18 months before qualifying as Independent in order to claim Youth Allowance. This is a complete disaster for country students and will prevent many from ever studying at tertiary level.

I can understand the need for some change to avoid affluent students who live at home with their parents in metropolitan areas being able to access this payment, and surely making changes to these rules would bring about much needed budgetary savings. The government are targeting the wrong population by including students who must genuinely relocate away from country areas to access tertiary education. Country families on modest disposable incomes (even with the new parental income limit of \$42000) really struggle to afford the expense of board or rental accommodation (modestly estimated at around \$16,000 per year per student) and this is obviously out of the question if they have more than one child. For the young people of these families having a Gap year and working casually is the only way that they have been able to afford to pay for their university study. It is too hard for them to leave home and try and manage the emotional burden of having to work and support themselves as well as trying to be successful at their study without this support. The proposed changes will see the young person having

to work for 18 months and effectively being forced to take 2 years off before being able to apply as there are not many courses which have mid-year entry. It will also be very difficult to find such full time work for a school leaver who has no skills. Employers will not be keen to take on these young people and train them if their intention is to leave for university after 2 years and quite honestly the young person is really going to lose motivation to return to study and attain their educational dream after having this amount of time off after leaving school.

Accessing the Youth Allowance by having a gap year has been the only means by which our daughter has been able to afford a University education. We have four children and have been encouraging them all to strive for a tertiary education. All are keen to work in country areas with one child currently studying Agriculture and the other in the process of trying to gain acceptance for Medicine. We cannot afford for them to do this if they are not able to access some type of Income support. There is not even a transitional consideration for those that may be in the middle of trying to do this in 2009 and commencing university in 2010. Such is the short sightedness of this proposal. Removing Commonwealth Scholarships and replacing them with a Relocation Scholarship of \$4000 in the first year and \$1000 in subsequent years is another slap in the face. An effective reduction in funding of over \$10,000 to the student over the life of a 4 year degree!! I have spoken with friends from our area who have stated that they will be forced to move away from country areas to be near universities so that they can afford to be able to send their children. These very students are the ones that the government are hoping will become educated young professionals and want to return to country areas to meet the growing demand for health care workers, teachers and agriculturalists to grow food and support our future population. Somehow I don't think so when their family will no longer live in the area!

If the government is serious about supporting a skilled population and encouraging graduates to live and work in regional Australia the gap year should be removed altogether and students who must relocate for tertiary and TAFE study should qualify for income support immediately upon commencing their studies. I recommend that Youth Allowance be available for those who genuinely must move away from home for tertiary study (e.g. further than 100 km) and do not have a tertiary facility near where they reside and remove independent Youth allowance for those who already live in metropolitan areas near tertiary facilities. At the very least there should be a form of "living away from home" allowance. The current rules are causing forcible migration of families and young people from rural areas.

I am disappointed at the complete disregard for students from regional areas in relation to the proposed budget changes and request a reconsideration taking into account the cost and emotional burden on these students as well as the future impact on regional Australia.

I applaud the Senate for referring this matter to the committee and sincerely hope that these comments are taking into account when making recommendations for change.

Yours sincerely

Genevieve and Michael Wells