

Dear Rural and regional affairs and transport Committee,

As a country student who has chosen to take a gap year this year, I would like to add a submission to this inquiry. Firstly, I would like to establish my support for the proposed changes of increasing the minimum parental income, lowering the age of independence to 22 and the creation of relocation scholarships. These changes are a fantastic step forward and will do a lot to help the students who are able to receive them.

However the group I am concerned about are the students who don't, especially those who must relocate to pursue higher education. These are students whose combined parental income may fall just slightly above the thresh-hold, yet they now have no way of receiving any funding at all. By removing the "gap year" option, and means testing eligibility solely on parents' income, many students have been left with no way to qualify for any form of benefit. The average double income family has a yearly taxable income of \$95,524 (Australian Bureau of Statistics 6/6/09). This is well above the cut off threshold of \$91,000 before tax for one student away from home, which means that a student coming from an average Australian double wage family will not be eligible for any form of assistance when away at university. To suggest that the average Australian family has \$15,000 - \$20,000 per year lying around to cover the cost of their student at university is ridiculous! It is also ridiculous to suggest that a student will be able to work the required hours in a part time job and still devote the required attention to their studies. These changes are designed to redirect funds away from higher income families, but in the process are going to have devastating consequences for the average rural Australian family doing their best to make ends meet.

We rural students already have a large transition to make when moving out of home. We have to learn to cook for ourselves, navigate around a new city, learn to wash and clean for ourselves and be away from our families, on top of the huge transition between high school and university. To suggest that one would be able to work for 30 hours a week and still be able to achieve their desired grades in university is ridiculous. This effectively means that all country students like me, whose parent income is slightly above the cut off, but whose parents can not afford to pay for the huge costs associated, will have to take two years off. Universities are not set up for this, meaning these students will have to re enter as mature age students.

Even if a student wanted to take off 2 years to qualify for independence, the harsh reality is that in many country areas, an unskilled worker is going to have trouble finding a consistent 30 hour a week job! We are a casual work force, lacking job security and benefits such as sick leave. These changes will make it very hard for many students to pursue the tertiary education they want. Also when taking two years off a student is likely to become comfortable, develop relationships and will be much less likely to actually leave for university at the end of those two years, which will, no doubt, lower the higher education rates of country students.

To me this seems very ironic, as these proposed changes have been based on the Bradley Review, which in recommendation 16 acknowledges the "current problems with regional provision" recommending that "the Australian Government provide an additional \$80 million per year from 2012 in funding for sustainable higher education provision in regional areas."

Another group which will be disadvantaged by the proposed changes are people like me, who have chosen to take a year off in-between High school and university to earn 75% of the minimum wage. 30,000 students chose to take 2009 as a "gap"year, based on the youth allowance eligibility criteria

provided by Centrelink at the end of last year. Yet half way through our year of hard working, we have had the security blanket of Youth Allowance ripped out from underneath us. I rejected a \$5000 non deferrable scholarship, to work a year of 12 hour wages peeling potatoes to make my \$19532 as quickly as possible. Yet heading into university in 2010 I will receive nothing! These retrospective changes have not allowed me to make the best decisions for my future.

I know the current system is far from perfect, but at least it gave every student who needed the assistance of youth allowance the chance to be able to get it. The proposed changes will cut off many talented and passionate rural students from the support they need to be able to pursue a tertiary education. Many rural students will miss out on further education under these proposed changes.

Therefore I have two recommendations.

1. I suggest pushing back the 2010 implementation date for the workforce participation criteria changes to January 2011. Students on a gap year this year should be treated under the current laws for the entire duration of their degrees.
2. That there is an overhaul of the youth allowance system. More money is invested now to ensure a higher level of education for the future for Australia.
3. I suggest that the government creates an option of independence for students who must relocate away from their families to study at the age of 18. Defining a student's financial situation solely on their parents' income until the age of 22 is not an accurate indication of the level of support provided by parents.

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