

6th August 2009

The Secretary
Senate Rural and Regional Affairs and Transport References Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Submission to the Senate Committee Inquiry into Rural and Regional Access to Secondary and Tertiary Education Opportunities

Thank you for the opportunity to make a submission in regard to this extremely important matter of education opportunities for rural students.

We live in a rural area at Deniliquin in southern New South Wales, approximately 300 kilometres north of Melbourne. I have 3 children - one completed Engineering at Deakin University, Geelong in 2008. One started Commerce at Melbourne University in 2008 and one will (hopefully) commence Nursing at Deakin University, Geelong in 2010.

The 2 eldest children were supported by Youth allowance, worked during every vacation and we also provided assistance. There is no doubt that a University education for the eldest 2 would have been less likely without the previous youth allowance scheme.

Our youngest received a one year deferral from Deakin Geelong and commenced doing the gap year this year (2009) with the intention of receiving the independent youth allowance. However, changes to the new system of youth allowance means she will not qualify to be able to go to University in 2010. The unfairness of having the rules changed after the decision to take a gap year is very upsetting and disheartening. My daughter, like many others, were prepared to take off a gap year to earn and save for university while also qualifying for the youth allowance but now "have their young lives in ruin" coming to terms with having to have a "two year" gap or move in another career direction that does not include university. This is an incomprehensible position when we should be encouraging children to pursue higher education.

We find ourselves in the unfortunate position of not quite qualifying under the new Parental Income Test for one student. Frustratingly we would qualify for the 2 children at University but unfortunately the other child is already receiving the independent youth allowance – if she wasn't we would qualify for 2 allowances! It also is grossly unfair that support cuts off suddenly above a threshold. This effectively means that a pay rise of \$100 could result in the loss of \$1,000's in support. Also most unfair is that a rural student that does not qualify can't access any support at all, not even the startup scholarship.

It needs to be understood that the cost of university education still requires parents in rural areas to provide top-up support to their children even if they get the youth allowance.

Attached is a comparison of costs for college and shared rental accommodation obtained from the St Mary's College website. This comparison was from 2006 and highlights the typical cost for a student would be about \$20,000 per year.

It has been acknowledged that many students will lose access to allowances under the new

scheme and much is made of the fact that other students will now have access – there appears to be no acknowledgement of the fact that a large number of students, being mainly those doing a gap year in 2009, will be most adversely affected. These are the students that are effectively “caught in the middle” missing out totally on what they genuinely believed they would be entitled to after their gap year. If the new scheme was to commence in 2011 there would not be the issue.

I suggest that a solution to this issue would be to commence the new system in January 2011. If it is too difficult for that to occur it would be quite simple to allow students who can prove they are doing a gap year in 2009 (by, for example, producing from the tertiary institution proof of deferral) to be able to access youth allowance under the old system until say 30th June 2010.

Yours faithfully

A handwritten signature in cursive script that reads "C. Sandford". The signature is written in a dark ink and is positioned below the typed name.

Colin Sandford

Attachment

**Cost of Living Comparison –
Residential College compared with Rental Accommodation**

	Shared Rental	St Mary's College	Notes
ESTABLISHMENT FEES			
Bond	520		
Telephone Connection	82		
General Establishment fees	615		Purchase of household items + moving costs
College Application fee		35	
TOTAL	1,217	35	
ANNUAL FEES			
Amenities & Services	392	392	
Concession Card	8.5	8.5	Concession cards are usually only available to undergraduate or graduate diploma students who are Permanent Residents or Citizens of Australia
Books & Stationary	615	615	
College additional fees		1,490	Includes \$50 phone, \$140 Student Club, 'O week' fee, Key deposit and deposit held against damage to the college
TOTAL	1,015.50	2,505.50	
SUBTOTAL	2,232.50	2,540.50	
WEEKLY COSTS			
Rent	123	378	
Household/Food Contribution	55	0	
Food – lunch & drinks Mon to Fri	40	0	Allows \$8 per day
Bills	20	0	
Telephone (not mobile)	10	0	College telephone dependent on your use of the facility
Public Transport	13	0	Cost of a Zone 1 Weekly Concession
Spending money	40	40	
Weekly Subtotal	301	418	
Annual Total – 35 weeks	10,535	14,144	College estimate is based on 35 weeks accommodation with all meals included.
Annual Total – 52 weeks	15,652	14,824	These estimates are calculated assuming the student returns home for vacations but still spends \$40 "spending money" per week.
ANNUAL TOTAL (\$)	17,884.50	17,364.50	

NOTES

- College estimates are based on 2006 fees
- Estimates do not include any course fees at University
- Rental figures are sourced from:
<http://www.services.unimelb.edu.au/finaid/planning/costliv/austral.html>

The following cost estimates should be added to weekly costs if relevant:

- Computer costs - \$5-10 per week
- Car expenses - \$40-50 per week
- Mobile telephone - \$10-15 per week