

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

I have serious concerns about the deleterious effects of the proposed changes to the availability of independent Youth Allowance on rural and regional access to secondary and tertiary education. My own family will be negatively impacted as our daughter had deferred a place at the University of Sydney, in the hope of being able to earn \$19,870 in the eighteen months after finishing secondary school. Her plans are now in jeopardy.

All students requiring to leave home to pursue studies will incur costs of around \$20,000 per year in living expenses. This is in addition to HECS fees. Many young people of our acquaintance are similarly disadvantaged. Many of these are independent, motivated and high achieving youth who should be encouraged to pursue their chosen study path without the additional burden of having to provide for themselves financially. They are young people who will contribute to the future of their communities and their country. They have no choice but to leave home when the courses they wish to pursue are only offered in metropolitan centres.

All students requiring to leave home to pursue studies will incur costs of around \$20,000 per year in living expenses. This is in addition to HECS fees. Students may choose to forgo tertiary studies altogether, live in poverty, or increase their indebtedness. Such expenses are not incurred by students living in metropolitan centres.

It is ironic that the policy makers are probably the only generation in Australia that was advantaged by free tertiary study.

I wish to draw the Committee's attention to the recently tabled report of the Parliament of Victoria: *Inquiry into Geographical Differences in Participation in Higher Education in Victoria*. The findings show the serious inequities faced by regional and rural students in accessing tertiary studies. In taking account of these difficulties – social and financial – **all regional and rural students who have to leave home for post-secondary study should receive independent Youth Allowance.**

I will address my concerns to each of the relevant terms of the Inquiry.

a. **the financial impact on rural and regional students who are attending metropolitan secondary schools, universities or TAFE;**

Many students may choose to forgo tertiary studies as a result of changes in the eligibility for independent Youth Allowance.

Already between 10 and 40% of regional and rural students in some regional areas (Parliament of Victoria's Inquiry into *Inquiry into Geographical Differences in Participation in Higher Education in Victoria* as reported in Age, 3/7/09) defer tertiary studies for financial reasons [i.e. hoping to earn enough money during the gap year to qualify for Independent Youth Allowance]. This

is 2.5 times higher than for students in metropolitan areas. Proposed changes in the independent Youth Allowance will negatively impact on this.

All rural and regional students needing to move away from home to pursue studies face living expenses of up to \$20,000 per year. Students in families whose combined earnings are in excess of \$93,000pa (gross) will be totally excluded from receiving any payment. Deducting \$20,000 from a possible \$75,000 of the net earnings of these families is a large sacrifice.

Independent Youth Allowance is payable from a combined income of \$48,000 to families living in rural, regional and metropolitan without regard for the fact that families in metropolitan areas do not incur a cost of \$20,000 to support their student child. Yet, the provision of an independent youth allowance makes it possible for a student in a metropolitan area to **choose** to live away from home, while the student who is **required** to live away from home to study must incur the costs with inadequate or no government support.

The existing policy requires students to earn \$19,870 over an eighteen month period to qualify for independent Youth Allowance. Under proposed changes they will be required to work 30 hours per week over eighteen months in order to qualify. **This type of work is not available to rural and regional students.** In rural and regional areas, unemployed and underemployed adults are competing for work. In Ballarat there have been significant job losses through the closure of companies like Johns Valves, and the shedding of employees at many companies. Already many students on gap year have to move away from home to find work. This is detrimental to the development of the region. Our daughter has been working 3 days a week in Melbourne as a receptionist and doing shifts in a supermarket on weekends. Many weeks she falls short of the required 30 hours.

Students from families who run their own businesses may be in receipt of income – whether real or constructed – so as to exploit the eligibility for Independent Youth Allowances. Many do this now and there are no means for limiting this blatant exploitation in the proposed changes to eligibility for independent Youth Allowance.

The means test for youth allowance allows for other students aged 16 and over but does not take into consideration the number of any other children under the age of 16 dependent on that family's income.

It does not take into account any special needs of the other dependent children.

#### **b. the education alternatives for rural and regional students wanting to study in regional areas;**

These are limited for students in rural and regional students wanting to study in regional and rural areas. There is a range of available TAFE courses but only limited tertiary courses, many of which accept students with lower

ENTER scores than the same courses offered on metropolitan campuses. Consequently, those rural and regional students who achieve high ENTER scores seek entry to metropolitan universities which offer a wider range of course and subject choices and are perceived to provide better preparation for their future. The specialist courses such as medicine, law, dentistry, etc are still largely the preserve of metropolitan campuses.

**c. the implications of current and proposed government measures on prospective students living in rural and regional areas;**

**d. the short- and long-term impact of current and proposed government policies on regional university and TAFE college enrolments;**

The reduced availability of independent youth allowance will possibly increase enrolments in regional university and TAFE college enrolments as students will have to make do with the limited options available to them in their home town.

**e. the adequacy of government measures to provide for students who are required to leave home for secondary or post-secondary study;**

These measures are seriously inadequate. These students face additional living expenses of about \$20,000 per year. All regional and rural students who have to leave home for post-secondary study should receive independent Youth Allowance.

**f. the educational needs of rural and regional students;**

**g. the impact of government measures and proposals on rural and regional communities; and**

There is little incentive for students to remain or return to their rural and regional communities. Some families may choose to relocate to metropolitan areas when their children reach senior secondary and tertiary level and may not return to regional and rural areas. We know of families who have moved to Melbourne when their children attended university. This contributes to the internal migration away from the country. If the families relocate to the city there is little likelihood that the students will return to rural and regional areas after obtaining their qualifications.

In our family circumstances, my husband and I already travel to Melbourne for work, so a relocation is not out of the question.

**h. other related matters.**

Clara Geoghegan