

22<sup>nd</sup> July, 2009

I am writing to express my disappointment at the recent BUDGET 2009-10 announcement indicating more support for students. While I support a number of the initiatives of the proposed budget changes, I feel there is a cluster of students that have been totally disregarded.

As manager of an Allied Health Department, I am well aware of the difficulty in recruiting and retaining health professionals in rural areas. A high proportion of our allied health staff grew up in a rural area, relocated for study at university, but have returned to work in a rural location. There is strong evidence that country students are more likely to return to country locations to work.

My partner and I both have professions and have chosen to work rurally for a variety of reasons. I am very concerned about the impact that the change to the independence youth criteria will have on the capacity of families living in rural areas who have an income deemed to be above that needing government assistance (> \$140,000). If I was considering relocating to work in a rural area and had children I would have to consider the implications of the additional financial burden and my concern is that I would perhaps not take the opportunity to work in a rural area. My metropolitan colleagues on the same income do not have to meet the cost of relocation which is estimated to be \$15,000 - \$20,000 per annum. For a three year undergraduate degree this is a burden of \$45,000 - \$60,000 which I would not have if I continued to live in the city.

We have three children, all of whom will relocate to attend university in Melbourne, 200km from where we live as the careers they have chosen to pursue were not offered at our local university. We are currently supporting one child at university who did not qualify for independent allowance and the costs of this are estimated to be approximately \$18,000 per annum. She works part time to supplement living expenses in addition to full time study with expected course duration of six years. Our eldest daughter has completed her study now and is a practising pharmacist. We supported her throughout her four year university course. Our youngest child wants to study medicine and has been accepted into Biomedicine at Melbourne University. If she pursues her career in Medicine she will study for seven years. Because of the length of study required and the fact that we are already supporting one child at University, she opted to take a gap year in good faith that if she earned the required amount of money she would qualify for Independent Youth support and thereby be able to supplement the financial burden of supporting another child at university. With the economic downturn it has been very difficult to find hours of additional work and she is currently averaging 25 - 30 hours per week which is on track to earn the amount she previously needed to become independent. When she commences university she will not be able to continue to work the required 30 hours.

Rural students face huge costs relocating to university. Nearly half of my daughter's Year 12 class deferred last year to work and qualify for Independent Youth Allowance. All of these students acted in good faith that if they earned the required amount of money they would receive independence which would assist them in relocation. A great proportion of these students will have parents with an income bracket similar to ours and will find it an imposing financial burden to support their children at university, particularly with more than one child, and this cost severely disadvantages rural students. Many of these students will not qualify for any youth allowance or relocation scholarship due to a parental income means test.

As a parent of a rural student I am looking for support in reconsidering how the change in Independent Youth Allowance will disadvantage a large cluster of middle income rural families. At the very least there should be some compensation for the students who have taken a gap year in 2009 in preparation for the Independent Youth Allowance. At best there needs to be some discussion and consideration of the costs of relocation to ensure equity for our future generations. We otherwise may be faced with disproportionate representation at our universities of students from Metropolitan areas, low income or very wealthy families and a whole section of middle income rural Australia not fairly represented. This will have huge implications on our future professional rural workforce.

Please table the above points for further discussion. I look forward to further discussion regarding this important matter.

Sincerely yours

Wendy Swan