

I am writing concerning the proposed changes to the financial support offered to students who attend a tertiary institution. The proposed changes are inequitable for rural and regional students who are required to move vast distances away from home to undertake tertiary education.

Whilst the Government has suggested that more students will be eligible for some income support based on a relaxing of the sliding scale for parental income, this is basically irrelevant for rural and regional students. Whilst it might assist more metropolitan students to receive some income support, this offers does not have any real effect on the ability of rural and regional students to survive financially whilst studying. Rural and regional students need to be paid the full amount of Austudy to make attending tertiary education even moderately viable. On the current information supplied by the Government, with the proposed changes, the only way that a rural or regional student will be eligible for full Austudy payment is if the combined parental income is \$45,000 or less or they have worked fulltime (30 hours per week is basically full time) for eighteen months out of the last two years. As the vast majority of students will not fit the criteria in relation to parental income, then there only option to create an eligibility for full Austudy payment is the working criteria. As Year 12 exams do not finish until the end of the November in any given year, and as the University year commences in March of any given year, then the eighteen month period will of necessity mean that any course the student is accepted into will need to be deferred for two years. As most Universities will only allow a deferral for one year, this means that the student will lose their place and have to apply along with all the other Year 12 students in the following year. This could mean the difference between them being accepted into a course or not- depending on the TER required for acceptance into their preferred course.

There are two other flaws with the working requirement. The first is that in this economic climate it will be extremely difficult for rural and regional students to find such employment. Very few employers would be willing to put time and money into skilling up a worker who will leave at the end of two years, compared to a worker who wants to make that job their career. Currently, a lot of rural and regional students undertake seasonal work to earn the required amount for financial independence (under the current criteria). They would not be able to undertake this work as it does not fit the criteria of 30 hours per week for eighteen months out of the last two years. This will have an effect on the ability of rural and regional businesses to find workers who will carry out this seasonal work. The second flaw concerns whether rural and regional students will carry on with tertiary education if they have to wait at least two years to commence their course. The longer that students are out of the habit of studying the less likely they are to want to commence studying again. This is magnified if the work they have been undertaking does not have any relationship with the course they want to study.

Rural and regional students do not have the luxury of returning to live at home if financially they are not able to survive when undertaking tertiary education. There are some tertiary courses available in regional and rural areas, but from my experience these are limited. If a student does not want to undertake those courses then they must move away.

If the current proposed changes are made, then those rural and regional students who completed Year 12 in 2008 (and have undertaken a gap year) will need to find extra fulltime jobs in 2010 before they will qualify for assistance. This will basically mean that

they will forfeit their University place and have no guarantee of being accepted again into that course in 2011. In a time when youth unemployment is running at 26% they will be attempting to find full time work. They will have modeled their gap year in good faith on certain criteria only to have that changed on them without any consultation or consideration of the consequences. For those students who complete Year 12 in 2009 and beyond, their chances of attending any tertiary education institution are severely compromised.

I have read the reasons given by the Government for altering the criteria, but it does seem that the alterations have been done without any consideration for students outside of the metropolitan area. It also seems that there could be a tightening of the rules in relation to parental income which would not affect rural and regional students being able to earn a certain amount of money to be classified as financially independent. I honestly believe that any rural and regional student who attends tertiary education should be automatically entitled to full Austudy if they are required to move away from home. Full Austudy is not sufficient money to live on and these students need to supplement their incomes with work as well as some parental assistance (if possible). Rural and regional students are already disadvantaged in attending tertiary education and the proposed changes would only increase that disadvantage.