

**THE NATIONALS**

**Luke HARTSUYKER MP**

FEDERAL MEMBER FOR COWPER



Committee Secretary  
Senate Standing Committee on Rural and Regional Affairs and Transport  
PO Box 6100  
Parliament House  
Canberra ACT 2600  
Australia

Dear Sir/Madam

I am writing to you regarding the Senate Standing Committee on Rural and Regional Affairs and Transport inquiry into regional students' access to secondary and tertiary education.

I wish to bring to the Committee's attention my concerns, and indeed the concerns of many families in rural and regional Australia, with regard to the Government planned changes to eligibility for Youth Allowance.

Of specific concern are the proposed Government changes to eligibility for Independent Youth Allowance.

From January 1, the Government is proposing to alter eligibility for Independent Youth Allowance so that students will have to work 30 hours a week for 18 months in order to qualify.

This raises many issues which are relevant to students regardless of where they live. However, there are also major concerns about the impact these changes will have on students from regional areas.

I would appreciate it if the Committee were mindful of the following issues when considering the impact of the Government changes on regional students. These go to the very heart of the issue of equity and access to tertiary and vocational education for students who live outside the main metropolitan areas.

1. Regional students and their families already are disadvantaged in accessing tertiary or vocational education because many are unable to access locally the course they wish to study.
2. Whilst many metropolitan based students are able to remain living at home and choose the institution where they would like to study, many regional students have the added burden of paying for accommodation and living expenses. Some parents have brought to my attention that it can cost up to \$18,000 per year to live in a residential school.

3. When it comes to studying in their chosen field, most regional students have no choice but to move away from home.
4. The Government's changes to Independent Youth Allowance effectively eliminate the current Gap Year, where many students defer from their course for one year and earn enough money in that 12 month period to qualify for the Independent Youth Allowance.
5. In regional areas it is particularly difficult to find 30 hours work a week for 18 months – a requirement under the new arrangements. Under the existing arrangements many students are able to earn the required amount of \$19,500 in 12 months. The changes therefore further disadvantage students outside of the main metropolitan areas.
6. Centrelink is advising students that under the new guidelines that if a student is not able to secure 30 hours work in one week then they revert back to \$0 and start afresh regarding eligibility. Students are not able to bank excess hours to cover shortfalls when there is less available work.
7. Many universities and education institutions only permit one year deferrals. The Government's changes to Youth Allowance are therefore out of step with the education system.
8. Regional students, who try to combine work and study in order to qualify for the Independent rate, will suffer increased stress levels.
9. Many young people in regional areas will simply decide not to further their education because of the Government changes.
10. Many regional families have more than one sibling studying at the same time. Without the support of Youth Allowance, the cost is prohibitive.
11. The changes to IYA contradicts the Government's rhetoric that they want more young Australians to have the opportunity to study at a university or Tafe. These changes act as a disincentive to complete further study.

Although these changes will have a substantial impact on thousands of students who may wish to study in future years, those most affected are those who are currently completing their Gap Year or currently working towards earning \$19,500 so that they qualify for IYA in 2010.

Many students have chosen to defer their studies and work for a year in order to access the Independent Youth Allowance when studying. They have made that decision based on the eligibility criteria which existed at the time of their decision.

Additionally, those who are currently working in 2009 with a view to being eligible for the IYA have been advised that if they fall short of the \$19,500 threshold and can not find 30 hours work in any given week, they will go back to \$0 (for the purposes or eligibility assessment).

The Government's decision to make the changes effective from January 1 2010 unfairly impacts on these students. They have acted in good faith but the Government has changed the rules.

In my view any proposed amendments must exempt those who are already in their Gap Year or are working with a view to accessing IYA under the current criteria.

I look forward to the Committee recommending substantial changes to the Government's proposal.

The IYA is an essential ingredient in providing regional students with more equitable access to post secondary education.

What the Government is proposing not only disadvantages regional students but in the long term, it reduces the potential for our nation to prosper.

Regional Australia produces many students who make a substantial contribution to the welfare and wealth of our nation. A key part of that contribution is the result of accessing educational qualifications in the first instance.

I believe the IYA changes are short-sighted, discriminatory and unnecessary. Instead of nurturing the talent and ability of our young people, the Government appears to be widening the divide between students who live in regional and metropolitan areas.

I trust the Committee will keep the above in mind during its deliberations.

Yours sincerely

A handwritten signature in black ink, appearing to read 'L. Hartsuyker', with a long horizontal stroke extending to the right.

Luke Hartsuyker MP

Federal Member for Cowper

Shadow Minister for Competition Policy and Consumer Affairs

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## **For You and Your Family**

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