

SENATE COMMITTEE

RURAL AND REGIONAL AFFAIRS AND TRANSPORT

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

Points as per Terms of Reference

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

\$17000 (post tax dollars) for a year board and lodging is a huge burden for rural and regional families to enable their children to attend a metropolitan university. This amount only covers 38 weeks of the year and the student must return home for the holiday periods (more expense and inconvenience in moving or storing all their goods and travelling home) or face incurring more accommodation expenses. Any student whose parents live in a metropolitan area, no matter what their socio-economic status, can remain living at home while attending university at minimal cost to their family. The government is out-of-touch with rural and regional middle-class working families, who, even on a combined gross income of \$150,000, after paying taxes, a mortgage and supporting their family without any government assistance, do not have \$20,000 per year per child for university accommodation expenses. Metropolitan families can have their children living at home. The much touted Student Start-up and Relocation scholarships are only available if you qualify for Youth Allowance in the first instance.

As a parent living in regional Australia, I face an \$80,000 accommodation bill for each of my children to attend a metropolitan university to complete their four year course. Working families can not afford such a burden.

Rural and Regional students also face a much tougher task in finding part-time work because they are constantly moving between two locations during the course of the year, thus making them much less employable than a metropolitan student who is always at the same locality.

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

There are many regional universities throughout Australia that provide an important volume of tertiary education. However, the range of courses offered is very limited. In my local area the regional university basically only offers business, teaching and nursing degrees. For any other courses the student must study at a metropolitan university. For rural students to study any course at either a regional or metropolitan university they must relocate during the semester and thus incur the large associated costs. Travelling hundreds of kilometres each day to attend classes is clearly not an alternative.

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

The proposed changes to Youth Allowance eligibility are grossly unfair, particularly to students, who at the end of 2008, made a decision to have a gap year in order to earn enough to qualify for the allowance. These students made a life-changing decision based on the rules and regulations in place at the time. The government is changing the goal posts after the fact in an outrageous display of contempt for rural and regional youth, effectively wasting a year of these students' lives.

The current Youth Allowance is a financial mechanism which allows many rural and regional students to attend metropolitan universities, where they and their families would otherwise not be financially able to do so. This allows rural and regional students to become doctors and dentists, vets and engineers, scientists and mathematicians. Not qualifying for Youth Allowance will mean many of these students will not pursue the course and career of their choice and will be left disillusioned, having to settle for a second, third, fourth or fifth choice available at their closest regional university or worst still, not attend university at all.

The proposed changes to Youth Allowance eligibility for proving independent status would mean deferring university for two years instead of just one gap year.

Many students are prepared to defer their studies, give up one year of their life to work multiple low-paid jobs in order to earn the arbitrary amount, and thus qualify for youth allowance and attend the university that offers the courses they require. Few, if any, will be prepared to give up two years of their prime. Universities also only allow students to defer for one year, thus placing their position in jeopardy if they had a two year gap. It follows therefore that effectively no one will qualify for Youth Allowance under the new “hours worked” regulations except for students already living at home in metropolitan areas.

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

The proposed changes to Youth Allowance will effectively abandon support for rural and regional students wishing to study at metropolitan universities who incur massive accommodation expenses, in favour of metropolitan students who face no additional expense to study at the university of their choice.

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

Australia is a vast country with rural and regional Australia providing an important geographical skeleton to the fabric of our lives. De-urbanising Australia and encouraging regional and rural development is an important facet to Australia growing in the future. Students who grew up in rural and regional Australia are much more likely to return and live in these areas after completing university courses than students who grew up the capital cities. The proposed changes to youth allowance eligibility will definitely prevent many rural and regional students from attending metropolitan universities, often with the intent of studying high level academic courses, and thus effectively result in a lack of professional services being provided in these areas and a “dumbing-down” of the potential future leaders and service providers of these communities.

h. other related matters

The government has indicated cost as a major driver of these proposed changes. The other major driver is its social justice program which has the effect of creating middle class poverty.

The government obviously wants working families to fully support their young adults until they turn 22. This is four to five years after finishing high school, a point at which most young adults would have finished their tertiary education. If we are to support these young adults as our dependents, then let us claim the education accommodation expenses of these dependents in our tax returns, as we are the ones with this very large expense.

If the government wants a more positive balance sheet in regard to education, it should reform the HELP/HECS scheme; I have heard it reported that up to one in three people never pay back their education debt. A more equitable solution could be achieved by abolishing the tax-free threshold and impose a true user pays system. Currently, a person could obtain a tertiary education, and then choose not to work, or choose to work part-time in the profession in which the tertiary qualifications were obtained and never pay back any HELP/HECS debt because they never met the tax threshold. A wide ranging example is female doctors, nurses, dentists, physiotherapists etc who typically marry similarly qualified professionals and can therefore afford to work part-time or not at all. Their income never reaches the tax threshold but they work in their chosen profession effectively for free.

Worse still is the under utilisation of this human intellect, experience and training. You can train people, but you can't make them work.

I hope the committee will consider these issues with an open and honest perspective and not be blinkered and biased by party politics.

These children are our future and should be supported and encouraged to achieve their best. They are our future service providers and tax payers and community leaders and voters. If we want this to be not just the lucky country but also the clever country we must give every child the opportunity to study and pursue their dreams and careers, thereby assuring Australia's future.