

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

*This submission is on behalf of Gippsland Lakes Community Health (GLCH), a large health and community support service provider in the rural region of East Gippsland, Victoria.

There are many issues that impact on the ability of rural students to access higher education. This submission focuses in particular on the recent Federal Government changes in the eligibility criteria for Independent Status under Youth Allowance.

Aaron finished VCE at his local country high school last year with an ENTER score that earned him a place in his course of choice at Latrobe University.

Aaron's mother, Janet, is a single parent on a low income. Janet has earned enough in the last couple of years to come off income support, and subsequently Aaron lost the youth allowance he was entitled to when his mother was receiving support.

Aaron deferred his university entry for a year and got a job at the local pie factory to earn the required \$19000 or so to make him eligible for independent status and have his youth allowance reinstated.

This allowance was to help fund Aaron's living expenses when he moved to the big smoke for the duration of his university education.

Janet has no relatives in Melbourne, so Aaron would have to fund all his living expenses - the main cost being accommodation. After shopping around for accommodation the best they could find is hostel type priced at \$260 per week. Janet is not in a position to help fund this expense.

With the recent changes in criteria around youth allowance, Aaron is now faced with the prospect of deferring his course for another period of time to work the now required 30 hours per week over 18 months. He doesn't even know if the university will hold his place for him - he presumes not.

At this stage Aaron's education options are limited to the local TAFE, because the crippling accommodation expense in university cities and towns are beyond his financial capability. Aaron's dreams of going to university to become a pharmaceutical engineer are slowly fading.

GLCH is an organisation that provides health and welfare services to many communities, families and individuals in the rural Victorian region of East Gippsland. We are deeply concerned about the government's decision to change Youth Allowance criteria and the impact this decision may have not only on individual students like Aaron, but the far reaching implications for the health and viability of rural communities.

There is already a well-documented shortage of health professionals in regional areas. GLCH itself has experienced great difficulty recruiting appropriately qualified staff, meaning people in the community do not always receive the care they need, or have to travel long distances to receive it.

There is a trend that those who come from a rural background are more likely to return to a rural area once qualified. This has been the case in our agency where we have been able to successfully recruit a podiatrist, dietician, IT worker, health promotion and nursing staff over the past two years – all who came from various regional areas and have moved back to the country as new or recent graduates.

The possibility that even fewer rural students may undertake higher education due to limited or non-existent financial support from the government could have a great impact on our future ability to attract suitably qualified staff.

Our staff working with local families and youth report stories of middle income earning parents who are prepared to move to metropolitan areas with their children, gain work and provide their children with a home while they undertake further studies.

For some this is a more economically viable option than the prospect of paying over \$15000 in accommodation and other costs. This however, means rural areas are again losing a range of individuals who contribute diverse and much needed skills to the community.

The link between education and health is also an important factor that should not be ignored. It is well documented that those who are better educated have greater chances of being employed, increasing their financial and social wellbeing and connectedness to their community.

The government needs and wants thriving, vibrant regional communities. The importance of educating our young people and encouraging them to work, live and contribute to rural and remote regions cannot be underestimated. Reducing the impact of financial barriers to rural participation in higher education must be a key priority.

For many students like Aaron, taking a gap year between high school and university to work and earn the required amount to become classed as independent and eligible for youth allowance is the only way to contribute to the ongoing living costs of higher education.

The availability of TAFE and university courses in regional areas is limited, meaning

more often than not rural students have no choice but to move away from home. For the many rural students who must relocate to study, taking a gap year and having access to the allowance is essential.

The closest university campus in our region is over 3 hours drive away. While there is a TAFE close by (an hour drive one way for most), it cannot possibly offer a full range of course options for all students.

It is estimated that the cost for a rural student living away from home is between \$15,000 and \$20,000 per annum. The main expense is accommodation, but there are of course other daily living expenses such as food and transport. Most rural students who relocate do not have the option of staying with parents or relatives while studying.

While the youth allowance can by no means cover all these costs, it can go a long way towards assisting students with the necessary means for independent living.

A recent 'Inquiry into Geographical Differences in Participation in Higher Education in Victoria' (July 2009) found that difficulty meeting the cost of living was a theme that recurred most strongly in contributions to the inquiry, especially for students who relocate for study.

Such is the impact of cost on a rural student's ability to access higher education that the Inquiry made a recommendation that: The Victorian government advocate to the Australian government that young people who are required to relocate to undertake tertiary studies be eligible to receive Youth Allowance.'

Many rural parents are just above the threshold for income support and do not have the financial capacity to support their children while at University. Those parents that do provide some financial support are often placed under great financial stress. Our staff have heard accounts from parents they work with who have either taken out loans to cover expenses or are working longer hours to support their children to get the education they deserve.

The 2006 Victorian Parliament 'Inquiry into Retaining Young People in Rural Towns and Communities' found that 'rural young people should have the same opportunity to participate in higher education as do their metropolitan counterparts... but that the geographic distance and the relocation costs that it necessitates are an impediment to that equality of opportunity' (p.206).

New criteria which means students would need to work an average 30 hours a week for 18 months to be eligible for the benefit is a further impediment, and in many circumstances impossible.

It is most certainly unfair to those students currently undertaking a gap year under the presumption that they will be entitled to this allowance – only to have the goal posts change mid way through.

The changes are based on the assumption that there is work available. In many rural areas this is not the case. Unemployment is already high and rising in our region (5.7% compared to 4.8% the rest of Victoria - ABS 2006). Work that is available is often seasonal and low paid.

In some smaller communities with only a few hundred residents or less, businesses are often family owned and operated and cannot afford to take on extra staff.

For those that do find work, in order to meet the criteria of 30 hours work per week over 18 months, students would essentially need to defer for two years - if the university will allow them to do so. It is by no means an automatic process to defer for another year.

During this period, some students may begin to enjoy the freedom 30 hours of income affords them, incur debts such as car loans, change their mind about what they want to do and run the risk of forgoing their place at university all together.

‘Students who have deferred often become accustomed to a working lifestyle and income and are reluctant to return to being a poor student.... and many young people form significant relationships in the local community which creates an additional motivation to remain at home rather than relocating for study.’ (Inquiry into Geographical Differences in Participation in Higher Education in Victoria, p. 199)

In 2007-08, one in three school leavers from non-metropolitan areas deferred their studies compared to 10% of metropolitan students. (Inquiry into Geographical Differences in Participation in Higher Education in Victoria – Executive Summary.)

In our region, 21% of year 12 completers deferred their place at University, compared with 11% of Victorians (On Track, 2008). The risk of giving up their place permanently is already high.

Alternately, some students may defer for one year, work for 18 months and enter their placement mid-term, where permissible. This has its own disadvantages. Students will not only be behind, but may miss out on the valuable social networks that are often formed at the start of an academic year, resulting in lack of integration, isolation and higher drop-out rates.

Rural students already face more challenges than their metropolitan contemporaries to even secure a place in higher education. ENTER scores in non-metropolitan areas are on average lower than those in metropolitan areas. In 2007, only 8.5% of regional students recorded an ENTER score in the 90s compared with 19.1% of city students. (Inquiry into Geographical Differences in Participation in Higher Education in Victoria, p106).

Only 28% of year 12 completers in East Gippsland went onto University compared with 44% of Victorians (On Track, 2008).

The transition to higher education is already a difficult one for many rural students, who leave behind their family, friends and the comfort of familiar surrounds to enter into a completely new and often daunting environment – some will adapt; some certainly won't. The changes proposed will create, for many, extra financial barriers and make this transition more difficult.

Yours sincerely

Bruce Hurley
Chief Executive
Gippsland Lakes Community Health