

# The Australian

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## Youth Allowance exceeds expectations

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All regional students will face the same Youth Allowance eligibility rules, under proposed reforms.

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**THE federal government has outbid itself on student income support, producing new figures showing its earlier reforms were working - and then boosting the funding anyway.**

The \$265 million boost astonished most, and pleased many. However postgraduates are bitterly disappointed at a two-year deferral of eligibility for around 13,000 coursework students, while university representatives are concerned that between 3 and 7 per cent will be shaved from the value of metropolitan students' scholarships.

But the independent Youth Allowance reviewer, former University of Melbourne vice-chancellor Kwong Lee Dow, said the reforms had exceeded his expectations.

Professor Lee Dow told the HES that the proposed arrangements would effectively meet the needs of two equity groups: low-socioeconomic students, which the 2010 reforms had been aimed at, and regional students.

The decision to extend 'gap year' eligibility to inner regional students – enabling them to demonstrate "independence" by working for as little as three months – is almost the reverse of what Professor Lee Dow had recommended.

Evidently presuming he would have few if any extra funds to play with, he had instead advocated eliminating the 'gap year' work test and converting the more onerous 18 month test to a flexibly applied two-year requirement.

The shadow parliamentary secretary for regional education, Fiona Nash, said the opposition would need to see the detail but was likely to back the government's proposals.

"I expect ... we would be supporting it, having called for this to happen for a year and a half," she said.

But Senator Nash said the government had missed an opportunity to overhaul income support for regional students, instead perpetuating arrangements which force some students into an unwanted gap year.

“Independent Youth Allowance has only ever been a stopgap measure for a lot of regional students. I will continue to push for a tertiary access allowance – a payment for regional students who have to relocate, without the requirement for a gap year.”

However the government argues that this is exactly what it’s provided through relocation scholarships for ‘dependent’ Youth Allowance recipients who don’t need to satisfy work tests.

Figures released yesterday suggest the 2010 reforms have benefited far more students than they’ve disadvantaged.

While the number of students receiving independent Youth Allowance through the workforce rules has declined by 40 per cent, this has been more than cancelled out by a sixfold increase in people receiving independent benefits after the ‘age of independence’ was dropped from 25 to 23.

Even inner regional students saw a net benefit, with those gaining from the new arrangements outnumbering those who lost out by about 600.

Meanwhile the number of students on dependent benefits has increased by over 21,000 – more than 6000 of them from regional and remote areas.

Major university groups welcomed the latest changes, but the Australian Technology Network noted that some groups would be adversely affected.

“Some elements may be counter-productive to broader policy contexts such as equity and skill development,” said ATN executive director Vicki Thomson.

Ms Thomson said the boost to relocation scholarships would give eligible regional students an extra \$1500 or so over the course of their degrees.

But urban students, many of whom don’t qualify for relocation scholarships, will see their smaller start-up scholarships reduced by about \$144 a year. And it’s not clear whether the payments will continue to be indexed.

“While the sums aren’t huge it raises the question: why do that to disadvantaged urban students when the government is trying to increase their low participation?” Ms Thomson said.

Innovative Research Universities executive director Conor King said the boost to regional students’ relocation scholarships was valuable. But he said he was concerned at cuts to metropolitan students’ scholarships, given the tight financial circumstances many faced.

RMIT University policy analyst Gavin Moodie said regional higher education participation rates hadn’t improved much in two decades. “Establishing campuses in the regions has not increased participation markedly, so another policy has to be tried,” Dr Moodie said.

“Hopefully increasing the amount of income support for regional and remote students – and the ease with which they can access it – will increase their participation.”

Council of Australian Postgraduate Associations president John Nowakowski said he was happy that benefits for regional undergraduates had been increased. But he protested at the “frequent little stings” endured by postgraduates.

“The government needs to remember that postgraduate students can’t just be overlooked again and again, and again,” he said.