

SUBMISSION TO THE RURAL & REGIONAL AFFAIRS TRANSPORT COMMITTEE

SOCIAL SECURITY AND OTHER LEGISLATION AMENDMENT (INCOME SUPPORT FOR STUDENTS) BILL 2009

PROPOSED CHANGED TO THE YOUTH ALLOWANCE

I would like to protest at the proposed changes to the Youth Allowance where students are no longer able to prove their independence by earning 75% of the minimum wage over an 18 month period. The proposed change calls for our youth to work for 30 hours over 2 years. I suggest that this will make the Youth Allowance out of reach to our rural students.

We live in a small country town and have paid to send our children to Perth to be educated from Year 8. To accomplish this I have returned to the workforce fulltime.

In 2007, our oldest child completed Year 12 and went straight to work at CBH on a wheat bin. In 2008, she commenced her Tertiary study, obtained part time work and we paid for her to board at a University College. After completing her 2008 study, she once again worked on the wheat bin for the summer. This year (2009) she once again obtained a part time job whilst studying. By undertaking this work she was able to earn enough money to qualify for the Independent Youth Allowance. We were happy to support her in her first year of study and she enjoyed the opportunity to work and gain independence from us. The government also saved as she completed her first year without any contribution from Youth Allowance.

The proposed changes will make our other children ineligible for the Youth Allowance. We may be asset rich but, after paying for our children's education, we are cash flow poor.

We have another child in Year 12 this year. She has gained employment on the Wheat bin and will commence the day after her last TEE exam. She is hoping to go to University next year and we will be supporting her. She can't live at home and attend University and she also can't live at home and obtain a 30 hour per week job. In our little country town there are not the job vacancies. To be eligible for the proposed changes to the Youth allowance, she will have to shift to Perth, find accommodation and a job and put her plans on hold for up to 2 years.

It is understandable that increasing numbers of country children are not going onto to further education with the hurdles they have to overcome. City based students do not have to worry about accommodation, shifting out of home or becoming independent of their parents unless they choose to. Julia Gillard has stated she wants to increase the rate of participation of country children in Tertiary Education and yet the proposed changes to the eligibility to Youth Allowance are making it more difficult.

I understand that there may have been students that have obtained the Youth Allowance via the 75% earning over 18 months, under false pretences, but for some this method is the only way that they are eligible for the benefit. It is especially true for our rural students who can earn good money by working during their holidays, seasonally, in the country, whilst living at home.

I hope that you find a way to help students whose parents reside in the country and suggest a non-means tested automatic assistance based on the Isolated Children's Parents Association Model. This would, at least, put Country students in a comparable situation to their city counterparts.

I implore you to re-visit the criteria with regards our country youth.

2/10/09

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