

## Comparison of Previous Youth Allowance Payments to Current Payments

We currently have a daughter attending UWA who qualified for Youth Allowance (YA) under the previous guidelines i.e. “proving her independence” by earning approximately 75% of the Basic Wage during her gap year. She is also receiving Rental Assistance (RA) and funding under a Commonwealth Accommodation Scholarship (CAS).

Our second daughter is completing Year 12 this year and is intending to move to Perth probably next year to undertake her tertiary studies. My understanding is that she may be eligible to receive some YA plus RA dependent upon our Parental Income (PI). For the purposes of the comparison below we have used PI of \$90000 pa.

Daughter No 1		Daughter No 2	
Youth Allowance	\$377.00	Youth Allowance	\$ 25.39
Rent Assistance	\$ 76.80	Rent Assistance	\$113.40
CAS	\$173.38	Start Up/Relocation	\$235.69
Total	\$627.18 pfn	Total	\$374.48 pfn

The Start Up and Relocation amounts have been based on \$2128 pa and \$4000 pa respectively. While we understand the Start Up Scholarship will be indexed annually, the Relocation Scholarship reverts to \$1000 pa after the first year.

We are not mathematicians but believe the above is accurate enough to illustrate that our second daughter will be considerably disadvantaged compared to our eldest, initially by as much as \$247 per fortnight increasing to almost \$370 per fortnight in her second year. Our eldest daughter is working to supplement her income and is only just getting by with some help from us, but it would be unrealistic to expect our second daughter to obtain work to make up the shortfall as well as undertake her studies.

This scenario we are sure is not unique to our family but commonplace in regional families Australia wide. The new guidelines introduced by the Labor government late last year and which came into effect as at 1 July 2010, are clearly discriminatory against regional students and their families, burdening them with additional finance costs that city based students do not have to incur particularly as most live at home with their parents. Everyday costs of rent and bonds, electricity, gas, water, food, internet connection etc not to mention relocation costs which could include purchase of essential household goods such as a fridge, washing machine and furniture, have to be met either from the scholarship monies above and/or parental assistance. Ongoing financial support is inevitable as motor vehicle costs etc continue to put students under financial hardship.

All of the above is on the assumption that students qualify for YA. The current guidelines require a prospective student to complete an average of 30 hours of work per week for 18 months over a 2 year period. Even assuming a student commenced work as soon as Year 12 finishes (say mid November 2010), then 18 months hence would be April 2012. Not all courses are offered on a mid year intake with most

allowing only a 12 month deferral, so therefore a student could lose their place at university and have to compete with newer incoming students for a position in early 2013 even though they were allocated a position some 2 years earlier. Even after satisfying the YA criteria they are not guaranteed a place.

On behalf of regional parents and students throughout Australia, we therefore strongly urge all political parties give reconsideration to reverse the latest changes and allow regional students an equal opportunity to undertake tertiary studies on the same basis as their city counterparts.

John and Sue Bird