
Dear Senate Committee

Youth Allowance changes Severely Disadvantage Regional and Rural Students

I am amazed that the Federal Government's Budget proposes to scrap two of the three workplace participation criteria for qualifying for independent rate of Youth Allowance (by working for at least 15 hours a week for 2 years or earning over \$18K a year over an 18 month period). The only criteria remaining would be to work for 30 hours a week for 18 months in a two year period.

This severely disadvantages students from rural & regional areas from accessing Tertiary education. Families cannot afford to support a student living away from home. Just the cost of campus accommodation is around \$220/wk (Newcastle Uni) to \$350/wk (UNSW Colleges). Unless the student can gain a very scarce scholarship, one option is to take a gap year to qualify for Youth allowance (max \$185/ wk) and supplement that with part-time work or family support.

The only remaining eligibility criteria would mean students could not apply for uni and defer (ie cannot defer for 2 years). Many would not return to higher education.

I am also disappointed that the National Union of Students website "facts" about Youth Allowance states that workplace participation criteria are acting as a upper-middle class rort to circumvent the means test. This appears to be based on data that shows that 50% of recipients are living in the family home with a middle to high income. I bet that rort is not being used by a rural / regional students who have to relocate to access their chosen area of tertiary education !

I urge you to do all you can to reinstate the eligibility criteria, at least for students from regional areas. If the problem is the loop-hole mentioned above, exclude those students living in the family home.

Yours faithfully

David Merrikin
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