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The Committee Secretary  
Senate Standing Committee on  
Regional & Rural Affairs & Transport  
PO Box 6100  
Parliament House  
Canberra ACT 2600



Dear Sir / Madam

We are writing to express our disappointment and concern at the Government's decision to change the rules regarding eligibility for Youth Allowance.

Our son Jared, and four of his close friends, completed their year 12 studies in 2008. All five did very well, scoring TER scores in the high 80's through to Jared at 99.1. All 5 applied for, and were accepted into engineering courses at Adelaide University.

Based on the rules in place at the time, they all chose to defer their courses and work part time in order to qualify for assistance in 2010. All five have been successful in securing part time work and, particularly in our son's case, have benefited greatly from the experience of being independent.

The change of rules will have serious implications for their futures. Some families may not be able to support their children through the costly experience of tertiary education. Conservative estimates for country students to live in the city to attend university are about \$1000 per fortnight. Current Youth Allowance of \$371.40 per fortnight still leaves a large amount for students and families to find. Removing this allowance will preclude a number of students from university, or force them to seek more part-time employment which ultimately impacts on their study time.

Surely with changes that have such wide ranging consequences there should be a phase in period, or at least some advance warning, to allow students and their families a chance to plan for the future.

There are other points to consider as well as the financial burden.

- The new rules effectively mean a student will have to have a two year "gap" in order to qualify for assistance. This may affect their decision to then go to university:
  - They can't defer their courses for a second year, having to reapply and sit entrance tests.
  - They may lose their inclination to study, preferring to stay in the workforce and put further strain on unemployment figures.
  - There is then the potential loss of good students to a variety of positions that require tertiary qualifications. Do we have to import more of our top workers?
- The "gap year" serves a purpose other than securing financial assistance. Figures have shown that many students find the transition from secondary to tertiary education difficult and "drop out" during their first year. Relocating away from the family for country students adds further stress. Often a year away from study allows students a chance to refresh. It also gives them some experience of independent living, the chance to manage their own time and money, and forces them to take responsibility in employment. Surely, these are all skills that will help them if they are given the chance in university courses.

We believe the government should be trying to get as many of our young students into university as they can. The latest changes to Youth Allowance will impact adversely on this. We ask that they reconsider the recent changes and restore Youth Allowance for those who have planned for it.

Yours faithfully



Dave & Cherie Cmrlec