

26th July 2009

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

Dear Senators,

My submission to the Senate Standing Committee is to highlight the concerns we have with the proposed changes to the Youth Allowance as detailed in the Federal Budget and the affect those changes will have the ability of my children to undertake University studies.

My daughter completed Year 12 at Lucindale last year undertaking most subjects via open access. She qualified for the Pharmacy course at Uni SA. She has deferred her placement to undertake a GAP year. She obtained employment at the Naracoorte Bakery to earn sufficient monies to assist in her relocation to Adelaide next year and to meet the Government criteria to qualify for Youth Allowance.

The changes to the eligibility criteria for Youth Allowance have created a huge dilemma for students like my daughter as she is desperate to commence her course next year given that she can only defer commencement of her course for one year and be guaranteed that place but the Government now effectively requires the students to undertake a 2 year Gap if they are to meet the Youth Allowance criteria.

Our major concerns being:

- The effect on those students now undertaking a GAP year, they have planned their work/ study commencement but the changes by the Government are retrospective. Any change should only apply to students that have not commenced a GAP Year.
- Country Student disadvantage given greater costs they incur as they have to leave home and incur the greater costs that entails. The costs for Country students to undertake University Courses is huge. Our daughter has applied to enter a residential College in Adelaide but the cost is \$370 per week.
- Students only guaranteed deferment of course for one year.
- How will the income the student has earned in a GAP year effect any possible smaller Allowance they may be eligible for if they decide they can not put of their University course any longer by taking a 2nd year GAP



Our son would also like to commence University next year as well as he is currently doing Year 12. We are Farmers with our income varying year to year. My wife has taken up employment of farm to assist. Our reading of the changes to Youth Allowance will mean little or no Government assistance available which will seriously put in jeopardy the ability of our children to take up their University places.

At the very least we urge the proposed changes to Youth Allowance not apply to those students that have already planned and commenced their GAP year so that they can take up their University place that they have deferred until 2010.

Yours faithfully,



S. A. Smith