



2nd August 2009

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

Dear Sir / Madam,

Re – Proposed changes to Youth Allowance – Independent Student status.

We are parents of 4 daughters – two are already studying in Perth (370 km away from our home), and our 3rd daughter is currently in her gap year, planning on taking her deferred place at Curtin University in 2010.

The proposed changes of 30 hours per week for 18 months will make it impossible for any student to qualify for independence during 1 gap year.

If implemented, the most logical course of action for most rural students, will be to further defer study for another 6 months, and make a mid year entry in 2010, and still qualify. What has the Federal government achieved by this? The student graduates 6 months later than they would have, and the federal government has saved very little money. Rural students from average families, can not afford to support themselves in the city while studying, and the cost of 2 or 3 students studying in the city is beyond most average families. The parent income means test is set at a low level, whereby students from average families can not access the Youth Allowance, if means tested on parent's income.

There is no discernment between students from suburban families, who can remain at home while studying, and rural students that have to live away from home for tertiary studies. The cost differences are substantial.

The existing system seemed fair & reasonable for those students who put the effort in their gap year.

Rural students benefit from a gap year by gaining further life skills prior to tertiary study. We think that their achievement at university may be enhanced by the fact that they have experienced a year of working in the real world.

The current guidelines allow students who live in rural areas to obtain youth allowance, once they have had a "gap year" between high school and tertiary study. To comply with the income criteria, the students need to work full time for that 12 months. While, as parents we have advised our children to have a gap year for several other reasons, beside the eligibility to youth allowance, the current criteria has meant that our two oldest daughters have qualified as independent students, and our third daughter is currently working toward that goal in 2009.

The gap year allows our students to –

- 1) Have a break from study, as year 11 & 12 are very solid years of study.
- 2) Spend more time with family after sacrificing time for study in year 11 & 12.
- 3) A year to gain driving experience, prior to moving to the city.
- 4) Time to prepare for independent living.
- 5) Working shows the students the alternative to a tertiary qualification, hopefully adding to the incentive to gain a professional qualification.
- 6) Earn and save money to purchase a vehicle, ready for the move away from home.
- 7) Have enough money saved to live on, between stopping work in January and receiving Centrelink payments that start in May.

We live in a small rural town (Shire of Plantagenet has 5000 people), so employment for the gap year students is not a given, however many students manage to find employment for the 12 month period in our local economy.

If the criteria for independence were to change to 18 months @ 30 hours per week, effectively, the delay in resuming education may well extend to 2 years. Many businesses have work that suits the gap year students, and can offer this work on a 12 monthly basis, however in small economies, the 18 month period would not work so well. Either businesses would be short staffed if students wanted to start university in semester 2 in the second year, or students will take 2 years off between high school and university.

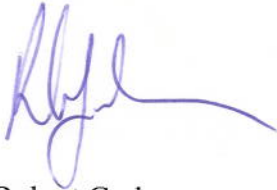
We think that it would be particularly unfair to change the criteria to 18 months @ 30 hours a week for the current gap year students. That is, at very least, any student who is currently working in the year between high school and tertiary education should not have the system changed on them mid way through that process.

If an "hours per week" figure needs to be implemented, then a fairer figure would be something like –

An average of 30 hours per week over a 12 month period, within the 18 months after leaving school.

The proposed changes will penalise a group of intelligent young adults, who will become productive members of our communities. We request that the Senate Standing Committee consider our argument as put above, and avoid changing the Youth Allowance to the detriment of these young members of our community.

Yours sincerely,



Robert Graham



Jolyn Graham