

The Committee Secretary
Senate Rural and Regional Affairs and Transport References Committee

Dear Sir/Madam

I wish to make a submission regarding the changes to the Youth Allowance Independence Criteria.

I live in the New South Wales regional centre of Port Macquarie and have a 19 year old son currently having a Gap Year before starting his study at Newcastle University in 2010. Our financial circumstances at the time required our son to work and earn the required amount of money so he could qualify for independence and the Youth Allowance. We also encouraged him to work for the experience as well to contribute financially to his tertiary education. I would like you to be aware of how living in a regional centre can be a disadvantage to students wanting to further their studies and how that can impact upon their parents.

I realise it is our choice to live in Port Macquarie. The lifestyle far outweighs any disadvantages that not living in a major city may have. However the lack of jobs in regional centres is a major issue especially in regard to the new criteria in gaining the Youth Allowance. My son has managed to obtain two casual jobs. His hours on average are only about 20 hours per week. This is well below the new criteria of 30 hours per week. This lack of job opportunities also has an impact on the wages of parents. There is limited availability of high paying jobs here. Therefore the majority of parents living in regional centres would be middle income earners. That in turn affects the financial support that parents need to give their children in order for them to further their studies.

In order for students to further their studies most of them would have to leave Port Macquarie. The local Tafe has limited courses and places and the University of Newcastle Campus has only Nursing and Teaching Degrees available. Relocating to another town, paying rent and living expenses as well as paying for the necessities of university adds to the financial burden of parents wanting their children to further their studies.

I understand that Centrelink payments need to have eligibility rules to prevent roting and overpayments. I don't like to ask for special consideration because we have chosen to live in a regional centre. However studies do show that employment is harder to gain in regional and rural areas and generally wages are lower.

The government wants the population of Australia to be well educated. I hope the changes to the Youth Allowance eligibility will encourage and financially help students and parents from rural and regional centres who want to further their education.

Thank you

Cathy Rasmussen