

2 July 2009

The Committee Secretary,  
Senate Standing Committee on Rural and Regional Affairs and Transport,  
P.O. Box 6100,  
Parliament House,  
CANBERRA, ACT, 2600

Dear Committee Secretary,

Re: 2009 Budget – Youth Allowance – Establishing Independence

I refer to the Government's 2009 Budget decision to remove two of the eligibility criteria for establishing independence under Youth Allowance from 1 January 2010. I write to request that your Committee give consideration to seeking either a delay in the introduction of that initiative until 1 July 2010 or to make some special allowance for rural students who have to move away from home, mostly to metropolitan areas, to study their chosen tertiary course.

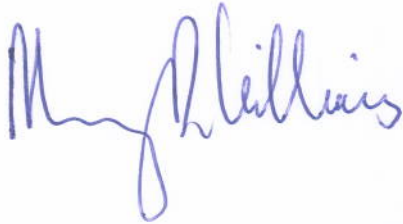
My reasons for making this request are as follows:

- Students generally, and in our case rural students, who completed Year 12 in 2008 and deferred tertiary study so they could work and qualify for independent Youth Allowance are now half way through their working year. Their goal was to fund their living costs away from their rural homes during tertiary study in metropolitan areas. It is unfair to suddenly change the long-standing eligibility rules which prompted their gap year / working decisions, such that these students will no longer be able to access Youth Allowance. Across Australia, there must be tens of thousands of students in this situation.
- If the Government were to, at least, delay the implementation of this eligibility change until July 2010 then the 2008 cohort of students could access the independent Youth Allowance as planned, but the students currently studying their final secondary year in 2009, will have been put on ample notice that there is no point in them taking a gap year to work during 2010 to qualify for the Allowance eighteen months after completing their secondary studies.
- Further, there must be very many rural and indeed metropolitan Australian families who will not be able to financially support their children in tertiary education without independent Youth Allowance even with the proposed Relocation Allowance of \$4000 in tertiary year one and \$1000 per annum of tertiary study thereafter. This Relocation Allowance represents a very large reduction in student income compared to independent Youth Allowance and its adequacy needs to be related to tertiary costs such as \$11000 for annual University College accommodation on top of \$6000 in annual HECS fees let alone other living and text book costs. What will students live on to survive?

It must result that there will be many students, especially those from rural areas, now unable to contemplate tertiary study because of this Budget initiative which hardly seems to positively support the Government's promise of an 'Education Revolution'.

I ask that your Committee at least tries to achieve a change in the operative timing of this initiative, and in particular assist in the plight of those rural students who have acted upon their life-changing decisions and are currently working in their gap year to fulfil their career ambitions.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Murray D. Williams'. The signature is fluid and cursive, with a large initial 'M' and 'W'.

Murray D. Williams