

Dear Senate Committee,

Below are some concerns about the recent changes proposed by the Federal Government to the Independent Youth Allowance that we would like to present for consideration as part of the Senate Enquiry into this matter.

- 1) The proposed changes are grossly unfair on those students who in good faith elected to take a gap year in 2009 to prove their independence from their parents and qualify for the full youth allowance. These students have deferred their university entry for a year and now have to attend university without the full youth allowance or a reduced amount on what they and their families have budgeted. The other alternative is to not attend university as most courses cannot be deferred for longer than one year.
- 2) A major obstacle for regional students going to university is the cost of moving out of home and supporting themselves while studying. It is much easier for city students in this respect as they can live at home while studying. These proposed changes are going to make it very difficult for regional and country students to maximise their tertiary study assistance.
- 3) Whilst we acknowledge the parental income threshold has been increased and given more students access to Youth Allowance, abolishing the eligibility criteria of earning \$19,500 in 18 month period to prove independence will severely affect those regional students who come from middle income families. These families earn too much for their child to receive the full youth allowance based on parental income but moving to the city will still have a major impact on these families' budgets. Becoming independent was a way these students could help with the burden of the cost of moving to the city and attending university.
- 4) If the existing process was being abused by students and well off families with their own businesses then I agree something has to change, but why can't action be taken against the known offenders and not penalise the students who have done the right thing? If the process was being cheated, surely it must be possible to identify the offenders.
- 5) Requiring students to work 30 hrs for 18 months to get the full youth allowance is extremely unfair on students from regional centres or towns. It is very difficult to get this amount of work. My son is doing a gap year and has three part time jobs in Port Macquarie and only occasionally gets more than 30 hours a week.
- 6) How can students be expected to get 30hrs per week work in country towns like Inverell, Goulburn, Young, Moree, Bellingen, Bulahdelah, Macksville and any other town in any state. It is just not realistic and seems to be an action to actually stop students from being able to access the full youth allowance.
- 7) If university starts in February, then a student intending to take a gap year and qualify for the full youth allowance, has to be doing 30 hrs/wk from August while doing year 12. This is impossible while doing the HSC, especially during the exam period in October/November.
- 8) If students want to only take one year off and still need to work during their first year of university as part of their 18 month program to qualify for the full youth allowance, imagine the impact of all these extra students looking for part time work in a University centre like Newcastle or Wollongong.
- 9) Are the new rules meant to be 30 hours every week for 18 months?
- 10) Cannot students go on family holidays or overseas trips in this 18 month period?

- 11) The proposed changes are almost forcing students to take a two year break if they want to qualify for the full youth allowance. However, most University courses can only be deferred for one year, so it is simply a barrier to getting young people to university.
- 12) Taking a two year break at that stage could well see students getting out of the study habit. It has been proven that country students are more than twice as likely to defer their courses than city kids, and that for many country people, once they defer their course they never go back to university.
- 13) The government's publication on this matter boasts about a new helpful relocation policy but this is misleading and you have to read the fine print to detect that the Relocation Scholarship is always represented as \$4000 but this is in the first year only and it drops to \$1000 in subsequent years. This is significantly lower than present opportunities.
- 14) These proposed changes will have a huge impact on regional and county families, which will have a flow on effect to academics moving back to country towns after their studies.
- 15) At absolute minimum, the proposed changes should not be applicable to students currently doing a gap year, the impact date should not be January 1st 2010.
- 16) Some special consideration needs to be considered for regional and country students – they simply can't be treated the same as city students when it comes to university assistance.

It just seems like a short-sighted action and makes a mockery of the so called "Education Revolution".

We appreciate the chance to submit these thoughts and am grateful for our system of democracy that makes it possible for the Senate to have this proposal changed.

Thank you

Greg & Vicki Baldwin