

Submission to Senate Inquiry re Amendments to Youth Allowance:

I write to you in my capacity as a Careers Practitioner at a leading Australian Independent School and as a parent of a student who finished Year 12 in 2008 and deferred a University course.

I have written to many senators and regularly to Julia Gillard's office detailing my concerns on this matter. My submission to the Senate Inquiry is in 2 succinct parts:

1. The unrealistic criteria to qualify for Independent Youth Allowance
2. The proposed retrospective implantation of the changes

CRITERIA:

To expect a young person to immediately commence work after their final exams and continue for a minimum of 30 hours per week for every week in 18 months is totally unrealistic! A deferment of University for 12 months would still require a student struggling with the transition to tertiary study to do so in addition to 30 hours / week of employment for several months. Surely this is setting them up for failure?

Alternately, students will now have to apply for a 2 year deferment from a course but not all universities permit such a lengthy time delay. Imagine how hard it will be to adjust to tertiary studies in say Engineering or Science fields after not picking up a text book for 2 years plus! We should be encouraging our brightest minds not making it more difficult for them.

Students, particularly from rural or regional areas, will struggle to find sufficient work to qualify under this criterion.

RETROSPECTIVE IMPLEMENTATION:

As a Careers Practitioner, I followed Centrelink advice and government policy to assist 2008 students plan their post secondary pathways; many of these students deferred tertiary studies so that they could work to satisfy the \$19,532 threshold to a qualify for Youth Allowance. Some, like my daughter, could not apply to specific courses because they did not allow deferment before commencing undergraduate studies (Vet Sci at CSU for example). These students are being penalised for careful planning and following Centrelink advice! This is grossly unfair. I accept the right of a government to make significant legislative changes but these should have been "Grand Fathered" in so not to disadvantage individuals who were following advice from schools and Centrelink.

I wrote to Julia Gillard's office several times to highlight this unfairness. I think the response from Robyn Shannon (Branch manager of Income Support Policy Branch) to me on July 13 warrants highlighting. She acknowledges that the 2008 cohort who followed government guidelines may consider these amendments unfair, but then tries to equate this to possible responses from students who may not benefit what the Government has drafted! One was fact and enshrined in legislation the other simply a possibility if the legislation went through. Really! For a government pushing the equity and fairness party line this was an extraordinary revelation. How can the government change the goal posts mid way through and still talk of equity?

CONCLUSION:

If the government is hell bent on pushing through these reforms (and I acknowledge that there are some positive improvements proposed), then at the very least they should respect their own 2008/09 gross wage criteria and extend the new implementation date beyond July 2009. Julia Gillard highlights the need to keep the reforms budget neutral; then I propose to initially reduce the

amount of the proposed start-up scholarships to cater for the 2008 cohort caught in the middle. At least this way the pain would be better shared and more equitable.

I would be happy to answer any questions the Inquiry may wish to ask in relation to this submission

regards

Peter Craig