

I have written this submission in particular regard to the issue of the changes to the eligibility criteria of the Youth Allowance, and how these changes will adversely affect many prospective students.

I am an eighteen-year-old prospective student to Newcastle University. I completed my HSC at Camden Haven High School, a relatively rural school on the Mid North Coast, in 2008. Throughout that year, I focused not only on achieving the best possible HSC result, but also on researching the best plan of action for the following year in regards to tertiary study. This included **where**, based on our geographical isolation from university campuses, and also based on what we could afford. After much research and family discussions, I made the informed decision to defer my place at Newcastle University in 2009, so that I could join the workforce for a year, essentially putting my life on hold, to work hard in jobs that offered the correct documentation rather than maximum pay or job satisfaction, to earn the approximately \$19 532 for me to qualify as “independent” and receive the Youth Allowance when I began university. I, like many rural prospective students, considered this a very important decision, which as of January 1st 2010, may instead constitute a very big mistake.

The new federal budget outlines a broad range of changes to the Youth Allowance System, in order to make “the System Fairer.” However, these changes fail to address the marginalisation of “middle Australia,” especially those from rural and regional areas. Prospective rural students such as myself are faced with substantial costs if they wish to further their education through tertiary study. Unlike city students who are fortunate enough to live close to a university and can continue to live at home while studying, rural students are faced with all the costs that come with setting up their own home away from home- rent, bond, water, electricity, internet, food etc. The student, who in most cases would struggle to find the time between studies to hold down a part time job, must pay these bills. Thus the Youth Allowance is vital in order to make ends meet.

While the old system was far from perfect, it was far more achievable to earn close to \$20,000 in 18 months (working usually three jobs at a time) than to achieve the impossible requirements of the new systems criteria. For example, the new criteria is based the number of hours worked. At once, this hinders anyone like myself whose work cannot be counted in hours, such as a small scale, self-run catering business, or an artist who fulfils commissions for a set price. The *amount* of hours required is even more impossible for anyone fresh out of high school to achieve. The required **30 hours per week** for a **minimum of 18 months** is simply out of the question. Even before the global economic downturn, young people around the nation, but especially in rural areas, would have had trouble finding a part time, let alone full-time job. I know of no jobs locally that offer 30 hours a week of paid employment, with the correct documentation, to a HSC graduate with no tertiary qualifications. More likely the work would be casual, not paid in Award wages but rather cash in hand, a traineeship or short-term position with a government organisation such as Greencorps, which would not qualify for Youth Allowance.

The **minnum** of 18 months is another criteria that would greatly disadvantage prospective students. Although many universities allow students to defer for one year, which makes the “gap year” possible, *very few* allow a student to defer for 18 months or two years, which is what would be required to fulfil the new criteria. Thus, a student would most likely wait until they can apply for university as a mature age student. (And it is commonly known that the longer a student defers, they become increasingly less likely to ever resume tertiary study.) An increase in school-leavers applying as mature age students would render the HSC irrelevant, and as a result I believe many students would simply leave after the School Certificate in Year 10. What an ironic “Education Revolution”.

The new system doesn't simply include changes to the Youth Allowance Eligibility Criteria, there have also been alterations to the scholarship system for rural students who have to leave home to attend university in the city. These changes include replacing the existing Commonwealth Accommodation Scholarship (worth \$4324 per annum) with the 'Relocation Scholarship', worth \$4000 in the first year and \$1000 in subsequent years. Julia Gillard uses these scholarships to justify the eligibility criteria changes, to give the impression that no-one will be adversely affected, however she fails to mention every time that these scholarships are dependent on one *already being in receipt of the Youth Allowance*.

I committed myself to working for the year, trying to earn the set amount before I left home for university, as I knew that between new study patterns, setting up a new home in the city, and acclimatising myself to a new area, I would struggle to find the time to earn enough to support myself and reach the goal of \$19 532. After a long struggle with the fact that there is not much work to be found in this regional area, I eventually found work in the hospitality industry, which gave me the correct documentation and payslips for my work, rather than maximum pay or maximum job satisfaction, in an area with no relevance to my chosen career. I rejected well paying but cash-in-hand jobs, I visited an accountant for advice, and registered for an ABN in order to begin a second job of music tutoring in a local private school, and a third job of a small catering business. I trained to making coffee, established a contract for domestic cleaning, and committed myself to earning the required amount set by Centerlink.

I was incredibly shocked and disbelieving when I first came to find that in the hands of the government's changes, all my work efforts would provide no result in achieving independent financial status. These government decisions are retrospective, and as many people have put it, "changing the goalposts midway through the game." I greatly object to this retrospective approach. As a regionally based student I feel that I am right to say that the nature of these changes are disadvantage to the point of discrimination based on location. I understand that those 49% of Youth Allowance recipients who are city students living at home while receiving benefits have provided the motivation to change the system, and it is such token independence that is offensive to any rural student who must move from home to a city, experience renting apartments, cook, clean, earn *and* study as truly independent young adults. However these changes mean that genuine students will be punished and denied access to the Youth Allowance as a result.

I undertook my 2009 gap-year in good faith that the criteria applicable when I began the gap-year would be used to judge whether I would be qualified as independent after 18 months. I am disheartened by the possibility that the government has such a lack of consideration for the youth of the nation, in particular the rural youth, and if I have learned anything from this experience it has been to distrust the system that represents me. I believe many young people affected now hold this view also, and I'm sure we will all be very careful and aim to be well informed before we vote for the first time after this experience.

The government must reconsider its role in supporting the future tertiary-educated contributors to society, the potential doctors, nurses, teachers, planners, vets, environmental scientists, geologists, accountants, surveyors, lawyers, politicians, who may now never get the chance to live out these futures as they couldn't afford to go to university because they had no way of proving their independence to get the Youth Allowance. This role has the potential for great social change, where it is not just the rich who excel, but where the middle-man is given the opportunity to better his outlook through education. Those especially from regional centres usually return to their hometowns, helping rural areas to grow and improve with qualifications and knowledge. There are three main things I would like to see accomplished in the place of the hasty and discriminatory changes by the government:

1. That the age of independence be lowered to 18, meaning that anyone 18 or above is personally means-tested, rather than parentally means-tested.
2. That the realistic workforce eligibility criteria is retained, so that students can work part time to achieve their independence.
3. If the new policy is accepted, change the cut-off date to July 2010 or January 2011, so that students who began working for their independence in 2009 (before the policy change) are not disqualified through no fault of their own.

Please direct your inquiry to help support the disadvantaged young people. Please recognise our commitment, efforts, and future contributions. Ignoring our objection to these changes and dismissing the significance of this inquiry would be to overlook the depth of this issue. Over time, young people are instilled with values towards education by their families and society, so please show that education is valued, by not allowing these changes, thus helping to make proving one's independence realistically possible.

Yours Sincerely,

Tess Beyer