

I realise that I am late putting in a submission, but I hope you will consider it. My main focus is the Government's proposed changes to the Youth Allowance outlined in the 2009/2010 budget. I am concerned that these changes adversely affect students who have taken gap years during 2009 to qualify for the allowance based on advice given by CentreLink, and who subsequently will not qualify under the new guidelines. They also adversely affect students from regional areas, who have to study in capital cities or other locations, because their preferred course of study is not offered locally.

My wife and two children live at the Sunshine Coast, and our daughter who finished Year 12 in 2008, was intending to do Speech Pathology at the University of Queensland in 2010, as it is not offered at the Sunshine Coast University. My wife and I are retired on superannuation pensions, and sought advice from CentreLink about our daughter obtaining Youth Allowance to assist the cost of living in Brisbane while studying. That advice was that students were able to qualify for Youth Allowance by earning \$19,532 or more during a gap year. Accordingly, she decided to look for work after school, and take a gap year during 2009, although vacancies were few and far between. However she did manage to find a casual job at a local supermarket, and had the aim of meeting the criteria by earning the amount required. She would have been eligible for assistance after 18 months, that is, by June 2010. We were also told that any money she saved over approximately \$5000 would delay payment by a further 13 weeks. However we were hoping that in 2010, the amount she saved would get her by for living in Brisbane. Fees would have to be by HECS, as she could not afford it.

As I understand it, arising from the Budget, the Youth Allowance eligibility criteria are being changed from 1 January 2010, so that applicants will have to work 30 hours per week for 18 months, effectively deferring their studies for two years. This means my daughter (and probably most others who are taking a gap year in 2009) cannot qualify for the Youth Allowance in the terms advised by CentreLink. I think it is unfortunate that the Government proposes to bring in these changes without warning, when thousands of young people have taken gap years in good faith to qualify for the Allowance.

I would ask the Committee to ensure that those in regional areas not be disadvantaged by government policies, such as the latest Youth Allowance changes. Even if the Government decides to bring in such changes, there should be a transitional period to ensure that those who are currently attempting to qualify under the existing guidelines, do not have the rug pulled from under them if the changes are passed by the Senate. At the very least, the starting date should be put back one year to 2011 to allow current gap year students to qualify.

Apparently these changes are being made because of concerns about 'middle class welfare'. My wife and I are on superannuation pensions and are now looking at having to look for work to help towards paying our daughter's living costs in Brisbane.

My family and I would appreciate your assistance in having the proposed changes to Youth Allowance eligibility reviewed.

Yours sincerely

Michael Backhouse