

Rural and Regional Affairs And Transport Committee

4 August 2009

Dear Committee

I wish to convey how the changes in the eligibility rules for independent youth allowance will affect my son and my family.

We are a family living in Alice Springs with a 19 year old son and a 17 year old son.

Currently my 19 year old son is undertaking a gap year. At present he is working 2 jobs in order to reach the minimum earnings threshold to qualify as an independent.

He has a full time position with the NT Government working for the Department of Health and Families in Corporate Support. This position is an AO2 position with a salary of approx \$40,000.00/year. He also works a Saturday job at an independent book store. By the end of June 2009 he had earned more than \$20,000.00 and was well on his way to qualifying for independent youth allowance.

However if the proposed changes occur he will not be eligible for independent youth allowance unless he has worked 30hours per week for 18 months. This means he will have 3 options.

- 1) Keep working until the middle of next year to reach his 18months working, and lose his university place he has deferred,
- 2) Go to university at the beginning of 2010 after not qualifying for independent youth allowance and have no financial means of supporting himself,
- 3) Not go to university.

This is a student who received a TER of 98.85 and ranked in the top ten in the Northern Territory.

For him to attend university he has to travel and live interstate.

Under the proposed changes he will be ineligible to receive any youth allowance.

We are now in the situation where we will have to bear all the financial burden for his university education on our own.

A quick search of the Australian National University in Canberra website indicates that accommodation and meals in ANU owned and operated accommodation is \$287/week for a 40 week contract. Total excluding any other associated expenses being \$11,480.

This cost does not include any course fees, travel, medical expenses, phone costs or

books.

These costs are going to have to be borne by us as a family. Further limiting our abilities as parents to offer our other child a quality education.

My concerns are that rural and regional students will unfairly be disadvantaged by the introduction of the new independent youth allowance rules.

Rural and regional youth are entitled to receive a university education.

These proposed changes could be the difference between rural and regional students attending university and not attending university.

Our students need to be financially supported.

Regards  
Judy Smyth