

August 5, 2009

Submission to Senate: Against Proposed Changes to Youth Allowance 2009

As the parents of three children, living in Rural Victoria we are writing to express our frustration and upset over the proposed changes to Youth Allowance in the recent budget.

Our eldest son is currently a Second Year student at Ballarat University. He deferred his University Course for 12 months following Year 12 and was able to work during this time. This was to ease the financial burden on the family, during these drought times.

Our second son completed Year 12 last year (2008) and decided to defer in 2009. He is currently working in an area which relates to his chosen Course at University in 2010. This will help to ensure the Course he has selected is the appropriate one. The decision to defer, which is only available for a 12 month period, was made on the basis of the current Youth Allowance criteria.

Changing the rules for Youth Allowance in January 2010 has changed the 'goal posts' and his decision may well have been to attend University in 2009 instead of deferring. He would have been eligible for Youth Allowance, under the current circumstances as we are in an Exceptional Circumstances situation. He chose to work and planned to gain Independence next year.

The changes to include the need to work a minimum of 30 hours per week for 18 months of the past 2 years will mean he would not meet these criteria unless he continues to work in 2010. His Course can only be deferred for 12 months. He is currently employed in a full-time position, but his commencement was delayed due to the Victorian bushfires. Although this is a full time position, he does not always work 30 hours per week. The daily hours he works varies depending on the number of schools attending the Camp he works at. He has maintained a second job which is only a few hours per week, to assist in supplementing his income. Being in a small rural town, the opportunities for full-time employment are limited. Thoughts of moving to a large regional centre, away from

family and supports are not economically feasible. Jobs are only going to get harder to find due to the current economic climate.

My husband and I are small business operators; we run a fertilizer spreading business. We are reliant on the Agricultural industry which is struggling in the current drought / financial conditions. We will find it even more stressful to find the funds for our son to attend University next year, as he will be required to move away from home. Even with the assistance of Youth Allowance at University he will still need to work to assist in his living away from home expenses and in the first year of University when he is moving, meeting new people and settling into University this is another challenge he will face.

Our daughter is currently undertaking Year 11 and plans to attend University after completion of Year 12. She will have to leave home to do this and this will place more burden on the family, with potentially all the children at University.

Our fear is that they will decide not to attend University if they have to find work for a 2 year period and due to the financial difficulties it will cause for the family. (if they went to University) Living at home whilst attending University is not an option for them and this is one advantage Metropolitan students have over them.

Regards

Meran & Peter Hyden