

My name is Veronica Burns and I am a 17 year old 'gap' year student. On completing high school in 2008 I took the decision to defer my University studies until 2010. The rationale behind this decision was the benefit of being able to obtain financial assistance through Youth Allowance. The criteria for independent Youth Allowance allowed Country students a helping hand in making the daunting move to Perth for tertiary education.

Many country students are forced to move to the city to pursue a course not readily available in the country. The course I have chosen, Law is not available externally or at a local campus. Therefore the options for me to further my education are limited to moving to a metropolitan campus.

A 'gap' year provides students with more than just the financial independence. This time is an opportunity for many students to experience the workforce, a first for me, and to gain valuable life experience. It breeds a culture of independence in young people and gives us the opportunity to manage our money and save, valuable lessons for young people today, faced with the Global Financial Crisis. We should be encouraging our young people to be financially independent and responsible and the proposed changes to Youth Allowance are a move in the opposite direction.

The proposed Youth Allowance changes will make me entirely dependent on my parents in paying my University tuition. This will put financial strain on my parents far greater than for the parents of city students. In two years time, my parents will also have to fund my younger brother's university education. These changes will potentially cut off any access for me to Youth Allowance. As a student from the country, I believe I should be entitled to some financial assistance in the move to the city to further my education. To pay for the move to Perth would strain my family's finances yet I am unlikely to be able to qualify for youth allowance. My parents combined income of approximately \$75 000 would allow me some Youth Allowance entitlements although I may have trouble qualifying under the assets test. My grandmother's deceased estate is soon to be finalized and with the increase in assets I could become ineligible for Youth Allowance.

For me to study at a university in Perth and live on campus, will cost me approximately \$10 000 a year in living expenses. The duration of my course is 4 years. The proposed relocation allowance of \$4000 for the first year is not enough to cover my living expenses for one year and the decreased rate of \$1000 for each year thereafter is grossly inadequate. The cost of being in Perth for the duration of my course will be \$40 000 for board. This is an additional cost that rural and regional students have and need Youth Allowance payments to survive students.

The changing of the rules is unfair. I have been working hard towards the goal of obtaining my independence for 8 months to try to set myself up to fund my university education. I found myself a job in a local restaurant and was offered and accepted a traineeship with the view to gaining skills to enable me to work through university to supplement Youth Allowance. I average about 28 hours a week as a casual employee and am paid \$12.52 an hour with no penalties. Due to the nature of the industry I am working

in I am unable to increase my number of hours. As I have not been regularly reaching the 30 hour a week mark it would be almost impossible for me to satisfy the new criteria of 30 hrs work each and every week over 18 months in a two year period. Even if I could get another job (full time) tomorrow, I would have to wait another 18 months to qualify for Youth Allowance under the new rules and the university does not allow deferral of my studies until 2011.

The retrospective nature of these changes being implemented on the 1st of January 2010 means that a large amount of the school leavers' 2008 cohort, who have opted for a 'gap' year, may no longer be eligible for Youth Allowance. I made my decision to take a 'gap' year at the end of last year based on the available information and trusting that the current measures would continue. I am doing everything in my power to give myself the best possible chance of receiving the full Youth Allowance payments to allow me to study away from home. Under the proposed changes I am in jeopardy of not being entitled to any payments of Youth Allowance at all and the Australian University Scholarships will no longer be available to me.

These changes are just plainly unfair when I and so many of my peers have made arrangements to give ourselves every possible chance. We are already committed to our courses and to our gap year choice. We, unlike the Government, cannot reverse our decision and choose a different direction for 2009. Had I been forewarned about the changed criteria I might have been in a position at the beginning of my traineeship to negotiate for a minimum 30 hours a week. During my 'gap' year I can hope to earn \$20 000, had I gone straight to university I could expect to be earning \$50 000 on graduating from university. The difference in this year's earning, (\$30 000) I had hoped to be closed with monies I would receive from Youth Allowance that I will now miss out on.

To change the Youth Allowance independence criteria with no warning and leaving the 'gap' year students of 2009 the scapegoats of government funding cuts is contrary to the Australian ideal of a fair go. I call on the government to give us a fair go by delaying the implementation date for these changes to the 1st of January 2011 and have a good hard look at how these changes are really going to impact on the rural and regional youth of Australia.

Sincerely,  
Veronica Burns  
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