

11th July 2009

To
Committee – Education, Employment and Workplace Relations
Inquiry Into Higher Education Support Amendment (2009 Budget Measures) Bill 2009

Dear Chairman

I would like to make a submission to the committee that some of the planned changes to Student Income Support (changes to Youth Allowance) do not take place until the 1st January 2011 not 1st January 2010 as in the Budget. These changes particularly apply to Rural Students who are currently on a gap year.

A large number of HSC Students in 2008 possibly deferred their University entrance based on the rules at the time for qualifying for Youth Allowance. These changes were slyly put into the budget.

I am referring in particular to changes to the criteria to be classed as independent.

Previously, to qualify for Youth Allowance a student could earn approximately \$19,500 in 18 months from the date of their last HSC exam, or another 2 other means of earning income and/or qualify based on their parents' income.

This has now been replaced by rules that you have to have worked at least 30hrs a week fulltime for 18 months out of the previous 2 years prior to the 1st January 2010 (the only income rule) or qualify based on what your parents income is.

This review was based on the Bradley Report. This report stated that some students were living AT HOME , their parents were earning a very good income but they were still eligible for Youth Allowance.

However, the words AT HOME do NOT APPLY to rural students who have to move away from home and therefore pay rent, food and other bills as well as books etc AND still have a HECS debt at the end of their course.

For example my daughter deferred at the end of 2008 and will move to Melbourne in 2010 to start her double degree course. Melbourne is 6 hrs away and she deferred the course in good faith to earn enough to qualify for Youth Allowance (BASED ON THE RULES AT THE TIME). We are fortunate that we both have good jobs (at the moment) and earn a very good income. We will not qualify for any help if the changes go ahead. However, even earning a good income, we will still find it difficult to find approximately \$250 to \$300 a week for rent, food , bills and books.

I would urge the committee to have a good look at these proposed changes and the impact they will have on rural students.

Thank you for your time.

Yours faithfully

Margaret Doyle