

To the Rural and Regional Affairs and Transport Senate Committee's inquiry into Rural and Regional access to Secondary and Tertiary Education Opportunities,

I am writing to you in order to express my concerns over the possible implications for prospective students from rural and regional areas of the proposed changes to the Youth Allowance regime arising from the Bradley Report's recommendations.

Whilst I applaud what appears to be the general thrust of the Federal Government's proposed changes (better targeting of funding to students who are most deserving of help), I believe that the ability of students from rural and regional areas to access quality secondary or tertiary education based in metropolitan areas could be severely curtailed in the process. Also, students from such areas who had acted in good faith on the advice of Centrelink employees and took a 'gap year' this year and deferred their tertiary studies in order to be eligible to receive Youth Allowance through establishing their financial independence may now be unable to work for long enough under the new criteria to establish themselves as such without forfeiting their deferred places at university, with this year having essentially been wasted in the process.

As an example of what I mean by this, consider the situation myself and many of my friends now find ourselves in: I live in Alice Springs currently, and completed Year 12 last year, and wish to go to university. Charles Darwin University does have a campus in Alice Springs, although many students from Alice Springs choose to go elsewhere for their tertiary studies, the two main reasons being that CDU is the worst ranked university in Australia; and that the Alice Springs campus offers relatively few courses.

I opted to apply for courses elsewhere, believing that if I deferred them I would be able to work this year and earn the required amount to prove myself financially independent - which I have done - because my parents' incomes disqualified me from becoming eligible through the means test. Under the proposed changes, my parents' incomes would still disqualify me from becoming eligible through Youth Allowance through the means test, despite the fact that in order to take up one of my deferred courses (I have a course deferred at UniSA, and one at ANU) it will be impossible for me to live at home, and I will be supporting myself, so my parents' income would have no import on my circumstances whatsoever.

Under the proposed changes, I would now have to seek to further defer my courses until Semester 2 2010 in order to meet the new criteria, which both UniSA and ANU have offered to prospective students who deferred this year and thus may be affected by the proposed changes. Whilst I will just meet the new minimum requirement of 18 months working 30 hour weeks to be eligible if I do so (although I will have to cancel all the travel I had planned to do in the latter part of this year), for many of my friends this will be impossible, even if they do extend their deferral until Semester 2 2010. Many have travelled extensively at the beginning of this year, believing - based on advice which was correct at the time - that they only need to earn the required amount of money, and not work for a minimum period as well. This has meant that even if they do extend their deferral, they will not have 18 months between starting work when they have returned from travelling this year, and the start of Semester 2 next year, meaning that

since their parents' incomes are too high, they will be completely ineligible for Youth Allowance, even though they will be unable to live at home whilst studying at university, and they will have to be financially self-sufficient.

Although I agree with the Federal Government that students should not be receiving Youth Allowance if they are still living at home essentially for free and their parents' have substantial incomes, I believe that the lack of subtlety in the application of these changes to stop such practices will also unfairly disadvantage prospective students from rural and remote areas who will have to live away from home whilst studying, and thus will be unable to be dependent on their parents, however high their incomes may be. I also believe that the proposed changes could unfairly disadvantage those prospective students who had structured their studies based on advice which was correct at the time, but may no longer apply.

Thank you kindly for your time and for considering my submission,

Luke Smyth.