

28 July 2009

The Committee Secretary
Senate Standing Committee on Rural & Regional Affairs & Transport
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Sir/Madam

We are opposed to the proposed changes to the Youth Allowance as it further disadvantages students from the country who have to leave home to study at university.

We have two daughters – one who commenced university in 2000 and one who has commenced this year. Both girls opted to go straight to university from high school whilst most of their friends have elected to have a ‘gap’ year.

Our eldest daughter lived in a residential college in Adelaide for the 4 years of her course. She continued to work part-time whilst studying and eventually got Youth Allowance in her third year at university, having sacrificed many holidays at home to stay in Adelaide to work to meet the eligibility criteria. Whilst she was doing this, her city counterparts were enjoying holidays at home with their families. We were fortunate that we had family friends who provided accommodation during this time so that we did not have to incur the extra expense of more weeks at her residential college.

Our youngest daughter was hoping to qualify in the same way. However, with the latest changes to the rules, it is unlikely that she would be able to work enough hours – whilst still studying – to qualify for Youth Allowance.

Our plans for retirement have now been put on hold as we will both now need to work for longer to fund our daughter as she completes her 6 year university degree. The expenses are not just the costs at the residential college but include travel costs for her to come home for holidays and the occasional weekend or for us to travel up to Adelaide to visit or to move her in and out of her

accommodation when required.

The privilege of a tertiary education for a country person should not hinge on the ability of their family to be able to fund such an exercise. Our youngest daughter now has several friends who are at risk of not going to university next year as planned because they will not qualify for Youth Allowance. These students are all very high achievers who have earned the right to attend university. It would be a pity to see them remain in the country and to not be given an opportunity to reach their full potential.

Another issue is the possible impact of students not being able to defer their university courses for more than one year to qualify for Youth Allowance. We have already seen examples of students who have taken one 'gap' year and then decided not to go to university. We can imagine that this issue would be greater if students had to take two years off before they could go to university. The fact that some universities such as Flinders were prepared to look at allowing deferment of courses for longer than one year would be playing into the hands of a proposal that is wrong.

It is our belief that if a student has to leave home to study at university, they should automatically qualify for Independent Youth Allowance. If the proposed changes were instigated to stop city students living at home and claiming Youth Allowance then why not change the rules – eg must have had to move at least 80 km to attend university.

We do not support the idea of these changes being held over so that current students who have taken a 'gap' year can still qualify for Youth Allowance as we believe that to change the rules will disadvantage all rural students in the future. In fact, we do not believe that the students should have to earn money before they qualify for Youth Allowance because if they have to leave home to attend university, then they should automatically qualify for Youth Allowance as they will be demonstrating their independence by living away from their homes.

We would be recommending automatic qualification for Youth Allowance if a student has to move away to attend university. This would provide equality in tertiary education for all and help alleviate the issues involved for a country person moving away from their family to continue their education.

Yours faithfully

Grace & Milton Thompson