

17 July 2009

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

Dear Sir.

RE: INDEPENDENT YOUTH ALLOWANCE CRITERIA

I am writing on behalf of my family to express our opposition to the planned changes to the Independent Youth Allowance criteria.

I currently have two daughters attending university, living away from home to do so and a third daughter in year 11. It is likely that we will continue to have at least two children undertaking tertiary education simultaneously for some years to come.

As you would be aware Inverell is a small community in the north west of the state with a population of around 10,000 people. The nearest university is located in Armidale – approximately 150 klms from Inverell.

I am sure the University of New England is a fine educational institution; however it would not cater to all students' requirements for tertiary education and even if it did – still requires a student from Inverell to live away from home.

Needless to say it is a given that to continue study at the tertiary level our young adults will need to leave Inverell to be able to do so.

Knowing this, and because the cost of living away from home is burdensome enough, let alone the costs of text books etc for their tertiary studies, many local students take the option of working for a 12month period – as was the case for my second oldest daughter. She relocated and worked in Brisbane for 12 months prior to commencing her studies in Toowoomba this year. This was done solely to meet the Independent Youth Allowance criteria at that time.

This was in fact a <u>financial necessity</u> for our family – since we were already supporting one daughter at University in Lismore and the additional cost of funding two children's tertiary educations was beyond our reach for any extended length of time. Managing to do this until May 2009 (when our second child's 18mths from leaving school timeframe had been met) was in fact a struggle.

It should also be noted that our family deliberately opted for regional universities as opposed to universities in the capital cities because the expense of living on campus in the cities was more expensive than at regional universities.

As you can see the financial burden of children's education impacts greatly on decisions being made by country families and this new criteria will disadvantage our children even further.

Obtaining a job in a rural community at the age of 17 or 18 is difficult enough – let alone obtaining one that will give you a minimum of 30 hours per week for 2 years. The local Coles supermarket has a ceiling of 25 hours per week for its younger staff - so this sort of job will no longer be available to young people if they are looking to meet the new Independent criteria.

My oldest daughter is now receiving youth allowance – it took her two years of living away from home working long irregular hours at a local Hotel/Night club to finally meet the previous independent criteria. She was working irregular hours 10pm – 4am at the nightclub on Saturday nights and equally long hours in the restaurant and pub during the week, whilst still undertaking her studies. Sometimes working greater than 15 hours one week and less the next.

In her first 12months she missed out on qualifying for youth allowance by approx \$1,000, and in the second year by a similar amount. It was not until her third year of university that she was able to substantiate the criteria – if the new criterion stays in place – you will wipe out any chance of kids in similar situations EVER being able to qualify as being independent - kids that are genuinely working and having a go.

I do not doubt that there are people out there rorting the system. The government needs to take steps to determine who they are – rather than targeting the kids that are genuinely working to fund their education expenses.

The Rudd Government has spruked repeatedly on the importance of education for the future generation – I believe that the proposed change to the Independent Youth Allowance criteria is a backwards step and will make tertiary education unreachable for many rural students.

For the future benefit of the youth of Australia and the on-going success of this country I urge you all - please reconsider this ill thought out proposal.

Yours faithfully,

Debra Cook