

1/07/2009

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

Dear Sir/Madam

RE: Submission for Independent Youth Allowance criteria

I am writing to you about the proposed Youth Allowance changes recently detailed in Budget 2009 and the effects the proposed changes will impede upon our family. Please include this letter with your submissions to the Senate inquiry.

We live in Bairnsdale, East Gippsland approx. 285kms from Melbourne. It has been our home for nearly 20 years and we have enjoyed living and working in a wonderful community and environment. I am a single parent of a 19 year old son. He has attended his education at Bairnsdale Primary School and Bairnsdale Secondary College and last year successfully completed Year 12. As a result was accepted into RMIT to study Pharmaceutical Sciences, it was a big achievement and milestone. This is the closest University he can study his choice of career, so consequently has no other options than to relocate to live in Melbourne next year. We never considered once that he would not be able to fulfil his lifetime ambition to work in the area of drug development, training and education. However the scattering news that of January 2010 all that he has worked so hard for could be swept away simply because of funding and cut backs, because we live in rural Victoria.

He deferred his course at RMIT to have a gap year in the effort to qualify to achieve independent status so to be able to receive assistance under the current Youth Allowance legislation. That was six months ago, no indications then that the laws were to change so soon. We made a decision about his future study based on current legislations and advice given by Centrelink without a clue that the rules were about to be so dramatically overhauled, the guidelines are still issued on Centrelinks website. A gap year the norm that country kids did who wished for a tertiary education, necessary due to the enormous expense of relocation and ongoing costs for the entire length of the course. We feel hoodwinked, blind sided and cheated.

My taxable income this year will probably be only marginal above the proposed parental income threshold of \$42559, hardly considered wealthy and which will make my son ineligible to qualify for support. I do this alone without any further assistance; no centrelink payments, no child support, no family support. To finance my child's move to Melbourne without assistance will cause myself extreme hardship, financial, emotional and physical distress. The costs involved in moving, rent, bonds, utilities, furnishings, food, fares, educational expenses including books, internet, phone, insurances etc. ambulance, dental, medical etc. are way beyond my income without Government assistance. We do not have family in Melbourne who could help with accommodation or transport. I would have to cease all contributions to my superannuation and savings would be impossible. Does this mean that I have to reduce my hours of work, earn less, pay less tax so that my son can qualify? Or should I take a loan to pay for the \$15,000 plus a year to support my son away from home? The long term effects would impact upon my future retirement, quality of life and financial independence drastically.

At the moment my son works 2am to 10am 3 days a week packing pies, it is a repetition and fatiguing job, but he does it without complaint as the end result would be the opportunity to study for a career in pharmacy; to be a skilled young Australian enthusiastic and vibrant, devouring all challenges, or so we thought.

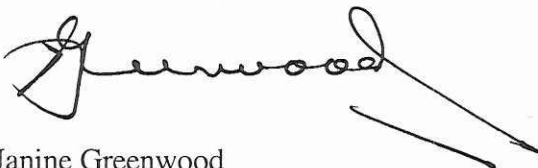
How do I tell my son that simply because of money he can not pursue his passions, his dreams, not because he is not smart enough or has not worked hard enough, been committed enough, encouraged or cared about enough, but simply because Julia Gillard and her Government do not care at all about rural and regional students. If my son does not receive the full Youth Allowance entitlements next year to study it may well come down to the fact he will have to surrender his deferred position at RMIT as he can not defer for a further year and stay in Bairnsdale without chance at tertiary advancement.

At the moment he does not qualify for Youth Allowance because he earns over the threshold, but this is necessary to achieve the \$19500 to prove independence. Consequently he does not have a health care card, or receive financial assistance and gets no concessions. Next year if he goes to University he will not be able to apply for the new start-up scholarship because he is not currently receiving government income support. How can we win, there are barriers and inadequate offers? It is lose, lose, lose for rural and regional student all for the intent of preventing wealthy students in metropolitan areas getting assistance. Once again country kids are powerless and without options.

I thought the Labor Party was for the working people, what a farce. Perhaps the ALP has forgotten the many thousands of rural and regional constituents who voted them into Parliament, who pay the same taxes but who in the scheme of things just do not matter. The rich get educated, the poor are dismissed; once again education is a privilege, not a right. What happens in ten years or so when Australia does not have enough skilled workers. Do we have to look overseas to import workers instead of educating Australians.

Students from the current gap year who are going to university in 2010 should be exempt from the proposed reforms. If the proposed changes were known about at the start of this year, then different choices would have been made. My son made choices without the full facts or transparency of the current Government.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Janine Greenwood', with a long, sweeping underline that extends to the right.

Janine Greenwood