

Dear Sir/Madam,

In my submission to the Inquiry into Youth Allowance I aim to show how the proposed changes will severely disadvantage students from rural Australia.

*Our daughter, Brooke, completed her HSC in 2008. When considering her options for 2009 she sought advice from her school counselor, Centrelink and staff at CSU, Albury campus. In good faith she acted the advice provided and deferred her studies for 12 months in order to qualify for Independent Youth Allowance. To change the rules mid way through the year **after** these students have acted on the advice of education and Govt. Dept officials is a cruel blow to their plans for the future. Universities will not extend the period of deferring beyond 12 months so students who do not take up their place will lose it. To make this legislation retrospective makes a mockery of Kevin Rudd's "Education Revolution" policy.*

We live in a farming community and our nearest town has a population of approx. 35 people. The only businesses in town are a pub and a one-teacher school, so employment opportunities are very limited to non-existent. There is no public transport so to get to any major center requires a private vehicle. This is an extra financial burden on the families of rural students. If a student can get any work it is not economical to drive back and forth 100's of kms from home so accommodation must be found and paid for. City students can live at home and use public transport to get to work whereas rural students cannot. The new changes to Youth Allowance give no consideration to the all but impossible task of finding employment in regional areas, especially in a rising unemployment market with the added complications that the drought has had on local businesses.

Brooke drove a tractor with a chaser bin over the grain harvest and manage to live at home but since the New Year Brooke has lived away from home to gain employment. From the 5th –22nd January 2009 she worked as an electrician's laborer on a construction site in Western Sydney, From 27th January to 23rd April she was in Griffith working at Cassella Winery in the lab testing grapes and from 28th April she has been in Gosford on the Central Coast of NSW waitressing. The waitressing job has been about 15 hours a week. She is still looking for more work but is finding it very difficult with no experience or skills. She is competing with newly unemployed but skilled job seekers for the very few jobs available. The only time she has had 30 hours a week work has been during seasonal work but there isn't enough seasonal work to maintain 30 hours a week over 18months. How are students to prove they have worked 30 hours a week? None of the jobs Brooke has had have the same pay rate and group certificates do not have the hours worked for the year on them.

Next year when Brooke takes her place at CSU to study Occupational Therapy she will have to look for 30-hours work a week with all the other students from CSU and La Trobe as well as the unemployed of the area. As a regional centre Albury just does not have enough jobs for every one who needs at least 30 hours a week. To remove the existing criteria for IYA will make it impossible for many rural students to gain an education because they simply will not be able to afford to attend university. How are students meant to work 30 hours a week and then have a study load of between 30-50 hours a week and be successful in their studies? Rural Australia is already suffering from a shortage of medical, educational and professional staff. Studies show that rural students are more likely to return to regional areas to take up careers than their city counterparts. To deny rural students an education is to deny rural Australians equal medical care, educations and professional services.

Ms Gillard claims that more people will be able to access YA but we need to know at what level will they be paid. She states that quote' Under the changes announced in the Budget, students from families with two children aged 16-23 years living away from home and a combined income of \$140 000 may now be

eligible for YA.” end quote. If you check the Student Assistance Estimator on the Dept. of Education, Employment and Work Place Relations web site this family will be entitled to a massive \$2.80 per child per fortnight in YA, a grand total of \$5.60 a fortnight. So spruiking these figures are very misleading. I also take to task the announcement of the Relocation Scholarship of \$4000 for the first year and \$1000 for the next three years. What the Govt. hasn't announced is that it is removing the Commonwealth Accommodation Scholarships that are worth \$4415 per student over 4 years. So students will be \$10660 worse off.

If Ms Gillard is concerned about the findings in the Bradley Review that found that 36% of independent students living at home and accessing student income support were from families with incomes > \$100000 surely she could come up with a fairer system that the one she wishes to implement. Why not use postcodes as an indicator of where a student is living or even deny YA to those who live within 100km or one hour of public transport from a university. To solve the problem with a system like the one to be introduced is like using a sledge-hammer to crack a nut, only it is the rural students who will be crushed as those who have been roughing the system will still be able to pay for their child's education, Youth Allowance or not.

The future of rural Australia and rural students depends on these young people being able to qualify for Independent Youth Allowance in a practical and workable scheme. There needs to be a more equitable and fairer system developed with a real understanding of how life is for rural students.

Kathy Maslin