

Please accept this email as a submission to the Senate Enquiry into Education Opportunities.

There are several issues in relation to proposed changes to Youth Allowance that need to be addressed.

1. The changes to qualification for Youth Allowance post 1 Jan 2010 as outlined in the Federal Budget, will be extremely damaging to country students. Country people already have significant costs over and above their city based counterparts when it comes to funding tertiary education. With most tertiary education being based in the city, country people taking up tertiary education are immediately up for relocation and accommodation expenses that city-based folk do not have to meet. Students with city/suburb based parents have the option of continuing to live at home and undertake their studies.

I understand that some city-based students have taken advantage of this in the past and taken the gap year, earned enough to qualify for Independent Youth Allowance and then continued to live at home while undertaking their studies. That can be addressed by assessing students originally from the country on a different basis to students originally from the city.

2. Currently, a student under the age of 25 is considered independent of the parental income test if they have worked full time for 18 months since leaving school or worked part time for 2 years since leaving school or have earned \$19,532.

In the latest Federal Budget, it is proposed that students, unless qualified by 1 Jan 2010 or parental joint income is below \$42,559, will no longer qualify unless they have worked full time for 18 months in a 2 year period.

Many country students will struggle to meet these new guidelines.

Furthermore, the relocation assistance proposed, ONLY APPLIES TO THOSE WHO QUALIFY FOR YOUTH ALLOWANCE. It's a double slap in the face.

3. There are young people (*we've got one at home*) who have taken a 'gap year' and are already six months into their 18 month program to earn \$ 19,532, who are having the rug pulled out from underneath them by having the rules changed on them mid-course. This group of students finished secondary school Nov 2008 and would have been planning to start university in 2010.

What do they now do? Whilst condemning the changes proposed in the Budget as disastrous for country students, there should at least be a transition period until 30 June 2010 to allow students already in the loop to complete qualification for Independent Youth Allowance under the rules existing prior to the Budget.

Regards
Craig Ferber