

YOUTH ALLOWANCE CHANGES

The recent Federal Budget has foreshadowed changes in the eligibility criteria for students seeking the Youth Allowance. There are some very profound implications for many students and parents, especially for those who have to leave home to go to university.

Several changes are to be welcomed, particularly the re-location assistance that will apply to rural students (see the changes listed above).

For those students who have **deferred** this year to earn the \$19,500 to become eligible, the extension of the minimum time from 18 months to 2 years will have an impact. These students will be facing a change in the “rules” of how to become eligible for the Youth Allowance. The new eligibility rule requires students to work an average of 30 hours per week over a two year period to become eligible.

Some students may find that they could qualify **earlier** for the allowance due to the raising of parental income limits; others will find that they will not become eligible until at least 2 years after leaving school. In the latter case, the decision to defer for a second year may mean a loss of the University place as there is no 2-year deferment arrangement in place for most courses. Also, most students will not be able to work a full-time university course and average a 30-hour working week as well (due to time constraints, poor local employment possibilities and the need to maintain family links whilst at uni). For students whose parents are above the income threshold, they will not get the Youth Allowance as a result of the changes.

The change in rules “mid-stream” has created a great deal of anxiety for our deferring students and their families.

It is hoped that clearer details of the changes will be available soon. In the meantime, all students seeking the Youth Allowance should visit CentreLink to have their case assessed.

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