



Zali Steggall MP

FEDERAL MEMBER FOR WARRINGAH

Senator the Hon Anne Ruston
Minister for Families and Social Services
Manager of Government Business in the Senate
PO Box 6100
Senate
Parliament House
Canberra ACT 2600

30 March 2020

Dear Minister Ruston,

Re: Youth Allowance

I write regarding assistance to young Australians, those under the age of 22. The Government has announced a number of recovery packages to meet the current financial crisis but I am concerned that many young Australians are not able to access these measures and are in very difficult financial circumstances.

Youth Allowance

Young Australians, under the age of 22 are not eligible to apply for Jobseeker, rather they must apply for Youth Allowance. Under the current Youth Allowance scheme, anyone under 22 is considered “dependent” on their parents unless they meet a set of strict criteria. Many do not meet these criteria due to the parental income test, even though they no longer live at home and do not have the option to return to the family home. This applies largely to students who have moved out of home or to another city for their studies.

Casual employment has collapsed under the impact of COVID-19 leaving a large cohort of young Australians who are now unable to meet their rent obligations or basic needs.

I urge you to consider waiving the parental asset test for Youth Allowance until we see a recovery of the casual employment market.

Gifting

I have had several requests from older members of my electorate who wish to provide additional financial assistance to their children and grandchildren to support them through this challenging period. These older Australians are constrained in their ability to support their family by the social security means test which limits cash and asset gifts to \$10,000 per financial year and \$30,000 over five consecutive financial years.

I would like to recommend these regulations be amended during this period so that older Australians, that have the capacity to do, so can provide additional financial assistance to their children and grandchildren without fear of repercussions to their benefits or home care packages.

In the interest of supporting younger Australians through this difficult period, I urge you to consider the immediate implementation of these measures which would be within your enhanced powers as granted by Parliament on 23 March 2020.

Sincerely,



Zali Steggall, OAM MP
Federal Member for Warringah