



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

PROOF

**SOCIAL SECURITY AND OTHER
LEGISLATION AMENDMENT (INCOME
SUPPORT FOR STUDENTS) BILL 2009 [NO. 2]**

Second Reading

SPEECH

Wednesday, 25 November 2009

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

<p>Date Wednesday, 25 November 2009</p> <p>Page 91</p> <p>Questioner</p> <p>Speaker Sidebottom, Sid, MP</p>	<p>Source House</p> <p>Proof Yes</p> <p>Responder</p> <p>Question No.</p>
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Mr SIDEBOTTOM (Braddon) (6.47 pm)—The title of this bill is the Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009 [No. 2]. What the opposition is doing is in actual fact denying income support for thousands and thousands more students who would be eligible for income support under the new arrangements. That is at the heart of what is going on here. I have heard those opposite go on about retrospectivity. I know that the member for Kalgoorlie and others spoke about this earlier in this debate, and I was also one of those who had issues with retrospectivity. The minister knows that and I have spoken to the minister, as have many of my colleagues. The retrospectivity aspect has been fixed, so I do not know what the issue is about that matter. It has been fixed at \$150,000, and it has been transitioned for 12 months. And for the benefit of the member for Kalgoorlie—I want him to hear this—those people with incomes above \$150,000 living at home and accessing education in their direct district are not eligible in the transition period. This is to support those who were going to be affected by the retrospectivity and at the same time make it fair and equitable. I do not know why those on the other side have been banging on about this, but it is incorrect. It is not fair, so at least deal with the facts of the matter.

The other thing that we should be aware of is, yes, you can cite people who were very pleased with the old system because they have benefited from it greatly, particularly those living at home and those living in the metropolitan areas, and also those living in rural and regional areas with parents on very high incomes. I join the member for Kalgoorlie, if he said that was unfair, because that is unfair.

Mr Haase—And should have been fixed.

Mr SIDEBOTTOM—And indeed should have been fixed up in the past by those on that side when they were in government, and I commend the member for Kalgoorlie on that. We are trying to bring equity to this.

But I want to tell you I also have information from families who would have benefited under our system, these amended changes, and who are absolutely distraught that those opposite are not supporting it. So I want you to know—these are direct facts; I did not make this up—they have made decisions now and they

are going to have to continue on their path. They have to take accommodation in Hobart, where they have to move to for their university studies. They have to sign those bonds now and they are lost in limbo because of what those opposite are doing, so I want those opposite to take that on board as well.

The minister has pointed out some of the figures which those opposite cannot deny in relation to those who are going to be seriously affected by the fact that the opposition will not support this legislation, along with Senator Fielding in the other house. If passed, the changes in the government's amendments would have seen more than 100,000 students, and their families, better off. That is 100,000 students better off with either more youth allowance or youth allowance to some degree. One hundred and fifty thousand students would have received a \$1,434 start-up scholarship in 2010, rising to \$2,254 in 2011, but now they will miss out. So these are the facts that are being affected by the opposition and Senator Fielding's opposition in the other house.

The government had agreed to a total of three sensible amendments, following negotiations in good faith with the Greens and supported by Senator Nick Xenophon, which would have dealt with any remaining concerns about current gap year students which I have just mentioned. I think that was only fair and I thank the minister for listening to those concerns raised by many members, on both this side and the other side of the House. But what have we got? We have them playing politics and, in the process, they are going to punish students and families such as the one that communicated with me today, including those students on a gap year who will not receive the scholarships. So that is a double whammy.

Those opposite had the opportunity to agree to a historic change to youth allowance. The member for Kalgoorlie pointed out that the previous allowance system which allowed so many more people to sort the system desperately needed change. That is all it was—a good old sort—and we know it. It should have been dealt with. The member for Sturt—he has more front than Myer, frankly—comes in here talking about how he can do us a favour if we separate these bills and the Commonwealth scholarships, which, by the way, the member for Sturt and all those opposite voted for

earlier in the year in the budget measures. That is how much of a grasp he has of his portfolio. All he really wants to do is score a few points against an excellent minister whom he cannot match in any way or form either in this place or outside of it. That is his problem.

Let me just go over in the short time available to me—there are colleagues who want to contribute to this debate—the seven major negatives visited upon us and upon the family I mentioned in Ulveston in my electorate because of the opposition in the opposition in the other house along with Senator Fielding and led by the member for Sturt. I do not know what he is leading and how many there are to lead on this, but let me have a look at the seven. More than 150,000 students across Australia will not receive the start-up scholarship. That is fact. There were 21,000 existing Commonwealth scholarships voted out of existence earlier in the year which the opposition supported—the member for Sturt should remember that, as he supported this—meaning no scholarships are being paid by the Commonwealth in 2010. More than 100,000 students across Australia will get less or no youth allowance in 2010—a mere 100,000. Students who choose to move to study will not be eligible for a \$4,000 relocation scholarship in 2010. Many students from my electorate who would have benefited from the new parental income threshold will not now be able to go and access these scholarships. Students with very high parental incomes will continue to receive youth allowance. So the member for Sturt has got what he wanted.

The continuation of the rort includes 18 per cent of students receiving youth allowance from families with incomes of more than \$150,000, 10 per cent of students receiving youth allowance from families with incomes above \$200,000 and three per cent from families with incomes above \$300,000. For heaven's sake, what are we doing here? This is immoral, but you continue it with your recalcitrance in the Senate and you allow this immorality, this rort, to continue—all for the sake of your petty vanity.

Mr Pyne—Did you write that one down?

Mr SIDEBOTTOM—Indeed, and you can copy it too. I really look forward to the member for Riverina having some substance in her argument instead of rhetoric I have listened to for the last few years. I really look forward to it. Go ahead and explain to us how you are going to continue the rort system. The parental income test will remain at \$32,800, so students with parents earning more than this will continue to lose youth allowance. We were raising it from \$32,800 to \$44,165. It will include many more low-income families in Braddon. I know such families exist for many members here, particularly in regional and rural Australia. The age of independence will remain at 25

years rather than be lowered to 22 years by 2012, which would have seen an estimated 7,600 new recipients of the independent rate of allowance across Australia.

I ask those opposite to really consider the hundreds of thousands of students who will be negatively impacted if they do not support these amendments, which have been agreed to by the Greens and Senator Xenophon. At the same time, I ask those opposite to take on board the comments made particularly on the issue of retrospectivity. I ask you to consider what you are doing for hundreds of thousands of families.