

Australian Government

Australian Government response to the Senate Community Affairs Legislation Committee report:

Family Assistance Legislation Amendment (Extend Family Assistance to ABSTUDY Secondary School Boarding Students Aged 16 and Over) Bill 2019

February 2020

Introduction

The Australian Government (the Government) welcomes the Senate Community Affairs Legislation Committee (the Committee) report into the Family Assistance Legislation Amendment (Extend Family Assistance to ABSTUDY Secondary School Boarding Students Aged 16 and Over) Bill 2019 (the Bill).

The Government introduced the Bill into the Parliament on 31 July 2019. The Bill has since been passed by both Houses of Parliament without amendment and received the Royal Assent on 20 September 2019, with the operative provisions to commence on 1 January 2020.

Committee Proceedings

The Bill was referred to the Committee for inquiry and report on 1 August 2019. The Committee invited interested stakeholders to provide submissions on the Bill by 16 August 2019. Ten submissions were received from a range of organisations. The Department of Social Services provided the Committee with a detailed submission on the Bill (submission No. 7).

In addition to the lodgement of public submissions, the Committee convened a public hearing in Canberra on 30 August 2019. The Department of Social Services, Services Australia and the National Indigenous Australians Agency, alongside seven non-government organisations, gave evidence at the public hearing.

Following consideration of the submissions and views from the public hearing, the Committee published its report on 5 September 2019.

Committee Recommendations

The Committee recommended passage of the Bill, noting that it is likely to make a significant difference for families and students as it will assist with the costs of daily incidentals at boarding school and living costs during the school holidays.

The Labor and Australian Greens Senators supported the recommendation made in the Committee report that the Bill be passed. However, as an additional comment, the Senators also recommended the Government undertake a wider review into the ABSTUDY scheme that examines the issues raised with the Committee that fall outside the scope of this Bill.

The Government has considered the recommendations made in the Committee report and the additional comments.

Inquiry into the Family Assistance Legislation Amendment (Extend Family Assistance to ABSTUDY Secondary School Boarding Students Aged 16 and Over) Bill 2019

Recommendations made by the Committee

1. The Committee recommends that the Bill be passed.

Supported

This Bill will extend Family Tax Benefit to the families of those ABSTUDY students aged 16 and over who board away from home in order to attend secondary school.

This will mean that families of Indigenous boarding students will be retained in the Family Tax Benefit system until their child reaches the end of secondary school.

As a result of the Bill, families with Indigenous children aged 16 and over will be entitled to both ABSTUDY to cover boarding school fees and Family Tax Benefit to assist them with the ongoing costs of raising a child.

Commencing 1 January 2020, this Bill will address a policy anomaly that did not previously align with supporting Indigenous students completing year 12.

Recommendations made as additional comments by the Labor and Australian Greens Senators

1. The Government undertakes a wider review into the ABSTUDY scheme that examines the issues raised with the Committee that fall outside the scope of this Bill.

Noted

The issues raised with the Committee that fall outside the scope of the Bill will be considered further in regard to the ABSTUDY scheme.

There have been a number of recent reviews that have considered the ABSTUDY scheme, including:

- The 'Study Away Review: Review of Support for Aboriginal and Torres Strait Islander Secondary Students Studying Away from Home' conducted by the Department of the Prime Minister and Cabinet in 2017.
- The inquiry into 'Educational opportunities for Aboriginal and Torres Strait Islander students' conducted by the House of Representatives Standing Committee on Indigenous Affairs in 2017.

Informed by the findings of these recent reviews, in the 2018-19 and 2019-20 Budgets, the Government has invested an additional \$74.5 million in new ABSTUDY measures to assist Indigenous secondary boarding students to stay engaged in school.

The Department of Social Services continues to work closely with Services Australia and the National Indigenous Australians Agency to provide the support necessary for Indigenous students to complete their education.