



Minister for Education; ~~Tourism~~

Our Ref: DES10-0182:RM:HE0171:2010/21029

Dr Shona Batge
Committee Secretary
Senate Education, Employment and Workplace Relations Committee
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Dr Batge

SENATE INQUIRY INTO THE SOCIAL SECURITY AMENDMENT (INCOME SUPPORT FOR REGIONAL STUDENTS) BILL 2010

Thank you for the opportunity to provide a submission to this inquiry.

I note that on 17 November 2010, the Senate referred the Social Security Amendment (Income Support for Regional Students) Bill ("the Bill") for inquiry and report and that the Education, Employment and Workplace Relations Committee has been charged with undertaking that inquiry. I understand that the Bill seeks to expand Independent Youth Allowance payments to eligible students whose family home is located in 'Inner Regional Australia'.

I also note that the Bill essentially responds to amendments made to the *Social Security Act 1991* by the *Social Security Amendment (Income Support for Students) Act 2010* in March 2010. The effect of these amendments was to reduce the eligibility criteria for Inner Regional Students to one: A person is independent if the person has supported himself or herself through paid work consisting of full-time employment of an average 30 hours per week for at least 18 months during any period of 2 years.

This contrasts with the criteria available to a person whose family home is in a location categorised as Outer Regional Australia, Remote Australia or Very Remote Australia. For such persons, there are two additional possible criteria. A person is independent if the person has supported himself or herself through paid work consisting of:

- part-time employment of at least 15 hours per week for at least 2 years since the person last left secondary school; or
- a period or periods of employment over an 18 month period since the person last left secondary school, earning the person at least the equivalent of 75% of: (i) the maximum rate of pay under Wage Level A of a transitional Australian Pay and Classification Scale or modern award generally applicable to trainees; or (ii) that maximum rate as varied or replaced from time to time by Fair Work Australia that applied at the start of the period of employment.

The Western Australian Government is strongly supportive of initiatives targeting the improved participation in education and training of people living in rural and remote areas. As the amendments contained in the *Social Security Amendment (Income Support for Students) Act 2010* reduce the qualification criteria for Independent Youth Allowance available to eligible students whose family home is located in 'Inner Regional Australia', they are essentially inequitable.

This inequity is inconsistent with the findings of the Review of Australian Higher Education ("the Bradley Review"), which noted a strong correlation between the socioeconomic status of students and their participation in higher education. In this context, income support is critical in the attraction and retention of financially disadvantaged students in higher education. The thrust of what is proposed with respect to the Bill is therefore supported.

I would like to take this opportunity to wish the Committee well in its deliberations.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Elizabeth Constable', written in a cursive style.

Dr Elizabeth Constable MLA
MINISTER FOR EDUCATION

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