



Council of Catholic School Parents NSW/ACT

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Submission:

Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009

Note: The invitation to make a submission to the inquiry was received on the 6 October 2009, the closing dates for submissions. Given the short timeframe for a response, the following submission is necessarily brief. The Council would have appreciated a longer timeframe for a more considered response to be developed.

A. Preliminary Statement

1. The Council of Catholic School Parents [CCSP] is the peak body representing the parents and carers of students in Catholic schools in NSW. The members of the Council are the Systemic and Independent Catholic Schools. The CCSP represents the interests of the parents of 238 000 children in 586 Catholic schools across NSW.
2. The CCSP responds to the Senate Rural and Regional Affairs and Transport References Committee Inquiry into the *Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009* into the impact of the proposed changes to income support arrangements for students in response to the recommendations of the Bradley Review of Australian Higher Education.
3. The CCSP has received strong feedback from parents (mainly in rural and regional areas) on the proposed changes to income support for students. Many elements of the Bill are supported but there is a particular concern over the changes to the workforce participation criterion.

C. Comments on the Bill:

1. The CCSP strongly supports the central purpose of the Bill to increase income support for students who need it the most thus making higher education more accessible for those students.
2. Furthermore it supports the following measures outlined in the Bill:
 - Changing the age of independence from 25 to 22 years of age
 - Raising the annual parental income threshold for non-independent youth allowance recipients to get the maximum rate of youth allowance from \$32,800 to \$44,165.
 - Increasing the personal income threshold from \$236 to \$400 per fortnight
 - Changing from a taper rate of 25% per person, to a taper of 20% for sliding scale reduction in the youth allowance based on parental income
 - Access to student start-up scholarships for all youth allowance recipients
 - Access, for eligible students, to relocation scholarships

- Exempting merit and equity based scholarships from the income test under social security and veterans' entitlements legislation
3. The CCSP also supports the new transitional arrangements announced on 26 August 2009 which will allow 2009 'gap year' students to access existing workforce participation criterion as this was an area of particular and significant concern to affected parents and students.
 4. However, there are still significant concerns over the measures in the Bill to no longer allow students to attain independence through part-time employment or wages. Rural parents have expressed the most concern that the requirement for a young person to work full time for a minimum of 30 hours a week for at least 18 months in a two-year period to be considered financially independent is onerous and essentially unworkable in many cases, particularly in rural or regional areas.
 5. The primary concern is that in many areas access to full-time jobs is non-existent and young people in these circumstances will be unfairly disadvantaged.
 6. Concern has also been expressed that young people may now be faced with working many additional hours a week on top of their studies to make ends meet and jeopardising their success at university and/or forfeiting their place at university because they cannot defer for more than 12 months in order to meet the new workforce participation criterion.
 7. The CCSP members were also eager to see an increase in the base fortnightly payment as recommended in the Bradley Review of higher education.

Danielle Cronin
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Council of Catholic School Parents NSW/ACT
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