



AASW
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**Australian Association
of Social Workers**

*Submission to the Senate Community Affairs
Legislation Committee:
Social Services Legislation Amendment (Better
Targeting Student Payments) Bill 2017*

August 2017

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Who we are

The Australian Association of Social Workers (AASW) is the professional body representing more than 10,000 social workers throughout Australia. We set the benchmark for professional education and practice in social work, and advocate on matters of human rights, social inclusion, and discrimination.

The social work profession

The social work profession is committed to pursuing social justice and human rights. Social workers aim to enhance the quality of life of every member of society and empower them to develop their full potential. Principles of social justice, human rights, collective responsibility and respect for diversity are central to the profession, and are underpinned by theories of social work, social sciences, humanities and Indigenous knowledges. Professional social workers consider the relationship between biological, psychological, social, cultural and spiritual factors and how they influence a person's health, wellbeing and development. Social workers work with individuals, families, groups and communities. They maintain a dual focus on improving human wellbeing; and identifying and addressing any external issues (known as systemic or structural issues) that detract from wellbeing, such as inequality, injustice and discrimination.

Our response

The AASW welcome the opportunity to contribute to the inquiry into the *Social Services Legislation Amendment (Better Targeting Student Payments) Bill 2017*. The AASW is pleased that this bill maintains payments that would have been abolished under previously proposed legislation. Although social workers work with people from every section of society, we have a commitment to those who are most disadvantaged, and we are still concerned that this bill reduces payments for people who are already on extremely low incomes. We believe that there are many fairer ways to reduce government spending.

Schedules 2 & 3

The AASW is concerned about the reduction in these relatively modest annual payments. They provide necessary assistance to persons on allowances or pensions who are seeking to improve their employment prospects by undertaking further education.

The AASW has been concerned for some time about the welfare of students dependent on government allowances. Allowances have been declining in relative value for the last 15 years and are now substantially below the amount required to cover basic living costs.

To understand the consequences of this decline for students receiving income support, we undertook research into the financial circumstances of 2,320 social work students. The research revealed that 55% of the students indicated that they regularly went without food or other necessities because they could not afford them. Students also indicated that at times they had insufficient money for food (59%), clothing (67%), accommodation (43%), transport (56%) and medication (52%).

In addition, the lack of financial resources directly affected the students' study experiences; 87% of students indicated they did not have not enough money to pay for all recommended texts or educational resources, 35% had problems with accommodation caused by a lack of income and 35% felt that the lack of financial support increased the likelihood of dropping out of the course.

Other indicators of the financial vulnerability of this group were that only 25% had savings in the event of financial difficulty, and only 17% were supported financially by parents, partners or other family members.

The explanatory notes to this bill discuss the availability of student loans to assist students. We have already addressed the onerous nature of this debt burden on students in our submission regarding the Higher Education Support Legislation Amendment Bill 2017.¹

This group is living under extreme financial stress. Although we recognise that adjusting the payment to reflect the study load is conceptually sound, we submit that these changes should be accompanied by an increase in the level of the payment. This increase is necessary to ensure that they achieve the ill's stated goal, which was:

"to assist long term income support recipients improve or re-build their skills and training to be more competitive in the labour market".²

This evidence suggests that these payments should be increased rather than reduced.

Conclusion

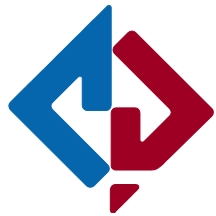
The Education Entry Payment and the Pensioner Education Supplement are relatively modest annual payments. The government's own estimates are that this measure will save less than \$25 million each year. They are targeted to assist students on allowances or pensions who are seeking to improve their employment prospects by undertaking further education. We believe them to be vitally important in helping students continue in tertiary study as a precursor to paid employment and we call on the government to increase the payment level rather than reduce them.

We believe that while there is a need for fiscal responsibility, this should not be achieved by unfairly penalising the most disadvantaged and vulnerable in our society. It is our belief that Australia can afford to invest in the future of students to unlock the potential of our young people.

Submitted by and on behalf of the Australian Association of Social Workers Pty Ltd

¹ Australian Association of Social Workers submission to the Senate Standing committee on Education and Employment: Higher Education Support Legislation Amendment Bill 2017, www.aasw.asn.au.

² Parliament of the Commonwealth of Australia, Social Services Legislation Amendment (Better Targeting Student Payments) Bill 2017 Explanatory Memorandum



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