

**Senate Standing Committee on Education Employment and Workplace
Relations**

**QUESTIONS ON NOTICE
Budget Estimates 2010-2011**

Outcome 3 - Higher Education

DEEWR Question No.EW0042_11

Senator Back provided in writing.

Question

RURAL TERTIARY HARDSHIP FUND

Budget Paper No. 2 States the following: "The Government will provide \$20 million in 2010-11 for the establishment of a Rural Tertiary Hardship Fund. The Fund will provide assistance to students aged less than 25 years whose main place of residence is located in a rural or regional area and who face financial hardship. This "fund" was announced in December last year, as the Minister struggled to make a deal to get through her flawed Youth Allowance amendments. Are there guidelines for this fund? Who is eligible? (Tertiary students who need to relocate to access their institution of study?) How will students prove their financial hardship to qualify for this fund? How much is to be paid & over what period of time? The fund is for three years, what happens to students accessing this fund after three years? Provide detail on how this will be budgeted this estimates period and in the forward estimates periods? When will this program come on line? Is there a budget for promoting applications for applying for funding under the Regional Hardship programme & where?

Answer

The *Social Security and Other Legislation Amendment (Income Support for Students) Act 2010* (the Act) includes provision for a \$20 million scheme to assist rural and regional students under 25 years of age who would experience financial hardship in undertaking higher education without assistance.

The scheme, known as the Rural Tertiary Hardship Fund, will operate from 1 January 2011 to 30 June 2013. Operation of the scheme after 30 June 2013 would be a matter for Government.

The administration of the Rural Tertiary Hardship Fund will be defined by Ministerial determination, as stated in the Act.

It is envisaged that expenditure from the Fund will be spread relatively evenly across this period, with the major portion of the funding allocated in the first semester of each year.

The 2010-11 Budget Paper No. 2 allocates \$20 million for the establishment of the Fund for the 2010-11 financial year only. It is anticipated that funding will be rephased to include the 2011-12 and 2012-13 financial years.