Senate Standing Committee on Education Employment and Workplace Relations

QUESTIONS ON NOTICE
Budget Estimates 2011-2012

Outcome 3–Higher Education

DEEWR Question No.EW0446_12

Senator Nash asked on 1/06/2011, Hansard page 115.

Question

Youth Allowance - Total Cost for Additional Inner Regional Students

Senator NASH: Yes. What is the total cost that applies to the department for the 4,250 inner regional students? Ms Milliken: The total cost? Senator NASH: All of those students are now receiving youth allowance that they did not before, so when you add that up, what was the total cost of the 4,250? [...] Senator NASH: So could I have—because it might be useful and just on that basis of the maximum rate and the part rate and, as I say, I am very happy for you to take this on notice—the total cost to government that applies to the 4,250 in inner regional; the total cost that applies to the 2,150 outer regional and remote; and do I assume—I know the release only said outer regional and remote, but does that include very remote as well? Ms Paul: I do not think we were pulling out cost. We were pulling out numbers. We would have to take that on notice to work that out. Is that okay? Senator NASH: Yes, that is fine. I am happy for you to take it on notice.Ms Paul: We will have to make a few assumptions, obviously, but we can try. Senator Chris Evans: The increase would show up in the budget papers, although it would not be broken down. It would just be total youth allowance. Ms Paul: It would be a total youth allowance figure.
Ms Milliken: And it would be a mix of students receiving the maximum rate and receiving a part rate. Some would be eligible for Relocation Scholarships, some would not because they had not relocated, or would be eligible for a Start-up Scholarship, of course. Senator NASH: So could I have—because it might be useful and just on that basis of the maximum rate and the part rate and, as I say, I am very happy for you to take this on notice—the total cost to government that applies to the 4,250 in inner regional; the total cost that applies to the 2,150 outer regional and remote; and do I assume—I know the release only said outer regional and remote, but does that include very remote as well? Ms Milliken: Yes, it does. Senator NASH: All right, so the total cost for outer regional, remote and very remote. And then if you could break them down for me,....

Answer

The extracost to the Australian Government for inner regional higher education Youth Allowance students at the end of March 2011compared to the end of March 2010for that fortnight was$1.53 million in fortnightly Youth Allowance payments (including Rent Assistance) plus $41.98 million in 2011 scholarships (Student Start-up and Relocation Scholarships) paid to 25 March 2011.

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The extra cost for outer regional, remote and very remote higher education Youth Allowance students at the end of March 2011compared to the end of March 2010 for that fortnight was $0.83 million in fortnightly Youth Allowance payments (including Rent Assistance) plus $19.38 million in scholarships (Student Start-up and Relocation Scholarships) paid to 25 March 2011.

In relation to the above response, data includes recipients of Youth Allowance studying a higher education course who are determined to be current (i.e. entitled to be paid) on the Centrelink payment system as at 25/3/2011 or 26/3/2010. Scholarship figures include 2011 Student Start-up and Relocation Scholarship amounts that have been paid up to 25/03/2011.

The difference in expenditure incorporates increases to maximum fortnightly basic rates of Youth Allowance with effect 1 January 2011 and to maximum fortnightly Rent Assistance payments on 20 March and 20 September as well as the impact of student payment reforms.

Remoteness Area distribution is based on the recipient home postcode as at 25/03/2011 or 26/3/2010 using the Australian Standard Geographical Classification 2006 Postal Areas to 2006 Remoteness Areas concordance.

The data is derived from Centrelink Administrative Data – DEEWR Blue Book Dataset.