

**SENATE STANDING COMMITTEE ON
EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS**

**QUESTIONS ON NOTICE
SUPPLEMENTARY ESTIMATES 2009–10**

Outcome 4

DEEWR Question No. EW390_10

Senator Cash provided in writing.

Question

Workforce Participation criteria

Has the Department undertaken any modelling or made any projections regarding the likelihood of young people in rural and regional communities, with a population of less than 1000, being able to find a minimum of 30 hours of work every week under the new Workforce Participation criteria? If so, what modelling has been undertaken, what projections have been made and what data was utilised?

Answer

Under the proposal, the existing element of the workforce participation criterion would be retained to provide for young people who have completed secondary education and entered the workforce, establishing a pattern of employment that has resulted in genuine self-support over time.

Young people in communities with less than 1000 people may or may not move to another location to undertake paid work of 30 hours per week. This could also be the case for young people under current rules who may or may not choose to move away to earn \$19,532. The Department has not undertaken the specific modelling referred to in the question.

Under the proposal, more young people will qualify for Youth Allowance as 'dependent' students under the proposed changes to the Parental Income Test, meaning there is less pressure for young people to take a gap year in order to try and qualify for government support to undertake university studies as an 'independent' student.