

# Chapter 1

## Majority Report

1.1 The Student Assistance Amendment Bill 2005 was referred to the committee by the Senate on 14 September 2005, following the adoption by the Senate of the Selection of Bills Committee Report No.10 of 2005.

1.2 The bill amends the *Student Assistance Act 1973* and the *Social Security Act 1991* to make it clear that a student cannot apply for assistance under the Student Financial Supplement Scheme under either act, after this bill is commenced. The Scheme has been closed as a consequence of increasing levels of bad or doubtful debt and reduced take-up of loans. The committee notes that the bill may be described broadly as 'machinery legislation', in that it tidies up the statute books to the extent of formally ending a program which ceased to be operational from 1 January 2004. The bill also aligns repayment thresholds and indexation under the Scheme with the HELP program under the Higher Education Support Act.

1.3 Even though the bill deals with technical matters, the committee received nine submissions to the inquiry, all of which, with the exception of the submission from the Department of Education, Science and Training (DEST), addressed issues of policy in relation to financial assistance to students, and made proposals of various kinds in regard to rent assistance and income support measures. The submissions closely parallel those made to the references committee to its inquiry into student income support, reported on in June 2005. None of these issues were of immediate concern to the committee.

### Concerns of the committee

1.4 Concern about two aspects of the bill were prompted by commentary in the *Bills Digest*<sup>1</sup>. These included a concern that amendments in the bill may remove Parliament's scrutiny of regulations made under the Student Assistance Act. A second concern was also raised about a point of statutory interpretation relating to the status of instruments or documents referred to in regulations.

1.5 The committee agreed not to proceed to a hearing on this reference, agreeing instead to place a number of questions on notice with DEST. Questions and answers are included in an appendix to this report. The response from DEST clarified the purposes of the legislation. An explanation was provided in regard to notes to current regulations, and an assurance given that extrinsic publications would not prescribe matters in proposed new sub-section 48(2) of the Student Assistance Act. The committee accepts these assurances.

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1 *Bills Digest*, Student Assistance Legislation Amendment Bill 2005, 28 September 2005, no.51

1.6 The committee notes that the issue of the incorporation of extrinsic material in proposed new subsection 48(2) was also taken up by the Scrutiny of Bills Committee. That committee sought the Minister's advice in relation to this matter and accepted his explanation that the new subsection was subject to appropriate parliamentary oversight, 'as the parent section - section 48 – can only impose an obligation on a person to notify an event where the event is prescribed by regulations which either House of Parliament may disallow'.<sup>2</sup>

1.7 DEST informed the committee that the recent removal from the regulations of references to ABSTUDY and Assistance for Isolated Children Scheme Policy Manuals means that references to 'guidelines' in the Explanatory Memorandum relating to subsection 48(2) of the bill are misleading. The committee is pleased to accept the offer from DEST that it will recommend to the Minister that this error be corrected.

### **Recommendation**

**The committee majority recommends that the bill be passed without amendment.**

**Senator Judith Troeth**  
**Chair**