

Coalition Senators' Minority Report

Coalition Senators note with concern that the effect of schedule 1, item 5 of the Bill (relating to Commonwealth Scholarships) will be to abolish the Commonwealth Education Costs Scholarships, and the Commonwealth Accommodation Scholarships, without providing the replacement programs. The replacement measures are set to be introduced in the Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009, which is yet even to be introduced into the House of Representatives.

Coalition Senators further note with concern that students who are forced to relocate in order to pursue their studies will be worse off under the new arrangements than they are under the current scholarship programs. At a time when we are supposed to be encouraging more students from rural and regional areas to pursue university studies, this measure will act as a disincentive to students from doing so.

Coalition Senators note that the new Youth Allowance-based scholarships that will replace these Commonwealth scholarships will be completely beyond the reach of rural and regional students who do not qualify for Youth Allowance. The senators are aware that many individuals have come forward since the budget announcement to describe situations where a family may not be able to afford the costs of relocating their dependent child despite being ineligible for dependent Youth Allowance (due, for example, to the ownership of a family farm). In such circumstances a case can clearly be made out for more flexibility in the allocation of relocation scholarships, such as has been offered under the current program.

Coalition Senators further note the evidence received that these amendments to scholarships and allowances represent a break of the *Scholarships for a Competitive Future* election commitment.

Coalition Senators therefore **recommend**:

That debate on the Education Support Amendment (2009 Budget Measures) Bill 2009 be deferred until it can be considered concurrently and in the light of the Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009.

Senator Gary Humphries

Deputy Chair

Senator Chris Back

Senator for Western Australia

Senator Michaelia Cash

Senator for Western Australia