SOCIAL SECURITY AND OTHER LEGISLATION AMENDMENT (INCOME SUPPORT FOR STUDENTS) BILL 2009

AMENDMENTS MADE BY THE SENATE

HOUSE OF REPRESENTATIVES STATEMENT OF REASONS FOR DISAGREEMENT WITH CERTAIN PROPOSED AMENDMENTS

Senate Amendment Number 3, 4, 8 and 9

These amendments would result in a substantial cost to the budget.

They would maintain the current independence criterion for students who move to study.

Together with the Coalition’s other amendments, these will have a total impact of around $1 billion over the forward estimates which has not been offset.

Moreover, these amendments are inconsistent with the intention of the Bradley Review which recommended that support be targeted to those who need it most.

Students from families above the parental income cut out point would be the prime beneficiaries of these changes which would allow any student, whether from the city or country, who moves to study to avoid the parental income test.

Accordingly, the House of Representatives does not accept these amendments.

Senate Amendment Number 5, 6, 7

These amendments would push back application of the new independence arrangements for those who have taken a gap year, even if the student is living at home.

While there is some overlap with the other Coalition amendments these amendments would result in substantial additional cost to the budget.

This amendment seeks to allow students who have taken a gap year and returned to live at home to qualify under the old system for an additional year.

The total cost of all the Coalition amendments is around $1 billion.

Accordingly, the House of Representatives does not accept these amendments.