



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

**EMPLOYMENT AND WORKPLACE
RELATIONS LEGISLATION AMENDMENT
(WELFARE TO WORK AND VOCATIONAL
REHABILITATION SERVICES) BILL 2006**

Consideration in Detail

SPEECH

Monday, 26 February 2007

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

Date Monday, 26 February 2007
Page 82
Questioner
Speaker Gillard, Julia, MP

Source House
Proof No
Responder
Question No.

Ms GILLARD (Lalor) (5.54 pm)—by leave—I move opposition amendments (1) to (14) together:

- (1) Schedule 1, item 19, page 7 (lines 22–23), omit the item
- (2) Schedule 1, item 20, page 7 (lines 24–25), omit the item
- (3) Schedule 1, item 21, page 7 (lines 26–30), omit the item
- (4) Schedule 1, item 22, page 8 (lines 1–3), omit the item
- (5) Schedule 1, item 23, page 8 (lines 4–5), omit the item
- (6) Schedule 1, item 24, page 8 (lines 6–8), omit the item
- (7) Schedule 1, item 25, page 8 (lines 9–11), omit the item
- (8) Schedule 1, item 26, page 8 (lines 12–13), omit the item
- (9) Schedule 1, item 27, page 8 (lines 14–15), omit the item
- (10) Schedule 1, item 28, page 8 (lines 16–21), omit the item
- (11) Schedule 1, item 29, page 8 (lines 22–24), omit the item
- (12) Schedule 1, item 30, page 8 (lines 25–26), omit the item
- (13) Schedule 1, item 31, page 8 (lines 27–29), omit the item
- (14) Schedule 1, item 32, page 9 (lines 1–3), omit the item

When I spoke in the second reading debate on this bill on 14 February, I raised a number of concerns about whether this bill prevents parliament from having proper access to disallowance guidelines relating to vocational rehabilitation services. I indicated that my counterpart in the Senate, Senator Wong, had written to the Minister for Workforce Participation requesting clarification on the question. I am pleased to indicate that, on the day of my speech on the second reading, Senator Wong did receive a reply from the minister indicating that both houses will continue to have the ability to disallow any guidelines relating to vocational rehabilitation services, consistent with the Legislative Instruments Act 2003. We accept the minister's assurances in response to our concerns.

Unfortunately, other concerns remain. This bill restricts access to the pensioner education supplement by removing the ability of some people moving from the disability support pension to Newstart or youth allowance to retain their pensioner education supplement until they complete their current course of study. This measure is at odds with the principle of increasing access to education and training to improve employability, but it is entirely consistent with the Howard government's approach of moving people from welfare to work by placing them on lower payments and reducing access to training.

Labor's amendments would remedy this defect in the bill. Labor urges the government to seriously consider these amendments rather than, as we would expect with a government that so often plays politics, simply rejecting these amendments out of hand because they have been moved by the opposition. The proposition is simple: pensioners who study or train in an approved course can access the pensioner education supplement, while recipients of allowances, such as Newstart or youth allowance, cannot. Under the Welfare to Work changes, people who move from the disability support pension or parenting payment to Newstart or youth allowance were supposed to be able to retain their pensioner education supplement until they completed their current course of study. Then this bill comes along and breaks that promise.

This bill changes the arrangements for the so-called ‘transitional group’ of disability support pension recipients—that is, those who were granted the DSP after the May 2005 Welfare to Work announcement and before the July 2006 implementation date. If these people are transferred from the disability support pension to Newstart or youth allowance after a second or subsequent post 1 July 2006 review, they will lose their eligibility for the pensioner education supplement and will effectively not be considered part of the transitional group. This means that they will be able to continue to access the pensioner education supplement only if they no longer qualify for DSP as a result of their first DSP review after 1 July 2006. The very fact that explaining that is an enormously complicated proposition indicates that there are a group that are going to be disadvantaged and for no good reason. Indeed, we would say that it defies explanation.

The Howard government, when we have asked them to justify the very perverse effect of this legislation, have simply claimed that it is a clarification of existing rules. The ordinary meaning of the word ‘clarification’ is to make things clearer, and that is the last thing that is achieved by this set of arrangements in relation to the pensioner education supplement. Labor has consistently argued that restricting the pensioner education supplement to stop Welfare to Work candidates from getting it is short-sighted and against the national interest of meeting skills shortages. We urge the government to support Labor’s detailed amendments that have been moved at this stage of the debate to remedy this defect in this bill, particularly when the only argument in favour is a clarification. (*Time expired*)