



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

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

Consideration of Senate Message

SPEECH

Wednesday, 18 November 2009

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Date Wednesday, 18 November
2009
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Questioner
Speaker Gillard, Julia, MP

Source House
Proof No
Responder
Question No.

Ms GILLARD (Lalor—Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion) (12.38 pm)—I move:

That Senate amendments Nos 3 to 9 be disagreed to.

These amendments, predominantly sponsored by the Liberal and National parties, mean that the Liberal and National parties stood shoulder to shoulder together in the Senate last night to rip off 150,000 students and to rip scholarships out of their hands. The government will oppose these amendments on two grounds: (1) they would be bad for country students and bad for equity in the higher education system; they are rip-offs of country kids; and (2) they are fiscally ridiculous, causing an additional cost to the budget in the vicinity of \$1 billion, with no matching savings.

I will start with the second of those points. There are times when the Leader of the Opposition wanders around seeking to make political hay out of questions associated with debt and deficit. At the senior leadership level of the Liberal Party, at the level of the Leader of the Opposition, the Deputy Leader of the Opposition and the shadow Treasurer, one would frequently hear them talk about questions of debt and deficit. You cannot be a political party that pretends to be concerned about questions of debt and deficit and blow a black hole in the budget of around a billion dollars, with no matching savings.

Let us be very clear: at the 2007 election the Liberal and National parties had no plans, no intentions, no projects and no policies to invest an additional billion dollars in student income support. This is a result of a shambolic set of amendments in the Senate, with no matching savings. They cannot be accepted by a fiscally prudent government. They will not be accepted by a fiscally prudent government. The only way the Liberal Party will not be characterised by rank hypocrisy on questions of debt and deficit is for them to not insist on these amendments. If they insist on these amendments, then each and every day between now and the 2010 election, when the Leader of the Opposition utters the words 'debt and deficit', we will make the very telling point about what a hypocrite he is in uttering those words.

The only way the opposition can get itself out of that position is to identify matching savings. The savings that are not part of the package of amendments before the House, which the opposition had previously identified, were savings to rip off students, and they would in no way have filled this black hole. They were simply not enough to do so. The opposition would have to identify the billion dollar cut to health, the billion dollar cut to other parts of education, the billion dollar cut to defence and the billion dollar cut to family payments that they say would fill this black hole, unless they want to be a laughing stock for all time on the questions of debt and deficit.

We will not accept these amendments, because these amendments are bad for students from poorer households and, most particularly, they are bad for country kids. These amendments would see a continuation of the system that has failed kids from rural and regional Australia. That is a system that has seen the participation rates of country kids in universities go backwards. Why would you do that? Why would you continue that failed system that has let country kids down?

Whilst the opposition has justified its new transition arrangements on the basis that they are about regional students, I say to the members in the chamber: 'Read the fine print.' These transition amendments are not about regional students. They are about ensuring that kids who live at home get the benefit of full youth allowance—that is, they are about ensuring in the transition that, if you live in a household of incomes of more than \$300,000 a year, you can still get youth allowance. So people need to be very clear about what these amendments are about. This is, of course, part of the Liberal Party's failed strategy to rip 150,000 scholarships out of the hands of kids next year, to prevent full youth allowance being paid to kids who are in households of very modest means and to deny other kids an increase in their youth allowance rate, a prejudice to around 100,000 students. That is why they will not be accepted.