



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

**SOCIAL SECURITY AND OTHER
LEGISLATION AMENDMENT (INCOME
SUPPORT FOR STUDENTS) BILL 2009 [NO. 2]**

Consideration of Senate Message

SPEECH

Wednesday, 17 March 2010

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

Date Wednesday, 17 March 2010
Page 2840
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) (6.24 pm)—To summarise this debate, I find it intriguing that, in opposition, members of the coalition have found their voice and the only tune they know is hypocrisy. When they were in government the participation rates of country students in tertiary education at universities went backwards. Where was all this passion for equity and rural participation then? Where was all this spirit of reform and support for students from country areas in universities then? Where was it? Of course they did not do one thing about it. Anybody in this House in this debate tonight who was a member of the Howard government deserves to bear the brand ‘hypocrite’ because they did not do anything about it.

Now, having listened to so much hypocrisy, let us deal with the factual assertions made during these speeches—these so-called ‘factual’ assertions, which are 100 per cent wrong. What is in this package? One hundred and fifty thousand scholarships. That is 29 times more than anything that was offered under the Howard government in the Commonwealth Scholarships Program they talk about. One hundred thousand students around the country will benefit. Some will get youth allowance for the first time. Some will get a greater rate of youth allowance. Coalition members speaking in this debate continue to distort it by pretending that the only way a student can get youth allowance is by becoming independent. That is completely untrue, 100 per cent nonsense, a complete distortion. The primary way of getting youth allowance under this package is qualifying on your parental income. You do not have to take a gap year. You can be in a family on, say, \$70,000 a year and have kids who need to move away from home. They will get benefits, and they would have missed out under the Howard government’s scheme. The prime way of becoming eligible for youth allowance is directly on parental income.

Of course we are talking about bringing the independence age down from 25 to 22. I was amazed by the contribution from the member for Kalgoorlie, who said students should be judged on their own income. We are the party that has brought to the parliament the proposition to bring the independence age down. He sat in a government with an independence age that was put up to 25 and would have voted for every piece of that legislation.

Then members like the member for Kalgoorlie ask, ‘Why do you means test?’ We means test to put dollars into the pockets of people who need it the most. The pension is means tested. Family tax benefit is means tested. Every social security benefit in this country is means tested. If the Liberal Party now stands for a universalist system of welfare payments for every income category, I will be amazed; we will be hearing more from John Howard and Peter Costello if that has happened—if their new vision is that we should wake up in Sweden with the associated tax rates. What a load of nonsense! In government everything they did was means tested. Indeed, the grand new paid parental leave scheme of the Leader of the Opposition is what? It is means tested at \$150,000—the same income cut-off in these amendments. So, if the member for Kalgoorlie and others reckon means testing is wrong, they had better get on to the Leader of the Opposition about his paid parental leave scheme, because obviously they do not support that either, let alone our current pension arrangements, let alone our current family tax benefit arrangements—and the list goes on.

What else is in this package? There are \$4,000 relocation scholarships to make a difference to kids and the start-up scholarships that I have spoken about. This is a package that will benefit students across the country. When you run the geographic spread, every electorate is a winner. More people in every electorate qualify for youth allowance under this package than under the old Howard government arrangements. They are the facts, not the hypocrisy that we have heard from the other side.

On the question of amendments to this bill I freely acknowledge that when this bill was first brought to the parliament there were legitimate concerns about students who had made their arrangements before it could have been known that the student income support scheme was going to change. (*Extension of time granted*) When we brought this bill to the parliament, yes, there was a problem for students in the transition between the old and the new schemes. It was raised by members of the government backbench. To be fair, it was raised by some members of the coalition backbench. It was raised by the rural Independents in the parliament. It was raised by

the Greens and by Senator Xenophon and it was fixed in negotiation with the Greens and Senator Xenophon—fully and completely fixed. The opposition are now trying to take credit for those amendments. They had absolutely nothing to do with those amendments. Those amendments that made sure that people were not caught in transition problems were wholly agreed between the government and the Greens and Senator Xenophon, and I thank them for their maturity in dealing with those amendments. They are the ones who deserve the credit for having negotiated those amendments for a problem that was raised by Labor backbenchers and rural Independents in this House.

Listening to the speeches that have just been given, one would be absolutely amazed to know—when coalition speaker after coalition speaker has got up and bagged these amendments—these amendments are before this House because they were agreed with the coalition. There is no other reason they are here. They are before this House because they were agreed with the coalition. If the coalition does not like them, why did you agree with them? What a load of old cobblers! They were agreed with the coalition and then speaker after speaker has got up and said, ‘We do not like the index.’ The index is the index that has been used across government for geographic divisions of this country since 2001. If you do not like this index, I am very happy for any member of the coalition to say, ‘Every minute I was a member of the Howard government since 2001 I supported this index and I was wrong every minute that I did it.’ To construe this index as something that is only used for health programs is 100 per cent wrong. It is used for other programs, including education and child care. I have not put any lines on a map. I have got the index that has been accepted as the appropriate index across government, across departments, across the Howard government, across the Rudd Labor government—

Mrs Bronwyn Bishop interjecting—

Ms GILLARD—since 2001, and no amount of caterwauling by the member for Mackellar will change that simple truth.

Mrs Bronwyn Bishop interjecting—

The DEPUTY SPEAKER (Ms AE Burke)—The member for Mackellar may find herself amusing but others do not.

Ms GILLARD—On the question of the delivery of these benefits, opposition members now say there is something with wrong with the index. Well, it is their index. Then we had the member for Hinkler suggest that somehow it is neglectful that my department or my office did not come up with a purpose-specific map of Australia for student income support. It is a pretty tough thing to do when the first time the opposition ever raised with us that they would accept a geographic division of the country on these questions was last Tuesday. How was one to do a purpose-specific map from last Tuesday? Obviously, we used the map that is across government. The change to the map—the so-called great victory that the opposition have had on all of this—is to change the circumstances for 1,900 students in a revenue neutral change that is being paid for with a small reduction in student start-up scholarships. They fought all these months, caused all these uncertainties, promulgated a billion dollar plan; they have settled for an amendment of less than \$100 million for 1,900 students.

I conclude by saying that, in respect of the coalition contributions, they say this is not enough. Well, if they do not think it is enough, make a promise to the electorate that if they are elected as the government at the next election they will spend half a billion or a billion more to deliver what they say they want to deliver. The only political promise from the opposition at the moment is that, in government, they would have a review. Every opposition member who has spoken in this debate and said they would fix this in government is not telling the truth. The only thing that they have committed to is a review. All of this expectation raising and now they are walking away from the students whose expectations they have raised. It is a dreadful and cruel hoax.

I conclude by thanking the people who have worked hard on this package in my department and ought not to have been the subject of criticism in this debate: Robyn Shannon, Dianne Peacock, Alison Morehead, Colin Caldwell, Oliver Caddick, Robert Griew, Brett Harris, Dannie Edmonds and Marg Sykes. And of course thanks to my own staff, particularly to Jim Round, for their work on delivering these beneficial changes for Australian students.

Question agreed to.