



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**THE SENATE**

**MATTERS OF PUBLIC IMPORTANCE**

**Independent Youth Allowance**

**SPEECH**

**Wednesday, 17 June 2009**

BY AUTHORITY OF THE SENATE

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## SPEECH

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**Speaker** Nash, Sen Fiona

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**Senator NASH** (New South Wales) (4.41 pm)—I rise to contribute to the matter of public importance discussion about the youth allowance this afternoon. I do not believe I have ever seen, in recent times, such an example from a Labor government of a complete disconnect with regional communities. It is incredibly apparent—not only with regard to the youth allowance but in a whole range of areas that we have seen, particularly since the last budget—that this government is completely disregarding regional Australia. There are absolutely no two ways about it.

I congratulate my good colleague Senator Williams for putting this MPI forward this afternoon, because this is one of the most important issues to hit rural and regional Australia for years and years. As my other colleagues have already pointed out, we have been inundated by concern from students and families right around the country. These are not form letters or form emails; students and parents are sitting down and taking the time to write incredibly lengthy letters because they are absolutely at their wits' end to think that this measure is going to be taken away.

There are a lot of measures contained within the package, but the one that is of particular concern is the issue of the students currently doing their gap year. Senator Crossin said earlier that we were being misleading and not talking about the changes properly and that there was still something in place about the 15 hours a week that a student could work over the 18-month period. That in itself is correct, but what the changes do is remove the capacity for a student right now, this year, to earn \$19½ thousand before the beginning of next year and then qualify. So all those students who were finishing school at the end of last year and in good faith took advice—from counsellors, from parents, from teachers, from advisers or from Centrelink—that a way that they could qualify for independent youth allowance was to earn \$19½ thousand over a 15-month period now simply will not qualify. Just imagine if that were you or if you were a parent of one of those students who have been working incredibly hard since the end of last year—because they want to be able to help; they want to be able to contribute; they do not want to be a burden on their families in asking for assistance to get them to tertiary education.

One of the issues around this that are so important is that regional Australia is doing it incredibly tough. We have had years and years of drought. We have families who are absolutely right against the wall out in regional communities and they still want to do everything they possibly can to get their kids into a decent tertiary education system. A lot of them simply cannot afford it without the assistance from the youth allowance. So what we are seeing is thousands of students being disaffected because of this government's stupid policy. If I were being kind, I might say it was an unintended consequence. Perhaps the minister should come out tomorrow and say: 'Actually, that is quite right. This was an unintended consequence. We didn't intend for this to happen and we are now going to change the arrangement so these students qualify.' I hope that the minister does, because the hundreds and hundreds of students and families that this is affecting deserve to have the minister come out and give them some comfort so they know that those students will be able to start with the assistance of independent youth allowance next year.

The other requirement that is going to be incredibly burdensome for these families is this issue of having to work 30 hours a week. Senator Crossin referred to this earlier. She has actually been quite misleading, because there is now absolutely no way to qualify for independent youth allowance unless you defer for two years. There is no way at all you can do it. So when you look at that and at the situation where we have students in regional areas who actually want to stay at home while they are doing gap year, or at least stay in the regions, you see that those jobs simply are not going to be there. If the government had any sense whatsoever, they would realise that so much of the work on offer in regional areas is seasonal work. And guess what: they are not allowing students to average out this 30 hours a week component. They have to do 30 hours every single week.

What I find quite extraordinary is the fact that the department could not give us any answers of any great substance during estimates. They did not know about the deferral capacity of universities—whether or not universities would be able to defer or would be inclined to defer for the second year. They said, 'That is a matter for the universities.' So we have thousands and thousands of students being affected and they cannot give us

an answer. They did not even know the number of students that were going to be affected. There was some wishy-washy figure of 3,000, but we know it is up to 30,000. When asked, 'How many students do you assess are currently taking a gap year?' the answer from the secretary was, 'We would not know.' So they are making policy around an issue and they simply do not know what the ramifications are.

What is even more worrying is that the Labor government simply do not understand the ramifications of this. Indeed, they are being dismissive of it. In estimates, when I was raising these very serious points that we know are important to regional communities, the minister, Senator Carr, called it political hysteria. I do not see that those thousands of families in regional Australia that are going to be affected by this are being hysterical in any way, shape or form. The minister herself, Minister Gillard, was asked in the House on 25 May: 'Will the minister guarantee that students currently in their gap year will not be financially penalised under the government's changes to eligibility criteria for the independent youth allowance?' The question was asked by my good colleague the member for Gippsland, who is doing a lot of work on this. Guess what Minister Gillard answered: 'What a very silly question.' I do not think there is anything silly at all about those families out in regional communities who are so very concerned about this.

The government have been talking about an education revolution, and my very good colleague Senator Mason has been doing a lot of good work on this, saying, 'What revolution?' and pointing out the flaws in that term. They say one thing and they do another. Minister Gillard said back in 2007:

What that says is that we value the education of every child and we will continue to do that. We want to make sure kids right across the country, irrespective of what family they're born into, whether they're in the centre of the city, in a regional centre or outback Australia, that they all get the support they need for their education.

If she were serious about that, she would be coming out right now and saying: 'We're going to change this. I meant what I said and we are going to either change the date or quarantine the arrangement for these gap year students to make sure they have a future.' She has promised students a bright future in tertiary education and she should simply come out and say that this is going to be changed. It is not fair on regional Australia, it is not right and it is not on.