

AUSTRALIAN GREENS' DISSENTING REPORT

Overview:

1.1 In considering Schedule 6 of the Social Services and Other Legislation Amendment Bill 2013 it is important to note the concerns raised by student groups and staff unions regarding the impact of proposed changes on participation and equity.

1.2 In considering Schedule 9 of the Bill, The Australian Greens do not support the continuation of the indexation freeze on the childcare rebate and believe that the legislation should be amended to delete the freeze from the schedule.

1.3 The Australian Greens are also very concerned at the very quick time frame of this inquiry – that has made it more difficult for stakeholders to participate and Senators to give a considered response.

Particular Issues with the Schedule 6 of the Bill

1.4 We note that all three submitters to this inquiry were opposed to the Bill on the grounds that 'it would increase student debt, and as a consequence, increase the barriers to further education for students'.¹

1.5 We note and agree with the evidence presented by the National Union of Students and the National Tertiary Education Union that students receiving Start-Up Scholarships are, by definition, students from financially disadvantaged background and as such, the Bill impacts disproportionately, if not exclusively on disadvantaged students.

1.6 We also note and agree with the evidence from the National Union of Students that these cuts are in effect a “double cut” due to the way the Start-Up Scholarships were initially introduced:

The Start Up Scholarships were not the product of increased Commonwealth funding for student income support. The Bradley Review, which developed the proposal had been instructed that the changes had to be budget neutral. The funding for the Start Up scholarships came from cutbacks to other parts of the student income support program, most notably restrictions to students qualifying for income support through working in a gap year. The conversion of the scholarships to loans is in effect a double cut to student income support.²

1.7 The Australian Greens note with concern evidence from the Department of Social Security that the cost impact of the cuts provided in the Financial Statement of the Bill may in fact be different from the actual impact due to increasing numbers of students being unable to repay HELP debt.

1 See for example: National Tertiary Education Union, *Submission 1*; Council of Australian Postgraduate Associations, *Submission 3*.

2 National Union of Students, *Submission 4*, p. 4.

1.8 In summary we believe that the evidence provided by the National Union of Students, National Tertiary Education Union and the Department of Social Security provide strong reasons for why this Bill to increase the debt of disadvantaged students should not be passed.

Recommendation 1

1.9 The Australian Greens recommend that the Senate not pass the measure contained in Schedule 6 of the Social Security and other Legislation Amendment Bill 2013 and the Bill should be amended to delete the indexation freeze on the childcare rebate from Schedule 9 of the Bill.

Senator Lee Rhiannon

Australian Greens Senator for New South Wales

Senator Sarah Hanson-Young

Australian Greens Senator for South Australia