SENATE STANDING COMMITTEE ON EDUCATION. EMPLOYMENT AND WORKPLACE RELATIONS

QUESTIONS ON NOTICE BUDGET ESTIMATES 2009-10

Outcome 4

DEEWR Question No. EW0363_10

Senator Hanson-Young asked on 4 June 2009, EEWR Hansard page 45.

Question

Age of Independence

Senator Hanson-Young — Why was the age of 22 chosen? I understand it was a recommendation from the Bradley review, but what is the evidence behind choosing that number, as opposed to 18? Centrelink classifies people as independent for child support and maintenance payments at the age of 18. Why would we not be consistent across the board?

Ms Shannon —That is essentially a decision for government. The age of 21 is the benchmark for other payments like youth allowance (other). I think the issue is that most university students complete their degree over a four- to five-year period and towards the end of their degree would be reaching the age of 22 and independence, but it is essentially a decision for government.

Ms Paul—I cannot remember why Professor Bradley suggested it that way, but we could go back to that too and refresh ourselves on it. I am sorry—I do not have it in my head.

Senator Hanson-Young —I think that would be good, particularly in light of the debate on these issues.

Answer

The Bradley Review found that the current age of independence for access to Youth Allowance is very high by international standards and acknowledged that the National Union of Students advocated that the ages of independence be reduced to 18 years. The Review recognised that changing the age of independence has a significant impact on the number of students eligible for Youth Allowance and the cost associated with providing support. It suggested that the cost of reducing the age of independence to 18 years would be prohibitive given other priorities, but significant benefits could be achieved by returning the age of independence to 22 years, as this was the independence age prior to 1998.