

The Minister for Education, Julia Gillard, today called on the Opposition to join with Universities and Student Unions to help students attend University in 2010 and pass the Government's Youth Allowance Legislation due to be introduced in the Senate this week.

Ms Gillard joined with the Member for Page, Janelle Saffin, and with peak university and student bodies to ask that the bill be passed this year so 1030 students in the electorate of Page receive their \$2254 start-up scholarship in 2010.

Janelle Saffin said University and student bodies have joined together to endorse the Government's new scheme, but the Liberal and National parties wanted to continue their old wars against students from Opposition.

The current plan endorsed by the Liberal Party sees some students living at home with parents earning more than \$150,000 a year receiving youth allowance. Almost one in five students receiving Youth Allowance are from families with incomes of more than \$150 000, 10 per cent above \$200 000 and 3 per cent have family incomes above \$300 000.

Recent comments have included:

*"These changes will mean that more students will be eligible for Youth Allowance, and at a higher rate than previously," (Professor Peter Coaldrake, Chair, Universities Australia, Press Release 19 October 2009)*

*Legislation enabling equitable access and participation in university education through better targeted student income support must be supported unamended by the Senate according to a key group of universities. Chair of Innovative Research Universities (IRU) Professor Sandra Harding said the legislation... before the Senate is vitally important to ensuring that a university education is open to all Australians, including those who are financially disadvantaged or live in rural and regional areas. (Innovative Research Universities Group Media Release 16 November 2009)*

*The Government's changes to student income support, announced in the Budget last week, will help to ensure public funding is targeted at those most in need, according to the Group of Eight. (Group of 8 Universities, Press Release, 21 May 2009)*

*"All ATN universities feel that it is both a moral and ethical obligation to ensure that our students, regardless of their financial background, are able to access a higher education. The measures outlined by the Government ensure that student income support payments are better targeted and provide more assistance to those students who need it the most."*

*Professor Milbourne said the ATN was also strongly opposed to Opposition amendments to slash the value of the Start-up scholarship from \$2,254 to \$1000 as a means of funding their proposed amendments. (Professor Ross Milbourne, Chair, Australian Technology Network Group of Universities, Press Release, 28 October 2009)*

*"The scholarships will make study outcomes, quality of life and educational equity significantly better for thousands if implemented on January 1 2010. Together these changes will give a new hope for thousands of students who come from lower-middle and working class families," he said.*

*"These scholarships are good – and should be passed ASAP so students can plan their futures." (David Barrow, President, National Union of Students, Press Release, 21 September 2009)*

The Coalition plan includes the slashing of a \$2254 annual start-up scholarship to \$1000 effectively ripping \$162 million from rural and regional areas over four years. Their replacement "Rural Scholarship" would return only \$120 million to the same students leaving a black hole of \$42 million.

That equates to a reduction of the equivalent of almost \$50 a fortnight, for every one of the 150,000 students who will receive a scholarship under Labor's plan each and every fortnight students are at university.

These changes will see Youth Allowance targeted at those families that need assistance most. Under the existing system, 18 per cent of students receiving Youth Allowance are from families with incomes of more than \$150 000, 10 per cent above \$200 000 and 3 per cent have family incomes above \$300 000.

Key elements of the proposed Labor changes include:

- All students who receive Youth Allowance will receive a **\$2 254 start up scholarship** every year.
- The **parental income test will be raised** so that families with two children studying away from home can earn more than \$140,000 before their allowance is cut completely.
- Students who choose to move to study may be eligible for an additional **relocation scholarship, worth \$4 000**, in the first year of study and \$1 000 each subsequent year.
- From 1 July 2012, **students will be able to earn \$400 a fortnight** (up from \$236) without having their payments reduced.

- The **age of independence will reduce progressively** from 25 years to 22 years by 2012, which will see an estimated 7 600 new recipients of the independent rate of allowance.