



Social Security Amendment (Student Income Support Reforms) Act 2011

No. 179, 2011

**An Act to amend the *Social Security Act 1991*, and
for related purposes**

Note: An electronic version of this Act is available in ComLaw (<http://www.comlaw.gov.au/>)

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An Act to amend the *Social Security Act 1991*, and for related purposes

[Assented to 5 December 2011]

The Parliament of Australia enacts:

1 Short title

This Act may be cited as the *Social Security Amendment (Student Income Support Reforms) Act 2011*.

2 Commencement

- (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provision(s)	Commencement	Date/Details
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day this Act receives the Royal Assent.	5 December 2011
2. Schedule 1	1 January 2012.	1 January 2012
3. Schedule 2, Part 1	1 January 2012.	1 January 2012
4. Schedule 2, Part 2	Immediately after the commencement of item 15 of Schedule 2 to the <i>Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (Election Commitments and Other Measures) Act 2011</i> .	1 January 2012

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

- (2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

3 Schedule(s)

Each Act that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

Schedule 1—Student income support reforms

Part 1—Independence

Social Security Act 1991

1 Paragraph 1067A(10E)(a)

After “as”, insert “Inner Regional Australia,”.

Part 2—Amount of relocation scholarship payment

Social Security Act 1991

2 Subsection 5(1) (paragraphs (a) and (b) of the definition of *parent*)

Omit “and in”, substitute “, section 592L and”.

3 Section 592L

Repeal the section, substitute:

592L Amount of relocation scholarship payment

- (1) The amount of a relocation scholarship payment to a person is \$4,000 if the person has not received a student relocation payment (see subsection (7)) before.

Note: The amount of a relocation scholarship payment for which a person is qualified on or after 1 January 2013 is indexed annually in line with CPI increases (see sections 1190 to 1194).

- (2) Subsection (1) does not apply if:

- (a) the person has, at any time before the calendar year containing the qualification time, undertaken full-time study in a course that, had the person undertaken it at the qualification time, would have been an approved scholarship course at that time; and
- (b) at a time that was both while the person was undertaking that study and more than 6 months before the qualification time, the person was either:
 - (i) independent because of subsection 1067A(3), (5), (6), (7), (8), (9) or (11); or
 - (ii) required to live away from home (see section 1067D).

- (3) The amount of a relocation scholarship payment to a person is \$1,000 if neither subsection (1) nor subsection (4) applies.

Note: The amount of a relocation scholarship payment for which a person is qualified on or after 1 January 2013 is indexed annually in line with CPI increases (see sections 1190 to 1194).

- (4) The amount of a relocation scholarship payment to a person is \$2,000 if:
- (a) in 1 or more calendar years (the **prior years**) that precede the calendar year containing the qualification time, the person undertook full-time study in a course that, had the person undertaken it at the qualification time, would have been an approved scholarship course at that time; and
 - (b) in 1 or 2 (but no more) of the prior years:
 - (i) the person was, while undertaking such study, either independent because of subsection 1067A(3), (5), (6), (7), (8), (9) or (11) or required to live away from home (see section 1067D); or
 - (ii) the person received a student relocation payment (see subsection (7)); and
 - (c) subsection (5) or (6) applies to the person.

Note: The amount of a relocation scholarship payment for which a person is qualified on or after 1 January 2013 is indexed annually in line with CPI increases (see sections 1190 to 1194).

- (5) This subsection applies to a person if, at the qualification time:
- (a) the person is not independent (see section 1067A); and
 - (b) the person is required to live away from home (see section 1067D); and
 - (c) the home of a parent of the person is in a regional or remote location (see subsection (7)).

Note: For **parent** see subsection 5(1).

- (6) This subsection applies to a person if:
- (a) at the qualification time, the person is independent because of subsection 1067A(3), (5), (6), (7), (8), (9) or (11); and
 - (b) at the time 6 months before the person first undertook study described in paragraph (4)(a) of this section, the person's usual place of residence was in a location that at the qualification time is a regional or remote location (see subsection (7)).

Definitions

- (7) In this section:

regional or remote location means a location categorised as Inner Regional Australia, Outer Regional Australia, Remote Australia or Very Remote Australia, under the Remoteness Structure as defined in subsection 1067A(10F).

student relocation payment means any of the following:

- (a) a relocation scholarship payment;
- (b) a payment under the ABSTUDY Scheme known as an ABSTUDY relocation scholarship payment;
- (c) a payment known as a relocation scholarship payment under the scheme referred to in section 117 of the Veterans' Entitlements Act;
- (d) a payment known as a relocation scholarship payment under the scheme referred to in section 258 of the Military Rehabilitation and Compensation Act;
- (e) the amount or value of a Commonwealth Accommodation Scholarship.

4 Application

- (1) Section 592L of the *Social Security Act 1991* as amended by this Part applies to amounts of relocation scholarship payments for which the qualification times are on or after the commencement of this Part.
- (2) In determining whether subsection (1) of that section applies, take account of payments and value received before, on or after the commencement of this Part.
- (3) In determining whether subsection (4) of that section applies, take account of prior years occurring before or after the commencement of this Part.

5 Section 1190 (table item 69, column 4)

Omit "(2) and (3)", substitute "(3) and (4)".

6 Transitional—no indexation on 1 January 2012

The relocation scholarship payment amount is not to be indexed under section 1191 of the *Social Security Act 1991* on 1 January 2012.

Part 3—Amount of student start-up scholarship payment

Social Security Act 1991

7 Section 592H

Repeal the section, substitute:

592H Amount of student start-up scholarship payment

The amount of a student start-up scholarship payment for which a person is qualified on or after 1 January 2012 is \$1,025.

Note: The amount of a student start-up scholarship payment for which a person is qualified on or after 1 January 2013 is indexed annually in line with CPI increases (see sections 1190 to 1194).

8 Section 1190 (cell at table item 68, column 4)

Repeal the cell, substitute:
section 592H

9 Transitional—no indexation on 1 January 2012

The student start-up scholarship payment amount is not to be indexed under section 1191 of the *Social Security Act 1991* on 1 January 2012.

Part 4—Rural Tertiary Hardship Fund

Social Security Act 1991

10 Chapter 2BA

Repeal the Chapter.

11 Saving

Despite the repeal of Chapter 2BA of the *Social Security Act 1991* by this Part, that Chapter and the scheme determined under it continue to apply in relation to:

- (a) reviews of refusals, before that repeal, of applications for assistance under the scheme; and
- (b) approvals of such applications, and payment of assistance, under that scheme as a result of such reviews.

Schedule 2—Other amendments

Part 1—Amendments commencing at start of 1 January 2012

Social Security Act 1991

1 Point 1067G-G15 (note)

Repeal the note, substitute:

Note: Points 1067G-G19 and 1067G-G20 affect whether a person to whom the parental income test applies has parental income in common with certain other persons.

2 Paragraph 1067G-G19(a)

Omit “under this Module”.

3 Section 1067G (at the end of Module G of the Youth Allowance Rate Calculator)

Add:

Extension to senior secondary school FTB children

1067G-G20 This Submodule applies in relation to a person who is an FTB child aged 16 or more and a senior secondary school child but is not a person described in point 1067G-G19 as if:

- (a) the parental income test applied to the person; and
- (b) the following amount were the maximum payment rate for the person:
 - (i) if the person is aged less than 18—the amount specified in column 3 of item 1 of the table in point 1067G-B2 (as indexed);
 - (ii) if the person is aged 18 or more—the amount specified in column 3 of item 2 of the table in point 1067G-B2 (as indexed).

1067G-G21 For the purposes of point 1067G-G20, ***senior secondary school child*** has the meaning given by section 22B of the Family

Assistance Act (disregarding subparagraph 22B(1)(a)(i) of that Act).

4 Section 1223ABE

Repeal the section, substitute:

1223ABE Debts in respect of scholarship payments

Person does not start to undertake a course

(1) If a person:

- (a) has received a student start-up scholarship payment or a relocation scholarship payment because the person is proposing to undertake an approved scholarship course; and
- (b) does not start to undertake full-time study in an approved scholarship course;

then:

- (c) the amount of the payment is a debt due to the Commonwealth; and
- (d) the debt is taken to have arisen when the person received the payment.

However, this subsection does not apply if, in the Secretary's opinion, the person does not start to undertake full-time study in an approved scholarship course because of exceptional circumstances beyond the person's control.

Note: For **approved scholarship course**, see section 592M.

Person not continuing to undertake a course

(2) If a person:

- (a) has received a student start-up scholarship payment or a relocation scholarship payment because the person is proposing to undertake an approved scholarship course (the **qualifying course**); and
- (b) starts to undertake an approved scholarship course; and
- (c) is not undertaking full-time study in an approved scholarship course at the end of 35 days after the qualifying course commences;

then:

- (d) the amount of the payment is a debt due to the Commonwealth; and
- (e) the debt is taken to have arisen when the person received the payment.

Note: For *approved scholarship course*, see section 592M.

(3) If a person:

- (a) has received a student start-up scholarship payment or a relocation scholarship payment because the person is undertaking an approved scholarship course; and
- (b) is not undertaking full-time study in an approved scholarship course at the end of 35 days after qualifying for the payment;

then:

- (c) the amount of the payment is a debt due to the Commonwealth; and
- (d) the debt is taken to have arisen when the person received the payment.

Note: For *approved scholarship course*, see section 592M.

- (4) Subsections (2) and (3) do not apply if, in the Secretary's opinion, the person is not undertaking full-time study in an approved scholarship course because of exceptional circumstances beyond the person's control.

5 Application

Section 1223ABE of the *Social Security Act 1991* as amended by this Part applies to payments received on or after the commencement of this Part.

Part 2—Amendments commencing later on 1 January 2012

Social Security Act 1991

6 At the end of subsection 543A(2AA)

Add:

; or (d) the Secretary determines that the person is not benefiting from family tax benefit that is being paid to the person's parents.

7 Point 1067G-F31

Omit "who is a senior secondary school child", substitute "a senior secondary school child but is not a person described in point 1067G-F30".

*[Minister's second reading speech made in—
House of Representatives on 21 September 2011
Senate on 1 November 2011]*