

EXPLANATORY STATEMENT

Military Rehabilitation and Compensation (Education and Training Scheme) Determination 2025

Veterans' Entitlements (Veterans' Children Education Scheme) Amendment Determination 2025

EMPOWERING PROVISIONS

Section 258(5) of the *Military Rehabilitation and Compensation Act 2004* (the MRCA) for the *Military Rehabilitation and Compensation (Education and Training Scheme) Determination 2025*.

Section 117(8) of the *Veterans' Entitlements Act 1986* (the VEA) for the *Veterans' Entitlements (Veterans' Children Education Scheme) Amendment Determination 2025*.

PURPOSE

The *Military Rehabilitation and Compensation (Education and Training Scheme) Determination 2025* repeals the Military Rehabilitation and Compensation Act Education and Training Scheme (Instrument 2015 No. MRCC 43) (the former MRCAETS) and makes a new Scheme. On 1 October 2025 the former MRCAETS will “sunset” (expire) unless it is re-made. The Department of Veterans' Affairs (DVA) has reviewed the MRCAETS and determined that it remains necessary to support the ongoing provision of assistance to eligible children.

The new determination maintains the structure and intent of the former MRCAETS, with minor technical and drafting updates aimed at improving clarity, readability, and administrative efficiency. It authorises the provision of support to eligible children of severely injured or deceased veterans in the form of education allowances, financial assistance and other student support services.

To ensure consistency across the related Schemes, corresponding amendments have been made to the *Veterans' Children Education Scheme* (VCES), where applicable, by the *Veterans' Entitlements (Veterans' Children Education Scheme) Amendment Determination 2025*. The VCES is intended to operate in the same manner as the MRCAETS, and these amendments align terminology and operation between both instruments. From 1 July 2026, the VCES will be closed by the *Veterans' Entitlement, Treatment and Support (Simplification and Harmonisation) Act 2025*, with a single ongoing Scheme to be continued under the MRCAETS.

Both Schemes continue to set out the circumstances in which assistance may be provided to eligible children of members or former members of the Australian Defence Force and remain materially consistent with the former Schemes.

OVERVIEW

The purpose of these determinations is to remake the Schemes with improvements, ensuring continuity of assistance under the Schemes. The following key changes have been made across the MRCAETS and VCES:

- the drafting of the Schemes has been modernised in relation to the consistent use of certain expressions.
- minor grammatical changes have been made to some provisions and certain definitions have been redrafted for clarity.
- transitional and application provisions have been included to ensure continuity with the former MRCAETS.
- removing obsolete provisions relating to the Clean Energy Advance and the COVID-19 Supplement as these payments ceased to be payable in 2013 and 2019 respectively.
- introducing a provision to clarify that the Commonwealth Practicum Payment (CPP) provided under the *Higher Education Support Act 2003* is not considered a mutually exclusive payment for the purposes of paragraph 2.11.
- ensuring that any decision made under the MRCAETS is subject to internal review. This reflects the current practice, where all decisions, particularly those affecting an individual's interests, are subject to internal review. However, the previous wording may have been open to interpretation and has therefore been revised to clearly state that all decisions are subject to review.

Consultation

Consultation was undertaken with key stakeholders, including the Department of Education and the Department of Workplace Relations regarding the implementation of the CPP, through emails, meetings and correspondence. Direct consultation with individuals likely to be affected was not conducted, given the instrument is a remake of the former Schemes and maintains the same policy settings. Any changes introduced, particularly those relating to the CPP, are intended to be beneficial and improve the operation of the Schemes.

Human rights implications

These determinations are compatible with the human rights and freedoms recognised or declared under section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*. A full statement of compatibility is set out in **Attachment A**.

Determining the instruments

The instruments are determined by the:

Military Rehabilitation and Compensation Commission for the *Military Rehabilitation and Compensation (Education and Training Scheme) Determination 2025*.

Repatriation Commission for the *Veterans' Entitlements (Veterans' Children Education Scheme) Amendment Determination 2025*.

Approved by

Minister for Veterans' Affairs
Rule-maker

Schedule 1 – Amendments

Military Rehabilitation and Compensation (Education and Training Scheme) Determination 2025

Part 1 deals with preliminary matters.

Paragraph 1.1 provides that the title of the instrument is the *Military Rehabilitation and Compensation (Education and Training Scheme) Determination 2025*.

Paragraph 1.2 provides that the Instrument commences the day after it is registered on the Federal Register of Legislation.

Paragraph 1.3 provides the legislative authority for this instrument are subsections 258(1) and (4) of the *Military Rehabilitation and Compensation Act 2004 (MRCA)*.

Paragraph 1.4 repeals the former *Military Rehabilitation and Compensation Act Education and Training Scheme (MRCAETS)*.

Paragraph 1.5 sets out the purpose and types of assistance available under the Scheme.

Paragraph 1.6 specifies the Military Rehabilitation and Compensation Commission (the Commission) administers the Scheme, including determining eligibility, levels of benefits, and assessing claims for benefits. It further provides that the Scheme will be monitored to ensure it operates effectively and achieves positive outcomes.

Paragraph 1.7 is an interpretative provision, which contains definitions of terms used in the Scheme. The following key terms have been introduced or revised:

“assistance” has been defined to encompass all forms of support provided under the Scheme, to improve clarity and ensure consistency with the definitions used throughout the instrument.

“family tax benefit” has been defined to clarify that it refers to Family Tax Benefit payable under the *A New Tax System (Family) Assistance Act 1999*.

“FTB child” has been defined to clarify that it has the same meaning as in the *A New Tax System (Family) Assistance Act 1999*. This definition has been included as part of a broader update to improve drafting clarity and consistency. Several provisions in the instrument have been amended to use *FTB child*, and inserting a definition ensures the intended meaning is clear and aligned with existing legislation.

“full-time” has been revised to remove unnecessarily complex wording and to clarify that full-time tertiary education is defined by reference to subsection 541B of the *Social Security Act 1991 (SSA)*.

“income support” is defined with reference to section 23 of the SSA. This definition has been included to clarify the types of payments considered income support and therefore mutually exclusive with assistance under the Scheme. While payments defined in section 23 of the SSA have been treated as mutually exclusive in policy, they are not explicitly defined within the instrument for transparency.

“primary education” is defined to mean education provided at a school from the first to sixth years of compulsory schooling. This term has been introduced to clarify its meaning in the context of the instrument. As a result, the terms *secondary education* and *tertiary education* have been amended to align with this new definition.

Part 2 deals with general operation of the Scheme, including eligibility, the making of applications, and disqualifications under the Scheme.

Paragraph 2.1 specifies that a person is eligible for assistance under the Scheme if they are an “eligible young person” to whom section 258 of the Act applies. “Eligible young person” is defined in section 5 of the Act, with section 258 setting out the eligibility requirements to receive support under the Scheme.

Paragraph 2.2 specifies how a claim for assistance under the Scheme is to be made. This section has been revised to clarify the requirements for making a claim for assistance under the Scheme, including that the claim must be made in a form approved by the Commission and lodged in accordance with the Act. Personal information collected as part of this process is used to assess eligibility for the Scheme. Information is provided on an approved form and assessed by a delegation. The collection, use and disclosure of this information is subject to relevant privacy obligations under the *Privacy Act 1988*.

Paragraph 2.3 specifies who may make a claim for assistance under the Scheme. This section has been revised to ensure that an eligible young person who was the dependant of a deceased member or former member may make a claim. This is a technical amendment as it does not alter a person’s eligibility to make a claim under section 319 of the Act.

Paragraph 2.4 provides that assistance under the Scheme commences from the later date of: the start of the first year of full-time primary schooling, the January payday in the year the claim is made, or the payday following the date the person meets the eligibility criteria of the Scheme.

Paragraph 2.5 provides that the Commission may suspend a primary or secondary student’s benefits if it forms the opinion that the student is not making satisfactory progress in their course of study. The Commission may also suspend benefits for students over 16 where the student is not meeting the progress requirements set out in the SSA, which aligns with the general progress rules for other Commonwealth education or training payments. However, the section also allows for suspended benefits to be restored if the student subsequently resumes satisfactory progress.

Paragraph 2.6 generally excludes students studying overseas from receiving assistance, requiring that study be undertaken within Australia unless the Commission considers the student’s circumstances to be exceptional. It sets the rate of education allowance for students undertaking study outside Australia, such as where a student has been accepted into an international exchange program. This rate is only payable where the student has not permanently left Australia, the course forms part of a full-time course they have undertaken in Australia, and payment is limited to the duration of this course. The wording of this section has been revised to refer to *eligible child* rather than *student*, as *student* is defined as a someone already receiving assistance, whereas this provision relates to eligibility.

Paragraph 2.7 specifies the types of courses of education that qualify a student for assistance under the Scheme, which generally must be undertaken on a full-time basis. This section also provides the Commission the flexibility to approve part-time study in certain circumstances as outlined in sub-paragraph 2.7.2, with such students being deemed to be undertaking full-time study.

Paragraph 2.8 specifies the Commission may decide to suspend benefits where a primary or secondary student ceases to participate in their course of study for more than fifteen days without reasonable cause. This reflects the requirement for students to be actively engaged in their course of study to remain eligible for support.

However, where the failure to participate is due to circumstances beyond the student's control, those absences may be disregarded in determining whether benefits should be suspended. The provision also allows for flexibility by enabling the Commission to restore suspended benefits if the student subsequently resumes satisfactory progress in their studies. This ensures a fair approach that recognises genuine interruptions while maintaining the expectation of continued engagement.

Paragraph 2.9 prevents a student from being granted an education allowance if they are receiving income support or educational assistance from the Commonwealth except for when provided by the Department or Commission. This section has been revised to prevent the Commonwealth Practicum Payment (CPP) from being considered mutually exclusive with education allowance to enable students to receive both supports. The CPP is a measure being delivered through the Department of Education and the Department of Workplace Relations intended to assist students studying teaching, nursing and midwifery or social work to manage the costs associated with mandatory placements.

This provision clarifies that a person can receive the CPP before, on, or after commencement and remain eligible for support under the Scheme. Although this has a retrospective effect, it does not disadvantage students or impose new obligations. Rather, to the student's benefit, it ensures that people who received the payment before the provision commenced are still eligible.

Paragraph 2.10 specifies a student is ineligible to receive any other education allowance under the Scheme if they already receive an education allowance under the Scheme. This provision is intended to ensure that a student can only receive one allowance at a time under the Scheme. It prevents the duplication of support and reflects the policy intention that assistance is only payable to one person in respect of a given entitlement.

Part 3 deals with the provision of education allowances to eligible students.

Paragraph 3.1 specifies the purpose of the education allowance, which is to provide financial assistance towards the cost of a student's education.

Paragraph 3.2 allows the Commission to grant an education allowance for a primary student. The allowance is paid as an annual amount, including in respect of any initial part of the year, and must be paid to the person entitled to be paid Family Tax Benefit (FTB) for the student or, if there is no such person, a person approved by the Commission to receive the payment on the student's behalf. The wording of this section has been revised to improve

readability and ensure consistent use of terminology, with revised terms aligned with updated definitions inserted in paragraph 1.7. Additionally, the wording in paragraph 3.2.1 has been revised to refer to *eligible child* rather than *student*, as *student* is defined as a someone already receiving assistance, whereas this provision relates to eligibility.

Paragraph 3.3 allows the Commission to grant an education allowance for secondary and tertiary students who reside in the family home at the ‘living at home’ rate. The allowance is paid fortnightly and must be paid to the person entitled to be paid Family Tax Benefit (FTB) for the student, or if there is no such person, a person approved by the Commission to receive the payment on the student’s behalf. The wording of this section has been revised to improve readability and ensure consistent use of terminology, with revised terms aligned with updated definitions inserted in paragraph 1.7.

Paragraph 3.4 enables the grant of an education allowance at the ‘living away from home rate’ for secondary students where the Commission is satisfied additional expenses are incurred as a result of the student living away from home under the circumstances outlined in subparagraph 3.4.1. This section has been revised to clarify that payment must be made to the institution or individual providing board, or to the person entitled to FTB if no such person exists. If neither is available, the payment may be made to any other person approved by the Commission to receive it. It enables the payment to be apportioned between the institution or individual providing board and the person entitled to FTB referenced in subparagraph 3.4.2.

If the Commission considers it inappropriate for the allowance to be paid to the institution, individual providing board, or person entitled to be paid Family Tax Benefit, it may determine that another person is to receive the payment on the student’s behalf. The wording of this section has been revised to clarify that a person entitled to receive the allowance may provide notice requesting the payment be made to another person.

Paragraph 3.5 allows the Commission to grant an education allowance at the ‘living away from home’ rate for tertiary students where educational facilities are not readily accessible, the student is required to reside in a hall of residence, or home conditions provide an inadequate study environment. The section specifies payment is to be made directly to the student. The wording of this section has been revised to improve readability and ensure consistent use of terminology, with revised terms aligned with updated definitions inserted in paragraph 1.7.

Paragraph 3.6 enables the Commission to grant an education allowance at the ‘homeless’ rate to students aged 15 years or over where the student is considered independent, as defined under paragraph 543A(1)(b) and section 1067A of the SSA. The allowance is paid at the rate equivalent under the SSA and may be paid to a student or another designated person if the Commission deems the student unlikely to manage their finances.

Paragraph 3.7 specifies, where a student has been approved for benefits while undertaking part-time study, they shall receive the full-time rate of education allowance.

Paragraph 3.8 specifies the rates of education allowances and how allowances are to be indexed.

Part 4 deals with the operation of the energy supplement, including definitions, eligibility and payment.

Paragraph 4.1 provides definitions relevant to the energy supplement.

Paragraph 4.2 sets out the criteria a person must satisfy in order to receive the energy supplement.

Paragraph 4.3 provides that subject to paragraph 4.5.1, if paragraph 4.2.1 applies to a person, the Commonwealth is liable to pay the person the energy supplement for the person's education allowance.

Paragraph 4.4 sets out how the rate of energy supplement is calculated.

Paragraph 4.5 is a multiple entitlement exclusion provision and sets out the circumstances in which a person is not eligible for an energy supplement.

Paragraph 4.6 enables a person to make an election to receive an energy supplement as a quarterly payment.

Paragraph 4.7 sets out how a person's daily rate of quarterly energy supplement is calculated.

Paragraph 4.8 provides that a quarterly energy supplement is to be paid by instalments and sets out the method of working out the amount of the instalment of a quarterly energy supplement.

Part 5 deals with the operation of the income support bonus, including eligibility and payability.

Paragraph 5.1 sets out the eligibility criteria for the income support bonus. The income support bonus is a twice-yearly payment intended to provide cost-of-living relief for students aged 16 or over in receipt of education allowance, and students under 16 receiving an education allowance at the living away from home or homeless rate.

Paragraph 5.2 prevents double payments of the income support bonus.

Paragraph 5.3 specifies the amount of the income support bonus.

Paragraph 5.4 specifies the indexation provisions for the income support bonus. This section has been amended to refer to the point-in-time provisions of the SSA as they stood in 2016, as the indexation provisions in that Act were repealed from 30 December 2016. This provision gives formal effect to indexation that was already applied in practice, in accordance with the established method. The retrospective application of this provision does not disadvantage any person or impose new obligations in relation to actions taken before registration. Rather, it enables indexation that is beneficial to recipients and consistent with existing practice.

Paragraph 5.5 specifies the CPI indexation provisions for the income support bonus. This section has been amended to refer to the correct provisions of the SSA in force at the relevant time. As outlined under paragraph 5.4, the retrospective application of this provision is beneficial for recipients and does not cause disadvantage or impose any new obligations or liabilities.

Paragraph 5.6 provides that a claim is not required for the income support bonus.

Paragraph 5.7 specifies how payment of the income support bonus is to be made.

Paragraph 5.8 specifies provisions applying to debts arising in respect of the income support bonus. Previously, this section stated the debt provisions in the primary legislation did not apply in relation to the income support bonus. This has been removed from the current instrument as it is beyond scope to exclude the primary legislation's debt provisions for this payment. Removing this reference allows the broader debt management provisions in the governing Act to apply, which offer greater flexibility, including options for waiver and write-off that were previously not specified in relation to this payment.

Part 6 deals with the provision of guidance and counselling under the Scheme.

Paragraph 6.1 provides that the Commission may refer students and their families to community welfare, education, guidance and counselling services in such circumstances as it is considered appropriate. This section has been revised to specify that a claim is not required for a student to be provided with guidance and counselling assistance under the Scheme. This reflects the practical operation of the Scheme where, upon request, students may be referred to support based on need rather than through a formal application process. Any information provided by a student or their family in seeking guidance and counselling assistance is used solely to facilitate a referral and access those services. The collection, use and disclosure of personal information is subject to relevant privacy obligations under the *Privacy Act 1988*.

Part 7 deals with the provision of other assistance and benefits under the Scheme.

Paragraph 7.1 enables payment of a fares allowance for eligible tertiary students, specifies the circumstances under which liability for a fare may be accepted and outlines the conditions for payment and the applicable rate with reference to the *Social Security Act 1991*.

Paragraph 7.2 allows the Commission to grant additional tuition to a student where an educational authority, such as a school, has identified that a discrepancy exists between the student's potential and their academic achievement. In order for a grant of additional tuition, a claim must be accompanied by an assessment from a suitably qualified education authority, as to the value of the tuition. Personal information collected as part of this process is used to assess a student's eligibility for additional tuition. Information may be requested from relevant parties, such as teachers, following a request from a parent, guardian or student, and is collected on an approved form. The collection, use and disclosure of personal information is subject to relevant privacy obligations under the *Privacy Act 1988*.

Paragraph 7.3 allows the Commission to grant special assistance to a student where exceptional circumstances beyond their control has, or may, impact their educational progress.

Paragraph 7.4 specifies that the Commission may determine the maximum value of additional tuition and special assistance that may be provided in any given year. This allows the Commission to set an upper limit on the cost of additional tuition and special assistance.

Paragraph 7.5 allows the Commission to grant rent assistance to a student receiving the ‘living away from home’ or ‘homeless’ rate of education allowance and sets out the circumstances in which it is payable with reference to the *Social Security Act 1991*.

Part 8 deals with the tertiary scholarships available under the Scheme.

Paragraph 8.1 specifies the Commission may create scholarships from trust funds and sets out the criteria for a grant of a scholarship.

Paragraph 8.2 allows the Commission to grant a Student Start-Up Scholarship to a tertiary student and sets out the eligibility criteria to qualify for the scholarship. This section specifies the circumstances under which a debt may arise in relation to a scholarship, including where study does not commence or is not continued.

Paragraph 8.3 allows the Commission to grant a Relocation Scholarship to a tertiary student and sets out the eligibility criteria to qualify for the scholarship.

Paragraph 8.4 specifies the circumstances under which a scholarship payment may be repayable. This section mirrors wording in the previous provisions but has been renumbered and given clearer headings to improve readability. A debt may arise if a person receives a scholarship but does not commence their course, or if they begin the course but are no longer undertaking it after 25 days. As the scholarship is intended to support study, a debt must be raised in these circumstances. However, the provisions allow flexibility where exceptional circumstances beyond the person’s control apply. This enables the Commission to consider individual circumstances, for example illness, and determine it would not be appropriate to raise a debt.

Part 9 deals with the review of determinations made under the Scheme.

Paragraph 9.1 enables a person to apply for review of a decision under the Scheme. This section has been revised to clarify that all decisions require a written record of determination. The section outlines how the Commission must treat a request for review, including the matters to which the Commission must have regard in giving notice about a decision. A person who is dissatisfied with the outcome of the review may apply to the Administrative Review Tribunal, which replaces the former Administrative Appeals Tribunal, for a further review of the decision.

Part 10 provides transitional arrangements for the new Scheme’s commencement. Broadly, action taken under the former MRCAETS will be treated as having been taken under the new Scheme.

Schedule 2 – Amendments

Veterans’ Entitlements (Veterans’ Children Education Scheme) Amendment Determination 2025

Part 1 – Preliminary

Section 1 – Name

This section provides that the name of the instrument is the *Veterans’ Entitlements (Veterans’ Children Education Scheme) Amendment Determination 2025*.

Section 2 – Commencement

This section sets out the date on which the instrument commences operation. The instrument commences on the day section 1.1.1 of the *Military Rehabilitation and Compensation (Education and Training) Determination 2025* commences, which is the day after it is registered on the Federal Register of Legislation.

Section 3 – Authority

This section provides that the legislative authority for this instrument is subsection 117(8) of the *Veterans’ Entitlement Act 1986 (VEA)*.

Section 4 – Schedule

This section provides that each instrument that is specified in a Schedule to this instrument is amended as set out in the applicable items in the Schedule concerns, and any other item in a Schedule to this instrument has effect according to its terms. In essence, section 4 provides that the instruments set out in Schedule 1 (the *Military Rehabilitation and Compensation Act Education and Training Scheme*) and in Schedule 2 (the *Veterans’ Children Education Scheme*) are amended as set out in the applicable items in the Schedules.

Item 1 amends paragraph 1.2.1, which is an interpretative provision, to include the following new definitions:

“assistance” has been defined to encompass all forms of support provided under the Scheme, to improve clarity and ensure consistency with the definitions used throughout the instrument.

“family tax benefit” has been defined to clarify that it refers to Family Tax Benefit payable under the *A New Tax System (Family) Assistance Act 1999*.

“FTB child” has been defined to clarify that it has the same meaning as in the *A New Tax System (Family) Assistance Act 1999*. This definition has been included as part of a broader update to improve drafting clarity and consistency. Several provisions in the instrument have been amended to use *FTB child*, and inserting a definition ensures the intended meaning is clear and aligned with existing legislation.

Items 2 and 3 omit the definitions of *COVID-19 supplement* and *extension periods*, which related to the COVID-19 Supplement. These terms are no longer used in the instrument as the COVID-19 Supplement was discontinued from 31 March 2021 and the associated provisions have been removed. The removal of these definitions reflects this change and ensures the instrument remains current and accurate.

Items 4 and 5 repeal the definition of *full-time* and substitute a new definition which is substantively the same as the previous definition but has been amended for clarity.

Item 6 omits the existing definition of *MRCA Childrens' Scheme* and substitutes a new definition that clarifies the intended meaning and improves readability without altering its substantive effect.

Items 7 and 8 introduce definitions of *primary education* and *primary student* to clarify their meaning within the context of the instrument. For the purposes of the instrument, *primary education* means education provided at a school from the first to sixth years of compulsory schooling, and *primary student* means a student undertaking primary education.

Item 9 and 10 substitute definitions of *secondary education* and *tertiary education* to align with the new definition of *primary education* and to clarify the intended meaning of these terms.

Item 11 substitutes the definition of *youth allowance*, with the updated definition using the phrase '*means*' rather than '*is*' and simplifying the reference to the relevant Part of the *Social Security Act 1991* to improve readability.

Item 12 omits the reference to *education allowance* from the definition of *clean energy underlying payment* or *education allowance* and substitutes a revised definition that only uses *clean energy underlying payment*. The terms had previously been used interchangeably, with this amendment standardising the terminology to ensure consistency throughout the instrument.

Items 13 and 14 substitute the definition of *MRCAETS payment* in paragraph 1.2.2 to specify it refers to an education allowance paid under Part 3 of the MRCAETS instrument to expressly link the term to the specific part under which the allowance is provided.

Item 15 omits the definition of *multiple entitlement exclusion* as it is no longer required.

Item 16 inserts new paragraph 1.5.1 which specifies that the operation and performance of the Scheme will be monitored to ensure it has a positive impact. This provision has been moved from previous paragraph 4.1.4 as it is more appropriately placed with the general administration provisions.

Items 17 and 18 amend references to primary education in subparagraphs 2.4.1(a) and 2.7.1(a) to align with the new definition of *primary education* (see Item 7).

Item 19 amends paragraphs 2.11.1 and 2.11.2 to prevent the Commonwealth Practicum Payment (CPP) from being considered mutually exclusive with education allowance to enable students to receive both supports. The CPP is a measure being delivered through the Department of Education and the Department of Workplace Relations intended to assist students studying teaching, nursing and midwifery or social work to manage the costs

associated with mandatory placements. The intent of this amendment is to ensure eligible students can access the CPP.

This provision clarifies that a person can receive the CPP before, on, or after commencement and remain eligible for support under the Scheme. Although this has a retrospective effect, it does not disadvantage students or impose new obligations. Rather, to the student's benefit, it ensures that people who received the payment before the provision commenced are still eligible.

Items 20 and 21 amend paragraphs 3.2.3, 3.3.2, 3.3.3 and 3.3.4 to clarify the rules around how education allowances are to be paid in respect of primary, secondary and tertiary students. The revised paragraphs improve readability and structure without changing the policy intent. The amendments confirm that for primary students and secondary students living at home, where a person is entitled to be paid Family Tax Benefit, that person is to receive the allowance. The amended provisions also clarify that:

- a person entitled to receive the allowance may request, by notice, that it be paid to another person; and
- allowances for tertiary students must be paid directly to the student.

These changes reflect existing practice and do not alter the substance of the provision.

Item 22 clarifies the arrangements for how allowances are to be paid in respect of secondary students living away from home. The amended provision improves readability of the existing rules without altering their substantive effect. The provision confirms that:

- where appropriate, the allowance is to be paid to an institution or individual providing board,
- where that does not apply, payment is to be made to the person entitled to be paid Family Tax Benefit, and
- where that does also not apply, the payment may be made to another person approved to receive the allowance.

The allowance may be paid in full or in part to the institution or individual providing board, with any remainder to be paid to the student's parent or guardian or another person approved by the Commissioner. If the Commission considers it inappropriate for the allowance to be paid to the institution, individual providing board, or person entitled to be paid Family Tax Benefit, it may determine that another person is to receive the payment on the student's behalf. The amendment also clarifies that a person entitled to receive the allowance may provide notice requesting the payment be made to another person.

Item 23 amends paragraph 3.5.2 to make clear that tertiary education allowances must be paid directly to the students.

Item 24 amends paragraph 3.7.1 to make clear that where a student has been approved for benefits while undertaking part-time study, they shall receive the full-time rate of education allowance.

Item 25 amends paragraph 3.8.3 to clarify the reference to the relevant provision of the *Social Security Act 1991* under which the allowance rate for individuals over 16 is determined, aligning it with the rate of Youth Allowance under that Act.

Item 26 removes references to *multiple entitlement exclusion* and instead references paragraph 3A.10.1, which sets out the relevant multiple entitlement exclusion provisions.

Items 27 and 28 make consequential amendments to replace references to *education allowance* with *clean energy underlying payment* in provisions where the two terms had previously been used interchangeably. These amendments support consistent use of terminology throughout the instrument, aligning with the revised definition in Item 11. These changes do not affect the operation or intent of the provisions and are intended to improve drafting consistency.

Item 29 omits previous paragraph 3A.9.1 on the basis that excluding debt provisions established under the primary legislation is beyond scope. Removing this provision allows the broader debt management provisions in the governing Act to apply, offering greater flexibility, including options for waiver and write-off.

Item 30 amends paragraph 3A.14.1 to replace reference to *education allowance* with *clean energy underlying payment* (see Item 27 and 28)

Item 31 repeals Division 3 of Part 3A which related to the indexation of the Energy Supplement, as indexation of this payment ceased from 20 September 2014.

Item 32 amends paragraph 3B.4 to refer to the point-in-time provisions of the SSA as they stood in 2016, as the indexation provisions in that Act were repealed from 30 December 2016. This provision gives formal effect to indexation that was already applied in practice, in accordance with the established method. The retrospective application of this provision does not disadvantage any person or impose new obligations in relation to actions taken before registration. Rather, it enables indexation that is beneficial to recipients and consistent with existing practice.

Item 33 amends paragraph 3B.5 to refer to the correct provisions of the SSA in force at the relevant time. As outlined under Paragraph 5.4, the retrospective application of this provision is beneficial for recipients and does not cause disadvantaged or impose any new obligations or liabilities.

Item 34 repeals paragraph 3B.8.2, as it is considered beyond scope to exclude the primary legislation's debt provisions for this payment. Removing this provision allows the broader debt management provisions in the governing Act to apply, offering greater flexibility, including options for waiver and write-off.

Item 35 repeals Part 3C (COVID-19 Supplement) as this ceased to be payable from 31 March 2021.

Item 36 inserts paragraph 4.14 to make clear that a claim is not required for a student to be provided with guidance and counselling under the Scheme. This reflects the practical operation of the Scheme where, upon request, students may be referred to support based on need rather than through a formal application process.

Items 37, 38 and 39 amend subparagraphs 7.4.4(d), 7.5.4(d) and 7.5.7(5)(d) to substitute the definition of *MRCA Childrens' Scheme* per the revised definition as described in Item 6.

Attachment A

Statement of Compatibility with Human Rights

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Military Rehabilitation and Compensation (Education and Training Scheme) Determination 2025

Veterans' Entitlements (Veterans' Children Education Scheme) Amendment Determination 2025

These Disallowable Legislative Instruments are compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011* (the ***recognised rights***).

Overview of the Disallowable Legislative Instruments

The *Military Rehabilitation and Compensation (Education and Training Scheme) Determination 2025* (the **MRCAETS**) repeals the *Military Rehabilitation and Compensation Act Education and Training Scheme* (Instrument 2015 No. MRCC 43) and makes a new Scheme. The *Veterans' Entitlements (Veterans' Children Education Scheme) Amendment Determination 2025* contains consequential amendments to the *Veterans' Children Education Scheme* (the **VCES**) to maintain consistency with the remade MRCAETS. The new MRCAETS and remade VCES are substantively the same, apart from technical amendments and revisions to allow education allowance recipients to access the Commonwealth Practicum Payment, ensuring the payment is not considered mutually exclusive. The purpose of the Schemes is to support eligible children and dependents of veterans who have been severely injured or died as a result of their service to achieve their full potential in education or career training through the provision of financial assistance and other student support services.

Human rights implications

This instrument positively engages with the following human rights:

- the right to education contained in Article 13 of the International Covenant on Economic, Social and Cultural Rights (ICESCR),
- the right to social security contained in Article 9 of the ICESCR,
- the right to work contained in Article 6 of the ICESCR, and
- the right to privacy contained in Article 17 of the International Covenant on Civil and Political Rights (ICCPR).

Right to Education, Social Security and Work

The instruments will enable the Commissions to pay education allowances and provide other financial assistance and student support services to eligible children of severely injured veterans or veterans who have died as a result of their service. It enables ongoing support that assists students to engage in and complete education, particularly where financial barriers may exist. By providing targeted financial assistance to children who may be disadvantaged

by their parent's service, the Scheme safeguards their right to education and extends social security measures that assist with the costs associated with study. To the extent that the instrument supports students in undertaking education or career training that supports their ability to participate in the workforce, it also promotes the right to work.

The revision in this instrument to enable access to the Commonwealth Practicum Payment enhances compatibility of the Scheme with human rights by allowing eligible recipients to also receive this payment during a mandatory placement. This helps promote equal access to education and training and reduce financial hardship associated with unpaid placements. This aligns with the right to education by helping ensure education is accessible, the right to social security by providing access to income support during periods of mandatory unpaid placements, and the right to work by removing financial barriers to gaining qualifications to enhance future opportunities to find meaningful employment.

Right to Privacy

The right to privacy is engaged by provisions relating to the collection and use of personal information for the purposes of administering the Schemes. Any personal information collected under this instrument is handled in accordance with the *Privacy Act 1988*, including the Australian Privacy Principles. Information is collected only where necessary to determine eligibility, administer payments, or provide appropriate support, and is protected by safeguards to ensure privacy is maintained.

Conclusion

These instruments engage positively with the right to education, the right to social security, the right to work and the right to privacy and is compatible with human rights.

Minister for Veterans' Affairs

Rule-Maker