2008-2009

The Parliament of the
Commonwealth of Australia

THE SENATE

Social Security and Other Legislation Amendment
(Income Support for Students) Bill 2009

(Amendments and requests for amendments to be moved by Senator Hanson-Young on behalf of the Australian Greens in committee of the whole)

(1) Clause 2, page 2 (table item 4), omit “1 July 2012” (twice occurring), substitute “1 January 2011”.

[start up date for personal income test changes]

(2) Page 3 (after line 2), after clause 3, insert:

3A Review of impact of student income arrangements

(1) The Minister must cause a comprehensive review to be undertaken of the impact of the student income arrangements implemented by this Act on equity, with a particular focus on the impact on rural and regional students.

(2) The review must:
   (a) start not later than 30 June 2012; and
   (b) be completed within 3 months.

(3) The Minister must cause a written report about the review to be prepared.

(4) The Minister must cause a copy of the report to be laid before each House of the Parliament within 15 sitting days of that House after the day on which the Minister receives the report.

[review of student income arrangements]
(3) Schedule 1, page 5 (after line 25), at the end of item 2, add:

Students required to move away from home

(10D) A person is independent if the Secretary is satisfied:
   (a) that the person is required to move away from the family home in order to
       undertake a course of at a higher education institution; and
   (b) that the time required to travel between the higher education institution and the
       family home would exceed 90 minutes.

[Independence—required to move away from home]

(4) Schedule 1, item 23, page 14 (line 10), omit “1 July 2012”, substitute “1 January 2011”.

[Start up date for personal income test changes]

(5) Schedule 1, item 31, page 16 (line 6), omit “1 July 2012”, substitute “1 January 2011”.

[Start up date for personal income test changes]

(6) Schedule 2, item 13, page 26 (lines 31 and 32), omit “to the extent that the payment does not
   exceed the person’s threshold amount for that year;”.

[Removal of threshold amount]

(7) Schedule 2, item 14 page 27 (lines 19 to 34), omit subsection 8(8AB).

[Removal of threshold amount]
Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009

(Amendments and requests for amendments to be moved by Senator Hanson-Young on behalf of the Australian Greens in committee of the whole)

Statement pursuant to the order of the Senate of 26 June 2000

Amendments (1), (4) and (5)
These amendments bring forward by 18 months the date of effect of provisions that relax the ‘personal income test’ for students, increasing the amount they can earn before they begin to lose their entitlement to youth allowance payments. The provisions in the bill would increase the amount of the payment received by a class of people. The additional expenditure expected under these provisions is offset by savings elsewhere in the bill, however it appears that the combined effect of introducing these provisions and bringing forward the date of their commencement would result in increased expenditure under the standing appropriation in section 242 of the Social Security Administration Act 1999.

Amendments (1), (4) and (5) should therefore be moved as requests.

Amendment (3)
Schedule 1, item 2 of the bill imposes conditions restricting the entitlement of some students to the receive the youth allowance at the independent rate. In this respect, the effect of the bill is to restrict the class of people who would be eligible for the payment, and reduce expenditure under the standing appropriation in section 242 of the Social Security Administration Act 1999.

Amendment (3) would add a new class of eligible students and increase expenditure under the standing appropriation, as compared to the provisions in the bill. It is not clear, however, that the effect of the amendment would be to increase expenditure under that appropriation above the expenditure authorised under the Act as it currently stands.

Amendment (3) should therefore be moved as an amendment.

Amendments (6) and (7)
The combined effect of these amendments is to exempt certain scholarships from income tests under social security legislation. Although the effect would be to enable a small class of people to receive increased benefits, it has been argued that the cost will be negligible. It is not clear that the effect of these amendments would be to increase expenditure under the standing appropriation in section 242 of the Social Security Administration Act 1999 when compared with the expenditure under the Act as it currently stands.

Amendments (6) and (7) should therefore be moved as amendments.
Statement by the Clerk of the Senate
pursuant to the order of the Senate of 26 June 2000

The Senate has long followed the practice that it should treat as requests amendments which would result in increased expenditure under a standing appropriation.

On the basis that amendments (1), (4) and (5) would result in increased expenditure under the standing appropriation in section 242 of the Social Security Administration Act 1999, it is in accordance with the precedents of the Senate that those amendments be moved as requests.

It is also in accordance with the precedents of the Senate that amendments (3), (6) and (7) not be moved as requests. Although those amendments would increase the expenditure authorised under the bill, it is not clear that their effect would be to increase expenditure under the standing appropriation.