2008-2009

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

SOCIAL SECURITY AND OTHER LEGISLATION AMENDMENT
(INCOME SUPPORT FOR STUDENTS) BILL 2009

CORRECTION TO THE
EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister for Employment Participation,
the Senator the Honourable Mark Arbib MP)
SCHEDULE 1 – ITEM 23

At the end of the item – Add the following to explain the delayed start date of Division 3:

“The delayed start date of the items in Division 3 to commence from 1 July 2012 is necessary to maintain cost neutrality of the items contained in the bill over forward years.

In the current economic climate, the Australian Government’s proposed package of student income support reforms is designed to be budget-neutral. The package, as announced in May 2009, envisaged an implementation date for changes to the personal income test to commence on 1 January 2011; however, following concern from current students undertaking a ‘gap year’ and discussions with students the Government decided to introduce a transition measure to the proposed changes. This measure allows students who completed Year 12 in 2008, have taken a gap year in 2009 and must move more than 90 minutes from home to attend university in 2010 to undertake their chosen course, to claim independent status for Youth Allowance under the existing workforce participation criteria until 30 June 2010.

To meet the additional costs of this transitional arrangement, the implementation of the changes to the personal income test threshold have been delayed from 1 January 2011 to 1 July 2012.”

SCHEDULE 1 – ITEM 31

At the end of the item – Add the following to explain the delayed start date of Division 4:

“The delayed start date of the items in Division 4 to commence from 1 July 2012 is necessary to maintain cost neutrality of the items contained in the bill over the forward years.

In the current economic climate, the Australian Government’s proposed package of student income support reforms is designed to be budget-neutral. The package, as announced in May 2009, envisaged an implementation date for changes to the personal income test to commence on 1 January 2011; however, following concern from current students undertaking a ‘gap year’ and discussions with students the Government decided to introduce a transition measure to the proposed changes. This measure allows students who completed Year 12 in 2008, have taken a gap year in 2009 and must move more than 90 minutes from home to attend university in 2010 to undertake their chosen course, to claim independent status for Youth Allowance under the existing workforce participation criteria until 30 June 2010.

To meet the additional costs of this transitional arrangement, the implementation of the changes to the student income bank have been delayed from 1 January 2011 to 1 July 2012.”