Amendments to be moved on behalf of the Government

(Circulated by authority of the Minister for Education, the Honourable Julia Gillard MP)
Amendments 1 and 2

These amendments will expand the criteria for when a person will be able to satisfy new subsection 1067A(10C) of the Act. Subsection 1067A(10C) allows certain persons to be able to qualify as independent for youth allowance purposes under the current qualification criteria, of which the following two are being disappplied by the Bill:

- part-time employment of at least 15 hours per week for at least 2 years since last leaving secondary school (paragraph 1067A(10)(b)); or
- employment over an 18 month period since last leaving secondary school with cumulative earnings totalling at least 75% of the maximum pay rate under Wage Level A of the Australian Pay and Classification Scale applicable to trainees (paragraph 1067A(10)(c)).

The Bill currently provides a person will satisfy new subsection 1067A(10C) where the person completed secondary school in 2008, took a gap year in 2009 before commencing study in the first half of 2010 and must leave home to attend university.

Amendment 1 will allow a person to commence study up until the end of 2010.

Amendment 2 will replace the current requirement in section 1067A(10C) that a person must leave home to attend university. For the purposes of subsection 1067A(10C), under this amendment a person may still be able to satisfy this requirement of subsection 1067A(10C) where:
- the person is required to live away from home on the education start date; or
- the person would not be considered to be required to live away from home on the education start date and the person’s combined parental income for the tax year ending 30 June 2009 is less than $150 000.

The term required to live away from home is defined in section 1067D of the Act.

Amendment 3

Omits and substitutes the date referred to in new paragraph 1067A(10C)(f) of the Act from 1 July 2010 to 1 January 2011. This amendment is consequential to amendment 1.

Amendment 4

This amendment omits note 2 at the end of new subsection 1067A(10C). This amendment is consequential to amendment 3.
Amendment 5

Amendment 5 provides that for the purposes of determining whether a person’s parental income is above $150,000, the relevant tax year is the tax year ending on 30 June 2009, or the tax year ending on 30 June 2010 if:
• the person makes this request in accordance with the form provided by the Secretary and the Secretary does so; or
• under 1067G-F6 of the Youth Allowance Rate Calculator in section 1067G of the Act, the tax year ending on 30 June 2010 would be appropriate.

Amendment 6

This amendment is consequential to item 5.

Amendment 7

Omits and substitutes section 592H. This amendment will provide that the amount of the student start-up scholarship for 2010 is $717.

The amount of the student scholarship payment for subsequent years will be $1,127. The amount of the student scholarship from 1 January 2011 is indexed in accordance with CPI.

Amendment 8

This is a technical amendment consequential to amendment 7.