(3) **Opp (1) [Sheet 5978]**

Schedule 1, item 2, page 4 (lines 17 to 20), omit subsection (10A), substitute:

(10A) Paragraph (10)(b) does not apply for the purposes of determining whether a person is to be regarded as independent for the purposes of Part 2.11, this Part or section 1070G, unless subsection (10B) or (10C) applies to the person.

(10AA) Paragraph (10)(c) does not apply for the purposes of determining whether a person is to be regarded as independent for the purposes of Part 2.11, this Part or section 1070G, unless subsection (10B), (10BA) or (10C) applies to the person.

(4) **Opp (2) [Sheet 5978]**

Schedule 1, item 2, page 4 (after line 24), after paragraph 1067A(10B), insert:

(10BA) This subsection applies to a person if the Secretary is satisfied that the person is required to live away from home to pursue his or her chosen course of education.

(5) **Opp (1) [Sheet 5968]**

Schedule 1, item 2, page 5 (lines 13 and 14), omit “30 June 2010”, substitute “31 December 2010”.

(6) **Opp (2) [Sheet 5968]**

Schedule 1, item 2, page 5 (lines 18 to 20), omit paragraph 1067A(10C)(e).

(7) **Opp (3) [Sheet 5968]**

Schedule 1, item 2, page 5 (line 23), omit “1 July 2010”, substitute “1 January 2011”.
Schedule 1, page 5 (after line 25), at the end of item 2, add:

(10D) The regulations may prescribe an audit process to enable the Secretary to verify that a person who is to be regarded as independent for the purposes of Part 2.11, this Part or section 1070G because of subsections (10AA) and (10BA) continues to meet the requirements of those subsections.

(10E) Regulations made for the purposes of subsection (10D) may include a requirement that such a person periodically provide relevant information to the Secretary, including evidence capable of satisfying the Secretary that the person continues to live away from home.

(10F) If:

(a) a person fails to meet a requirement prescribed by regulations made for the purpose of subsection (10D); or

(b) the Secretary is no longer satisfied that the person meets the requirements of subsections (10AA) and (10BA);

the Secretary may determine that the person is no longer to be regarded as independent for the purposes of Part 2.11, this Part or section 1070G because of subsections (10AA) and (10BA).

Schedule 1, item 4, page 6 (line 4), omit “, (10B)”, substitute “, (10AA), (10B), (10BA)”.

HOUSE OF REPRESENTATIVES REASONS FOR DISAGREEING TO THE SENATE AMENDMENTS

Senate Amendments 3, 4, 8 and 9

These amendments would result in a substantial cost to the budget.

They would maintain the current independence criterion for students who move to study.

Together with the Coalition’s other amendments, these will have a total impact of around $1 billion over the forward estimates which has not been offset.

Moreover, these amendments are inconsistent with the intention of the Bradley Review which recommended that support be targeted to those who need it most.

Students from families above the parental income cut out point would be the prime beneficiaries of these changes which would allow any student, whether from the city or country, who moves to study to avoid the parental income test.

Accordingly, the House of Representatives does not accept these amendments.
Senate Amendments 5 to 7

These amendments would push back application of the new independence arrangements for those who have taken a gap year, even if the student is living at home.

While there is some overlap with the other Coalition amendments these amendments would result in substantial additional cost to the budget.

These amendments seek to allow students who have taken a gap year and returned to live at home to qualify under the old system for an additional year.

The total cost of all the Coalition amendments is around $1 billion.

Accordingly, the House of Representatives does not accept these amendments.

I C HARRIS
Clerk of the House of Representatives

House of Representatives
18 November 2009