**2009**

Australian Government

Department of Education,

Employment and Workplace Relations

**ABSTUDY Policy Manual**

The purpose of the ABSTUDY scheme is to address the particular educational disadvantages faced by Aboriginal and Torres Strait Islander people by improving educational outcomes to a level commensurate with the Australian population in general. ABSTUDY policy aims to encourage eligible Indigenous students to take full advantage of available educational opportunities and improve their employment opportunities.

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**ABSTUDY Scheme**

The purpose of the ABSTUDY scheme is to address the particular educational disadvantages

faced by Aboriginal and Torres Strait Islander people by improving educational outcomes to a

level commensurate with the Australian population in general. ABSTUDY policy aims to

encourage eligible Indigenous students to take full advantage of available educational

opportunities and improve their employment opportunities.

Means tested benefits available as part of the ABSTUDY scheme are targeted to those most in

need.

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**History of ABSTUDY**

The Aboriginal Study Grants Scheme (ABSTUDY), the precursor to the current ABSTUDY

scheme, was introduced in 1969 as part of the then Commonwealth Government's commitment

to implement special measures to assist Australian Aboriginal and Torres Strait Islander people

to achieve their educational, social and economic objectives through financial assistance to

study.

ABSTUDY became available to Indigenous students in tertiary studies from the beginning of the

1969 academic year in response to the lack of participation of Indigenous peoples in higher

education. Eligible full-time students received a Living Allowance, with higher rates applying to

partnered students and where there were dependent children. Compulsory course fees were

also paid, as well as a book and equipment allowance. Travel costs were paid for students who

needed to study away from home.

Initially, the Commonwealth government clearly identified that primary and secondary

education was the responsibility of the States and Territories. However, it became evident

during 1969 that many Indigenous students were not eligible for entry to tertiary education,

and hence for ABSTUDY assistance, because of the gap between the cessation of compulsory

schooling and normal commencement of post-secondary education. Because of the low

numbers of Indigenous students staying at school past the compulsory period, the scheme was

extended to mature age secondary students to enable them to advance to matriculation studies

and to gain entry into a tertiary course.

To promote the participation of Aboriginal and Torres Strait Islanders in secondary education so

that they were able to continue on to tertiary studies, the Aboriginal Secondary Grants Scheme

(ABSEG) was introduced at the beginning of 1970. In 1973, ABSEG was extended by

Government decision to include all Indigenous students attending secondary school. This

decision recognised that these Indigenous students needed additional assistance and

encouragement prior to leaving school to realise their educational potential, as it was evident

that many did not undertake senior secondary studies.

Further developments were mainly in the post-secondary area with extension of entitlements to

Indigenous students undertaking short courses, assistance with tutoring and eligibility for

students undertaking studies by correspondence.

It became apparent that many Indigenous students wishing to undertake post-secondary

courses often lacked the necessary educational preparation to undertake post-secondary

studies in formal institutions. Family commitments also prevented many others from leaving

isolated communities to pursue studies. The schemes were therefore broadened to provide a

wider range of opportunities, both in education institutions and through specially arranged

courses provided for groups of Indigenous students.

In 1975 and 1976, ABSTUDY was extended to enable special courses to be established for

Aboriginal and Torres Strait Islanders in remote areas who did not have access to the usual

range of education and training opportunities. Where local experts were not available to run

these courses, specialist instructors were brought in to the local communities.

In 1988, the two schemes were amalgamated into the current Aboriginal and Torres Strait

Islander Study Assistance Scheme (ABSTUDY) which has two components, ABSTUDY Tertiary

and ABSTUDY Schooling. A major revamp of the ABSTUDY scheme was undertaken in 1989 and

1990 following the introduction of the National Aboriginal and Torres Strait Islander Education

Policy (AEP).

In December 1998, the Government announced changes to ABSTUDY to take effect from 1

January 2000, which intended to help target ABSTUDY benefits to those students most in need

of assistance, and to address particular educational disadvantages faced by these Indigenous

students. The decisions reflected many of the concerns raised by the Indigenous community

that ABSTUDY be retained as a separate scheme and that the additional benefits available

under the Youth Allowance (YA) were not available under ABSTUDY.

The changes brought ABSTUDY Living Allowance payments in alignment with those payable

under the YA for 16-20 year old students. Indigenous students aged 21 years and over became

eligible for the Newstart rate that is a higher rate of payment than students in receipt of the YA

or Austudy payment. Students over 21 years of age became subject to a more generous

partner income test than applied for Newstart recipients. The Pensioner Education Supplement

was aligned with that payable under the Social Security Act 1991.

In July 2005, following an election commitment to extend the eligibility for Youth Allowance,

Austudy and ABSTUDY payment to full-time Australian Apprentices, a means-tested living

allowance for eligible Australian Apprentices under ABSTUDY was introduced. The intent of the

extension of assistance to Australian Apprentices is to provide extra help during the initial years

of training while wages are generally at their lowest.

The amendments to the ABSTUDY Policy also exempted from assessment of income the value

of Commonwealth Trade Learning Scholarships and Tools for your Trade initiative.

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**Objectives of ABSTUDY**

ABSTUDY is an important symbol of the Australian Government’s commitment to Indigenous

education; more generally, it signals the Australian Government’s recognition that education

will be a key to the Government’s objective of reconciliation with the Indigenous community,

and a prime measure by which its overall performance in this area will be measured.

The main objectives of the ABSTUDY Scheme are to:

• encourage Aboriginal and Torres Strait Islander people to take full advantage of the

educational opportunities available;

• promote equity of educational opportunity; and

• improve educational outcomes.

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**Supporting programmes**

ABSTUDY is supported in its aims and objectives by the following National Aboriginal and Torres

Strait Islander Education Policy (AEP) programmes that are administered by the Department of

Education, Employment and Workplace Relations (DEEWR).

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**Interpretation of ABSTUDY Policy**

Interpretation of the ABSTUDY policy involves consideration of the fact that it is a scheme

aimed at removing some of the barriers to Indigenous Australians accessing education. The

ABSTUDY scheme provides allowances to people in recognition of their educational and social

disadvantage. As such, if there is an ambiguity in a piece of policy which is most beneficial in

character, then the ambiguity should be resolved in a way that is MOST favourable to the

people the policy is intended to assist.

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**Policy Approval**

The policy intent of ABSTUDY, set out in this manual known as the ABSTUDY Policy Manual, has

the approval by the Minister for Education, Employment and Workplace Relations.

**Administration of ABSTUDY: Chapter 1 - Administration Framework for**

**ABSTUDY**

This chapter provides information on the administrative framework for the ABSTUDY

scheme.http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abst

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Collection of Information#1.5 Collection of Information

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• 1.1 Administrative Framework for ABSTUDY

• 1.2 Financial Administration

• 1.3 Freedom of information

• 1.4 Privacy and Data-Matching

• 1.5 Collection of Information

**1.1 Administrative Framework for ABSTUDY**

**1.1.1 Portfolio responsibility**

ABSTUDY policy remains the portfolio responsibility of the Minister for Education, Employment

and Workplace Relations (DEEWR).

**1.1.2 Policy interpretation and application**

The Department (DEEWR) provides advice on the application of the ABSTUDY policy.

**1.1.3 Who Administers ABSTUDY?**

ABSTUDY is administered and delivered by Centrelink on behalf of DEEWR.

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**1.2 Financial Administration**

**1.2.1 Financial controls**

Payment procedures and practices for ABSTUDY benefits, unless otherwise specified, are to be

carried out in accordance with the *Financial Management and Accountability Act 1997* and the

Financial Management and Accountability Regulations.

**1.2.2 Overpayments and recovery**

Provisions relating to overpayments and recovery matters, including delegations to waive or

recover student assistance debts, are authorised under the *Student Assistance Act 1973*.

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**1.3 Freedom of information**

All documents created or held by the Department with regard to ABSTUDY are subject to the

*Freedom of Information Act 1982* (“FOI Act”). Unless a document falls under an exemption

provision, it will be made available to the general public if requested under the FOI Act.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/adm

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**1.4 Privacy and Data-Matching**

DEEWR and Centrelink are bound by the provisions of the *Privacy Act 1988*. Section 14 of the

*Privacy Act 1988* contains the Information Privacy Principles (IPPs) that prescribe the rules for

handling personal information. Persons, bodies and organisations involved in the ABSTUDY

programme must also abide by the IPPs and the *Privacy Act 1988* when handling personal

information collected for the purposes of that programme.

It is an offence under Part 10, Division 3 of the *Student Assistance Act 1973*, for persons to use

or disclose protected information collected by Centrelink or DEEWR for purposes of this Act for

purposes not authorised under the *Student Assistance Act 1973*.

Centrelink collects personal information from Australian Apprentices, students, their

parents/guardians and their partners, where relevant. Centrelink may only collect this personal

information necessary for, or directly related to, the ABSTUDY scheme. Relevant purposes are

those identified in the *Student Assistance Act 1973*, the Student Assistance Regulations 2003

and this ABSTUDY Policy Manual, or information which is directly related to those purposes.

Centrelink may only disclose personal information, including disclosure to other Commonwealth

agencies, within the exception permitted by IPP 11. One exception is where individuals are

informed by Centrelink, by a Privacy Notice which complies with the IPPs, of potential

disclosures.

Centrelink and DEEWR may also disclose personal information where required or authorised by

other legislation. For example, DEEWR and Centrelink may disclose personal information to the

Australian Taxation Office (ATO) in accordance with the *Data-Matching Programme (Assistance*

*and Tax) Act 1990*.

Centrelink and DEEWR should otherwise only disclose personal information with the consent of

the individual concerned or where permitted or authorised by law.

**Note**: For more information refer http://www.privacy.gov.au/ or call 1300 363 992.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/adm

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**1.5 Collection of Information**

Centrelink may require a person to give information or produce a document that is in the

person’s possession or under the person’s control, or attend a meeting with a Centrelink Officer

or agent where Centrelink considers that the information or document or the meeting may be

relevant to:

• whether a person who has made a claim for an ABSTUDY benefit is or was qualified to

receive the benefit; or

• whether an ABSTUDY benefit is payable to the person receiving it; or

• the application of income management under Part 3B of the Social Security

(Administration) Act 1999 to the person.

Where an applicant has not provided Centrelink with information to support their claim or

continuing entitlement for ABSTUDY, or has failed to attend a meeting with a Centrelink Officer

or agent, Centrelink may suspend an applicant's ABSTUDY payment pending the provision of

this information from the applicant or attendance at a meeting with a Centrelink Officer or

agent.

If an applicant refuses or is unable to provide the additional information required by Centrelink,

to make a correct determination in relation to their eligibility for ABSTUDY within the required

timeframe of 14 days, their payment may be cancelled and an overpayment raised against the

applicant (refer *Student Assistance Act 1973* ).

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**Administration of ABSTUDY: Chapter 2 - Customer Obligations - Change**

**in Circumstances**

This chapter discusses a customer’s change in circumstances, and how those changes effect

ABSTUDY eligibility and entitlements. Notification of these changes is the responsibility of the

customer.

**On this page**

• 2.1 Notification of changes – Customer Obligations

• 2.2 Failure to advise Centrelink of prescribed events

• 2.3 False or misleading information

• 2.4 Suspension and cancellation of ABSTUDY payments

• 2.5 Change of Circumstance

**2.1 Notification of changes – Customer Obligations**

Under Section 48 of the *Student Assistance ACT 1973*, ABSTUDY Payees must advise Centrelink

within fourteen days of the occurrence of any "prescribed event" as listed in Regulation 6 and

Schedule 1 of the *Student Assistance Regulations 2003* (detailed below)*.* An occurrence of a

"prescribed event" is sometimes referred to as a "change in circumstances".

(1) For Section 48 of the Student Assistance Act, each of the following is a prescribed event in

relation to a person who is receiving, or entitled to receive, an amount under the ABSTUDY

Scheme:

Part 1 ABSTUDY Payee:

101 does not enrol in the course to which the amount relates by the end of the enrolment

period, or

102 does not begin the course within the first 3 weeks of the first day it is offered, or

103 cancels his or her enrolment in the course to which the amount relates, or

104 has his or her enrolment cancelled by the education institution, or

105 discontinues the course to which the amount relates, or

106 discontinues full-time study in the course to which the amount relates, or

107 reduces his or her approved 25%, or two-thirds, concessional study-load under the

ABSTUDY Scheme, or

108 begins to receive a benefit for education or vocational training from the Commonwealth

or a Commonwealth authority, or a State or Territory Department or authority, or

109 begins to receive a pension or payment under the *Veterans' Entitlement Act 1986*, or

110 becomes an Australian Apprentice or ceases to be an Australian Apprentice, or

111 ceases to receive an ABSTUDY Pensioner Education Supplement qualifying payment

under the ABSTUDY Scheme, or

112 ceases to qualify for an independent or away from home living allowance under the

ABSTUDY Scheme, or

113 stops living permanently with his or her partner, or

114 is taken into lawful custody, or

115 changes the address of his or her place of residence or permanent home, or

116 earns an amount of income that is not the same amount as the last estimate of income

given to Centrelink, or

117 becomes aware that his or her assets have increased in value beyond the maximum

value under the ABSTUDY Scheme, or

118 becomes aware of circumstances that may affect his or her entitlement to rent

assistance,

A person:

(a) becomes the ABSTUDY payee’s partner; or

(b) ceases to be the ABSTUDY payee’s partner.

118A The ABSTUDY payee:

(a) changes address; or

(b) starts to share his or her accommodation with another person; or

(c) ceases to share his or her accommodation with another person; or

(d) moves to government housing for which he or she pays rent.

119 ceases to be an Australian citizen, or

120 ceases to be recognised as an Australian Aboriginal or Torres Strait Islander following an

investigation of his or her Aboriginality or Torres Strait Islander status, or

121 A person becomes the ABSTUDY payee’s parent, partner or spouse, or

122 A person ceases to be the ABSTUDY payee’s parent, partner or spouse.

123 The ABSTUDY payee becomes aware of circumstances that may affect his or her

entitlement to remote area allowance:

124 The ABSTUDY payee:

(a) will be, or likely to be, absent from his or her permanent home, in relation to which

remote area allowance is paid, for more than 8 weeks; but

(b) will remain in Australia.

125 The ABSTUDY payee intends to be overseas for any period; or

126 The ABSTUDY payee relocates his or her permanent home; or

127 The ABSTUDY payee partner dies; or

128 The ABSTUDY payee dependent child dies; or

129 The ABSTUDY payee dependent child is, or intends to be, overseas; or

130 The ABSTUDY payee permanently separates from his or her partner; or

131 The ABSTUDY payee ceases work with his or her employer, either temporarily or

permanently; or

132 The ABSTUDY payee starts to receive, or is receiving, a payment:

(a) in relation to a compensation-related claim; or

(b) from an amount of money paid in relation to a compensation-related claim.

133 The ABSTUDY payee claims, or receives, a payment under the scheme known

as Australian Apprenticeships, known as Living Away from Home Allowance.

PART 2 ABSTUDY Payee’s parent:

201 a person becomes the partner of the parent of the ABSTUDY payee’s parent, or

202 a person ceases to be the partner of the parent of the ABSTUDY payee’s parent, or

203 the ABSTUDY payee’s parent becomes aware of the value of his or her assets for a

period has increased in value above the maximum value under the ABSTUDY Scheme; or

204 the ABSTUDY payee’s parent becomes a designated parent; or

205 the number of dependent children for which the ABSTUDY payee’s parent is responsible

has reduce since:

(a) an ABSTUDY application form was lodged for the year of study; or

(b) the last notification of the number of dependent children was given to Centrelink.

206 the ABSTUDY payee’s parent earns an amount of income for the current tax year that is

at least 25% more than the estimate of income given in the ABSTUDY application form for the

year of study.

PART 3 ABSTUDY Payee’s partner

301 the ABSTUDY payee’s partner dies, or

302 the ABSTUDY payee’s partner earns an amount or income for the current tax years that

is not the same as the estimate of income given in the ABSTUDY application form for the year

of study; or

303 the ABSTUDY payee’s partner becomes an ABSTUDY payee, or

304 the ABSTUDY payee’s partner begins to receive a pension or payment under the

*Veterans' Entitlement Act 1986*, or

305 the ABSTUDY payee’s partner becomes aware that the value of his or her assets for a

period has increased in value above the maximum value.

(2) For sub regulation (1), an event mentioned in 201, 202 ,203 ,204 or 206 of Schedule 1 is a

prescribed event only if the ABSTUDY payee:

(a) knows that the event has occurred; or

(b) ought reasonably to know that the event has occurred

**Note:** Some of the events described in sub-regulation (1) may occur without the ABSTUDY

payee’s knowledge.

For example, the ABSTUDY payee may not know that a person has become the partner of the

payee’s parent until after the person becomes the partner. The event would become a

prescribed event under item 201 only when the ABSTUDY payee knows, or ought reasonably to

know, that the person has become the partner.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/adm

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**2.2 Failure to advise Centrelink of prescribed events**

Persons who fail to advise Centrelink of the occurrence of a prescribed event may be

prosecuted under the Criminal Code. Failure to notify Centrelink of the occurrence of a

prescribed event as listed above will be an offence under section 49 of the *Student Assistance*

*Act 1973*, punishable by a maximum penalty of twelve months imprisonment.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/adm

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**2.3 False or misleading information**

People who give false or misleading information in connection with a claim for ABSTUDY can,

under the provisions of the *Student Assistance Act 1973*, incur penalties of up to a $6,000 fine

or twelve months imprisonment.

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**2.4 Suspension and cancellation of ABSTUDY payments**

Where an applicant has not notified Centrelink of a prescribed event or provided information

Centrelink has requested to enable continuing assessment of the ABSTUDY payee’s entitlement,

(as outlined under Chapter 1.5 – Collection of Information), Centrelink may suspend an

applicant's ABSTUDY payment pending the provision of additional information from the

customer.

If an applicant refuses or is unable to provide the additional information required by Centrelink

to make a correct determination in relation to their eligibility to ABSTUDY, their payment may

be cancelled and an overpayment raised against the applicant (refer *Student Assistance Act*

*1973* ).

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**2.5 Change of Circumstance**

Where a change of circumstance occurs, the student’s or Australian Apprentice's eligibility

and/or entitlement are reassessed from the date of the change in circumstance.

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**Administration of ABSTUDY: Chapter 3 - Overpayment and Recovery of**

**Allowances**

This chapter details the definition of an overpayment for ABSTUDY purposes, the authority

under which an ABSTUDY debt is raised and recovered, and the identification of the appropriate

debtor.

**On this page**

• 3.1 Definition of an Overpayment

• 3.2 Authority to Raise and Recover a Debt

• 3.3 Responsibility for Overpayments

• 3.4 Recovery of debt where the Parent / guardian is the responsible debtor

• 3.5 Recovery of debt where the Student is the responsible debtor

• 3.6 Recovery of debt where the Boarding institution is the responsible debtor

• 3.7 Recovery of debt where the School is the responsible debtor

• 3.8 Recovery of debt where the Tertiary education institution is the responsible debtor

• 3.9 Recovery of Debt where the Australian Apprentice is the Responsible Debtor

**3.1 Definition of an Overpayment**

An overpayment occurs when payments which have been made in respect of a student

or Australian Apprentice exceed the amount to which s/he is entitled.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/adm

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**3.2 Authority to Raise and Recover a Debt**

**3.2.1 Raising a debt**

Section 39 of the *Student Assistance Act 1973* gives Centrelink the authority to raise and

recover a debt where an overpayment of ABSTUDY has occurred.

**3.2.2 Recovery of debts**

Provisions relating to debt recovery matters, including the conditions under which an ABSTUDY

debt can be waived, are contained in the *Student Assistance Act 1973* .

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**3.3 Responsibility for Overpayments**

The person responsible for repaying any overpaid amount (known as the responsible debtor) is

usually the person who received the ABSTUDY payment. For ABSTUDY purposes the person

who has received the payment is known as the ‘ABSTUDY Payee’.

**3.3.1 Exceptions**

Exceptions are:

• where a private board provider receives an ABSTUDY payment for an approved

boarding student, the parent/guardian who redirected the payment remains responsible

for repaying any overpaid amount; or

• where payments are obtained fraudulently, the person who applied for ABSTUDY

assistance is responsible for repaying any overpaid amount whether paid to themselves,

to another person or to an institution.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/adm

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**3.4 Recovery of debt where the Parent / guardian is the responsible debtor**

For ABSTUDY Schooling students, a parent/guardian will be responsible for overpayments of:

• School Term Allowance paid to the parent/guardian;

• School Fees Allowance paid to the parent/guardian;

• Living Allowance paid to the parent/guardian;

• in the case of an approved boarding student, Living Allowance paid on behalf of the

parent/guardian to a private board provider;

• Fares Allowance paid for under 16-year-old boarding students; and

• Additional Assistance paid for an under 16-year-old student.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/adm

inistration\_of\_abstudy/overpayment\_and\_recovery\_of\_allowances.htm - top#top

**3.5 Recovery of debt where the Student is the responsible debtor**

A Student will be responsible for the overpayments if the following allowances are paid to the

student:

• Living Allowance;

• Pensioner Education Supplement;

• Incidentals Allowance;

• Additional Incidentals Allowance;

• Masters and Doctorate Allowances;

• Away-from-base assistance paid as travel allowance;

• Fares Allowance;

• Pharmaceutical Allowance;

• Remote Area Allowance;

• Rent Assistance; and

• Additional Assistance.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/adm

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**3.6 Recovery of debt where the Boarding institution is the responsible debtor**

A boarding institution will be responsible for overpayments of:

• Pharmaceutical Allowance, Rent Assistance, Remote Area Allowance, Living

Allowance paid fortnightly, term-in-advance or on account to the boarding school,

hostel or residential college;

• Under 16 Boarding Supplement; and

• Additional Assistance paid to the boarding institution.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/adm

inistration\_of\_abstudy/overpayment\_and\_recovery\_of\_allowances.htm - top#top

**3.7 Recovery of debt where the School is the responsible debtor**

A school will be responsible for overpayments of:

• School Fees Allowance; and

• Additional Assistance paid to the school.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/adm

inistration\_of\_abstudy/overpayment\_and\_recovery\_of\_allowances.htm - top#top

**3.8 Recovery of debt where the Tertiary education institution is the responsible**

**Debtor**

A tertiary education institution will be responsible for overpayments of:

• Away-from-base assistance paid as residential costs and fares to the tertiary education

institution

• Additional Assistance paid to the tertiary education institution

• Lawful Custody Allowance where paid to the tertiary education institution

• Payments made to the institution under the Residential Costs Option in respect of board

and lodgings if the student is not eligible for the Residential Costs Option, and

• Commonwealth supported places or course fees where paid to the tertiary education

institution.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/adm

inistration\_of\_abstudy/overpayment\_and\_recovery\_of\_allowances.htm - top#top

**3.9 Recovery of Debt where the Australian Apprentice is the Responsible Debtor**

An Australian Apprentice will be responsible for the overpayments if the following allowances

are paid to the Australian Apprentice:

• Living Allowance;

• Incidentals Allowance;

• Pharmaceutical Allowance;

• Remote Area Allowance;

• Rent Assistance; and

• Additional Assistance

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/adm

inistration\_of\_abstudy/overpayment\_and\_recovery\_of\_allowances.htm - top#top

**Administration of ABSTUDY: Chapter 4 - Reviews and Appeals**

This chapter details the review and appeal rights of ABSTUDY customers.

**On this page**

• 4.1 Requesting a Review of Decision for ABSTUDY

• 4.2 Review and Appeal of ABSTUDY Eligibility or Entitlement Decisions

• 4.3 Review and Appeal of ABSTUDY Debt Recovery Decisions

**4.1 Requesting a Review of Decision for ABSTUDY**

If applicants, Australian Apprentices or students on whose behalf claims have been made,

disagree with a decision about their assessment, they may ask Centrelink to review any

decision affecting their eligibility or entitlement for ABSTUDY benefits, and/or any decision

regarding debt recovery. A third party can undertake the same review and appeal process

where it is the applicant for the ABSTUDY entitlement, or it is the responsible debtor.

**4.1.1 Rights of review**

Decisions regarding a customer’s eligibility and entitlement to ABSTUDY are made in

accordance with the ABSTUDY Policy Manual. However, decisions regarding debt recovery

matters are made under the *Student Assistance Act 1973* .

As a result, an applicant's rights of review regarding an **assessment** decision differ to those

relating to matters of debt recovery. Rights of review regarding assessment decisions are set

out in 4.2 and those for debt recovery decisions are set out in 4.3.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/adm

inistration\_of\_abstudy/reviews\_and\_appeals.htm - top#top

**4.2 Review and Appeal of ABSTUDY Eligibility or Entitlement Decisions**

**4.2.1 Review of ABSTUDY eligibility or entitlement decision**

Where Centrelink has been asked to review a decision regarding ABSTUDY eligibility and

entitlement under ABSTUDY Policy, an officer who was not involved in the original decision will

undertake the review.

There is no time limit for requesting reviews of ABSTUDY eligibility or entitlement.

**4.2.2 Appeals to the Minister**

If a student, Australian Apprentice, applicant or third party acting as an agent is not satisfied

with a Centrelink review decision, the person or an agent acting on her/his behalf may appeal

in writing to the Minister about any Centrelink decision affecting his or her ABSTUDY eligibility

or entitlements.

The Minister with the portfolio responsibilities for ABSTUDY is the :

Minister for Education, Employment and Workplace Relations

Parliament House

CANBERRA ACT 2600.

In general, the grounds for appeal are that:

the decision being appealed against was contrary to ABSTUDY provisions; or

• the circumstances of the case meet the intention but not the letter of the ABSTUDY

Policy Manual.

**Note:** This provision only relates to a Centrelink decision about an individual’s ABSTUDY

eligibility or entitlement.

It does not apply where the Centrelink decision is about a decision under Part 3B of the *Social*

*Security (Administration) Act 1999* (‘the SSA Act’) in relation to a person who is subject to the

income management regime under section 123UB of the SSA Act.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/adm

inistration\_of\_abstudy/reviews\_and\_appeals.htm - top#top

**4.3 Review and Appeal of ABSTUDY Debt Recovery Decisions**

**4.3.1 Review of debt recovery decision**

ABSTUDY debt recovery decisions are made under the provisions of the *Student Assistance Act*

*1973* . Customers who are dissatisfied with a **debt recovery** decision may apply for a

review of the decision by Centrelink.

There is a 3-month time limit for requesting reviews under the *Student Assistance Act 1973*.

**4.3.1.1 Types of debt recovery decisions**

Decisions about recovering a debt, include:

• the setting of rates for withholding from current entitlement;

• garnisheeing bank accounts and wages;

• writing off or waiving a debt; and

• imposing late payment charges and/or interest.

**4.3.1.2 Legislation**

The relevant legislation is contained in the *Student Assistance Act 1973* .

The following sections are relevant to debt recovery:

• s.39A regarding payment by instalments

• s.40 - regarding applying interest and late payment charge

• s.41 - regarding removing penalty charges

• s.42 - regarding debt and garnishee

• s.43 - regarding writing off debts

• s.43A-43F - regarding waiver of debts, and

• s.343-345 - regarding obtaining information.

For review of decisions see Part 9 (sections 302 to 334 inclusive) of the Act.

**4.3.2 Appeals to the Social Security Appeals Tribunal (SSAT)**

Customers who are dissatisfied with the outcome of a Centrelink review of a debt recovery

decision can apply to the Social Security Appeals Tribunal (SSAT) for a review of the decision.

Centrelink provides brochures for appeal to the SSAT with the review of decision where that

review has been unfavourable to the client. The SSAT can be contacted by writing to GPO Box

9943 in capital cities, or by telephoning Freecall TM **1800 011 140**.

**4.3.3 Appeals to the Administrative Appeals Tribunal (AAT)**

Customers who are dissatisfied with an SSAT decision can apply to the Administrative Appeals

Tribunal (AAT).

Forms on which an AAT appeal may be lodged are available from the AAT Registry in each

State by writing to GPO Box 9955 in each capital city, phoning **1300 366 700** or from their

web site at http://www.aat.gov.au/ . Appeals to the AAT are lodged directly with the

Tribunal.

**4.3.4 Jurisdiction of SSAT and AAT**

The SSAT and AAT may review a decision to recover a debt under the ABSTUDY Scheme (under

the Student Assistance Act 1973) and also to review the decision to raise and recover the debt,

and the quantum of the debt. The SSAT and the AAT may not review the decision by the

Secretary (under subsection 42(3) of the Act) to issue a garnishee order against a third party in

order to recover the debt.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/adm

inistration\_of\_abstudy/reviews\_and\_appeals.htm - top#top

**Administration of ABSTUDY: Chapter 5 – Taxation**

This chapter contains information on the tax status of ABSTUDY payments.

**On this page**

• 5.1 Tax status of ABSTUDY Allowances

• 5.2 Taxation instalments

• 5.3 Payment summaries

**5.1 Tax status of ABSTUDY Allowances**

Payments intended to support the day-to-day living costs of students or Australian

Apprentices are assessable forms of income for tax purposes. The exception to this is under the

*Income Tax Assessment Act 1936*, when student assistance allowances paid on behalf of, or

directly to, students aged less than 16 years are not regarded as taxable income. This is not

affected by whether the student is dependent or independent for ABSTUDY purposes.

The taxable status of an allowance is not affected by whether the payment is made to the

student, Australian Apprentice, parent/guardian or other third party.

**5.1.1 Taxable ABSTUDY Allowances**

ABSTUDY allowances that are considered taxable are:

• Living Allowance for students aged 16 years or over;

• Living Allowance for Australian Apprentices aged 16 years or over;

• the reduced Living Allowance component of the Residential Costs Option;

• unused Group 2 School Fees Allowance that has been transferred to pay excess

boarding costs;

• Additional Assistance, where it is paid as a fortnightly allowance.

**5.1.2 Non-taxable ABSTUDY Allowances**

ABSTUDY allowances that are considered non-taxable are:

• Living Allowance for students aged less than 16 years;

• Living Allowance for Australian Apprentices aged less than 16 years;

• Rent Assistance;

• Remote Area Allowance (non-taxable but affects tax rebate);

• Pharmaceutical Allowance;

• Incidentals Allowance;

• Additional Incidentals Allowance;

• Residential Costs component of the Residential Costs Option;

• School Term Allowance;

• Group 1 School Fees Allowance;

• Group 2 School Fees Allowance (except where unused component of Group 2 School

Fees Allowance has been transferred to pay excess boarding costs);

• Fares Allowance;

• Away From Base entitlements;

• Pensioner Education Supplement;

• Relocation Allowance;

• Assistance to pay Commonwealth supported places or Course Fees for Masters and

Doctorate students;

• Thesis Allowance;

• Lawful Custody Allowance;

• Under 16 Boarding Supplement;

• Additional Assistance paid as a lump sum

• Crisis Payment.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/adm

inistration\_of\_abstudy/taxation.htm - top#top

**5.2 Taxation instalments**

Students and Australian Apprentices may elect to have tax deducted from taxable ABSTUDY

allowances.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/adm

inistration\_of\_abstudy/taxation.htm - top#top

**5.3 Payment summaries**

Centrelink issues payment summaries at the end of each financial year to students who have

received taxable allowances during that year. The payment summary details:

• the gross amount of taxable income paid for the financial year; and

• the total amount (if any) of taxation instalments deducted for the financial year.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/adm

inistration\_of\_abstudy/taxation.htm - top#top

**Applying for ABSTUDY: Chapter 6 - Applying for ABSTUDY**

This chapter discusses who can apply for ABSTUDY, and how those claims are made.

**On this page**

• 6.1 Who can apply for ABSTUDY?

• 6.2 Lodging a claim for ABSTUDY

• 6.3 Lodgement dates

• 6.4 Closing date for additional information

**6.1 Who can apply for ABSTUDY?**

There are five types of acceptable applicants for ABSTUDY. They are:

• students;

• full-time Australian Apprentices;

• parents or guardians;

• institutions; and

• interim applicants.

**6.1.1 Students**

The student may apply for ABSTUDY assistance if they are:

• 16 years of age or over; or

• meet one of the independent status criteria; or

• enrolled in or intending to enrol for tertiary or postgraduate study; or

• receiving an Australian Government pension.

**6.1.2 Parent/Guardian Applicant**

For students other than those specified in 6.1.1, an ABSTUDY claim is to be lodged by the

person who has the responsibility for care and maintenance of the student and with whom the

student normally lives. The applicant will be:

• either of the student's parents, where the student lives with them;

• the parent with whom the student lives, where the student's parents are separated

and the student lives with one of them;

• a guardian, where responsibility for the student's care has been assumed by a guardian

with whom the student normally lives;

• the foster parent, guardian or parent(s) as appropriate (see the three dot points above),

where the student is in State care but placed in the care of foster parent, guardian or

parent(s);

• an officer authorised by the relevant State/Territory authority, where the student is in

government care; or

• where the student would, but for reasons of age, qualify as an orphan or as a homeless

student and is in the care of a person or institution, that person or an officer authorised

by that institution.

**6.1.3 Institutions**

Institutions may be considered applicants for the purposes of:

• Away from base submissions;

• Under 16 Boarding Supplement; and

• interim claims for boarding school students.

**6.1.4 Interim applicant**

A claim lodged by an interim applicant can be accepted where:

• the student, or person who would normally apply on behalf of the student, is not able

to submit a claim because of exceptional circumstances; and

• the person who submits the claim as an interim applicant has temporary care of the

student, is able to make an informed declaration about the student's Aboriginality and

is prepared to accept ABSTUDY conditions; and

• Centrelink has no reason to believe that by accepting a claim from an interim applicant

it is not following the wishes of the student or parent/long-term guardian in respect of

the student's schooling.

**Note**: For information regarding the lodgement of interim claims by a boarding school,

see 6.2.1.

**6.1.5 Full-time Australian Apprentices**

A full-time Australian Apprentice may apply for ABSTUDY assistance if they:

• are undertaking a full-time apprenticeship, traineeship or trainee apprenticeship under

the Australian Apprenticeships scheme; and

• meet the ABSTUDY primary eligibility criteria; and

• have a current Commonwealth Registration Number; and

• Have either

o reached the minimum school leaving age as defined by the relevant

State/Territory education authority; or

o provided evidence that s/he has been granted an exemption from the

State/Territory education authority in order to complete a full-time

apprenticeship or trainee apprenticeship.

The terms Australian Apprenticeships and Australian Apprentices cover all apprenticeships and

traineeship arrangements – both new and traditional. Australian Apprenticeships can cover full

or part-time work. However, only full-time Australian Apprentices are those whose training

contract is considered full-time by DEEWR.

**6.1.5.1 Part-time Australian Apprentices**

Part-time Australian Apprentices are those whose ordinary hours of employment, incorporating

both work and training components are LESS than that which is regarded as full-time for a new

apprentice in that industry, trade, occupation or kind or work.

Part-time Australian Apprentices are not entitled to ABSTUDY under the Australian Apprentice

provisions. Australian Apprentices must be considered full-time Australian Apprentices to be

eligible for assistance under ABSTUDY.

Part-time Australian Apprentices undertaking a full-time training or study block are considered

full-time students for that period they are undertaking the full-time training or study block.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/appl

ying\_for\_abstudy/applying\_for\_abstudy.htm - top#top

**6.2 Lodging a claim for ABSTUDY**

A completed ABSTUDY claim is the instrument by which ABSTUDY benefits may be approved.

An ABSTUDY applicant must lodge an ABSTUDY claim in accordance with Centrelink’s

determination of:

• • what constitutes a claim; and

• how a claim may be made.

Where a claim is lodged on or before the applicable closing date, the ABSTUDY Payee may

receive full benefits in accordance with their approved entitlements.

No benefits may be approved for an applicant:

• in respect of a period for which there has been no ABSTUDY claim; or

• before the claim has been approved by a delegated officer.

**6.2.1 Interim claims from boarding schools**

Interim claims can be accepted from boarding schools only in the following circumstances:

• the student or person who would normally apply on behalf of the student is not able to

submit a claim because of exceptional circumstances, such as serious illness or remote

locality; and

• the claim is lodged in the student's first term at the school; and

• the boarding school accepts responsibility for obtaining a full claim from the applicant;

and

• the institution accepts responsibility for the student's boarding and tuition fees where a

complete claim is not subsequently lodged by the applicant; and

• Centrelink has no reason to believe that by accepting an interim claim it is not following

the wishes of the applicant in respect of the student's schooling.

**6.2.1.1 Fares allowance for interim claims**

Where the above circumstances are met, Fares Allowance for the student's first two terms at

the school can be approved. Where a full claim from the applicant has not been received by the

student's second term, no further Fares Allowance is to be approved.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/appl

ying\_for\_abstudy/applying\_for\_abstudy.htm - top#top

**6.3 Lodgement dates**

**6.3.1 Notification of Intent to Claim**

An applicant and/or student may advise Centrelink that they have an intent to lodge a claim.

Where the claim is actually lodged within 13 weeks of notifying an intent to claim, the claim will

be deemed to have been lodged on the date of the notification of intent.

An Australian Apprentice may advise Centrelink that they have an intent to lodge a claim.

Where the claim is actually lodged within 14 days of notifying an intent to claim, the claim will

be deemed to have been lodged on the date of the notification of intent. If the Australian

Apprentice is suffering from a medical condition or has special circumstances which make it not

reasonably practicable for them to lodge the claim, it may be lodged within 13 weeks after the

contact and Centrelink must give the Australian Apprentice a written notice acknowledging the

contact. Only then will the claim be deemed to have been lodged on the date of the notification

of intent.

Intent of lodgement of the ABSTUDY claim must also meet the closing date specified in 6.3.2.

For an Australian Apprentice's claim to be considered, the Australian Apprentice must have a

current Commonwealth Registration Number. This can be obtained by theAustralian Apprentice signing a training agreement or training contract with their employer and Australian Apprenticeships Centre (AAC). The training agreement or training contract willhave the start date of the apprenticeship, traineeship or trainee apprenticeship. The start datefor payment will be the latter of the start date of the Australian Apprenticeship or contact with

Centrelink to notify of an intent to claim.

**6.3.2 Closing dates for lodgement of claims**

Table 1 lists the closing dates for lodgement of ABSTUDY claims with Centrelink.

**Table 1 - Lodgement of ABSTUDY claims**

|  |  |
| --- | --- |
| **If the applicant is**  **applying for..** | **then the closing date is...** |
| a full-year course | by the end of the calendar year. |
| a course of less than one  year | by the end of the course. |

Table 2 lists the closing dates for lodgement of PES claims with Centrelink.

**Table 2 - Lodgement of ABSTUDY Pensioner Education Supplement (PES) claims**

|  |  |
| --- | --- |
| **If the applicant is**  **applying for...** | **then the closing date is...** |
| a full-year course | by 31 March |
| a second semester course | by 31 July |
| a course of less than one  year | 28 days from the date of  qualification |

In all cases, PES claims must be lodged prior to the student discontinuing study.

**6.3.2.1 Lodgement dates for Away From Base submissions**

For details of the lodgement dates for submissions for Away From Base assistance, refer to

96.2 Away From Base submissions.

**6.3.3 Incorrect or inappropriate claim**

Where a student and/or applicant has lodged an incorrect or inappropriate claim for another

payment (e.g. FaCS PES, Youth Allowance, Austudy payment or Assistance for Isolated Children)

by the closing dates stipulated in 6.3.2, the customer may be considered to have lodged an

ABSTUDY claim on that date.

**6.3.4 Late lodgement**

Where Centrelink considers that the ABSTUDY claim would, but for circumstances beyond the

applicant's control, have been lodged by the applicable closing date, students may receive full

benefits in accordance with their approved entitlements.

**6.3.4.1 Explanation of late lodgement**

The applicant must provide a written statement explaining the reason for late lodgement of the

claim. Other evidence such as a medical certificate may also be requested.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/appl

ying\_for\_abstudy/applying\_for\_abstudy.htm - top#top

**6.4 Closing date for additional information**

There is no closing date for acceptance of additional information.

**Applying for ABSTUDY: Chapter 7 - Evidence and Supporting**

**Documentation**

ABSTUDY claims generally require documentation to support details provided in the claim. This

topic covers the types of acceptable documentation and when they must be presented.

**On this page**

• 7.1 General Power to Request Information

• 7.2 Forms of Supporting Documentation

• 7.3 Proof of Aboriginality and Torres Strait Islander status

**7.1 General Power to Request Information**

Section 343 of the *Student Assistance Act 1973* gives Centrelink the authority to request

any information or documentation that is relevant to the determination of a customer’s

ABSTUDY eligibility or entitlement.

Refer to Chapter 1.5 for details on the collection of information.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/appl

ying\_for\_abstudy/evidence\_and\_supporting\_documentation.htm - top#top

**7.2 Forms of Supporting Documentation**

Examples of supporting documentation include, but are not limited to:

• proof of identity;

• proof of Australian citizenship; and

• proof of enrolment and

• current Commonwealth Registration Number.

**7.2.1 Proof of Identity**

Students and Australian Apprentices claiming ABSTUDY will need to provide suitable proof of

identity as specified by Centrelink.

**7.2.2 Proof of Australian Citizenship**

Students and Australian Apprentices claiming ABSTUDY are required to provide proof of

Australian citizenship where they were born outside of Australia and its external territories AND

they have not previously provided such proof to Centrelink.

**7.2.3 Proof of Enrolment**

ABSTUDY students will need to provide suitable proof of enrolment as specified by Centrelink.

**7.2.4 Commonwealth Registration Number**

The Commonwealth Registration Number is a number issued by DEEWR to all approved

Australian Apprentices.

To be paid as a full-time Australian Apprentice under ABSTUDY a person must have a current

(and not suspended) Commonwealth Registration Number.

DEEWR is the party that can give definitive advice as to the currency or otherwise of a

Commonwealth Registration Number.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/appl

ying\_for\_abstudy/evidence\_and\_supporting\_documentation.htm - top#top

**7.3 Proof of Aboriginality and Torres Strait Islander status**

In some circumstances, proof of Aboriginality or Torres Strait Islander status may be required.

See Chapter 10 for details of acceptable proof.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/appl

ying\_for\_abstudy/evidence\_and\_supporting\_documentation.htm - top#top

**Applying for ABSTUDY: Chapter 8 - Tax File Number (TFN)**

This chapter discusses the requirement to provide a Tax File Number when applying for

ABSTUDY.

**On this page**

• 8.1 Requirement to provide a Tax File Number (TFN)

• 8.2 Persons who must provide a TFN

• 8.3 Persons not required to provide a TFN

• 8.4 Regarded as having provided a TFN

**8.1 Requirement to provide a Tax File Number (TFN)**

The *Student Assistance Act 1973* stipulates that ABSTUDY benefits are not payable in respect of

an applicant until Centrelink is given:

• the applicant's tax file number; and

• where another person's income or assets are required to be taken into account for the

purpose of calculating the benefit, that person's tax file number.

Payments may not commence on an ABSTUDY claim until either the relevant persons (see 8.2)

have either provided their TFN or lodged a claim for a TFN with Centrelink for referral to the

Australian Taxation Office (ATO).

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/appl

ying\_for\_abstudy/tax\_file\_number.htm - top#top

**8.2 Persons who must provide a TFN**

Legislation requires that the following categories of persons must provide their TFN when

applying for ABSTUDY assistance:

• students aged 16 or older;

• Australian Apprentices;

• parents/guardians of students aged less than 16 years;

• parents/guardians of all students aged 16 years or older, upon whom the student is

financially dependent; and

• the student's or Australian Apprentice's partner.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/appl

ying\_for\_abstudy/tax\_file\_number.htm - top#top

**8.3 Persons not required to provide a TFN**

The following categories of persons do not need to provide a TFN when making claim for

ABSTUDY assistance:

• customers who have previously supplied their TFN to Centrelink;

• students under 16 years of age;

• students, parents or partners who are exempt from providing their TFN under the

*Income Tax Assessment Act 1936* as they receive a FaCS or DVA income support

pension or benefit;

• students, Australian Apprentices, parents or partners who are at risk from another

person and whose physical safety could be at increased risk from the disclosure of their

TFN;

• Aboriginal or Torres Strait Islander clients who are attending a traditional ceremony at

the time of claim lodgement - a TFN must be provided on their return from participation

in that ceremony;

• students, Australian Apprentices, parents or partners who have lost all records of their

TFN because of fire or flood damage to their home within the six months preceding the

claim for ABSTUDY - ceases to take effect six months after the damage occurred;

• customers who have lodged a claim for a TFN through Centrelink but have not yet

received advice from ATO;

• parents who live permanently outside Australia and who do not earn income in

Australia;

• parents or partners who are temporarily overseas - a TFN must be provided on their

return to Australia;

• aged person 80+ (no review required);

• persons living in a Natural Disaster Zone (review required, review period is 90 days);

• homeless person (review required, review period is 90 days);

• profoundly disabled persons;

• person in Nursing Home;

• person in Psychiatric Institution; and

• partner uncontactable (review required, review period is 90 days).

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/appl

ying\_for\_abstudy/tax\_file\_number.htm - top#top

**8.4 Regarded as having provided a TFN**

A student or Australian Apprentice and the student's or Australian Apprentice’s partner or the

student's or Australian Apprentice’s parent/guardian will be regarded as having supplied a TFN

if:

• s/he has provided the TFN to Centrelink for a previous claim; or

• s/he provides her/his TFN for the current claim; or

• s/he has lodged a TFN claim/enquiry form with Centrelink.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/appl

ying\_for\_abstudy/tax\_file\_number.htm - top#top

**Primary Eligibility Criteria for ABSTUDY: Chapter 9 - Primary Eligibility**

**Criteria for ABSTUDY**

This chapter outlines the primary eligibility criteria for ABSTUDY. It also discusses the effect of

absences from Australia upon eligibility for ABSTUDY.

**On this page**

• 9.1 Primary Eligibility Criteria for ABSTUDY

• 9.2 Portability of ABSTUDY

**9.1 Primary Eligibility Criteria for ABSTUDY**

To be eligible for any ABSTUDY assistance, a student or Australian Apprentice must meet the

primary eligibility criteria for ABSTUDY. The primary ABSTUDY eligibility criteria are:

• the student or New Apprentice is an Australian citizen; and

• the student or New Apprentice is an Australian Aboriginal or Torres Strait Islander

person; and

o the student is either:

o enrolled in an approved course; or

o undertaking an approved Testing and Assessment activity to determine their

suitability to undertake an approved course; or

o undertaking a Testing and Assessment activity to determine their suitability for

the Indigenous Youth Mobility Programme (IYMP); and

o the Australian Apprentice has a current Commonwealth Registration Number in

relation to a full-time apprenticeship or traineeship or trainee apprenticeship

under the Australian Apprenticeships Scheme;

• the student or Australian Apprentice is not receiving or will not receive any other

government assistance to study or complete their apprenticeship, traineeship or trainee

apprenticeship; and

• the student or Australian Apprentice normally lives in Australia.

**9.1.1 Normally lives in Australia**

A student or Australian Apprentice is considered to normally live in Australia if they maintain a

permanent home here, even if they are temporarily living or travelling overseas. A student or

Australian Apprentice should be regarded as not normally living in Australia if they maintain a

permanent home outside of Australia and its external territories.

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**9.2 Portability of ABSTUDY**

**9.2.1 Temporary Absences from Australia**

ABSTUDY remains payable where a student or Australian Apprentice temporarily lives or travels

overseas in the following circumstances:

• the student or Australian Apprentice continues to meet the primary eligibility criteria;

and

• the student travels or lives overseas for no longer then 13 weeks; or

• the student meets the requirements for Overseas Studies set out in Chapter 55.

**9.2.2 Returning to Australia**

If a student or Australian Apprentice returns to Australia for a period of 13 weeks or less, the

return is taken not to affect the continuity of the period of absence. This means that a new

period cannot start unless the person has returned for greater than 13 weeks.

**9.2.2.1 Absences greater than 13 weeks due to circumstances beyond the students control**

Where a student or Australian Apprentice is unable to return to Australia due to circumstances

beyond their control, such as illness, ABSTUDY can be extended at the delegate’s discretion.

Evidence supporting the extended stay will need to be provided by the student or New

Apprentice.

In such cases the Australian Apprentice would still need to meet the eligibility criteria. That is,

they must continue to meet the eligibility criteria set out in 9.1.

**9.2.3 Permanent departures**

ABSTUDY is not payable where a student departs Australia and commences to reside in a

permanent home outside Australia and its external territories

Eligibility for ABSTUDY will cease on the date of departure.

**9.2.4 Payment of Fares Allowance**

Fares Allowance is not payable for travel to or from an overseas destination.

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**Primary Eligibility Criteria for ABSTUDY: Chapter 10 - Aboriginality or**

**Torres Strait Islander Status**

To be considered as eligible for ABSTUDY assistance, applicants must first establish

Aboriginality or Torres Strait Islander status. This chapter covers the establishment of

Aboriginality or Torres Strait Islander status.

**On this page**

• 10.1 Definition of Aboriginality or Torres Strait Islander status

• 10.2 Evidence Requirements

• 10.3 When to initiate a query

**10.1 Definition of Aboriginality or Torres Strait Islander status**

An Australian Aboriginal or Torres Strait Islander person for ABSTUDY purposes, is one who:

• is of Aboriginal or Torres Strait Islander descent; **and**

• identifies as an Australian Aboriginal or Torres Strait Islander person; **and**

• is accepted as such by the community in which s/he lives or has lived.

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**10.2 Evidence Requirements**

**10.2.1 Aboriginality on application**

Centrelink will normally accept a student’s or Australian Apprentice's declaration during the

ABSTUDY claiming process as sufficient evidence of their Aboriginality or Torres Strait Islander

status.

**10.2.2 Evidence of Aboriginality or Torres Strait Islander status**

Where uncertainty exists as to the Aboriginality or Torres Strait Islander status of the student

or Australian Apprentice, evidence will be required to establish that s/he is an Australian

Aboriginal or Torres Strait Islander. This evidence must be in accordance with **all three parts**

of the definition of Aboriginality and Torres Strait Islander status.

**Note**: The onus is on the applicant to establish Aboriginality or Torres Strait Islander status.

**10.2.2.1 Evidence of Aboriginal or Torres Strait Islander descent**

Aboriginal or Torres Strait Islander **descent** may be proved by:

• birth records or genealogies verified by a suitable authority as applicable to the student

or Australian Apprentice, or

• a letter signed by the Chairperson of an Aboriginal and/or Torres Strait Islander

incorporated organisation (where records are not available).

**10.2.2.2 Evidence of self-identification as an Aboriginal or Torres Strait Islander**

To demonstrate **self-identification**, the applicant should sign an affirmation that he/she

identifies as an Australian Aboriginal or Torres Strait Islander.

**10.2.2.3 Evidence of acceptance as an Aboriginal or Torres Strait Islander by the community**

Acceptance as an Aboriginal or Torres Strait Islander should be confirmed in writing from the

Chairperson of an Aboriginal or Torres Strait Islander incorporated organisation in a community

in which the applicant lives or has previously lived.

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**10.3 When to initiate a query**

An ABSTUDY Unit Manager may initiate an Aboriginality query if:

• a person contacts Centrelink, claiming that there is doubt about the Aboriginality of a

person who has applied for ABSTUDY, and indicating why one or more Aboriginality

criteria has not been met; or

• a preliminary investigation, instituted as a result of information or substantial suspicion,

confirms that there is doubt about a claim.

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• 10.2 Evidence Requirements

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status.

**10.2.2 Evidence of Aboriginality or Torres Strait Islander status**

Where uncertainty exists as to the Aboriginality or Torres Strait Islander status of the student

or Australian Apprentice, evidence will be required to establish that s/he is an Australian

Aboriginal or Torres Strait Islander. This evidence must be in accordance with **all three parts**

of the definition of Aboriginality and Torres Strait Islander status.

**Note**: The onus is on the applicant to establish Aboriginality or Torres Strait Islander status.

**10.2.2.1 Evidence of Aboriginal or Torres Strait Islander descent**

Aboriginal or Torres Strait Islander **descent** may be proved by:

• birth records or genealogies verified by a suitable authority as applicable to the student

or Australian Apprentice, or

• a letter signed by the Chairperson of an Aboriginal and/or Torres Strait Islander

incorporated organisation (where records are not available).

**10.2.2.2 Evidence of self-identification as an Aboriginal or Torres Strait Islander**

To demonstrate **self-identification**, the applicant should sign an affirmation that he/she

identifies as an Australian Aboriginal or Torres Strait Islander.

**10.2.2.3 Evidence of acceptance as an Aboriginal or Torres Strait Islander by the community**

Acceptance as an Aboriginal or Torres Strait Islander should be confirmed in writing from the

Chairperson of an Aboriginal or Torres Strait Islander incorporated organisation in a community

in which the applicant lives or has previously lived.

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**10.3 When to initiate a query**

An ABSTUDY Unit Manager may initiate an Aboriginality query if:

• a person contacts Centrelink, claiming that there is doubt about the Aboriginality of a

person who has applied for ABSTUDY, and indicating why one or more Aboriginality

criteria has not been met; or

• a preliminary investigation, instituted as a result of information or substantial suspicion,

confirms that there is doubt about a claim.

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**Primary Eligibility Criteria for ABSTUDY: Chapter 11 - Approved Courses**

**of Study**

To be eligible for ABSTUDY allowances, students and Australian Apprentices must undertake an

approved course for ABSTUDY purposes. This chapter covers approved and non-approved

courses of study and education institutions.

**On this page**

• 11.1 Approved study

• 11.2 Approved education institutions for secondary level studies

• 11.3 Approved education providers for tertiary level studies

• 11.4 Excluded education institutions

• 11.5 Approved Courses

• 11.6 Excluded courses

• 11.7 Full-time and part-time courses

• 11.8 Secondary and Tertiary level courses

• 11.9 Length of courses

**11.1 Approved study**

To be eligible for ABSTUDY assistance, a student or Australian Apprentice must be:

• studying;

o at an approved education institution (secondary and tertiary), and

o in an approved course, or

• undertaking an approved Testing and Assessment activity to determine their suitability

to undertake an approved course; or

• have a current Commonwealth Registration Number in respect of a full-time

apprenticeship, traineeship or trainee apprenticeship under the scheme known as

Australian Apprenticeships.

With the exception of Indigenous Special Courses provided by a correctional services authority,

the Determination of Education Institutions and Courses under the *Student Assistance Act 1973*

provides the legal basis for determining which education institutions and courses are approved

under ABSTUDY policy.

For students to be eligible for the full range of ABSTUDY Awards, the course must also be

approved as a full-time course. Where a course can only be approved as a part-time course,

Part-time Award is payable.

**11.1.1 Mode of study**

An approved course may be studied by:

• attendance at classes;

• distance education/correspondence;

• external studies;

• open learning;

• flexible delivery; or

• a mode of study featuring a combination of the above.

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**11.2 Approved education institutions for secondary level studies**

Approved education institutions for secondary level studies awards under Schooling A,

Schooling B, Part-time Award and Lawful Custody Award are:

• government schools including those offering distance education/correspondence

courses;

• non-government education institutions offering primary, ungraded, secondary or special

courses accredited by the relevant State or Territory education authority;

• senior secondary colleges;

• TAFE institutions;

• Higher Education Providers; and

• Correctional services authorities providing secondary level Indigenous Special Course/s

for students in Lawful Custody.

**11.2.1 Secondary school**

A secondary school is a school in Australia or on Christmas Island or Cocos (Keeling) Islands

that is:

• a government secondary school, or

• a non-government school that is not conducted for profit and is recognised as a

secondary school under State or Territory law;

i. for the payment of government capital or recurrent grants, or

ii. for the payment of government grants or bursaries to the students.

**11.2.2 Special schools**

To be approved for ABSTUDY allowances, students at special schools are required to:

• study at an approved special school, ie, a school conducted primarily for students

having a significant physical, intellectual behavioural or psychiatric disability that is:

o a government school, or

o a non-government school that is recognised as a school under the law of a

State or Territory, or

i. for the payment of government capital or recurrent grants, or

ii. for the payment of government bursaries or allowances to its students; and

• undertake study that the State/Territory education authority, non-government

education authority or school Principal has stated, in writing, to be at secondary level.

**11.2.2.1 Secondary course at a special school**

A special school programme is accepted as a "secondary course" for ABSTUDY purposes where

an education authority determines the course to be secondary. The assessment of the level of

study undertaken by individual students attending special schools appropriately rests with an

education authority, usually the relevant State/Territory or non-government education

authority, as appropriate or, in some cases, the school Principal.

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**11.3 Approved education providers for tertiary level studies**

Approved education providers for tertiary level studies are:

• higher education providers that attract Australian Government funding;

• TAFE institutions;

• Independent Indigenous Vocational Education and Training Providers (IIVET);

• Private education providers provided

o their primary focus is education, **and**

o they are registered, **and**

o their courses are accredited by the relevant State/Territory education authority

• Correctional services authorities providing tertiary level Indigenous Special Course/s for

students in Lawful Custody;

• Bond University; and

• Open Learning Australia.

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**11.4 Excluded education institutions**

The following education institutions are not approved institutions for the purposes of ABSTUDY

assistance:

• the International Institute of Business and Technology (WA);

• the Australian Institute of Sport and the State based equivalents; and

• any education institution not defined in the Determination of Education Institutions and

Courses under the *Student Assistance Act 1973*.

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**11.5 Approved Courses**

**11.5.1 Mainstream courses**

A mainstream course is a course available to all members of the Australian community.

All mainstream courses approved under the `Determination of Education Institutions and

Courses' (see Appendix B) are also approved for ABSTUDY. The Determination does not specify

full or part-time courses.

**11.5.2 Indigenous special courses of study**

Indigenous special courses of study are courses developed with course content designed

specifically for Australian Aboriginal and Torres Strait Islander students. Indigenous special

courses of study may be approved subject to the course meeting course requirements below:

• not being identified in 11.6 as an excluded course,

􀂃 this includes courses which are comprised wholly or substantially of Away-from-base

activities, and

• having a vocational education focus; and being either:

􀂃 a course accredited by an education institution or relevant State/

Territory authority, or

􀂃 a study programme approved by a correctional services authority for a

student in lawful custody.

**11.5.2.1 Indigenous special courses of study where there is an equivalent mainstream course**

Where there is an equivalent mainstream course, Indigenous special courses of study are to be

approved in the same way as the mainstream course.

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**11.6 Excluded courses**

The following courses are not approved for ABSTUDY (with the exception of Lawful Custody

Award):

• courses conducted through a non-registered education institution;

• non-accredited higher education or TAFE-equivalent courses conducted by private

providers;

• non-accredited vocational education and training programmes comprising a sequence of

training that consists of modules from other vocational education training courses; or

• any course not defined in the Determination of Education Institutions and

Courses under the *Student Assistance Act 1973*.

Also excluded are:

• Australian Government funded programs such as:

o mainstream Labour Market Programs; or

o community-based strategies; or

o courses conducted through the Community Development Employment Projects

(CDEP) scheme; or

o courses conducted through government departments/agencies available only to

their employees;

• courses comprised wholly or substantially of Away-from-base activities; and

• courses which are not available to all members of the Australian community.

**11.6.1 Courses that are wholly or substantially Away-from-base activities**

A course is considered to be comprised wholly of Away-from-base activities where there are no

course work requirements in addition to the Away-from-base activities.

A course is considered to be comprised substantially of Away-from-base activities where there

are minimal course work requirements in addition to the Away-from-base activities.

Courses are not considered to be comprised substantially of Away-from-base activities where

there is an ongoing requirement for students to undertake course work throughout their study

period, both during and between the Away-from-base activities.

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**11.7 Full-time and part-time courses**

**11.7.1 Full-time courses**

For the purposes of ABSTUDY, the **normal amount of full-time study** in respect of a course

is:

(a) if:

• the course is a course of study within the meaning of the *Higher Education Support Act*

*2003*; and

• there are Commonwealth supported students (within the meaning of that Act) enrolled

in the course;

the full-time student load for the course; **or**

(b) if the course is not such a course but the student undertakes a study amount as defined by

the institution as a full-time course of study that a full-time student should typically undertake

in respect of the course; **or**

(c) otherwise an amount of full-time study equivalent to the average amount of full-time study

that a person would have to undertake for the duration of the course in order to complete the

course in the minimum amount of time needed to complete it.

Without limiting the above, the **normal amount of full-time study** in respect of a course is

an average, taken over the duration of the period for which the person in question is enrolled in

the course, of 20 contact hours per week.

Students undertaking courses that may be classified as full-time courses may be assessed for

entitlements under all ABSTUDY Awards, subject to their study-load and eligibility for studyload

concessions.

**11.7.1.1 Full-time Australian Apprenticeships**

For the purposes of ABSTUDY, eligible Australian Apprentices undertaking an apprenticeship,

traineeship or trainee apprenticeship are those whose training contract is considered full-time

by DEEWR.

**11.7.2 Part-time courses**

A course must be regarded as a part-time course if:

• it does not meet one of the above criteria; or

• a full-time workload cannot be defined (courses without attendance requirements which

cannot verify full-time study requirements).

Students undertaking such courses can be approved only for entitlements under the Part-time

Award and Lawful Custody Award. Study-load concessions cannot be applied to such courses.

**11.7.3 Two part-time courses**

Two part-time courses cannot be grouped to make one full-time course. The student is entitled

to the benefits arising from each Part-time Award.

Exceptions to this are:

• articulated courses, where two or more courses are linked together to form an overall

qualification; and

• two associated courses where one merges with or leads into the other course, e.g. a

bridging course leading into a degree course, or a supplementary program studied

concurrently with a degree course; and

• composite courses, also known as nested courses, where units from two or more

different accredited courses that have the same course title recognised under the

Australian Qualification Framework (AQF) are part of a coherent study sequence and

lead to, or form part of, an overall qualification.

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**11.8 Secondary and Tertiary level courses**

Most approved courses and their level are defined in the ‘Determination of Education

Institutions and Courses’ in Appendix B.

**11.8.1 Secondary courses**

An accredited secondary course means a course accredited as a secondary course by the

authority responsible for the accreditation of those courses in the State or Territory in which

the course is conducted.

An accredited secondary course can include both accredited secondary subjects and accredited

Vocational Education and Training (VET) subjects leading to a VET qualification. These courses

undertaken at a secondary school are secondary courses.

Secondary courses may also be secondary level or preparatory courses provided at other

education providers, e.g. TAFE colleges, senior secondary colleges, universities or nongovernment

institutions.

Preparatory courses for tertiary study, also known as bridging, access or enabling courses, are

secondary level courses. English as a Second Language (ESL) and Language, Literacy and

Numeracy Programs, and Certificate in General Education for Adults courses are also secondary

level courses.

Indigenous special courses provided by a correctional services authority may also be secondary

level. They are not required to be accredited to attract ABSTUDY under the Lawful Custody

Award.

**11.8.2 Tertiary courses**

An accredited higher education course means a course that is:

• accredited as a higher education course by the authority responsible for the

accreditation of those courses in the State or Territory in which the course is conducted;

or

• if a higher education institution or a non-government institution is authorised by the

law of the State or Territory in which the institution is located to accredit its own higher

education courses, a course conducted and accredited as a higher education course by

that institution.

An accredited vocational education and training course means a course accredited as a

vocational education and training course by the authority responsible for the accreditation of

those courses in the State or Territory in which the course is conducted, and conducted by a

Registered Training Organisation, which includes TAFE, secondary school, some nongovernmental

providers, Vocational Education and Training providers, and in some

circumstances, a higher education institution.

Indigenous special courses provided by a correctional services authority may also be tertiary

level. They are not required to be accredited to attract ABSTUDY under the Lawful Custody

Award.

**11.8.2.1 Australian Apprenticeships Access Programme (AAAP) courses**

Australian Apprenticeships Access Programme (AAAP) courses are considered to be tertiary

level courses.

**11.8.3 Deciding whether courses are Secondary or Tertiary level**

Institutions may not specify whether a course is secondary or tertiary level; this will particularly

be the case in respect of non-government institutions offering vocational education and training

courses. In order to assess whether a course should be classified as a secondary or a tertiary

course, the course documentation, such as a course prospectus, should be referred to in

addition to the Determination of Education Institutions and Courses at Appendix B.

**11.8.4 Courses with Secondary and Tertiary subjects**

Where a course includes both secondary and tertiary subjects, it should be determined to be

either a secondary course or a tertiary course as referred to in 11.8.3.

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**11.9 Length of courses**

**11.9.1 Short courses**

A short course is a course where the normal minimum duration for a full-time student to

complete the course is not more than 30 weeks. This period includes any holidays and

vacations.

**11.9.2 Full year course**

A full year course is a course where the normal minimum duration for a full-time student to

complete the course is 30 weeks or more. Students studying in full year courses normally study

for the whole academic year.

An articulated course is considered a full year course where two or more short courses are

linked together to form the same award or accreditation, and the normal minimum duration for

a full-time student to complete this overall course is 30 weeks or more.

**11.9.3 Late starting courses**

A late starting course is one that starts between 1 April and 30 June or between 1 August and

31 December in the year of study, inclusive.

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**Primary Eligibility Criteria for ABSTUDY: Chapter 12 Government**

**Financial Assistance**

This chapter covers the effect upon ABSTUDY eligibility and entitlement for students and

Australian Apprentices who receive government financial assistance.

**On this page**

• 12.1 Income support

• 12.2 Training assistance, wage subsidies and employer assistance

• 12.3 Scholarships

• 12.4 Date of commencement of other Government assistance

• 12.5 Receiving two sources of Government assistance

**12.1 Income support**

**12.1.1 Receipt of Government income support to study**

Students and Australian Apprentices are **ineligible** for ABSTUDY assistance for a course of

study or training if they also receive another form of Commonwealth Government income

support to study that course. This includes, but is not limited to:

• Youth Allowance (where study in the course makes up part or all of the activity test

requirements);

• Austudy;

• Assistance for Isolated Children (AIC);

• Language, Literacy and Numeracy Supplement (LLNS);

• FaCS Pensioner Education Supplement (PES);

• Veterans' Children’s Education Scheme (VCES);

• Living Away from Home Allowance (LAFHA); and

• Community Development Employment Projects (CDEP) where the CDEP wage is paid

for the same activity (course of study or Australian Apprenticeship) for which the

ABSTUDY application is made.

An exception to this provision applies to those Indigenous Australian apprentices who are

undertaking an apprenticeship, traineeship or trainee apprenticeship with an employer who

receives a CDEP wage for that person as a subsidy to engage Indigenous Australian Apprentices.

**12.1.2 Cannot receive income support and ABSTUDY Living Allowance**

Student and Australian Apprentices may not receive ABSTUDY Living Allowance and income

support from another government source at the same time.

**12.1.3 Part-time award**

Australian Government income support payment recipients may be eligible for entitlements

under the ABSTUDY Part-time Award if they are studying, provided that this study does not

make up part or all of their activity test requirements for the income support payment.

**12.1.4 Pensioners and ABSTUDY**

Students in receipt of an payment made the *Social Security Act 1991* or a service pension paid

under the *Veterans’ Entitlements Act 1986* are not entitled to also receive ABSTUDY Living

Allowance. Depending on the student’s primary pension payment, workload and entitlement to

a study-load concession, they may qualify for the Pensioner Education Supplement and/or the

Part-time Award.

Students in receipt of Veterans’ Affairs’ Disability Pensions may receive ABSTUDY Living

Allowance, but the Disability Pension is assessed as income for the purposes of the personal

income test.

**12.1.5 DFISA-like payments**

Recipients of Defence Force Income Support Allowance-like (DFISA-like) payments under the

*Veterans’ Entitlements Act 1986* may be eligible for entitlements under the Part-time Award.

**12.1.6 CDEP**

*While the following policy applies for ABSTUDY, the Department of Employment and Workplace*

*Relations (DEWR) as the Agency responsible for CDEP, has deemed that a person is not eligible*

*to be a CDEP participant whilst they are a full-time student in receipt of ABSTUDY Living*

*Allowance. Applicants must inform their CDEP administrator of their decision to apply for*

*ABSTUDY.*

Full-time students and Australian Apprentices receiving Community Development Employment

Projects (CDEP) assistance may receive ABSTUDY Living Allowance for their course of study or

Australian Apprenticeship if their CDEP wage is not being paid that activity. In these

circumstances the student’s other income, including their Australian Apprentice wage, and the

CDEP wage are assessed as income for the purposes of the ABSTUDY personal income test.

Full-time students are not eligible for ABSTUDY where the course they are undertaking is

related to their CDEP activity as they are already in receipt of Government income support for

that activity.

Australian Apprentices who receive CDEP assistance to undertake that Australian

Apprenticeship are not eligible for ABSTUDY as they are already in receipt of Government

income support for that activity.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/pri

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**12.2 Training assistance, wage subsidies and employer assistance**

Persons who are receiving training assistance for formal study or who are assisted through a

Commonwealth or State/Territory government wage subsidy by an employer, are ineligible for

ABSTUDY. Examples of training assistance and wage subsidies include but are not limited to:

training schemes, scholarships, bursaries, cadetships and any similar assistance.

Australian Apprentices who are receiving training assistance for formal study or who are

assisted through an Australian Government or State/Territory government wage subsidy via an

employer, may be eligible for ABSTUDY, provided they meet the criteria under the Tertiary

Award for Australian Apprentices.

**Note**: Participation in an Aboriginal School Based Traineeship (ASBT), or the Indigenous

Tertiary Education Salary Scheme (ITESS) in the Northern Territory, does not preclude

ABSTUDY eligibility. In these circumstances, income from these sources is taken into account

under the ABSTUDY personal income test.

**12.2.1 Full-time apprentices or trainees**

The criteria considered to determine a student’s eligibility for ABSTUDY include:

• employed as a full-time apprentice or trainee under a training agreement, under the

Australian Apprenticeship Scheme; **and**

• engaged in the apprenticeship or traineeship on a full-time basis; **and**

• holder of a current Commonwealth Registration Number in relation to a full-time

apprenticeship, traineeship or trainee apprenticeship.

**12.2.2 Australian Apprenticeships Access Programme**

Full-time Australian Apprenticeships Access Programme (AAAP) participants are **not** excluded

from ABSTUDY assistance because the programme is mostly pre-vocational training. They are,

however, not eligible for Incidentals Allowance, as AAAP participants are not required to meet

any course fees or charges.

**12.2.3 Green Corps**

Green Corps participants are excluded from receiving ABSTUDY Living Allowance but may apply

for other ABSTUDY entitlements for a course they are undertaking provided they:

• meet the ABSTUDY primary eligibility criteria; and

• meet the specific eligibility criteria for those ABSTUDY entitlements.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/pri

mary\_eligibility\_criteria\_for\_abstudy/government\_financial\_assistance.htm - top#top

**12.3 Scholarships**

In general, the receipt of a scholarship does not preclude ABSTUDY eligibility unless the student

is an employee of a government agency and is awarded a scholarship by that agency to

undertake secondary or tertiary studies.

Students receiving government scholarships can receive ABSTUDY provided they are not an

employee of the government agency awarding the scholarship. This does not include periods

for which the student is an employee for the purposes of work experience. The value of the

scholarship will however, be counted as income when assessing the student’s Living Allowance

entitlement.

The treatment of scholarships under the personal income test, and the exemption of certain

types of scholarships from this test, is discussed in Chapter 59.

**Note**: A student is not considered an employee of a government agency where she/he is an

employee for the purposes of work experience.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/pri

mary\_eligibility\_criteria\_for\_abstudy/government\_financial\_assistance.htm - top#top

**12.4 Date of commencement of other Government assistance**

The assistance should be taken as commencing on the date the student or Australian

Apprentice begins study under the programme or undertakes an apprenticeship, traineeship or

trainee apprenticeship, or the date the agreement commences, whichever is the earlier.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/pri

mary\_eligibility\_criteria\_for\_abstudy/government\_financial\_assistance.htm - top#top

**12.5 Receiving two sources of Government assistance**

A student or Australian Apprentice may not receive two sources of Australian Government

assistance for the same course of study or training. However, where a student or Australian

Apprentice is receiving Government assistance for a particular course of study or training,

ABSTUDY may be payable where the student or Australian Apprentice is undertaking an

additional course for which the Government assistance is not paid.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/pri

mary\_eligibility\_criteria\_for\_abstudy/government\_financial\_assistance.htm - top#top

**Primary Eligibility Criteria for ABSTUDY: Chapter 13 - General Provisions**

**Affecting ABSTUDY Eligibility and Entitlement**

This chapter discusses the assessment of changes in circumstances, and the effect upon

eligibility of certain changes.

**On this page**

• 13.1 Change in Circumstances

• 13.2 Student or Australian Apprentice Enters Lawful Custody

• 13.3 Death of a Student or Australian Apprentice

• 13.4 Commonwealth Registration Number

**13.1 Change in Circumstances**

Where a change of circumstance occurs, the student’s and Australian Apprentice’s eligibility

and/or entitlement are reassessed from the date of the change in circumstance. This is not

affected by the date on which the student or Australian Apprentice notifies of the change.

The changes in circumstances of which a customer must advise Centrelink, and the penalties

that may apply if such a change is not advised, are detailed in Chapter 2 ABSTUDY Customer

Obligations.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/pri

mary\_eligibility\_criteria\_for\_abstudy/general\_provisions\_affecting\_abstudy\_eligibility.ht

m - top#top

**13.2 Student or Australian Apprentice Enters Lawful Custody**

When a person enters lawful custody, eligibility for all ABSTUDY Awards (with the exception of

Lawful Custody Award) ceases for the duration of the custodial sentence.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/pri

mary\_eligibility\_criteria\_for\_abstudy/general\_provisions\_affecting\_abstudy\_eligibility.ht

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**13.3 Death of a Student or Australian Apprentice**

If a student or Australian Apprentice dies, ABSTUDY eligibility will cease from the day on which

the student or Australian Apprentice died.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/pri

mary\_eligibility\_criteria\_for\_abstudy/general\_provisions\_affecting\_abstudy\_eligibility.ht

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**13.4 Commonwealth Registration Number**

A full-time Australian Apprentice is not eligible to receive ABSTUDY unless they have a current

Commonwealth Registration Number. ABSTUDY eligibility will only continue where the status

remains current. If the Commonwealth Registration Number is suspended ABSTUDY payments

cannot be made. ABSTUDY will be cancelled if a Australian Apprentice’s Commonwealth

Registration Number is suspended.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/pri

mary\_eligibility\_criteria\_for\_abstudy/general\_provisions\_affecting\_abstudy\_eligibility.ht

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**Primary Eligibility Criteria for ABSTUDY: Chapter 14 - ABSTUDY Awards**

The concept of ABSTUDY “Awards” is a way of organising the allowances available to particular

groups of students or Australian Apprentices. There are seven Awards available under the

ABSTUDY scheme; the eligibility of a student or Australian Apprentice for a particular Award will

depend upon their study, training and personal circumstances. The following chapters detail

these seven Awards, and the specific eligibility criteria needed to qualify for each Award. They

also list the benefits and allowances that the applicant may be entitled to under each Award.

**On this page**

• 14.1 Specific Eligibility Criteria

• 14.2 Awards payable

• 14.3 Concurrent Awards

• 14.4 Benefits and Allowances payable under an Award

**14.1 Specific Eligibility Criteria**

Students and Australian Apprentices are eligible for an ABSTUDY Award if they meet:

• the primary eligibility criteria; and

• the specific eligibility criteria for the type of Award for which they are applying.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/spec

ific\_eligibility\_criteria\_for\_abstudy\_awards/abstudy\_awards.htm - top#top

**14.2 Awards payable**

Only one Award is payable in respect of a course of study, an apprenticeship, traineeship or

trainee apprenticeship.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/spec

ific\_eligibility\_criteria\_for\_abstudy\_awards/abstudy\_awards.htm - top#top

**14.3 Concurrent Awards**

Where a student is studying two or more courses, the student may hold one or more Awards

concurrently providing that only one of the Awards pays Living Allowance or the Pensioner

Education Supplement.

Where an Australian Apprentice is undertaking one or more courses of study in addition to

undertaking the Apprenticeship Apprenticeship, the person may hold one or more Awards

concurrently, providing that only one of the Awards pays Living Allowance .

The concurrent award does not affect benefits in respect of each Award.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/spec

ific\_eligibility\_criteria\_for\_abstudy\_awards/abstudy\_awards.htm - top#top

**14.4 Benefits and Allowances payable under an Award**

While a student or Australian Apprentice may be eligible for an ABSTUDY Award, they are not

automatically entitled to all benefits and allowances payable under the Award. Each benefit and

allowance has specific qualification criteria and limits upon the assistance payable. Refer to the

Chapters on the specific allowances and benefits for details of the qualification and limits for

each.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/spec

ific\_eligibility\_criteria\_for\_abstudy\_awards/abstudy\_awards.htm - top#top

**Specific Eligibility Criteria for ABSTUDY Awards: Chapter 15 - Schooling**

**A Award**

This chapter outlines the specific eligibility criteria for the Schooling A Award and the

allowances that may be available under this Award.

**On this page**

• 15.1 Specific Eligibility Criteria for Schooling A Award

• 15.2 Allowances and Benefits available under the Schooling A Award

**15.1 Specific Eligibility Criteria for Schooling A Award**

A student is eligible for the Schooling A Award if s/he meets the general ABSTUDY eligibility

criteria and is:

• 15 years of age or younger; and

• studying a full-time secondary course; and either

o living at home, or

o not approved for the living away from home or independent rates;

OR

• 14 years of age or more at 1 January in the year of study; and

• a full-time primary school student; and

• living at home.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/spec

ific\_eligibility\_criteria\_for\_abstudy\_awards/schooling\_a\_award.htm - top#top

**15.2 Allowances and Benefits available under the Schooling A Award**

A student approved for the Schooling A Award may be entitled to the following benefits:

• School Term Allowance;

• School Fees Allowance;

• Away-from-Base assistance for distance education/correspondence students to attend

residential schools; and

• Fares Allowance in order to attend approved Away-from-base activities.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/spec

ific\_eligibility\_criteria\_for\_abstudy\_awards/schooling\_a\_award.htm - top#top

**Specific Eligibility Criteria for ABSTUDY Awards: Chapter 16 - Schooling**

**B Award**

This chapter outlines the specific eligibility criteria for the Schooling B Award and the

allowances that may be available under this Award.

**On this page**

• 16.1 Specific Eligibility Criteria for Schooling B Award

• 16.2 Allowances and Benefits available under the Schooling B Award

**16.1 Specific Eligibility Criteria for Schooling B Award**

A student is eligible for a Schooling B Award if s/he meets the general ABSTUDY eligibility

criteria and is:

• 16 years of age or older, or 15 years of age or older and in State Care; and

• either:

o undertaking an approved course of full-time primary studies; or

o undertaking full-time secondary school studies;

OR

• any age; and

• undertaking full-time secondary non-school studies; and

• meets the ABSTUDY progress and duration of assistance rules; and

• either:

o has reached the minimum school leaving age as defined by the relevant

State/Territory education authority, or

o has provided evidence that s/he has been granted an exemption by the

State/Territory education authority in order to attend a TAFE or other nonschool

institution;

OR

• under 16 years of age; and

o meets one of the conditions for approval to live away from home, and does live

away from home; and

o is undertaking full-time secondary school studies; or

o has already completed the final year of primary school and has moved away

from home to undertake secondary schooling but instead needs to repeat the

final year of primary school at another location that offers both primary and

secondary schooling.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/spec

ific\_eligibility\_criteria\_for\_abstudy\_awards/schooling\_b\_award.htm - top#top

**16.2 Allowances and Benefits available under the Schooling B Award**

A student approved for a Schooling B Award may be entitled to one or more of the following

benefits:

• Living Allowance OR Pensioner Education Supplement (PES);

• School Fees Allowance;

• Fares Allowance;

• Away-from-base assistance;

• Incidentals Allowance (where student is 18 years or over at 1 January in the year of

study);

• Under 16 Boarding Supplement;

• Rent Assistance;

• Remote Area Allowance;

• Pharmaceutical Allowance; and

• Additional Assistance.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/spec

ific\_eligibility\_criteria\_for\_abstudy\_awards/schooling\_b\_award.htm - top#top

**Specific Eligibility Criteria for ABSTUDY Awards: Chapter 17 - Tertiary**

**Award**

This chapter outlines the specific eligibility criteria for the Tertiary Award and the allowances

that may be available under this Award.

**On this page**

• 17.1 Specific Eligibility Criteria for Tertiary Award

• 17.2 Student Allowances and Benefits available under the Tertiary Award

• 17.3 Australian Apprentice Allowances and Benefits Available Under the Tertiary Award

**17.1 Specific Eligibility Criteria for Tertiary Award**

A student or Australian Apprentice is eligible for a Tertiary Award if s/he meets the primary

ABSTUDY eligibility and:

• is studying a full-time post-secondary course or undertaking a full-time apprenticeship,

traineeship or trainee apprenticeship under the Australian Apprenticeships scheme; and

o has reached the minimum school leaving age as defined by the relevant

State/Territory education authority; or

o has been granted exemption from the State/Territory education authority in

order to attend a TAFE or an Australian Apprenticeship or another tertiary

institution; and

• if a student, is studying a full-time (including concessional) study-load and meets the

ABSTUDY progress and duration of assistance rules; or

• if an Australian Apprentice, has a current Commonwealth Registration Number.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/spec

ific\_eligibility\_criteria\_for\_abstudy\_awards/tertiary\_award.htm - top#top

**17.2 Student Allowances and Benefits available under the Tertiary Award**

A student approved for a Tertiary Award may be entitled to one or more of the following

benefits:

• Living Allowance OR Pensioner Education Supplement;

• Incidentals Allowance;

• Additional Incidentals Allowance;

• Fares Allowance;

• Rent Assistance;

• Remote Area Allowance;

• Pharmaceutical Allowance;

• Away-from-base assistance;

• Additional Assistance.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/spec

ific\_eligibility\_criteria\_for\_abstudy\_awards/tertiary\_award.htm - top#top

**17.3 Australian Apprentice Allowances and Benefits Available Under the Tertiary**

**Award**

A New Apprentice may be entitled to one or more of the following benefits:

• Living Allowance;

• Incidentals Allowance;

• Rent Assistance;

• Remote Area Allowance;

• Pharmaceutical Allowance;

• Additional Assistance.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/spec

ific\_eligibility\_criteria\_for\_abstudy\_awards/tertiary\_award.htm - top#top

**Specific Eligibility Criteria for ABSTUDY Awards: Chapter 18 - Part-time**

**Award**

This chapter outlines the specific eligibility criteria for the Part-time Award and the allowances

that may be available under this Award.

**On this page**

• 18.1 Specific Eligibility Criteria for Part-time Award

• 18.2 Allowances and Benefits available under the Part-time Award

**18.1 Specific Eligibility Criteria for Part-time Award**

A student is eligible for a Part-time Award if s/he meets the general ABSTUDY eligibility criteria

and:

• is studying a post-secondary course; and

• is not studying a full-time workload;

OR

• is 18 years or older at 1 January in the year of study; and

• is studying a secondary course; and

• is not studying a full-time workload;

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/spec

ific\_eligibility\_criteria\_for\_abstudy\_awards/parttime\_award.htm - top#top

**18.2 Allowances and Benefits available under the Part-time Award**

A student approved for a Part-time Award may be entitled to the following benefits:

• Incidentals Allowance (not including Additional Incidentals Allowance);

• Away-from-base assistance;

• Fares Allowance to attend Away-from-base activities.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/spec

ific\_eligibility\_criteria\_for\_abstudy\_awards/parttime\_award.htm - top#top

**Specific Eligibility Criteria for ABSTUDY Awards: Chapter 19 - Testing**

**and Assessment Award**

This chapter outlines the specific eligibility criteria for the Testing and Assessment Award and

the allowances that may be available under this Award.

**On this page**

• 19.1 Specific Eligibility Criteria for Testing and Assessment Award

• 19.2 Allowances and Benefits available under the Testing and Assessment Award

**19.1 Specific Eligibility Criteria for Testing and Assessment Award**

A person is eligible for a Testing and Assessment Award if s/he meets the ABSTUDY general

eligibility criteria and:

• is undertaking a Testing and Assessment activity to determine the participants

suitability for the Indigenous Youth Mobility Programme (IYMP); and/or

• seeks to enrol in an approved tertiary course or a higher degree at the Masters or

Doctorate level, and is required to travel away from her/his normal place of residence

to attend a selection test or an interview to determine suitability for, and acceptance

into, the course, where such a test/interview is a normal requirement for admission to

the course; and

• is unable to be assessed from previous study; and

• is not receiving or will not receive any other significant form of financial assistance for

the test/interview.

**19.1.1 Limit of assistance**

Applicants may be assisted to attend a maximum of two testing and assessment programmes

in a year.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/spec

ific\_eligibility\_criteria\_for\_abstudy\_awards/testing\_and\_assessment\_award.htm - top#top

**19.2 Allowances and Benefits available under the Testing and Assessment Award**

A student approved for Testing and Assessment Award may be entitled to the following benefits:

• Fares Allowance; and

• Away-from-base assistance.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/spec

ific\_eligibility\_criteria\_for\_abstudy\_awards/testing\_and\_assessment\_award.htm - top#top

**Specific Eligibility Criteria for ABSTUDY Awards: Chapter 20 - Masters**

**and Doctorate Award**

This chapter outlines the specific eligibility criteria for the Masters and Doctorate Award and the

allowances that may be available under this Award.

**On this page**

• 20.1 Specific Eligibility Criteria for the Masters and Doctorate Award

• 20.2 Allowances and Benefits available under the Masters and Doctorate Award

**20.1 Specific Eligibility Criteria for the Masters and Doctorate Award**

A student is eligible for a Masters and Doctorate Award if she/he:

• meets the general ABSTUDY eligibility criteria; and

• and is enrolled on a full-time or concessional study-load basis in an approved Masters

degree or Doctorate (PhD) course; and

• is not receiving, or will not receive, any other form of government assistance (refer

12.5). For example: a student cannot be in receipt of both the ABSTUDY Masters and

Doctorate Award and the Australian Postgraduate Award.

**20.1.1 Approved courses**

An approved course is a full-time course for which a Masters or Doctorate degree is offered by

an approved higher education institution.

**20.1.2 Excluded courses**

Other postgraduate courses, such as the following, do not qualify for this Award:

• Masters qualifying course

• Postgraduate Diploma, eg Diploma of Education, and

• Postgraduate Bachelor Degree, eg Bachelor of Letters.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/spec

ific\_eligibility\_criteria\_for\_abstudy\_awards/masters\_and\_doctorate\_award.htm - top#top

**20.2 Allowances and Benefits available under the Masters and Doctorate Award**

A student approved for an ABSTUDY Masters and Doctorate Award may be entitled to:

• Living Allowance OR Pensioner Education Supplement;

• Incidentals Allowance;

• Additional Incidentals Allowance;

• Thesis Allowance;

• Assistance to pay Commonwealth Supported Places commitment (previously known as

HECS), OR compulsory course fees;

• Relocation Allowance OR Fares Allowance;

• Away-from-base assistance; and

• Additional Assistance.

**20.2.1 Commonwealth Supported Students (previously known as students receiving HECS)**

Students in receipt of an ABSTUDY Masters and Doctorate living allowance or Pensioner

Education Supplement, who are undertaking full-time postgraduate studies as a Commonwealth

supported student, can apply to Centrelink for their student contributions to be paid under

ABSTUDY. Such students must choose the up-front payment option and provide Centrelink with

a copy of their confirmation of enrolment notice to ensure that Centrelink pays the amount

owing on or before the census date or the date set by the provider, if earlier.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/spec

ific\_eligibility\_criteria\_for\_abstudy\_awards/masters\_and\_doctorate\_award.htm - top#top

**Specific Eligibility Criteria for ABSTUDY Awards: Chapter 21 - Lawful**

**Custody Award**

This chapter outlines the specific eligibility criteria for the Lawful Custody Award and the

allowances that may be available under this Award.

**On this page**

• 21.1 Student or New Apprentice in Lawful Custody Award

• 21.2 Allowances and Benefits

**21.1 Student or New Apprentice in Lawful Custody Award**

A student or Australian Apprentice is eligible for this award if s/he meets the general ABSTUDY

eligibility criteria, and:

• is in lawful custody for a period of more than two weeks, and

• is studying a suitably approved course; or

• is undertaking a full-time apprenticeship, traineeship or trainee apprenticeship under

the Australian Apprenticeship scheme.

**1.1.1 Situations that are not lawful custody**

For the purposes of the Lawful Custody Award, a person in any of the following situations is not

regarded as being in lawful custody:

• parole;

• home detention program;

• work release, or transfer release while living in the community.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/spec

ific\_eligibility\_criteria\_for\_abstudy\_awards/lawful\_custody\_award.htm - top#top

**21.2 Allowances and Benefits**

A student or Australian Apprentice approved for the Students in Lawful Custody Award may be

entitled to the following benefits:

• Lawful Custody Allowance; and

Students approved for the Lawful Custody Award may also be entitled to Away-from-base

assistance (where permission has been given by correctional institution for the student to

attend).

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/spec

ific\_eligibility\_criteria\_for\_abstudy\_awards/lawful\_custody\_award.htm - top#top

**Specific Eligibility Criteria for ABSTUDY Awards: Chapter 22 - Overview**

**of Allowances available under ABSTUDY Awards**

This chapter provides a summary of allowances available under each ABSTUDY Award.

**On this page**

• 22.1 Overview of Student Allowances Available Under each Award

• 22.2 Overview of Allowances Available to Australian Apprentices

**22.1 Overview of Student Allowances Available Under each Award**

Students approved for an ABSTUDY Award may be entitled to one or more of the allowances

listed at 22.1.1.

**22.1.1 Student Allowances available under Awards**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **ABSTUDY Allowance** | **ABSTUDY Award Codes**1 | | | | | | | |
|  | | **A** | **B** | **T** | **P/t** | **TA** | **MD** | **LC** |
| **Additional Assistance** | |  |  |  |  |  |  |  |
| **Away-from-base assistance** | |  |  |  |  |  |  |  |
| **Under 16 Boarding Supplement** | |  |  |  |  |  |  |  |
| **Incidentals Allowance** | |  |  |  |  |  |  |  |
| **Additional Incidentals Allowance** | |  |  |  |  |  |  |  |
| **Assistance to pay student contributions (formerly HECS) or tuition fees** | |  |  |  |  |  |  |  |
| **Lawful Custody Allowance** | |  |  |  |  |  |  |  |
| **Living Allowance** | |  |  |  |  |  |  |  |
| **Pensioner Education Supplement** | |  |  |  |  |  |  |  |
| **Relocation Allowance** | |  |  |  |  |  |  |  |
| **School Fees Allowance** | |  |  |  |  |  |  |  |
| **School Term Allowance** | |  |  |  |  |  |  |  |
| **Rent Assistance** | |  |  |  |  |  |  |  |
| **Thesis Allowance** | |  |  |  |  |  |  |  |
| **Fares Allowance** | |  |  |  |  |  |  |  |

1 Award Codes: **A** - Schooling Award A, **B** - Schooling Award B, **T** - Tertiary Award, **Pt** - Part

time Award, **TA** - Testing and Assessment Award, **MD** - Masters and Doctorate Award, **LC** -

Lawful Custody Award

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/spec

ific\_eligibility\_criteria\_for\_abstudy\_awards/overview\_of\_allowances\_available\_under\_ab

study\_awards.htm - top#top

**22.2 Overview of Allowances Available to Australian Apprentices**

|  |  |  |
| --- | --- | --- |
| **ABSTUDY Allowance** | **ABSTUDY Tertiary Award** | **Lawful Custody Allowance** |
|  |  |  |
| **Additional Assistance** |  |  |
| **Away-from-base assistance** |  |  |
| **Under 16 Boarding Supplement** |  |  |
| **Incidentals Allowance** |  |  |
| **Additional Incidentals Allowance** |  |  |
| **Assistance to pay student contributions (formerly HECS) or tuition fees** |  |  |
| **Lawful Custody Allowance** |  |  |
| **Living Allowance** |  |  |
| **Pensioner Education Supplement** |  |  |
| **Relocation Allowance** |  |  |
| **School Fees Allowance** |  |  |
| **School Term Allowance** |  |  |
| **Rent Assistance** |  |  |
| **Thesis Allowance** |  |  |
| **Fares Allowance** |  |  |

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/spec

ific\_eligibility\_criteria\_for\_abstudy\_awards/overview\_of\_allowances\_available\_under\_ab

study\_awards.htm - top#top

**ABSTUDY, Student Status: Chapter 23 - Introduction to Student and**

**Australian Apprentice Status**

T

his chapter provides an overview of the different categories of student and Australian

Apprentice status.

**On this page**

• 23.1 Student and Australian Apprentice status categories

• 23.2 What does student and Australian Apprentice status determine?

**23.1 Student and Australian Apprentice status categories**

Students and Australian Apprentices are categorised as meeting either:

• dependent status;

• independent status; or

• student or Australian Apprentice in State care.

Students and Australian Apprentices can belong to only one category at any one time.

**23.1.1 Awards for which student and Australian Apprentice status is relevant**

Student and Australian Apprentice status is relevant to determining entitlements under the

following Awards:

• Schooling A Award;

• Schooling B Award;

• Tertiary Award; and

• Masters and Doctorate Award.

**23.1.2 Awards for which student and Australian Apprentice status is not relevant**

Student and Australian Apprentice status is not relevant to determining entitlements under the

following Awards:

• Part-time Award;

• Lawful Custody Award; and

• Testing and Assessment Award.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/stud

ent\_status/introduction\_to\_student\_status.htm - top#top

**23.2 What does student and Australian Apprentice status determine?**

The status of a student and Australian Apprentice is a factor that determines:

• the benefits to which a student or Australian Apprentice is entitled;

• the means tests to be applied; and/or

• the rate of entitlement for certain allowances.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/stud

ent\_status/introduction\_to\_student\_status.htm - top#top

**ABSTUDY, Student Status: Chapter 24 - Introduction to Dependent**

**Status**

This chapter provides an overview of dependent status.

**On this page**

• 24.1 Dependent Status

• 24.2 Types of Dependent Status

**24.1 Dependent Status**

A student or Australian Apprentice is considered to have a dependent status if s/he:

• does not meet any of the criteria for independent status; and

• does not receive a pension under the *Social Security Act 1991* or the *Veterans’*

*Entitlement Act 1986*; and

• is not a student or Australian Apprentice in State Care; and

• is not in lawful custody.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/stud

ent\_status/introduction\_to\_dependent\_status.htm - top#top

**24.2 Types of Dependent Status**

There are two types of dependent students and Australian Apprentices:

• students or Australian Apprentices who:

o live at the permanent home to study or undertake an apprenticeship,

traineeship or trainee apprenticeship; or

o live away from the permanent home but do not qualify for assistance to live

away from home; or

o would qualify for assistance to live away from home, but choose not to live

away from home to study or undertake an apprenticeship, traineeship or

trainee apprenticeship; and

• students or Australian Apprentices who live away from home and qualify for assistance

to live away from the permanent home to study or undertake an apprenticeship,

traineeship or trainee apprenticeship. Refer to Chapter 25 Eligibility Criteria for Away

from Home entitlements.

**24.2.1 Rate of Living Allowance**

Where a dependent student or Australian Apprentice lives away from the permanent home and

qualifies for assistance to live away from home to study or undertake an apprenticeship,

traineeship or trainee apprenticeship, s/he is entitled to receive the Away from Home rate of

Living Allowance, subject to the relevant means tests.

A dependent student or Australian Apprentice who is not in the above category is entitled to

receive the standard (at-home) rate of Living Allowance, subject to the relevant means tests.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/stud

ent\_status/introduction\_to\_dependent\_status.htm - top#top

**ABSTUDY, Student Status: Chapter 25 - Eligibility Criteria for Away from**

**Home Entitlements**

This chapter outlines the eligibility criteria for Away from Home entitlements.

**On this page**

• 25.1 Eligibility Criteria for Away from Home entitlements

• 25.2 What is Reasonable Access?

• 25.3 What is an Appropriate Education Institution?

• 25.4 Cannot Study or undertake Australian Apprenticeship whilst Living at the Permanent

Home

• 25.5 Entitlement Period for Away from Home Rate of Living Allowance

• 25.6 Change in Location of Permanent Home

**25.1 Eligibility Criteria for Away from Home entitlements**

A student or Australian Apprentice is approved for Away from Home entitlements in the

following circumstances:

• either:

o s/he does not have reasonable access to an appropriate education institution or

work place whilst living in the permanent home; or

o s/he cannot reasonably be expected to study or undertake a Australian

Apprenticeship whilst living in the permanent home;

And

• s/he lives away from the permanent home.

Or:

A secondary school aged student may be approved for Away from Home entitlements in the

following circumstances:

• s/he does not have reasonable access to an appropriate secondary education institution;

or

• s/he cannot reasonably be expected to undertake secondary schooling whilst living in

the permanent home; and

• intends to undertake secondary studies, however in order to do so is required to repeat

the final year of primary school in preparation for a successful transition to secondary

studies; and

• the school s/he has enrolled in offers this year of schooling; and

• s/he has enrolled in the final year of primary schooling

and

• s/he lives away from the permanent home.

**25.1.1 Evidence supporting claims for Away from Home entitlements**

As determined by Centrelink, evidence may be required to support a student’s or Australian

Apprentice's claim for Away from Home entitlements.

**25.1.2 Australian Apprentices**

Where a person who wishes to undertake a full-time apprenticeship, traineeship or trainee

apprenticeship is required to live away from the permanent home in order to undertake their

Australian Apprenticeship, Away from Home entitlements may be approved.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/stud

ent\_status/eligibility\_criteria\_for\_away\_from\_home\_entitlements.htm - top#top

**25.2 What is Reasonable Access?**

A student is considered to not have reasonable access to an appropriate education institution in

the following circumstance:

• travelling time and/or access between the permanent home and the appropriate

education institution/s make daily travel impossible or unreasonable, as set out in

Chapter 26.

Reasonable Access provisions may apply where an Australian Apprentice is undertaking an

apprenticeship, traineeship, or trainee apprenticeship with an employer or training provider and

the travelling time and/or access between the permanent home and the employer or training

provider make daily travel impossible or unreasonable, as set out in Chapter 26.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/stud

ent\_status/eligibility\_criteria\_for\_away\_from\_home\_entitlements.htm - top#top

**25.3 What is an Appropriate Education Institution?**

**25.3.1 Appropriate Education Institution for Secondary School Students**

For secondary school students, an appropriate education institution is any government school

that offers tuition at the student’s level, that is, the year or grade for which the student is

qualified to enrol.

However, the determination of what is an appropriate education institution for a secondary

school student may vary in the following circumstances:

• the government school/s to which the student has reasonable access is considered a

limited programme school, as set out in Chapter 27; or

• the student wishes to undertake an approved special course, as set out in Chapter 28;

or

• the student has a disability for which the government school/s to which the student has

reasonable access cannot cater, as set out in Chapter 29; or

• the student has been excluded from attending the government school/s to which the

student has reasonable access, as set out in Chapter 30; or

• the student has been subjected to racial discrimination of a serious and continuing

nature at the government school/s to which the student has reasonable access, as set

out in Chapter 31; or

• it would be unreasonable for the student to break continuity of study, as set out in

Chapter 32.

**25.3.1.1 Away from Home entitlements not approved**

Not withstanding the provisions set out in 25.3.1, Away from Home entitlements **will not** be

approved for a secondary student:

• to assist the student to bypass a school to which s/he has reasonable access to attend

another school of their choice;

• simply because particular subjects which the student wishes to study are unavailable at

the nearby school;

• where there is an appropriate education institution to which the student has reasonable

access;

• if the State or Territory education authority objects to the bypassing of the particular

school or type of school involved; or

• where the student will be undertaking distance education or correspondence studies;

• to enable the student to attend a special course if the student already has reasonable

access to the applicable special course at an appropriate education whilst living at the

permanent home; or

• specifically to attend an Aboriginal or Torres Strait Islander school (unless the

provisions set out in 28.2 apply).

**25.3.2 Appropriate Education Institution for Secondary Non-school Students**

For secondary non-school students, an appropriate education institution is any government

TAFE college or senior matriculation college to which the student has reasonable access that

offers the secondary non-school course that the student wishes to undertake.

**25.3.3 Appropriate Education Institution for Tertiary Students**

For tertiary students, an appropriate education institution is whichever institution the student

chooses to attend.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/stud

ent\_status/eligibility\_criteria\_for\_away\_from\_home\_entitlements.htm - top#top

**25.4 Cannot Study or undertake Australian Apprenticeship whilst Living at the**

**Permanent Home**

It is considered that a student or Australian Apprentice cannot reasonably be expected to study

whilst living at the permanent home in the following circumstances:

• conditions at the permanent home are a serious impediment to educational progress,

as set out in Chapter 33; or

• the student is from an itinerant family (secondary school students only) as set out in

Chapter 34; or

• the student has been awarded an approved Independent Boarding School scholarship

(secondary school students only), as set out in Chapter 35; or

• it is a compulsory requirement of the course to reside at the education institution whilst

studying (tertiary students only) as set out in Chapter 36.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/stud

ent\_status/eligibility\_criteria\_for\_away\_from\_home\_entitlements.htm - top#top

**25.5 Entitlement Period for Away from Home Rate of Living Allowance**

**25.5.1 Away from Home Rate for Secondary School Students**

Where a secondary school student has been approved for Away from Home entitlements, the

period of entitlement for the Away from Home Rate of Living Allowance will:

• start on either:

o the start date of the entitlement period for that term as set out in Chapter 73,

where the student is approved for Away from Home entitlements and

commences study at the relevant institution by the 3rd Friday of term; or

o the date from which the student is approved for Away from Home entitlements,

where this occurs after the 3rd Friday of term;

and

• ceases on either:

o the end date of the entitlement period for that term as set out in Chapter 73

where the student completes the full term’s study; or

o the date from which the student ceases to be approved for Away from Home

entitlements.

**25.5.1.1 Temporary return to the permanent home for vacation period**

A secondary school student remains entitled to the Away from Home rate of Living Allowance

throughout any vacation periods where they temporarily return to the permanent home.

**25.5.2 Away from Home Rate for Secondary Non-school or Tertiary Students or Australian Apprentices**

Where a secondary non-school or tertiary student or Australian Apprentice has been approved

for Away from Home entitlements in respect of a course, the period of entitlement for the Away

from Home Rate of Living Allowance will:

• start from the course start date, unless one of the following apply:

o the student or Australian Apprentice commences living away from the

permanent home prior to the course or Australian Apprenticeship start date and

can demonstrate a reasonable need to do so, e.g. to secure rental

accommodation. In this situation, the Away from Home rate of Living Allowance

will start from the date the student or Australian Apprentice commences living

away from the permanent home; or

o the student or Australian Apprentice intended to commence living away from

the permanent home prior to the course or Australian Apprenticeship start date,

and began to incur the costs of this term accommodation from this date, but

was prevented from moving on this date as a result of circumstances beyond

his/her control. In this situation, the Away from Home rate of Living Allowance

will start from the date the student or Australian Apprentice intended to

commence living away from the permanent home, provided that this date also

meets the conditions set out in the previous dot point;

o the student or Australian Apprentice commenced living away from the

permanent home after the course or Australian Apprenticeship start date, and

the conditions set out in the previous dot point do not apply. In this situation,

the Away from Home rate of Living Allowance will start from the date the

student or Australian Apprentice commences living away from the permanent

home;

and

• cease on the earlier of:

o the date that the student or Australian Apprentice returns, on a permanent

basis, to live at the permanent home; or

o the last day of study in the relevant course or Australian Apprenticeship; or

o the date from which the student or Australian Apprentice ceases to be approved

for Away from Home entitlements.

**25.5.2.1 Temporary return to the permanent home for vacation period**

A secondary non-school or tertiary student or Australian Apprentice remains entitled to the

Away from Home rate of Living Allowance throughout any vacation periods where they

temporarily return to the permanent home, provided that they maintain their residence at the

study or Australian Apprenticeship location.

**25.5.3 Temporary return to the permanent home for study**

If students or Australian Apprentices who normally live away from home opt to return to the

parental home on a temporary basis while studying an integral part of their course or

undertaking their Australian Apprenticeship eg, for a period of practical training, they remain

entitled to the Away from Home rate unless that period is equal to or greater than one term or

semester in length, depending on the structure of the course.

If the period is longer, the student or Australian Apprentice will be regarded as residing

permanently at home from the start of the period, including any vacations.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/stud

ent\_status/eligibility\_criteria\_for\_away\_from\_home\_entitlements.htm - top#top

**25.6 Change in Location of Permanent Home**

**25.6.1 Tertiary or secondary non-school students and Australian Apprentices**

Approval of Away from Home entitlements ceases if a tertiary or secondary non-school

student's or Australian Apprentice's permanent home changes to a location that is within

reasonable travelling time or distance of an appropriate education institution, employer or

training provider. This is the case even if the student or Australian Apprentice does not return

to live in the permanent home.

**25.6.2 Secondary school students**

Approval of Away from Home entitlements for a secondary school student ceases if:

• the permanent home changes to a location that is within reasonable travelling time or

distance of an appropriate education institution; or

• the student returns to live on a permanent basis in the permanent home.

However, continuity of study provisions apply in certain circumstances.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/stud

ent\_status/eligibility\_criteria\_for\_away\_from\_home\_entitlements.htm - top#top

**ABSTUDY, Student Status: Chapter 26 - Travel Time and Access**

Unreasonable travelling time and distance between the student's or Australian Apprentice's

permanent home and the appropriate education institution/s or employer is grounds for

approval of Away from Home entitlements

**On this page**

• 26.1 Reasonable Access

• 26.2 Reasonable Travelling Time

• 26.3 Reasonable Travelling Distance

**26.1 Reasonable Access**

A secondary school student is considered to not have reasonable access to an appropriate

education institution where the permanent home is not within a **reasonable travelling time**

and/or a **reasonable travelling distance** of an appropriate education institution/s.

A tertiary or secondary non-school school student is considered to not have reasonable access

to an appropriate education institution where the permanent home is not within a **reasonable**

**travelling time** of an appropriate education institution/s.

An Australian Apprentice is considered not to have reasonable access to an employer and/or a

training provider where the permanent home is not within a **reasonable travelling time** of

the employer or training provider.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/stud

ent\_status/travel\_time\_and\_access.htm - top#top

**26.2 Reasonable Travelling Time**

A student's or Australian Apprentice's permanent home is not within a reasonable travelling

time of an appropriate education institution or Australian Apprentice's employer or training

provider if:

• travel time taken for a single journey by the most convenient transport service

available, including reasonable walking and waiting time, would, on average, exceed

one and a half hours; or

• there are special circumstances which periodically affect access between the permanent

home and the appropriate education institution/s or Australian Apprentice's employer or

training provider for at least 20 days of the academic year, not necessarily consecutive,

because of adverse travel conditions, e.g. impassable roads, flooding or unreliable

transport.

**26.2.1 Assessing Reasonable travelling time**

When calculating reasonable travel time, all time spent undertaking the following is to be

included:

• walking from home to a transport stop;

• waiting for (and between) transport;

• travelling on the actual mode of transport;

• walking from a transport stop to the Australian Apprentice's employer or training

provider; and

• walking from a transport stop to the education institution.

If the total time for any one journey (in either direction) is 90 minutes or more, then the

student's or Australian Apprentice's permanent home is not within a reasonable travelling time

of an appropriate education institution or Australian Apprentice's employer or training provider.

**26.2.2 Assessing special circumstances periodically affecting access**

When determining whether access to an appropriate education institution is affected for at least

20 school days in the academic year, the assessment would normally be based on access in the

previous years and the following is to be considered:

• historical weather or council records indicating regular years where access to school is

interrupted on 20 days or more; particularly where the preceding year did not prevent

access on 20 days or more due to unusual weather conditions for that particular year;

or

• parents do not have access to a vehicle or are medically unfit or legally unable to drive

a vehicle; or

• regular unavailability of public transport; or

• other unusual circumstances of isolation (e.g. student lives on an island which is not

serviced by regular public transport, transport is regularly affected by weather and/or

sea conditions or students must cross dangerous watercourses that do not have a

secure bridge or similar structure).

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/stud

ent\_status/travel\_time\_and\_access.htm - top#top

**26.3 Reasonable Travelling Distance**

A student's permanent home is not within a reasonable travelling distance of an appropriate

education institution if:

• **Rule 1**: the distance between the permanent home and the appropriate education

institution (via the shortest practicable route) is at least 56 kilometres; or

• **Rule 2**: the distance between the permanent home and the appropriate education

institution (via the shortest practicable route) is at least 16 kilometres, AND the

distance between the permanent home and the nearest available transport service to

the appropriate education institution is at least 4.5 kilometres via the shortest

practicable route.

**Note**: Rule 2 also includes circumstances where the permanent home is at least 16 kilometres

from the appropriate education institution, and no transport exists between the permanent

home and the appropriate education institution.

**26.3.1 Assessing reasonable travelling distance**

To determine whether a student's permanent home is within reasonable travelling distance of

an appropriate education institution, it is necessary to ascertain the actual distance in

kilometres from the door of the permanent home to the nearest transport pick-up point and/or

the appropriate education institution.

**26.3.1.1 Assessing reasonable travelling distance where no transport service exists**

Where no transport service exists to the appropriate education institution, the calculation of

distance is to be based on the distance from the permanent home to the appropriate education

institution by the most direct route in a private vehicle.

If the travelling distance meets the provisions of Rule 1 or 2, then it is determined that a

student's permanent home is not within reasonable travelling distance of an appropriate

education institution.

**26.3.1.2 Assessing reasonable travelling distance where a transport service exists**

Where a transport service exists (or would be available upon request) to the appropriate

education institution, the calculation of distance is to be based on the route from the

permanent home to the nearest transport pick-up point, and then from the pick-up point to the

appropriate education institution. This is the case even if a more direct route is available by

private vehicle from home to the school.

If the combination of the distance from the permanent home to the transport pick-up point,

and from the transport pick-up point to the appropriate education institution meets the

requirements of Rule 1 or Rule 2, then it is determined that a student's home is not within

reasonable travelling distance of an appropriate education institution. Therefore, the journey

exceeds a reasonable travelling distance in any of the following circumstances:

• the combination of the distance from the permanent family home to the transport pickup

point, and from the transport pick-up point to the appropriate education institution

is greater than 56 kilometres; or

• the distance from home to the appropriate education institution is less than 16

kilometres but the distance from home to the transport pick-up point is at least 4.5

kilometres, the combination of the distance from home to the transport pick-up point

and from the transport pick-up point to the appropriate education institution exceeds

16 kilometres; or

• the distance from home to the appropriate education institution is at least 16

kilometres, and the distance from the student's permanent family home to the nearest

transport pick-up point going to the appropriate education institution is at least **4.5**

**kilometres**, (irrespective of the distance from transport pick-up point to the

appropriate education institution).

**26.3.1.3 Table summarising assessment of reasonable travelling distance**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Rule** | **If distance from the**  **permanent home to the**  **appropriate education**  **institution is…** | **Distance from**  **permanent**  **home to**  **transport pickup**  **point (where**  **transport goes**  **to the**  **appropriate**  **education**  **institution).** | **Distance from**  **transport pickup**  **point to the**  **appropriate**  **education**  **institution, via**  **the route taken**  **by the public**  **transport**  **service.** | **Does the**  **journey exceed**  **the reasonable**  **travelling**  **distance?** |
| **Rule 1** | at least 56km | n/a | n/a | Yes |
| **Rule 1**  **variation** | at least 16km, and no transport is available. | n/a | n/a | **Yes** |
| **Rule 1**  **variation** | at least 16km, and  transport is available | a | b | Yes if total  distance of  a + b  is at least 56 km |
| **Rule 2** | at least 16km | At least 4.5 km | n/a | Yes |
| **Rule 2**  **variation** | less than 16 km | At least 4.5 km  a | b | Yes if total  distance of  a + b  is at least 16 km |

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/stud

ent\_status/travel\_time\_and\_access.htm - top#top

**ABSTUDY, Student Status: Chapter 27 - Limited Local School**

**Facilities/Programme**

Students may not be able to study required subjects due to a local government school not

being able to offer a full curriculum, and may be required to move away from home to study at

a suitable school.

**On this page**

• 27.1 Limited Programme School

**27.1 Limited Programme School**

**27.1.1 State/Territory education authority lists school as a limited programme school**

Where the State/Territory education authority lists a school as a limited programme school,

sometimes known as a bypass school, the school will not be considered an appropriate

education institution for the purposes of assessing eligibility for Away from Home entitlements

under the provisions set out in Chapter 25.

**27.1.2 “Limited Programme School” - individual assessment**

Where a student’s local school has not been included on the State/Territory education

authority’s list of bypassable schools, an individual assessment of whether the local school

offers appropriate schooling for that student can be made by the education authority and

confirmed in writing. Where the assessment determines that the school does not offer

appropriate schooling for that student, the school will not be considered an appropriate

education institution for the purposes of assessing eligibility for Away from Home entitlements

under the provisions set out in Chapter 25.

**27.1.3 School’s ability to assess a “Limited Programme”**

A secondary school that is not listed as a “Limited Programme School” by the State/Territory

authority will, subject to the provisions of Chapter 29, be regarded as an appropriate education

institution irrespective of any claims about the adequacy of the programme.

**27.1.4 South Australian Rural School or an Aboriginal/Anangu School**

Where a student wishes to bypass a South Australian Rural School or an Aboriginal/Anangu

School in order to attend a larger secondary school, the South Australian Rural School or

Aboriginal/Anangu School will not be regarded as an appropriate education institution for the

purposes of assessing eligibility for Away from Home entitlements under the provisions set out

in Chapter 25.

http://www.dest.gov.au/sectors/indigenous\_education/publications\_resources/abstudy/stud

ent\_status/limited\_local\_school\_facilities\_programme.htm - top#top

**ABSTUDY, Student Status: Chapter 28 - Special Courses**

Students may have specific educational needs that cannot be provided by local schools,

necessitating movement to a school outside the local area that can provide the course

requirement.

**On this page**

• 28.1 Approval as a Special Course

• 28.2 Indigenous studies

• 28.3 Prerequisite to post-secondary course

• 28.4 Formal specialising qualification

• 28.5 Agricultural Courses

• 28.6 Specialist courses in the arts, sport, technology

**28.1 Approval as a Special Course**

For the purposes of assessing eligibility for Away from Home entitlements under the provisions

set out in Chapter 25, an institution offering the following types of special course is considered

to be an appropriate education institution for a secondary school student:

• Indigenous Studies;

• Pre-requisite to post-secondary course;

• Formal specialising qualification;

• Agricultural Courses;

• Specialist course in the arts, sport or technology.

Where a student will be attending a special course, any education institution that does not offer

the applicable special course will not be considered an appropriate education institution.

Students may not be approved for Away from Home entitlements where an applicable special

course is available to which the student has reasonable access.

**28.2 Indigenous studies**

A special course containing Indigenous Australian studies must have at least one secondary

school subject in Indigenous Australian Studies that:

• is formally accredited by the relevant State or Territory education authority for

examination purposes; and

• is endorsed by that State's or Territory's Indigenous Advisory Group or other State/

Territory formally recognised authority, as a course of study (subject) particularly

valuable for Aboriginal and Torres Strait Islander students to study; and

• has the equivalent of a minimum weekly allocation of four hours for the specific

Indigenous studies subject.

Students cannot bypass a government school (to which they have reasonable access) that

provides Indigenous studies incorporated in the overall curriculum to attend a school where

discrete subjects in Indigenous studies are offered.

**28.2.1 Accreditation for Years 8-10 Queensland only**

The formal accreditation process for curriculum for Years 8-10 in non-government schools in

Queensland is that the school principal must approve the curriculum for Indigenous studies. In

lieu of 28.2, approval for a special course of study (subject) containing Indigenous Australian

Studies as a subject for Years 8-10 in non-government schools in Queensland must be

undertaken in the following way:

• the school principal must approve the curriculum for this subject; and

• all curriculum documents for the Indigenous Australian studies subject, including

assessment and endorsement documents from the Ministerial Council for Aboriginal and

Torres Strait Islander Education, must be forwarded to:

Branch Manager

Income Support for Students Branch

DEEWR

GPO Box 9880 CANBERRA ACT 2601 Loc: 123

• A copy of the timetable must be included showing that the equivalent of a minimum of

four hours has been allocated per week for the Indigenous Australian studies subject;

and

• the curriculum for the course of study (subject) must meet The National Aboriginal and

Torres Strait Islander Studies Curriculum Framework K-12.

**28.2.2 DEEWR approvals**

DEEWR will advise Centrelink of:

• any non-government schools that have had a specialist course of study (subject) for

Years 8-10 Indigenous Australian Studies approved; and

• State/Territories where Indigenous Studies is offered as an integral part of the

curriculum.

**28.3 Prerequisite to post-secondary course**

A secondary course that is an essential criterion for entry to a specific post-secondary course

can be considered a special course in the following circumstances:

• the student is in one of the final two years of secondary school; and

• the student has clearly decided to enter the chosen tertiary course if accepted; and

• there is no similar tertiary course that could be regarded as an available alternative;

and

• the school that the student has been attending has provided satisfactory evidence that

the student has the potential to gain admission to the nominated course.

**28.4 Formal specialising qualification**

A full-time secondary course on completion of which students receive a formal specialising

qualification such as a Certificate of Business Studies or the International Baccalaureate

Diploma can be considered a special course in the following circumstances:

• State or Territory education authorities recognise the course as a specialisation not

generally available at secondary schools; and

• State or Territory education authorities recognise the completion certificate as a formal

qualification.

**28.4.1 Formal specialising qualification for mature age students**

Approval may also be given to a student who will be undertaking secondary studies at a postsecondary Indigenous controlled specialist institution which caters specifically for Indigenous

students, where the student:

• is 18 years or older; and

• is studying a course resulting in a completion certificate which is recognised as a formal

qualification by the State/Territory education authority.

**28.5 Agricultural Courses**

Where a secondary course contains two agricultural subjects or, under special conditions, one

agricultural subject, it can be considered a special course.

**28.5.1 Attendance basis**

To be considered a special course, the student must study an agricultural course:

• on a full-time basis at either a specialist agricultural school or at a normal secondary

school; or

• on a part-time basis at an education institution such as a technical college, in addition

to attending a normal secondary school for most of the school week.

**28.5.2 Course components**

To be considered a special course, the agricultural course must:

• have a substantial weekly time allocation, which is directly related to the theory and

practice of farming eg, equivalent to four periods of approximately 40 minutes each;

and

• be recognised by the State/Territory education authority; and

• be a subject which, if studied part-time, is assessed by the school to determine part of

the student's overall performance.

**28.5.3 One agricultural subject**

Where a student is in either of the final two years of secondary schooling and is studying only

one agricultural subject, the course may be considered a special course in the following

circumstances:

• the student has studied at least two agriculture subjects in each of the junior secondary

years after the first year; and

• the subject **agriculture** or its equivalent, which the student is at present studying, is

not available at a school within reasonable distance from her/his home; and

• the school which the student is attending offers at least one agricultural subject in each

secondary year, except the first year in some States.

**28.6 Specialist courses in the arts, sport, technology**

A specialist secondary course in drama, music, art, ballet, sport or technology can be

considered a special course in the following circumstances:

• the school is a government school; and

• the specialist secondary course has been approved by the State/Territory education

authority; and

• the student has been selected by the appropriate education authority to enter this

specialist curricula (usually on the basis of exceptional ability).

**ABSTUDY, Student Status: Chapter 29 – Disability**

A student may have a disability that local schools cannot cater for, requiring the student to live

away from the permanent home to attend an appropriate school.

**On this page**

• 29.1 Appropriate Education Institution for a Student with a Disability

• 29.2 Boarding at a special education institution

• 29.3 Access to special facilities

• 29.4 Access to regular medical treatment

• 29.5 Access to a different climate

**29.1 Appropriate Education Institution for a Student with a Disability**

Where a secondary student has a disability, health-related condition and/or special education

need that require a special school programme, an appropriate education institution is one that

can meet the student’s special needs by providing access to the required special programme,

facilities and/or environment.

The specific circumstances under which a student can be regarded as having a special need are:

• the student boards at a special education institution; or

• the student needs access to special facilities or a special environment; or

• the student cannot undertake daily travel to school; or

• the student requires access to regular medical treatment that is unavailable at the

permanent home location; or

• the student needs access to a different climate.

**29.1.1 Definition of disability or health-related condition**

For the purposes of this chapter, a disability or health-related condition is defined as:

• a physical or intellectual disability; or

• a psychological, emotional or behavioural problem; or

• a medical condition; or

• pregnancy.

**29.2 Boarding at a special education institution**

A special education institution is an institution located in Australia that is:

• conducted specifically and primarily for students with disabilities, health-related

conditions and/or learning difficulties; and

• a government school, or a non-government school that is recognised as a school under

the law of the State or Territory in which that school is located.

Away from Home entitlements may be approved for a student who is required to attend a

special education institution as a result of a disability or health-related condition, even where

the student has reasonable access to this institution from the student’s permanent home.

**29.3 Access to special facilities**

A student may be regarded as having a special need if they need access to special facilities that

help manage or overcome a disability or health-related condition. Special facilities include:

• a special centre that caters for the child’s condition and which they must attend in

conjunction with their time at school; or

• special educational or physical facilities within a normal schools (e.g. visiting specialist

teachers, wheelchair access/ramps).

**29.4 Access to regular medical treatment**

A student may be regarded as having a special need if, as a result of accessing required

medical treatment, the student’s schooling is disrupted for an amount equivalent to at least 20

school days a year, not necessarily consecutive. Away from Home entitlements can be

approved to allow the student to board near the treatment centre.

**29.5 Access to a different climate**

A student may be regarded as having a special need in the following circumstances:

• if the student were to live at the permanent home during the school terms, the local

climate or other circumstance would be likely to cause the student severe illness

resulting in a total of at least four weeks absence during the school year; and

• it is essential for the student to attend school in another area; and

• in the area chosen for the student to attend school, the effects described above would

be less likely to arise.

**ABSTUDY, Student Status: Chapter 30 - Exclusion from Local Schooling**

Circumstances may arise where a student has been excluded from all local schooling and may be required to move away from home to find a suitable boarding school.

**On this page**

• 30.1 Exclusion from Local Schooling

**30.1 Exclusion from Local Schooling**

Government school/s that offers tuition at the student’s level may be disregarded for the

purposes of assessing reasonable access to an appropriate education institution for a secondary

school student if:

• the student has been excluded by school authorities from all available government

schools to which the student has reasonable daily access; and

• distance education/correspondence studies are not appropriate.

**ABSTUDY, Student Status: Chapter 31 - Racial Discrimination**

Students may experience racial discrimination at a level that seriously impedes their ability to

study, necessitating movement to a school outside the local area.

**On this page**

• 31.1 Racial Discrimination

• 31.2 Assessment of Racial Discrimination

**31.1 Racial Discrimination**

Government school/s that offers tuition at the student’s level may be disregarded for the

purposes of assessing reasonable access to an appropriate education institution for a secondary

school student where there is evidence that s/he has been subjected to racial discrimination of

a serious and continuing nature at these school/s.

**31.2 Assessment of Racial Discrimination**

Approval of Away from Home entitlements on the basis of racial discrimination would only be

given if and when all possible attempts to resolve the problem at the local level have proved to

be unsuccessful.

**31.2.1 Substantiation**

A student's eligibility on the basis of racial discrimination cannot be established without

supporting documentation from local school or education authorities.

**ABSTUDY, Student Status: Chapter 32 - Continuity of Study**

In order to limit the disruption to the schooling of students whose circumstances change during

the school year, Away from Home entitlements may be approved in certain situations under the

continuity of study provisions.

**On this page**

• 32.1 Continuity of Study Provisions

• 32.2 Unreasonable to Break Continuity of Study

• 32.3 Special Concessions for Year 12 Students

• 32.4 Entitlements Payable Under Continuity of Study Provisions

**32.1 Continuity of Study Provisions**

**32.1.1 Students previously approved for Away from Home entitlements**

Government school/s that offers tuition at the student’s level may be disregarded for the

purposes of assessing reasonable access to an appropriate education institution for a secondary

school student if:

• the student has been previously approved for Away from Home entitlements; and

• the student no longer meets the conditions for approval for Away from Home

entitlements due to a change in circumstances; and

• the student continues attending at the same education institution; and

• it would be unreasonable to break continuity of study.

**Note**: Students who were eligible for Away from Home entitlements because they were

receiving an independent school scholarship cannot continue to receive this assistance under

the continuity of study provisions should they cease to hold the scholarship.

**32.1.2 Students not previously approved for Away from Home entitlements**

Government school/s that offers tuition at the student’s level may be disregarded for the

purposes of assessing reasonable access to an appropriate education institution for a secondary

school student if:

• the student remains enrolled in the same course at the same institution; and

• it would be unreasonable to break continuity of study; and

• as a result of a change in their circumstances or in policy, the student will, in less than

12 months, be eligible for Away from Home entitlements.

Examples of situations where this provision may be used are:

• a family move to an isolated area; or

• the discontinuation of a school bus service.

**32.2 Unreasonable to Break Continuity of Study**

In relation to 32.1 Continuity of Study Provisions, it is considered unreasonable to break

continuity of study:

• at any time during a school or academic year; or

• if the State/Territory authorities regard continuity of schooling between Years 9 and 12

to be at least highly desirable.

**32.3 Special Concessions for Year 12 Students**

Special continuity of study concessions apply to Year 12 students who were receiving Living

Allowance at the Away from Home rate until the end of the previous year. These concessions

are intended to ensure that these students are not adversely affected by a change in parental

income. The student may continue to receive Living Allowance at the Away from Home rate

until the end of the year or until s/he discontinues study in that year, if the student:

• is undertaking Year 11 or 12; and

• was receiving Living Allowance at the Away from Home rate until the end of the

previous year; and

• continues attending at the same school; and

• would become ineligible for Living Allowance due to the application of the Parental

Income Test.

**32.4 Entitlements Payable Under Continuity of Study Provisions**

Where a student has been approved for Away from Home entitlements under the Continuity of

Study provisions and accordingly remains a student at the same school, their entitlements are

as follows:

• where the student now has reasonable access to this school, Group 2 School Fees

Allowance may continue to be paid up to the limit of the entitlement previously

approved;

• where the student does not have reasonable access to this school, both Living

Allowance (plus Rent Assistance where applicable) and Group 2 School Fees Allowance

may continue to be paid up to the limit of the entitlement previously approved.

• where the permanent home is not within reasonable travelling time/distance (as set out

in Chapter 26.2 and 26.3) of the school, the student is entitled to Fares Allowances,

including that for interstate travel, if required.

**ABSTUDY, Student Status: Chapter 33 - Unreasonable Living Conditions**

Students or Australian Apprentices may experience extreme conditions that prevent them from

studying at the permanent home. These circumstances are grounds for approval of Away from

Home entitlements.

**On this page**

• 33.1 Unreasonable Living Conditions

**33.1 Unreasonable Living Conditions**

Subject to the provisions of Chapter 25, a student or Australian Apprentice may be approved

for Away from Home entitlements if the conditions at the permanent home, including conditions

in the surrounding community environment, represent a serious impediment to the student's or

Australian Apprentice's educational progress. Such conditions are those that:

• consistently deprive students or Australian Apprentices of basic necessities; or

• represent a serious threat to the student's or Australian Apprentice's health or wellbeing;

or

• excessively disrupt or prevent the student's or Australian Apprentice's ability to study

at home.

Circumstances outside the permanent home should be considered where these impact on the

student’s or Australian Apprentice's ability to study at home.

**Note**: The first two conditions may qualify students or Australian Apprentices as independent

on the grounds of being homeless if they have reached minimum school leaving age for their

home state/territory.

**ABSTUDY, Student Status: Chapter 34 - Itinerant Family**

Students whose parents are itinerant workers may experience disrupted education due to not

having a fixed residence may qualify for Away from Home entitlements.

**On this page**

• 34.1 Itinerant Family

• 34.2 Family Movements

• 34.3 Demonstration of Itinerancy

• 34.4 Circumstances Where Family Not Considered Itinerant

**34.1 Itinerant Family**

Subject to the provisions of Chapter 25, a student may be approved for Away from Home

entitlements where:

• the parent/s' occupations require them to spend a significant amount of time travelling

long distances, with the result that the children have no fixed residence; or

• the occupation of the parent/s involves frequent, lengthy travel and the student is

denied access to appropriate schooling because the parent/s is/are not normally

resident at a fixed location during the school week, eg, a sole parent is an interstate

transport driver.

**Note**: In a two parent family, both parents need to be itinerant for the student to be eligible. If

one parent is stable in location, the family is not considered itinerant.

**34.1.1 Significant amount of time**

A significant amount of time would be 40 weeknights during the calendar year.

**34.1.2 Impact of family movements during school year**

Eligibility is determined in the light of family movements during the course of the school year.

**34.2 Family Movements**

**34.2.1 Constant movement**

Where a parent's occupation necessitates constant movement and the family's home

environment is in effect `mobile' (eg, a railway construction camp) and is constantly changing,

Away from Home entitlements may be approved if:

• the student boards away from home; and

• for at least half the year, on a monthly, weekly or daily basis, the location of the

student's permanent home is such that the student would not have reasonable access

to that school.

**34.2.2 Temporary movement for employment**

Where families are not normally itinerant, but they are temporarily moved in their employment

or must move several times in the course of a year to widely scattered localities in search of

employment, Away from Home entitlements may be approved to enable the student to avoid

frequent changes of school.

**34.2.3 Temporary residence in locality**

If a family temporarily resides in the locality in which any of its eligible students are boarding

or spends some time in this locality as part of its regular movements, the following principles

apply:

• where it would be reasonable to expect a student to cease boarding and rejoin her/his

family, whether on an extended basis or for short periods on a regular basis, boarding

benefits are not payable for those periods; and

• where the student cannot attend the school except as a boarder, or the school would

charge full boarding fees anyway, the student remains eligible for the away from home

rate.

**34.2.4 Permanent residence during a school year**

Where a family has been accepted as itinerant for a year but takes up permanent residence

during the course of that year at a fixed address which provides access to suitable schooling,

any student in the family who has been eligible for Away from Home entitlements up to that

point remains eligible for the remainder of the year, providing continuity of study rules are met.

**34.3 Demonstration of Itinerancy**

**34.3.1 Two moves in first term**

Where the family undertakes two moves of the type specified above during first term, the

family should be accepted as itinerant for that period.

**34.3.2 Accepted as itinerant for the first term**

Once a family has been accepted as itinerant for the first term on the basis of two moves

during that period, assessment of eligibility for Away from Home entitlements in the remaining

terms is based on the following guidelines:

• if at least one move occurs during any of the remaining terms, the family should be

accepted as itinerant for the full year; or

• if no move occurs during any of the remaining terms, the student is ineligible for Away

from Home entitlements after first term.

**34.3.3 Three or more moves in first term**

Where the family undertakes three or more moves during the first term, each of which would

require a change of school for the student, the family should be regarded as itinerant for the

full year.

**34.3.4 Four moves over two terms**

Where the family undertakes four moves in the year spread over at least two terms, the family

should be accepted as itinerant for the full year.

**34.4 Circumstances Where Family Not Considered Itinerant**

A family is not considered itinerant if:

• the family could be reasonably expected to maintain a fixed address because the

movement required by working is over a limited area eg, within the metropolitan area

or at no time more than 56 km from one centre offering adequate schooling; or

• the parent/s occupation requires a transfer every two or three years and the family

could normally expect to spend at least one full year in a location but happens to be

moved more than once in a school year.

**ABSTUDY, Student Status: Chapter 35 - Scholarships and Mobility**

**Provisions for Secondary School Students to Board Away from Home**

Where a student has been awarded a scholarship to participate in a programme listed at 35.1

or 35.2, or meets the qualifications for Mobility provisions at 35.3, they may be eligible for the

Away from Home entitlements. The purpose of ABSTUDY assistance for students who meet one

of the criterion is to substantially extend the educational access and outcomes of Indigenous

students.

**On this page**

• 35.1 Independent Boarding School Scholarship

• 35.2 Scholarships to Highly Effective/High Expectations Schools

• 35.3 Mobility Provisions for Welfare Reform Designated Trial Sites

**35.1 Independent Boarding School Scholarship**

A secondary school student may be approved for Away from Home entitlements on the basis of

being offered a scholarship by an independent boarding school in the following circumstances:

• the school is an approved secondary school offering an approved course of secondary

studies; and

• the school has an SES funding score for Commonwealth General Recurrent Grants of

100 or greater (*Schools Assistance (Learning Together - Achievement Through Choice*

*and Opportunity) Bill 2004)*; and

• the scholarship being offered by the school contributes a minimum of 15% of the total

tuition and boarding fees; and

• in establishing the scholarship, the local Indigenous Education Consultative Body (IECB),

or their nominee, will provide advice on the scholarship's establishment and ongoing

guidance, as required. In the absence of an IECB's ability to fulfil this role, an

independent representative from the local Indigenous community with an education

background should be involved; however,

• where an IECB is unable to fulfil this role the ABSTUDY Policy Team, DEEWR must be

advised in writing of the reason for this. DEEWR will forward this advice to Centrelink.

**35.2 Scholarships to Highly Effective/High Expectations Schools**

A secondary student may be approved for Away from Home entitlements on the basis of being

offered a scholarship in the following circumstances:

• the school is an approved secondary school offering an approved course of secondary

studies; and

• the scholarship is supported by the Australian Government as approved by the Minister

for Education:

o Indigenous Youth Leadership Program (IYLP); or

o Cape York Institute’s Higher Expectations Program (HEP); or

o Higher Expectations Program (Northern Territory); or

o Rosemary Bishop Indigenous Education Scholarship (RBS); or

o Sporting Chance Program.

Further scholarships may be added, as approved by the Minister for Education, from time to

time.

**35.3 Mobility Provisions for Welfare Reform Designated Trial Sites**

**35.3.1 Qualification for Mobility**

Secondary school students may be approved for the ABSTUDY Away from Home provisions to

enable the student to live away from the community and attend a school at another location.

To be eligible for this provision, the student must permanently reside in one of four designated

Cape York trial sites. These sites are Aurukun, Coen, Hope Vale, and Mossman Gorge. Students

must also meet all other ABSTUDY eligibility criteria.

**35.3.2 Change in Location of Permanent Home**

**Approval of Away from Home entitlements on the basis of Mobility Provisions, ceases if;**

• the student’s permanent home changes to a location that is outside of a designated

trial site; and

• the student returns from the boarding school to live on a permanent basis in the

permanent home; unless

• continuity of study provisions, as set out at Chapter 32, apply.

**ABSTUDY, Student Status: Chapter 36 - Compulsory Residence**

Some tertiary courses have a compulsory residential element.

**On this page**

• 36.1 Compulsory Residence

**36.1 Compulsory Residence**

Tertiary students may be approved for Away from Home entitlements for any period that they

must, as a compulsory requirement of the approved tertiary course, reside at the education

institution while studying.

**ABSTUDY, Student Status: Chapter 37 - Overview of Independent Status**

Students or Australian Apprentices are considered to be independent for the purposes of

ABSTUDY if they meet one or more of the provisions for independence outlined in this chapter.

**On this page**

• 37.1 Independent Status

• 37.2 Types of Independent Status

**37.1 Independent Status**

A student or Australian Apprentice is considered to have independent status if s/he:

• meets one of the criteria for independent status;

• does not receive a pension under the *Social Security Act 1991* or the *Veterans’*

*Entitlement Act 1991*; and

• is not a student or Australian Apprentice in State Care; and

• is not in lawful custody.

**37.2 Types of Independent Status**

There are two types of independent status:

• permanent independent status; and

• reviewable independent status.

**37.2.1 Permanent independent status**

Permanent independent status is granted on the basis of a condition that **cannot** change.

Students or Australian Apprentices who are granted permanent independent status retain their

status under ABSTUDY without reassessment, whether or not they continue in unbroken study.

To meet criteria for permanent independent status the student or Australian Apprentice must:

• meet the age criteria; or

• be a member of a couple, including being

o married or have been married; or

o in or have been in a registered relationship (different or same-sex); or

o married under Aboriginal or Torres Strait Islander Law

• have or have had a dependent child; or

• meet certain workforce criteria; or

• have been in lawful custody for a cumulative period of six months or more; or

• be an orphan; or

• be 15 years of age or older and has undergone and completed a traditional initiation

ceremony. The student or Australian Apprentice must be living in the traditional

community independently of family.

**37.2.2 Reviewable independent status**

Reviewable independent status is granted on the basis of a condition that **can** change.

Students or Australian Apprentices who are granted reviewable independent status cease to

have independent status if they cease to meet the conditions for reviewable independence.

To meet the criteria of reviewable independent status the student or Australian Apprentice

must:

• be 16 years of age or older and living in a de facto relationship (different or same-sex)

which is of at least six months in duration or has the care or custody of another

person’s dependent child; or

• currently have the care or custody of another person's dependent child or student; or

• be 15 years of age or over and have parent(s) who cannot exercise parental

responsibilities; or

• be 16 years of age or over and living in an Aboriginal community after previously being

adopted or fostered by a non-Aboriginal family for more than two years; or

• be of school leaving age in the particular state or territory or at least 16 years of

age, and meet the Unreasonable to Live At Home criteria.

**ABSTUDY, Student Status: Chapter 38 - Permanent Independent Status**

This topic covers the provisions for approval of permanent independent status.

**On this page**

• 38.1 Age

• 38.2 Current or Previous Marriage or Registered Relationship

• 38.3 Parenthood

• 38.4 Workforce Participation

• 38.5 Previous Lawful Custody

• 38.6 Orphanhood

• 38.7 Special Adult Status

**38.1 Age**

Where a student or Australian Apprentice does not already qualify for independent status under

another provision, s/he is considered to have permanent independent status once s/he turns 25

years of age.

**38.2 Current or Previous Marriage, or Registered Relationship**

A student or Australian Apprentice is considered to have independent status if s/he is:

• legally married or married under Aboriginal/Torres Strait Islander law; or

􀂃 in a registered relationship (different or same-sex) [hyperlink to glossary]

• divorced or separated from his/her partner to whom s/he is/was previously legally

married or in a registered relationship .

**38.3 Parenthood**

Students or Australian Apprentices are considered to have independent status if they have or

previously had a dependent child of their own.

For the purposes of this provision a dependent child is a child of the applicant where the child:

• is wholly or substantially dependant on the person or person’s partner; or

• was previously wholly or substantially dependant on the person or person’s partner,

assuming the child was in the care of the partner at the same time that the relationship

existed.

A child who is adopted or dies immediately after birth is a dependant child for ABSTUDY

independence purposes, as is a stillborn child for whom Maternity Allowance is paid.

For ABSTUDY independence purposes, a non-custodial parent can demonstrate that their child

is substantially dependant through circumstances including:

• providing material support towards the care of the child; and/or

• having regular or periodic care of the child; and/or

• having ongoing involvement in decision making affecting the child; and/or

• paying court ordered or voluntary child maintenance in respect of the child.

**38.4 Workforce Participation**

Independent status can be established through either of two categories, as follows:

**38.4.1 Workforce Participation - Self Supporting through paid employment category**

A student or Australian Apprentice is considered independent for ABSTUDY purposes if they

have supported themselves through paid work consisting of:

• employment of at least 30 hours per week (i.e. full-time employment) for at least

18 months during any period of 2 years; OR

• employment of at least 15 hours per week (i.e. part-time employment) for at least

2 years since the person last left secondary school; OR

• employment within an 18 month period with cumulative earnings totalling at least 75%

of the appropriate maximum Australian Pay and Classification Scale Wage Level A rate

**where**:

o the appropriate Australian Pay and Classification Scale Wage Level A rate is the

rate that applied when the period/s of employment began; and

o a period of 18 months must have elapsed since the person last left school; and

o the employment period/s must have occurred since the person last left school.

**Note:** The Australian Pay and Classification Scale Wage Level A was previously known as the

National Training Wage Award Rate.

**38.4.2 Workforce Participation - other**

Students or Australian Apprentices are considered to have independent status if they have been

in some form of workforce participation for periods totalling at least 156 weeks during the

previous 208 weeks. This can be any combination of the activities listed below. These are:

• engaged full-time paid employment or self-employment; or

• undertaking an apprenticeship or full-time training agreement; or

• in receipt of an income support payment such as Youth Allowance (Other), Newstart,

youth training or formal training allowance, special benefit or support under NEIS; or

• unemployed and registered with Centrelink, but waiting to receive a benefit under

Social Security Law; or

• on sick, maternity or recreation leave (but not paid study leave); or

• receiving an income support pension under the *Veterans' Entitlements Act* or sickness

allowance or carer payment or disability support or sole parent pension (parenting

payment - single) or similar pension or benefit under Social Security Law; or

• available for full-time employment but supporting medical evidence indicates that

illness or incapacity prevented employment; or

• a member of a religious order where it can be demonstrated that the student was

supported by the order (eg, board and lodgings); or

• in lawful custody; or

• receiving a CDEP scheme wage.

**Note 1 CDEP Participants**: Participation in a CDEP Scheme is considered employment for the

purposes of establishing independence in accordance with ABSTUDY rules. When a person

ceases CDEP participation in order to receive the independent rate of ABSTUDY the person will

have to show that they have supported himself/herself through paid work.

**Note 2 Overseas employment**: From 6 July 2000, periods of employment overseas can be

regarded for the purposes of this category.

**38.4.2.2 Periods excluded from workforce participation**

Periods that cannot be counted towards the required 156 weeks are those where the student or

Australian Apprentice was:

• registered with Centrelink but not available for full-time employment in Australia; or

• undertaking full-time primary or secondary study, including vacations between study

periods; or

• undertaking full-time post-secondary study, unless the student can demonstrate that

while studying, s/he was also a full-time member of the workforce; or

• receiving education assistance, such as Youth Allowance (Student) (not wages) for a

course approved for ABSTUDY; or

• on paid study leave.

**38.4.2.3 Registration with Centrelink while at school**

No account is to be taken of registration with Centrelink during periods in which the student or

Australian Apprentice undertook full-time primary or secondary study. Registration during

school vacations is not to be taken into account.

Also, no account is taken of periods of registration between the end of the school year and   
31 December, even in respect of the student's last year of schooling, if the student or Australian

Apprentice was entitled to receive ABSTUDY (or other education assistance) for that end-ofyear

period. Students or Australian Apprentices who were not eligible to receive education

assistance for the period from the end of schooling to 31 December can count periods of

Centrelink registration during that time.

**38.4.2.4 Waiting period for income support by school leavers**

The waiting period for Youth Allowance as a school leaver may be included, if the school leaver

was registered with Centrelink for this period. However, the period from the end of the school

year to 31 December cannot be counted if the student or Australian Apprentice was entitled to

receive Youth Allowance/Austudy Payment as a full-time student for that time

**38.4.2.5 Registration with Centrelink while qualified to get ABSTUDY Living Allowance**

No account is to be taken of periods that a student or Australian Apprentice was registered for

full-time employment with Centrelink, if the student or Australian Apprentice was also eligible

and qualified to receive ABSTUDY Living Allowance.

**38.4.2.6 Periods of full time post secondary education**

Periods during which a student or Australian Apprentice was undertaking full-time postsecondary

study are not generally counted towards workforce requirements unless the student

or Australian Apprentice can demonstrate that, while studying, s/he was also a full-time

member of the workforce.

Periods of paid study leave or periods during which a student or Australian Apprentice was

under a training agreement or in receipt of educational assistance (such as teacher scholarships

or ABSTUDY Living Allowance) will not usually be included in the workforce requirement period.

Periods during which a student or Australian Apprentice undertook academic studies at the

Australian Defence Force Academy (ADFA) in Canberra cannot be counted. However, periods of

military training in the academic vacations may be counted.

Periods of industrial experience forming part of a student's or Australian Apprentice's course

may be counted if normal wages are paid (but periods of industrial training for which ABSTUDY

Living Allowance is paid are not).

**38.4.2.7 Sporting activities**

Periods spent training for and playing sport are not counted, even though the person may have

received some remuneration from a sporting club, unless:

• the student or Australian Apprentice was a professional sportsperson, and

• the sporting activity was his/her occupation.

The sporting activity must be the person's primary occupation. Someone who plays for a local

club, trains during the week and receives match fees for a game cannot be said to be a

professional sportsperson.

**38.4.2.8 Unemployment while overseas**

Periods while a student or Australian Apprentice was overseas but not in full-time employment

are not counted.

**38.4.2.9 Periods in self-development and adventure programmes**

Periods that a student or Australian Apprentice spent as a participant in a youth selfdevelopment

programme (such as the Duke of Edinburgh's Award Scheme or Operation Rally)

are not counted for independent status purposes. This applies even if:

• all upkeep is provided by the programme involved; and

• some community services are performed.

**38.5 Previous Lawful Custody**

**38.5.1 Previous Lawful Custody**

Students or Australian Apprentices are considered to have independent status if they are either

secondary students aged 18 years or older or tertiary students, and were previously, for a six

month cumulative period or more, in lawful custody at:

• a corrective institution; or

• a remand centre; and/or

• a youth training centre.

**38.6 Orphanhood**

A student or Australian Apprentice is considered to have independent status if s/he is 15 years

of age or older and an orphan.

A student or Australian Apprentice is considered to be an orphan where his/her natural,,

adoptive, or relationship parents are either:

• dead; or

• missing and presumed dead.

**Note**: If a student's or Australian Apprentice's parent has been missing (whose whereabouts is

unknown) for not less than seven years, under common law the parent may be presumed dead.

State or Territory laws may vary the length of time and/or conditions under which a person

may be presumed dead.

**38.7 Special Adult Status**

A student or Australian Apprentice is considered to have independent status if the student is 15

years or older and has special adult status in an Aboriginal/Torres Strait Islander community

that follows a lifestyle based on adherence to traditional coming-of-age ceremonies. Such

ceremony is to have been sanctioned by recognised Aboriginal or Torres Strait Islander elders

of that community.

Communities that follow this lifestyle will only be recognised for ABSTUDY purposes in the

Northern Territory, Queensland, South Australia and Western Australia.

To be eligible, the student's or Australian Apprentice's:

• permanent home must be in the traditional community;

• must be required to live independently of family once they have achieved special adult

status; and

• must be living independent of the family home at the time of assessment for ABSTUDY.

**ABSTUDY, Student Status: Chapter 39 - Reviewable Independent Status**

This topic covers the provisions for approval of reviewable independent status.

**On this page**

• 39.1 Student or Australian Apprentice has a De Facto Partner

• 39.2 Care or Custody of Child

• 39.3 Parents Cannot Exercise Parental Responsibilities

• 39.4 Returning to an Indigenous community

• 39.5 Unreasonable to Live at Home

**39.1 Student or Australian Apprentice has a De Facto Partner**

A student or Australian Apprentice is considered to have reviewable independent status if s/he

has reached the age of consent within his/her State/ Territory and currently has lived in a de

facto relationship (different or same-sex) that is of at least six months' duration.

**39.2 Care or Custody of Child**

A student or Australian Apprentice is considered to have reviewable independent status if s/he

currently has the care or custody of another person's dependent child.

**39.3 Parents Cannot Exercise Parental Responsibilities**

A student or Australian Apprentice is considered to have reviewable independent status where:

• s/he is 15 years of age or older; and

• his/her parent/s are (or if the student or Australian Apprentice has only one parent,

that parent is):

o serving a prison sentence; or

o mentally incapacitated and likely to be so for an indefinite period; or

o living in a nursing home or similar institution and likely to be there for an

indefinite period; or

o missing (and all reasonable attempts to locate or contact them have failed).

**39.4 Returning to an Indigenous community**

A student or Australian Apprentice is considered to have reviewable independent status if s/he

is 16 years of age or over and has returned to live in an Indigenous community after having

been adopted or fostered by a non-Indigenous family for more than two years. Independent

status approved on the basis of returning to the home community may be withdrawn if the

student or Australian Apprentice reverts to adoptive, foster or another form of State Care.

**39.5 Unreasonable to Live at Home**

See Chapter 40 for the approval criteria for reviewable independent status on the basis that it

is unreasonable for the student or Australian Apprentice to live at home.

**ABSTUDY, Student Status: Chapter 40 - Unreasonable to Live at Home**

This chapter details the eligibility criteria for independent status on the basis that it is

unreasonable for the student or Australian Apprentice to live at home.

**On this page**

• 40.1 Overview of Unreasonable to Live at Home (UTLAH) Provisions

• 40.2 Eligibility for Independent Status – Unreasonable to Live at Home

• 40.3 Financial or Other Support from Parent or Long-term Guardian

• 40.4 Income support from the Commonwealth, State or Territory

• 40.5 Situations Not Considered Unreasonable to Live at Home

**40.1 Overview of Unreasonable to Live at Home (UTLAH) Provisions**

The Unreasonable to Live at Home (UTLAH) (also known as Homeless Rate) provisions are

intended to assist students or Australian Apprentices who may be at risk of giving up their

studies or apprenticeship, traineeship or trainee apprenticeship because of traumatic family

circumstances. This provision recognises that there are situations where students or Australian

Apprentices face serious physical or mental harm in the family home. It gives such students or

Australian Apprentices the opportunity to continue in their studies or Australian Apprenticeship after they have moved to a safer, more stable environment. The provision is for

students or Australian Apprentices who cannot reasonably remain at home and therefore must

live independently for the sake of their wellbeing.

The provision is not intended to encourage students or Australian Apprentices to leave home

nor to encourage parents to cease contributing towards their children's education. It is not a

means for students or Australian Apprentices to choose to leave home so that they can get a

higher rate of ABSTUDY.

**40.2 Eligibility for Independent Status – Unreasonable to Live at Home**

A student or Australian Apprentice may qualify for reviewable independent status on the basis

that it is unreasonable that s/he live at home, if:

• s/he is of school leaving age in the particular State or Territory or at least 16 years of

age; and

• s/he cannot live at the home of her/his natural, adoptive, or relationship parent/s,

either:

o because of extreme family breakdown or other similar exceptional circumstances; or

o because to do so would cause serious risk to her/his physical or mental well-being

due to violence, sexual abuse or other similar unreasonable circumstance; or

o because the parents are unable to provide the student or Australian Apprentice with a

suitable home owing to a lack of stable accommodation; and

• s/he is not receiving continuous financial or other support, directly or indirectly, from

either:

o a parent of the student or Australian Apprentice; or

o another person who is acting as the student’s or Australian Apprentice's guardian on

a long-term basis; and

• s/he is not receiving a regular government payment of welfare or student assistance

(other than ABSTUDY or a social security payment); or

• s/he is NOT considered to be in State care (see Chapter 45.1.2)

**40.2.1 Natural, adoptive or relationship parents**

Eligibility for independent (UTLAH) status is determined in relation to the student's or

Australian Apprentice's natural (i.e. birth) parent/s, legally/traditionally adoptive parent/s, or

relationship parent/s.

Where the student's or Australian Apprentice's natural, legally/traditionally adoptive, or

relationship parent/s live in separate households, the student or Australian Apprentice must

satisfy the UTLAH criteria in relation to each household.

**40.2.2 Approval of Independent (UTLAH) status**

Approval of independent (UTLAH) status may be backdated to the date the student or

Australian Apprentice started living away from the parental home, provided that the student or

Australian Apprentice had reached minimum school leaving age and was otherwise eligible for

ABSTUDY.

**40.3 Financial or Other Support from Parent or Long-term Guardian**

**40.3.1 Continuous support from a parent**

A student or Australian Apprentice cannot be approved for independent (UTLAH) status if s/he

is receiving continuous support from a natural, adoptive or relationship parent.

**40.3.2 What is continuous support?**

‘Continuous’ is not tied to any specific period of time, nor to a specified amount or type of

support. Continuous support must have a regularity or stability that enables the student or

Australian Apprentice to have a reasonable expectation that it will be received. Consideration

should be given to the nature and intention of the support, that is, whether it is continuous

rather than emergency in nature and intent, and whether it shows on-going concern for the

student or Australian Apprentice.

**40.3.2.1 Examples of continuous support**

These include:

• regular payments (eg, weekly, fortnightly, monthly, annually), regardless of the

amount; and/or

• payments made in advance for, eg, school fees, HECS or rent; and/or

• regular payments for certain items, eg, car registration/maintenance, mobile phone

upkeep, text books, student and sporting fees; and/or

• regular provision of food, meals, services such as laundry, use of a family car; and/or

• use of accommodation owned, leased or rented by a parent, or where a parent holds

the lease and/or has paid the bond for the student's or Australian Apprentice's

accommodation.

**40.3.3 Indirect support from a parent**

Independent (UTLAH) status cannot be approved where a parent provides continuous support

for the student or Australian Apprentice on an indirect basis. This includes where parents

arrange for assistance to be provided through a third party or organisation.

**40.3.3.1 Examples of indirect support**

These include:

• employing the student or Australian Apprentice in a family business; and/or

• leasing or subsidising accommodation for the student's or Australian Apprentice's use;

and/or

• accepting education or other subsidies from the parent's employer on behalf of the

student or Australian Apprentice.

**40.3.4 Court-ordered maintenance**

Court-ordered child support of less than $50 per week from a parent is not treated as

continuous support.

**40.4 Income support from the Commonwealth, State or Territory**

A student or Australian Apprentice cannot be approved for independent (UTLAH) status if s/he

is receiving income support (other than ABSTUDY or a social security benefit) on a continuous

basis from an Australian Government Department or an instrumentality of a State or Territory.

**40.4.1 What is continuing income support?**

Income support is defined as payments received directly or indirectly by the student or

Australian Apprentice that are intended to meet, or to assist in meeting, his or her general

living costs regardless of whether they are adequate for this purpose. Such payments can be

considered to be continuing where they are received on a regular basis and the student or

Australian Apprentice has a reasonable expectation that they will be available for a reasonable

period of time.

Support provided on an emergency or temporary basis is not considered to be continuing

income support.

**40.5 Situations Not Considered Unreasonable to Live at Home**

The following situations, in themselves, do not allow independent status to be approved on the

basis that it is unreasonable for the student or Australian Apprentice to live at home:

• the parents have divorced or separated; or

• the young person chooses to live independently; or

• the family consider the young person to be independent, even when this is due to

deeply held cultural or religious beliefs OR they claim they cannot afford to support the

young person; or

• the parents move to a new location, including overseas.

**ABSTUDY, Student Status: Chapter 41 - Extreme Family Breakdown and**

**Other Similar Exceptional Circumstances**

This chapter details the assessment of independent (UTLAH) status on the basis of extreme

family breakdown and other similar exceptional circumstances.

**On this page**

• 41.1 What is Extreme Family Breakdown?

• 41.2 What Are Other Similar Exceptional Circumstances?

**41.1 What is Extreme Family Breakdown?**

For the purposes of independent (UTLAH) status, family breakdown may be due to various

causes but must be extreme. Family breakdown must be considered in the context of the whole

family situation, and must establish circumstances where it is unreasonable to expect the

person to remain in that family environment. The existence of ongoing conflict alone is

insufficient grounds to grant independence under this criterion.

Factors that may indicate extreme family breakdown include:

• one or more members of the family are experiencing documented behavioural and/or

health problems which can be attributed to the breakdown of the family relationship; or

• the young person's substance abuse and/or anti-social behaviour is so extreme that

specialised intervention has been unsuccessful and it is beyond reasonable expectations

for the parent(s) to have the capacity to resolve the situation; or

• evidence that the emotional or physical well-being of the young person or another

family member would be jeopardised if the young person were to live at home; or

• unsuccessful attempts have been made to resolve the issue(s), for example through

counselling or mediation.

**41.1.1 Parents refuse to allow young person to live at home**

If parents refuse to allow the student or Australian Apprentice to live at home, this does not

constitute 'extreme family breakdown' unless there is evidence of extreme and enduring family

conflict. This applies particularly if the young person has provoked the response from parents

by unwillingness to meet reasonable expectations.

**41.2 What Are Other Similar Exceptional Circumstances?**

Situations that constitute 'other similar exceptional circumstances', or that are similar to

extreme family breakdown cannot be defined. The following list provides some examples:

• criminal activity or substance abuse by the parents; or

• severe neglect, where adequate food, clothing, shelter, hygiene, medical attention and

supervision is not being provided; or

• extreme and abnormal demands placed on the young person.

**ABSTUDY, Student Status: Chapter 42 - Serious Risk**

This chapter details the assessment of Independent (UTLAH) status on the basis of serious risk

to the student or Australian Apprentice.

**On this page**

• 42.1 What is Serious Risk?

**42.1 What is Serious Risk?**

Independent (UTLAH) status may be approved where the student or Australian

Apprentice cannot live at home because to do so would cause serious risk to the student’s or

Australian Apprentice's physical or mental wellbeing.

Indicators of serious risk to the student’s or Australian Apprentice's physical or mental

wellbeing include sexual, physical or psychological abuse.

The claimant need not be the victim of the abuse. It would usually be accepted as unreasonable

to expect the claimant to live in a home where other household members have been or are

being subject to such abuse.

Where the threat to the person comes from someone outside the family home, such as from a

neighbour, serious risk is established after all attempts to avoid the abuse have been made,

without success, and the young person has been forced to move.

**ABSTUDY, Student Status: Chapter 43 - Parents Unable to Provide a**

**Home**

This chapter details the assessment of Independent (UTLAH) status on the basis that the

student’s or Australian Apprentice's parents are unable to provide a home.

**On this page**

• 43.1 When Parents Cannot Provide a Home

**43.1 When Parents Cannot Provide a Home**

Independent (UTLAH) status may be approved where parents are unable to provide a suitable

home because they lack stable accommodation themselves.

If the lack of stable accommodation is a temporary situation resulting from choices made by

the parent, then this would NOT meet the 'unable to provide a home' provision. Parents are

assumed to have some choice about their accommodation, and this includes taking

responsibility for ensuring their children can live with them.

**Example**: Inadequate housing, unsuitable locations, moving to another town and travelling are

all areas in which parents would have some choice about accommodation.

**ABSTUDY, Student Status: Chapter 44 - Assessment of Unreasonable to**

**Live at Home**

This chapter outlines the assessment of cases where independent status is sought on the basis

that it is unreasonable for the student or Australian Apprentice to live at home.

**On this page**

• 44.1 Mandatory Procedures in Assessment of UTLAH

• 44.2 Assessment for Under-18 Year Olds

• 44.3 Assessment for Over-18 Year Olds

• 44.4 Release of Information under the Student Assistance Act

**44.1 Mandatory Procedures in Assessment of UTLAH**

All assessments for independent status on the basis that it is unreasonable for the student or

Australian Apprentice to live at home must follow a number of mandatory procedures.

The mandatory procedures are as follows:

• personal contact with customers;

• contact with parents unless:

o the young person refuses permission; or

o if contact with the parent presents a severe risk to the young person or others

such as siblings; or

o it has been verified that there has been no parental concern for at least the

past 2 years;

• independent third party verification of the circumstances claimed (e.g. grandparents,

school counsellors, religious leaders); AND

• privacy provisions governing the release of information about homeless customers

where this is in the public interest.

There are additional mandatory procedures for students or Australian Apprentices under 18

years of age:

• referral under the Youth Protocol as set out in the Commonwealth/State/Territory Youth

Protocol requirements; and

• referral to a Reconnect Service where available and appropriate; and

• intensive follow up of all UTLAH customers identified through the social work

assessment as being at high risk.

**44.2 Assessment for Under-18 Year Olds**

All assessments of eligibility for independent status based on UTLAH provisions for students

or Australian Apprentices aged less than 18 years will always be conducted by a Centrelink

social worker. This assessment must include the following:

• referral for appropriate support, including to relevant government and community

facilities;

• assessment of whether the young person can be regarded as independent under

ABSTUDY Policy; AND

• ongoing social worker contact with severely disadvantaged or vulnerable people,

especially those aged under 16 years.

**44.3 Assessment for Over-18 Year Olds**

Assessment of independent status based on UTLAH provisions for students or Australian

Apprentices aged 18 years or older will generally be conducted by a Centrelink social worker.

**44.4 Release of Information under the Student Assistance Act**

The *Student Assistance Act 1973* allows for the release of student or Australian Apprentice

information in certain circumstances. The most relevant of these to assessment of independent

(UTLAH) status are that information may be released:

• if authorised by the student or Australian Apprentice (paragraph 355(1)(d); or

• in the public interest and certified by a delegate that the release is in accordance with

Ministerial Guidelines (paragraph 355(1)(a); or

• where the Secretary has authorised the release to other Australian Government

Departments for their administrative purposes (paragraph 355(1)(b)).

**ABSTUDY, Student Status: Chapter 45 - Students or Australian**

**Apprentices in State Care**

**On this page**

• 45.1 Student or Australian Apprentice in State Care

• 45.2 Allowances and Benefits

• 45.3 Rate of Living Allowance

• 45.4 Payees

**45.1 Student or Australian Apprentice in State Care**

A student or Australian Apprentice is considered to be in State Care if:

• s/he is not living with a parent; and

• s/he is in the guardianship, care or custody of a court, a Minister, or a Department of

either the Australian, State or Territory Government; or

• there is a current direction from a court, Minister or Department placing the student or

Australian Apprentice in the guardianship, care or custody of someone who is NOT the

student's or Australian Apprentice's parent; or

• the student or Australian Apprentice stopped being in one of the above situations only

because of their age.

A student or Australian Apprentice under a court, Ministerial or Departmental order or direction

is considered to be in state care regardless of their legal guardianship status.

**Note**: In general, States and Territories provide for the upkeep of children in their care until

the child is 16 years old. State and Territory Governments retain a welfare responsibility for

young people in state care.

**45.1.1 Not considered to be in State Care**

Where a student or Australian Apprentice has left the carer's home to live in a government

funded or subsidised refuge or residential care facility and the State/Territory Welfare

Department has not accepted ongoing responsibility for the student or Australian Apprentice,

the student or Australian Apprentice is not considered to be in State Care.

**45.1.2 Independent rate**

The independent (homeless) rate of Living Allowance may be paid if the student, who was

formerly in State Care, has reached the minimum school leaving age, has left the carer's home

to live in a government funded or subsidised refuge or residential care facility and the

State/Territory Welfare Department has not accepted ongoing responsibility for the student or

Australian Apprentice.

**45.2 Allowances and Benefits**

A student in State Care is eligible for:

• Schooling B Award or Tertiary Award or Masters and Doctorate Award, including

ABSTUDY Living Allowance, if either:

o s/he has reached the minimum school leaving age; or

o s/he is under the minimum school leaving age but meets the criteria for Away

from Home entitlements; or

• Schooling A Award, including School Term Allowance and School Fees Allowance, if s/he

is under the minimum school leaving age.

An Australian Apprentice in State Care is eligible for ABSTUDY Tertiary Award, if either:

o s/he has reached the minimum school leaving age; or

o s/he is under the minimum school leaving age but meets the criteria for Away

from Home entitlements.

**45.2.1 Exemption from Parental Means Test**

Where a student or Australian Apprentice is in State Care, s/he is exempt from the ABSTUDY

Parental Means Test.

**45.3 Rate of Living Allowance**

Where a student or Australian Apprentice in State Care is entitled to receive Living Allowance, it

is paid at the following rates:

• if the carer receives a regular foster care allowance for the student's or Australian

Apprentice's upkeep, the standard rate of Living Allowance is payable; or

• if the carer does not receive a regular foster care allowance, the Away from Home rate

of Living Allowance is payable.

The above applies even where a student or Australian Apprentice meets the criteria for Away

from Home entitlements set out in Chapter 25.

**5.3.1 Does the carer receive a regular foster care allowance?**

The carer will be considered to be receiving a regular foster care allowance where they receive

either:

• a regular foster care allowance; or

• an allowance which is intended directly for the student's or Australian Apprentice's

upkeep or personal use (eg, regular Adolescent Community Placement or Placement

Provider Reimbursement payments made directly or indirectly by the Victorian

Government).

However, where the authority pays the carer directly to compensate for extra costs involved in

caring for the student or Australian Apprentice, eg, setting up a bedroom or repairing damage

done by the student or Australian Apprentice, the carer is not considered to be receiving a

regular foster care allowance.

**45.3.2 Fifteen-year-old students or Australian Apprentices**

Where a fifteen-year-old student or Australian Apprentice in State Care is entitled to Living

Allowance, s/he is paid at the aged 16-17 year old rate of Living Allowance. See the Guide to

Australian Government Payments for details .

**45.4 Payees**

In general, students or Australian Apprentices who qualify for ABSTUDY under this provision

receive their allowances direct, or where a student attends a boarding school, some or all of the

payments are made to the institution. The carer does not receive payments on the student's or

Australian Apprentice's behalf.

However, the authority may request that payment be made direct to the care giver or a person

nominated by the student or Australian Apprentice, if:

• the relevant government authority or an organisation approved by that authority

believes that payment of allowances direct to younger students or Australian

Apprentices could jeopardise the student-carer or Australian Apprentice-carer

relationship; or

• it is determined that the student or Australian Apprentice is unable to manage his/her

own finances, eg, a student in a special school.

**ABSTUDY Study Requirement: Chapter 46 - Introduction to Study**

**Requirements**

This chapter provides an outline of the study requirements for ABSTUDY entitlements.

**On this page**

• 46.1 General Study Requirements for ABSTUDY Assistance

• 46.2 Specific Study Requirements for ABSTUDY Awards

**46.1 General Study Requirements for ABSTUDY Assistance**

To be eligible for ABSTUDY assistance, a student or Australian Apprentice must be either:

• enrolled in an approved course at an approved education institution; or

• undertaking an approved Testing and Assessment activity to determine their suitability

to undertake an approved course; or

• undertaking a full-time apprenticeship, traineeship or trainee apprenticeship under

the Australian Apprenticeships Scheme.

For students to be eligible for the full range of ABSTUDY Awards, the course must also be

approved as a full-time course. Where a course can only be approved as a part-time course,

the Part-time Award is payable.

Australian Apprentices must have a current Commonwealth registration number in relation to

their full-time apprenticeship, traineeship or trainee apprenticeship.

The policy regarding approved education institutions, approved courses, full-time courses, and

the determination of whether a course is secondary or tertiary is addressed in Chapter 11

Approved Courses of Study.

The provisions where a student or New Apprentice may be entitled to ABSTUDY Living

Allowance prior to or following a period of enrolment in an approved course or while

undertaking their apprenticeship, traineeship or trainee apprenticeship, i.e. during vacation

periods, are set out in Chapter 73 Living Allowance Entitlement Periods.

**46.2 Specific Study Requirements for ABSTUDY Awards**

There are further specific study requirements depending on, firstly, the ABSTUDY Award for

which the customer is applying, and secondly, the level of study being undertaken.

**46.2.1 Schooling A and Schooling B Awards**

The specific study requirements for the Schooling A and Schooling B Awards are dependent

upon the level of study being undertaken.

To qualify for the Schooling A Award, a primary or secondary school student must either:

• study a full-time study-load; or

• qualify for a study-load concession.

To qualify for the Schooling B Award, a primary or secondary school student must:

• either:

o study a full-time study-load; or

o qualify for a study-load concession; and

• meet the attendance requirements for secondary school students.

To qualify for the Schooling A or Schooling B Awards, a secondary non-school student must:

• either:

o be enrolled in a full-time study-load; or

o qualify for a study-load concession; and

• be considered to be undertaking the course by the institution; and

• complete the course within a reasonable time.

**46.2.2 Tertiary and Masters & Doctorate Awards**

To qualify for the Tertiary or Masters and Doctorate Awards, a tertiary student (including those

studying at Masters or Doctorate level) must:

• either:

o be enrolled in a full-time study-load; or

o qualify for a study-load concession; and

• be considered to be undertaking the course by the institution; and

• complete the course within a reasonable time.

In addition, a student undertaking study at a Bachelor, Masters or Doctorate level, must not

have exceeded the limits of assistance for degree courses.

**46.2.2.1 Australian Apprentices under the Tertiary Award**

To qualify for the Tertiary Award Australian Apprentices must:

• be undertaking a full-time apprenticeship, traineeship or trainee apprenticeship; and

• have a current Commonwealth Registration Number.

**46.2.3 Part-time Award**

In order to qualify for the Part-time Award, a student must be enrolled in and undertaking a

part-time study load. There is no minimum study-load requirement for the Part-time Award.

Tertiary and secondary non-school students must also meet the progress rules to qualify for the

Part-time Award.

Australian Apprentices are not eligible to access entitlements under the ABSTUDY Part-time

Award where the claim for entitlement relates to their Australian Apprenticeship. Australian

Apprentices may only be entitled to assistance under ABSTUDY if they are undertaking their

apprenticeship, traineeship or trainee apprenticeship on a full-time basis.

**46.2.4 Lawful Custody Award**

In order to qualify for the Lawful Custody Award, a student can be studying either a full-time or

part-time study-load. There is no minimum study-load requirement for the Lawful Custody

Award.

Australian Apprentices must be undertaking a full-time apprenticeship, traineeship or trainee

apprenticeship to qualify for the Lawful Custody Award.

Tertiary and secondary non-school students must also complete the course within a reasonable

time to qualify for Lawful Custody Award.

**46.2.5 Testing and Assessment Award**

In order to qualify for the Testing and Assessment Award, customers must be undertaking an

approved Testing and Assessment activity to determine their suitability to study an approved

course.

There are limits on the number of Testing and Assessment programs a customer can be

assisted to attend each year. See 94.3 for details.

An Australian Apprentice may be eligible to access ABSTUDY entitlements under the Testing

and Assessment Award to undertake an approved Testing and Assessment activity to determine

their suitability to study a course in the future that is not related to their Australian

Apprenticeship.

**ABSTUDY Study Requirement: Chapter 47 - Study-load Requirements**

This chapter provides information about the ABSTUDY study-load requirements and the

assessment of study-load.

**On this page**

• 47.1 Study-load Requirements

• 47.2 Full-time Study-load for a Secondary School Student

• 47.3 Full-time Study-load for a secondary non-school students and students studying

Vocation and Technical Education courses.

• 47.4 Full-time Study-load for a Tertiary Student at a Higher Education Institution

• 47.5 Full-time study-load for Masters and Doctorate level study

• 47.6 Enrolment in more than one course at one or more institutions

• 47.7 Australian Apprenticeships

• 47.8 Not counted for study-load purposes

**47.1 Study-load Requirements**

In order to qualify for the Schooling A, Schooling B, Tertiary or Masters and Doctorate Awards,

a student must either:

• study a full-time study-load or

• qualify for a study-load concession.

The provisions for approving a study-load concession are set out in Chapter 48 Study-load

Concessions.

The definition of what it means to study a full-time study-load depends on whether the student

is undertaking:

• secondary school studies(or Primary school studies for students aged 14 years or over

at 1 January of the study year);

• secondary non-school or Tertiary level studies; or

• Masters and Doctorate studies.

**47.2 Full-time Study-load for a Secondary School Student**

Secondary school students are considered to be studying a full-time study-load if they:

• attend school daily;

• do not attend school daily but the school advises that the student is studying a full-time

study-load; or

• do not attend school daily but undertake home-based schooling where:

o the student has been approved by the relevant State/Territory education

authority to study course work at home; and

o the authority confirms that the study is full-time and conforms with, and will be

accredited towards, the secondary qualification accredited by that authority; or

• do not attend school daily but study course work at home where:

o the student is formally registered at a secondary school; and

o the course work is set by the school; and

o the student is undertaking a workload deemed to be full-time by the school;

and

o the student is supervised regularly by the school; and

o the study mode is approved by the school. This study mode will only be

approved because of injury, illness or other circumstances beyond the student's

control; or

• do not attend school daily but meet the requirements of their school programme as

determined by the secondary school, e.g. modified school programme aimed at highrisk

students or students with a disability or health-related condition.

The above study-load requirements also apply to primary school students aged 14 years or

over at 1 January of the school year.

**47.2.1 Secondary school studies at more than one institution**

A secondary school student may study at more than one institution, providing her/his total

study-load is full-time.

**47.2.2 School students who are also undertaking Vocation and Technical Education (VTE) studies**

Secondary school students who attend a Vocation and Technical Education institution for one

or more days a week as part of their secondary school requirements, including students

participating in a school-based apprenticeship/traineeship, are considered to be undertaking

full-time secondary school studies for ABSTUDY purposes.

**47.3 Full-time Study-load for a secondary non-school students and students**

**studying Vocation and Technical Education courses.**

The normal study-load for secondary non-school courses and Vocation and Technical Education

courses is the normal study programme as set down in course documentation. Students who

are enrolled in at least three-quarters (75%) of the normal full-time study-load for any given

enrolment period are regarded as full-time students for that enrolment period.

**47.4 Full-time Study-load for a Tertiary Student at a Higher Education Institution**

A higher education student is to be considered to be undertaking a full-time study load over a

particular study period if they meet at least one of the following criteria:

1. The student has an aggregated Equivalent Full Time Study Load (EFTSL) of at least

0.375 allocated to a particular half-year period. The half-year periods are 1 January to 30 June

and 1 July to 31 December.

• Where the student is undertaking a subject/unit that begins and ends in the same halfyear

period, the EFTSL weighting is allocated to that half-year period.

• Where the person is undertaking a subject/unit that begins and ends in different halfyear

periods, the EFTSL weighting may be allocated to either half-year period,

depending upon which alternative provides the most beneficial outcome for the student.

**OR**

2. The student is undertaking at least ¾ of the normal full-time study load for a shorter

period of enrolment (e.g. summer school), where the institution can define a full-time study

load for that period.

**OR**

3. The student has an aggregated EFTSL of at least 0.750 over the calendar year where

either:

• the institution's normal period of enrolment is a year; or

• the student is undertaking a year-long subject/unit within their course of study.

Where a student is undertaking a subject/unit that begins and ends in different half-year

periods, or different calendar years, or in separate shorter periods of enrolment, the EFTSL

weighting may be allocated to whichever half-year period or calendar year or shorter period of

enrolment provides the most beneficial outcome for the student.

Provided that the student meets **any one** of these criteria at any given point in time, they

should be considered to be a full-time student for the length of the course (and through the

period of study break if they meet the criteria for remaining a full-time continuing student). It

is possible for an individual student to meet more than one of these definitions of full-time

study load at any one point in time.

In all three scenarios, the “particular study period” is taken to start from the earliest

commencement of the first subject/unit that is included in the study load and ends at the

conclusion of the latest subject/unit that is included in the study load.

The “additional period” for allowable/reasonable time purposes is also taken to start from the

earliest commencement of the subject/unit that is included in the study load and ends at the

conclusion of the latest subject/unit that is included in the study load.

**47.4.1 Withdrawal from study before or after the census date**

A student who withdraws from or ceases studying in a unit of study after the census date for

that unit of study decreases her/his study-load by that unit of study’s EFTSL value from the

date of withdrawal or cessation, irrespective of whether the student remains liable for the

student contribution amount or HECS-HELP debt associated with that unit of study.

A student who withdraws from a unit of study before the unit of study census date and who

undertook, and was enrolled in, the unit of study is considered to be undertaking that unit of

study until the date of withdrawal.

**Note**: A student becomes liable to pay student contributions on the census date for each unit

of study in which the student is enrolled.

**47.5 Full-time study-load for Masters and Doctorate level study**

Students studying a Masters or Doctorate course are considered to be studying a full-time

study-load if they meet the requirements of the university for studying full-time in the

particular Masters or Doctorate course being undertaken, or the workload provisions at 47.4

are met.

**47.6 Enrolment in more than one course at one or more institutions**

A student may be eligible for ABSTUDY to study more than one course at one or more

institutions in certain circumstances. Where the student is undertaking a full-time or

concessional study-load in at least one of those courses, ABSTUDY is payable under normal

study-load provisions. ABSTUDY is also payable under the normal study-load provisions for

students undertaking a single course at different campuses of the same institution.

However, if the study-load in the additional course(s) needs to be considered in order for the

student to meet a full-time or concessional study-load, then studies in the other course(s) can

be counted for study-load purposes only where:

• the institution(s) and course(s) are approved for ABSTUDY; and

• either:

o the subjects are recorded as part of the enrolment in the first course; or

o the student provides evidence that the subjects will be counted towards the

approved course on completion (eg a statement from the main institution that

the results will be recognised towards the student’s main course).

A student cannot add together workloads in subjects that do not form part of an approved

course, unless the above dot points apply.

**47.7 Australian Apprenticeships**

**47.7.1 Full-time study-load for Australian Apprenticeships**

Australian Apprenticeships combine practical work with structured training to give a nationally

recognised qualification and work experience.

Australian Apprenticeships are covered by formal agreements known as either “Training

Agreements” or “Contracts of Training”. These agreements set out the training and supervisions

an employer must provide for the Australian Apprentice as well as their obligations as an

Australian Apprentice. The agreements are registered with the relevant State/Territory Training

Authority.

Training can be delivered on-the-job, off-the-job, or a combination of both. Off-the-job training

must be conducted with TAFE colleges, business colleges or other approved training providers.

For Australian Apprentices to qualify for ABSTUDY entitlements they must be undertaking their

apprenticeship, traineeship or trainee apprenticeship on a full-time basis as determined by

DEEWR.

**47.7.2 Full-time study-load for AAAP courses**

Australian Apprenticeships Access Programme (AAAP), or generically approved courses, should

be considered to have nominal class contact of 20 hours a week. This value should then be

used as the benchmark for assessing the study-load for a AAAP participant.

**47.8 Not counted for study-load purposes**

The following are not counted for the purposes of assessing study-load:

• subjects, units or points credited for work done previously;

• subjects in which the student is not currently enrolled; and

• tutorial assistance sessions funded under the DEEWR Indigenous Tutorial Assistance

Scheme (ITAS).

**ABSTUDY Study Requirement: Chapter 48 - Study-load Concessions**

In certain circumstances, a study-load concession can be approved so that student can meet

the study-load requirements for ABSTUDY where studying less than a full-time study-load. This

chapter discusses these study-load concessions.

**On this page**

• 48.1 Study-load concessions

• 48.2 Two-thirds (66 per cent) concessional study-load students

• 48.3 Disability (25 per cent) concessional study-load students

• 48.4 25 per cent Concessional study-load students for the purposes of ABSTUDY PES

**48.1 Study-load concessions**

A primary or secondary school, secondary non-school, tertiary, or Masters and Doctorate level

student can be considered a concessional study-load student in the following circumstances:

• disability (25%) concessional study-load; and

• 25% concessional study-load for the purposes of ABSTUDY PES.

A secondary non-school, tertiary, or Masters and Doctorate level student can be considered a

concessional study-load student in the following circumstance:

• two-thirds (66%) concessional study-load.

Where a study-load concession has been approved, a student’s concessional study-load will be

assessed against the normal full-time study-load for their course, as set out in Chapter 47

Study-load Requirements.

**48.1.1 Evidence supporting claims for study-load concession**

As determined by Centrelink, evidence may be required to support a student’s claim for a

study-load concession.

**48.2 Two-thirds (66 per cent) concessional study-load students**

A secondary non-school, tertiary or Masters and Doctorate level student may be considered a

two-thirds concessional study-load student if:

• s/he is enrolled in at least two-thirds of the normal full-time workload for that course;

and

• it is not possible to study 75per cent of the normal study-load because of one of the

following:

o the institution's normal requirements for the course; or

o a specific direction in writing from the academic registrar or an equivalent

officer; or

o a recommendation in writing from the academic registrar or equivalent officer,

for academic or vocational reasons. The institution does not have to specify the

reasons on which the recommendation is based.

Study-load requirements cannot be reduced for academic or vocational reasons for more than

one semester or half of the academic year.

**48.3 Disability (25 per cent) concessional study-load students**

A student may be considered a disability concessional study-load student if:

• s/he is enrolled in at least 25 per cent of the normal full-time study-load for that course;

and

• s/he is unable to study under normal study-load requirements because of substantial

physical, psychiatric or intellectual disability.

This concession is intended to be used beneficially in circumstances where a student is

incapable of, or would face additional educational barriers or disadvantage through studying

under normal ABSTUDY study-load requirements because of substantial physical, psychiatric or

intellectual disability.

**4**

**8.3.2 Disability Support pensioner ceases to receive the pension**

Where a recipient of Disability Support Pension ceases to receive this pension, s/he is

considered to be eligible for the 25% disability concessional study-load for the remainder of the

enrolment period, for the purposes of assessing eligibility for Living Allowance.

**48.4 25 per cent Concessional study-load students for the purposes of ABSTUDY**

**PES**

A student may be considered a concessional study-load student for the purposes of the

ABSTUDY Pensioner Education Supplement (PES) if:

• s/he is enrolled in at least 25% of the normal full-time study-load for that course; and

• s/he is in receipt of one of the following income support payments as detailed below:

• One of the following Centrelink benefits:

o Parenting Payment (Single);

o Disability Support Pension;

o Carer Payment;

o Special Benefit (as a sole parent, if s/he has a dependent child under 16 years

of age);

o Widow B Pension (if s/he has a dependent child under 16 years of age);

o Widow Allowance (if s/he has a dependent child under 16 years of age); or

• One of the following benefits from the Department of Veterans' Affairs:

o Invalidity Service Pension;

o Carer Service Pension;

o Defence Widow/er Pension (if s/he has a dependent child under 16 years of

age);

o War Widow/er Pension (if s/he has a dependent child under 16 years of age).

A student who is qualified for ABSTUDY PES, but whose circumstances are not listed above,

may qualify for a two-thirds concessional study-load or a disability concessional study-load if

s/he meets the provisions set out in 48.2 or 48.3.

**4**

**8.4.1 Pension ceases during the course of study**

An ABSTUDY PES customer who ceases to be in receipt of one of the payments listed in 48.4

during an enrolment period can retain the 25% study-load concession until the end of that

enrolment period for the purposes of assessing eligibility for Living Allowance.

An ABSTUDY PES customer who ceases to be in receipt of one of the payments listed in 48.4

outside an enrolment period, that is, during a mid-year or long vacation, will need to meet

normal study-load requirements from the start of the next enrolment period for the purposes of

assessing eligibility for Living Allowance.

See also 48.3.2 for policy when a Disability Support pensioner ceases to be in receipt of that

pension.

**ABSTUDY Study Requirement: Chapter 49 - Attendance requirements for**

**secondary school students**

This chapter discusses the attendance requirements for secondary school students, and the

consequences if attendance requirements are not met.

**On this page**

• 49.1 Attendance requirements

• 49.2 Activity Test

• 49.3 Absences

• 49.4 Extended Period of Absence

• 49.5 Absence due to Suspension or Expulsion

• 49.6 Penalties for Failure to Meet the Activity Test Requirements

• 49.7 Activity Agreement

**49.1 Attendance requirements**

In order to qualify for the Schooling B Award, a secondary school student must participate in

full-time study.

The student must also meet the requirements of the Activity Test for secondary school students.

**49.2 Activity Test**

A secondary school student is considered to meet the Activity Test for ABSTUDY if s/he:

• either:

o attends school on a daily basis; or

o does not attend school daily but meets the relevant State/Territory education

authority’s requirements for home-based schooling; or

o does not attend school daily but meets the school’s requirements for study of

course work at home; or

o does not attend school daily but meets the attendance requirements of their

school programme as determined by the school e.g. modified school

programme for high risk students; and

• does not accumulate a total of more than five unapproved absences in a school term.

**49.2.1 Activity Test not applicable**

The following secondary school students are not subject to an Activity Test:

• Schooling A Award students;

• students aged less than 16 years and in receipt of ABSTUDY Living Allowance, and

• students of any age who are approved for Away from Home entitlements who reside at

a boarding school or hostel.

**49.3 Absences**

A secondary school student is considered to have an absence from school where s/he does not

attend school on a day where attendance was required. There are two types of absences for

secondary school students:

• approved absence; and

• unapproved absence.

**49.3.1 Approved absence**

An approved absence is a period of absence that results from circumstances beyond the

student or applicant’s control, and is approved by the school as such.

**49.3.1.1 Absence due to transfer between schools**

An absence of up to 10 days may be disregarded where it results from a transfer between

schools.

**49.3.2 Unapproved Absences**

Unapproved absences include full days of absence from classes in respect of which:

• either:

o the Principal or delegate of the approved education institution certifies that the

secondary school student has not been in attendance at the school for the day;

or

o the applicant informs Centrelink that the secondary school student has not been

in attendance at the school for the day; and

• the secondary school student's absence was not approved by the education institution.

**49.3.2.1 Retrospective approval of absence**

Where retrospective approval of an absence has been granted by the school, the secondary

school student will be considered to have had an approved absence.

**49.4 Extended Period of Absence**

**49.4.1 Extended period of unapproved absence**

If an education institution advises that a secondary school student has continuously failed to

meet compulsory attendance requirements for a period in excess of two weeks without an

acceptable reason, the secondary school student will be deemed to have discontinued full-time

study. Refer to 73.3 to determine the date from which payments should be cancelled.

**49.4.2 Extended period of approved absence**

Full-time secondary school students will retain their entitlement to ABSTUDY during extended

periods of approved absence, unless they discontinue study.

**49.4.3 Subsequent resumption of study**

If a secondary school student subsequently resumes after an extended period of unapproved

absence, the provisions in Chapter 73 Living Allowance entitlement periods will apply unless the

education institution retrospectively approves the period of absence.

**49.4.4 Retrospective approval of extended absence**

Where retrospective approval for an absence has been granted the secondary school student

will not be considered to have discontinued full-time study.

**49.5 Absence due to Suspension or Expulsion**

A secondary school student has no entitlement to Living Allowance, Rent Assistance, Remote

Area Allowance or Pharmaceutical Allowance for a period during which s/he is expelled,

suspended or excluded from school.

**49.5.1 Boarding school or hostel entitlement where student suspended or expelled**

Where payments have been made to a boarding school or hostel on a term-in-advance basis,

and the student is subsequently suspended or expelled, refer to 73.3.2 Discontinued boarding

at a boarding school and 73.3.3 Discontinued boarding at a hostel to determine the effect of

the suspension or expulsion upon the term-in-advance payment.

**49.6 Penalties for Failure to Meet the Activity Test Requirements**

**49.6.1 Breaches**

Where a student fails to meet the requirements of the Activity Test, a breach may be applied.

**49.6.1.1 First breach in a year**

The first breach of the Activity Test occurs where a student has accumulated a total of more

than five days of unapproved absences in a school term. Where this has occurred, the

secondary school student **will be required** to enter into an ABSTUDY Activity Agreement in

order to remain eligible for ABSTUDY.

**49.6.1.2 Second breach in a year**

The second breach of the Activity Test occurs where a student has not complied with the terms

of the Activity Agreement. Where a second breach has occurred, a penalty of 18% reduction of

Maximum basic rate (Living Allowance) is applied for a period of 26 weeks.

**49.6.1.3 Third breach in a year**

The third breach of the Activity Test occurs where a student has again not complied with the

terms of the Activity Agreement. Where a third breach has occurred, a penalty of 24%

reduction of Maximum basic rate (Living Allowance) is applied for a period of 26 weeks.

**49.6.1.4 Fourth and subsequent breaches in a year**

The fourth breach of the Activity Test occurs where a student has still not complied with the

terms of the Activity Agreement. Where a fourth (or subsequent) breach has occurred, a

penalty of 100% reduction of Maximum basic rate (Living Allowance) plus add-ons (i.e. Rent

Assistance, Remote Area Allowance and Pharmaceutical Allowance) is applied for a period of 8

weeks.

**49.6.2 Concurrent Breach Penalties**

If, at the time of the application of one of the breach penalties detailed in 49.4.1, the

secondary school student is already subject to one or more pre-existing breach penalties, these

penalties are served concurrently, with the greater penalty being applied. That is, subsequent

penalties replace pre-existing penalties.

**49.7 Activity Agreement**

Where a secondary school student incurs the first breach in a year by accumulating unapproved

absences totalling more than 5 days in a term, s/he must enter into an ABSTUDY Activity

Agreement in order to retain eligibility for payments.

An Activity Agreement is a written commitment by the student to undertake agreed activities in

order to retain his/her entitlement to ABSTUDY. These activities are formulated as an outcome

of negotiations between the secondary school student and Centrelink. The activity agreement is

designed to reaffirm the student’s commitment to full-time study, and as such will take into

account the student’s individual circumstances and will be based on reasonable and achievable

activities that will lead to educational outcomes. This will include a requirement that the

student must participate in full-time study, including attendance at school where required.

**49.7.1 Exemptions from requirement to enter Activity Agreement**

A secondary school student may be exempt from the requirement to enter an Activity

Agreement where:

• there are circumstances that make it unreasonable for the student to meet normal

attendance requirements, for example, major personal crisis, homelessness, caring

responsibilities, bereavement or confinement; and

• the school approves the student’s exemption from normal attendance requirements.

**ABSTUDY Study Requirement: Chapter 50 - Requirement to Undertake**

**the Course for Secondary (non-school), Tertiary and Masters and**

**Doctorate students**

This chapter discusses the requirement that secondary non-school, tertiary and Masters &

Doctorate students undertake the course/s in which they are enrolled, and the circumstances in

which payment can continue during periods of extended absence.

**On this page**

• 50.1 Requirement to be undertaking the course

• 50.2 Extended periods of absence

**50.1 Requirement to be undertaking the course**

There are no specific attendance requirements for students under the Secondary (non-school),

Tertiary and Masters & Doctorate Awards, however, to qualify for these Awards, a secondary

non-school, tertiary, and Masters and Doctorate level student must undertake the course in

which s/he is enrolled.

A student is considered to be undertaking the course where s/he meets the institution’s

requirements in relation to attendance and submission of coursework. A student will be

considered to be not undertaking the course where the institution advises that the student is

not meeting the institution’s requirements in relation to attendance and submission of

coursework.

**50.1.1 Australian Apprentices**

An Australian Apprentice under the tertiary award must be undertaking an apprenticeship,

traineeship, trainee apprenticeship on a full-time basis under the Australian Apprenticeship

Scheme. A “Training Agreement” or “Contract of Training” will be registered with the relevant

State/Territory Training Authority and based on the information contained in the document,

DEEWR will determine whether the Australian Apprentice is full-time. For an Australian

Apprentice to be considered to be undertaking an apprenticeship, traineeship or trainee

apprenticeship, they must also have a current Commonwealth Registration Number.

**50.2 Extended periods of absence**

A secondary non-school, tertiary, and Masters and Doctorate level student will continue to be

regarded as a full-time (or concessional study-load) student during an extended period of

absence of up to eight weeks provided they:

• remain enrolled by the education institution; and

• provide evidence, such as a medical certificate, that:

o states the nature of the condition leading to absence and confirms that the condition

prevents the student from studying full-time; and

o confirms that the condition is of a temporary nature and states the date on which the

period of incapacity commenced and the date on which the student is expected to be

able to resume full-time study.

Students will be considered to have discontinued study at the end of the period as specified in

the medical certificate unless they resume study or receive an additional extension as detailed

below.

**50.2.1 Additional extended period of absence**

An additional period of extension of entitlement may be granted if:

• the student continues to remain enrolled in the course; and

• a further medical certificate is provided containing the information indicated under

extended period above; and

• a statement is received from the institution's Academic Registrar, or equivalent officer,

which states that, at the end of the expected period of incapacity, the student will be

allowed to resume full-time study in the course.

Students will be considered to have discontinued study on the last day of the period specified in

the second medical certificate if they do not resume full-time study on the following day. No

further extension to the period of absence may be approved.

**50.2.2 Australian Apprentice absences**

An Australian Apprentice will continue to be regarded as a full-time Australian Apprentice

during any periods of absence, as long as they are considered to:

• be undertaking an apprenticeship, traineeship or trainee apprenticeship under the

Australian Apprenticeship Scheme; and

• have a current Commonwealth Registration Number but does not include a person

whose registration number is suspended.

As absences will normally be advised or negotiated with employers, Australian Apprentices will

be considered to have continuing entitlement to ABSTUDY as long as they continue to meet all

other relevant criteria. It is the responsibility of the Australian Apprentice to provide the

employer with notification and any evidence regarding absences due to a medical condition or

other requirements under their employment conditions. These requirements would normally be

contained within the Australian Apprentices Training Agreement.

**ABSTUDY Study Requirement: Chapter 51 - Progress Rules from 1 July**

**2007**

**Note:** As announced in the 2006-07 Budget, from 1 July 2007 students undertaking Certificate

I and II level courses are subject to progress rules.

Students undertaking Certificate I and II level courses will be assessed under the policy

outlined at Chapter 52 for the period up to and including 30 June 2007.

From 1 July 2007, all assessments are made in accordance with the policy outlined in this

Chapter.

There are limits on the amount of study for which ABSTUDY is payable. This chapter outlines

the progress rules that apply to ABSTUDY entitlements.

**On this page**

• 51.1 ABSTUDY Progress Rules

• 51.1.2 ABSTUDY Awards subject to Progress Rules

• 51.2 Reasonable Time

• 51.2.1 Reasonable time for different courses

• 51.2.2 Calculating reasonable time

• 51.2.3 Study to be disregarded when calculating reasonable time

• 51.2.4 When is reasonable time measured?

• 51.2.5 Approval of an extension to reasonable time

• 51.3 Limits of Assistance

• 51.3.1 Limits of assistance for courses

• 51.3.2 Calculating limits of assistance for Certificate I and II courses

• 51.3.3 Calculating limits of assistance for Bachelor, Masters and Doctorate Courses

• 51.3.4 Study taken into account when calculating limits of assistance

**51.1 ABSTUDY Progress Rules**

There are two aspects to ABSTUDY progress rules:

• Reasonable time; and

• Limits on duration of assistance for degree level courses.

**51.1.2 ABSTUDY Awards subject to Progress Rules**

Progress rules apply to students studying secondary non-school courses and tertiary level

courses. The following ABSTUDY Awards are subject to progress rules:

• Schooling A Award;

• Schooling B Award;

• Tertiary Award;

• Masters and Doctorate Award;

• Part-time Award; and

• Lawful Custody Award

ABSTUDY progress rules do not apply to Australian Apprenticeships.

**51.2 Reasonable Time**

The ABSTUDY reasonable time rules limit the length of time a student may receive ABSTUDY to

study in a particular course. Where a student has reached or exceeded the reasonable time for

study in a course, ABSTUDY is no longer payable.

**51.2.1 Reasonable time for different courses**

The table below defines what constitutes a reasonable time for different secondary non-school

(including enabling/bridging courses) and tertiary courses (including Certificate courses).

**If the course is... then a reasonable time to complete the**

**course is...**

two years' duration or less twice the normal course duration.

A course of more than two years'

duration

the normal course duration plus two years.

**51.2.2 Calculating reasonable time**

The assessment of whether a student has reached or exceeded the reasonable time for study in

a particular course involves a comparison of the reasonable time for that course with the length

of time the student has studied in that particular course. All time spent in that course is taken

into equal account, regardless of the study-load.

**51.2.3 Study to be disregarded when calculating reasonable time**

When calculating reasonable time, the following are disregarded:

• periods of study for which Living Allowance or Pensioner Education Supplement (PES)

was not paid, regardless of the reason why these were not paid;

• periods of study in courses other than the one for which reasonable time is being

calculated are not taken into account, and;

• studies undertaken more than 10 years before the year for which assistance is being

claimed.

**51.2.4 When is reasonable time measured?**

A student's eligibility under reasonable time rules is measured at the start of the academic year

for which assistance is being sought, and at that time, the student must have studied **less** than

the maximum time allowed.

Where a student is eligible under reasonable time rules at the start of the academic year, they

remain eligible under reasonable time rules until the end of the academic year, even where

reasonable time would have been met or exceeded during that year.

**51.2.5 Approval of an extension to reasonable time**

A student’s eligibility under the reasonable time rules may be extended by up to one year

beyond the reasonable time duration specified in 51.2.1 if:

• the student's progress has been impeded by physical, psychiatric or intellectual

disability or other circumstance beyond her/his control, and;

• the education institution recommends in writing that the student continues the course

and indicates that the student is expected to complete the course in this year.

**51.3 Limits of Assistance**

The ABSTUDY limits of assistance rules limit the length of time a student may receive ABSTUDY

to study Certificate I and II level courses, degree and Masters and Doctorate courses. When a

student has met or exceeded the limits, ABSTUDY is no longer payable.

**51.3.1 Limits of assistance for courses**

ABSTUDY assistance is limited to:

• four years of study for *any combination* of Statement of Attainment, Certificate I or II

level courses; and

• one undergraduate Bachelor degree (including Honours, Masters qualifying year/s,

combined degrees and/or prerequisite studies); and

• one of the following three options:

o one degree at Master level and one degree at Doctorate level; or

o two degrees at Masters level; or

o two degrees at Doctorate level.

Limits of assistance rules do not apply to studies other than Statement of

Attainment, Certificate levels I and II, Bachelor, Masters or Doctorate level courses.

**51.3.2 Calculating limits of assistance for Certificate I and II courses**

Students undertaking Certificates I and/or II can receive ABSTUDY Living Allowance and/or PES

for a maximum of four years in total, for any combination of Certificate I or II courses.

If, at the commencement of the year of claim, the length of time that the student has received

ABSTUDY Living Allowance or PES for study at the Certificate I or II level is greater than or

equal to four years, then the student is not eligible for further assistance.

**51.3.3 Calculating limits of assistance for Bachelor, Masters and Doctorate**

**Courses**

The assessment of whether a student has met or exceeded the limits of assistance is to include

a comparison of the reasonable time for the course (plus any extension approved under 51.2.7)

with the length of time for which the student has received ABSTUDY Living Allowance or

Pensioner Education Supplement for study at that study level.

If, at the commencement of the year of claim, the length of time that the student has received

ABSTUDY Living Allowance or PES for study at that level is greater than or equal to the limit of

assistance allowed for the second course, then the student is not eligible for further assistance.

**51.3.4 Study taken into account when calculating limits of assistance**

When calculating the limit of assistance, all time spent in a course of the same study level for

which ABSTUDY Living Allowance and/or PES was received must be declared and counted,

regardless of the study-load.

**ABSTUDY Study Requirement: Chapter 52 - Progress Rules pre 1 July**

**2007**

**Note: These progress rules only apply to assessments prior to 1 July 2007. From 1**

**July 2007 all students are subject to the progress rules at Chapter 51.**

This chapter outlines the progress rules that were previously chapters 51, 52 and 53.

Chapter 51 - There are limits on the amount of study for which ABSTUDY is payable. This

chapter outlined the progress rules that apply to ABSTUDY entitlements.

Chapter 52 - This chapter discussed the ABSTUDY reasonable time rules, which limit the length

of time a student may receive ABSTUDY to study in a particular course.

Chapter 53 - This chapter discussed the rules regarding assistance for degree courses, which

limit the length of time a student may receive ABSTUDY to study at the Bachelor, Masters or

Doctorate level.

**On this page**

• 51.1 ABSTUDY Progress Rules pre 1 July 2007

• 51.2 Reasonable Time

• 51.3 Limits on assistance for degree courses

• 52.1 Reasonable time

• 52.1.1 Reasonable time for NAAP courses

• 52.2 Calculation of reasonable time

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• 53.1.1 Prerequisite study

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prior to 1998

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**51.1 ABSTUDY Progress Rules pre 1 July 2007**

There are two aspects to ABSTUDY progress rules:

• Reasonable time; and

• Limits on duration of assistance for degree level courses.

**51.2 Reasonable Time**

Reasonable time rules limit the length of time a student may receive ABSTUDY to study in a

particular course. Reasonable time rules apply only to students studying secondary non-school

or tertiary level courses; the following ABSTUDY Awards are subject to these reasonable time

rules:

• Schooling A Award;

• Schooling B Award;

• Tertiary Award;

• Masters and Doctorate Award;

• Part-time Award; and

• Lawful Custody Award

Reasonable Time rules do not apply to Australian Apprentices.

**51.3 Limits on assistance for degree courses**

The rules regarding assistance for degree courses limit the length of time a student may

receive ABSTUDY to study at the Bachelor, Masters or Doctorate level. The limits on assistance

for degree courses apply only to students studying a Bachelor degree, Masters degree or a

Doctorate; the following ABSTUDY Awards are subject to these limits on the assistance

available for degree courses:

• Tertiary Award; and

• Masters and Doctorate Award.

**52.1 Reasonable time**

Reasonable time rules limit the length of time that a student may receive ABSTUDY to study in

a particular course. Where a student has reached the reasonable time for study in a course,

ABSTUDY is no longer payable for that course.

The table below defines what constitutes a reasonable time for different secondary non-school

and tertiary courses.

**If the course is... then a reasonable time to complete the course is...**

two years' duration or less twice the normal course duration.

a course of more than two years'

duration

the normal course duration plus two years.

**52.1.1 Reasonable time for NAAP courses**

New Apprenticeships Access Programme (NAAP) courses run for a maximum of 26

weeks. Eligible ABSTUDY students can only be paid assistance for the actual duration of their

course.

**Note**: Not all NAAP students will be required to study for the full 26 weeks.

**52.2 Calculation of reasonable time**

The assessment of whether a student has reached the reasonable time for study in a particular

course involves a comparison of the reasonable time for that course with the length of time the

student has studied in that particular course. All time spent in that course for which ABSTUDY

was received is taken into equal account, regardless of the study-load, the time elapsed since

that study was undertaken, and whether or not Australian Government assistance was received

for that study.

**52.2.1 Study not taken into account when calculating reasonable time**

When calculating whether a student has reached the reasonable time for a particular course of

study, periods of study in courses other than the one for which reasonable time is being

calculated are not taken into account. Further more, study undertaken 10 years ago or more is

not taken into account. Nor is study for which ABSTUDY was not paid.

**52.3 When is reasonable time measured?**

A student's eligibility under reasonable time rules should be measured when a student

commences study for a year; at that date, the study undertaken by the student in that course

must be less than the maximum time limit allowed. Where a student is eligible under

reasonable time rules at the start of the academic year, a student is considered to remain

eligible under reasonable time rules until the end of the academic year, even where reasonable

time would have been reached during that year.

**52.4 Approval of an extension to reasonable time**

A student’s eligibility under the reasonable time rules may be extended by up to one year

beyond the reasonable time duration specified in 52.1 if:

• the student's progress has been impeded by physical, psychiatric or intellectual

disability or other circumstance beyond her/his control; and

• the education institution recommends in writing that the student continues the course

and indicates that the student is expected to complete the course in this year.

**53.1 Limits of assistance**

ABSTUDY assistance is normally limited to:

• one undergraduate Bachelor degree (including Honours, Masters qualifying year/s,

combined degrees and/or prerequisite studies); and

• one of the following three options:

o one degree at Master level and one degree at Doctorate level; or

o two degrees at Masters level; or

o two degrees at Doctorate level.

Limits of assistance rules do not apply to studies other than Bachelor, Masters or Doctorate

level courses.

**53.1.1 Prerequisite study**

Where a previously completed degree course is either:

• a recognised prerequisite for entry to another degree course; or

• accepted as a prerequisite for entry to another degree course on the basis of an

arrangement made with the institution that is specific to the student

then the previously completed degree course is disregarded for the purposes of calculating the

limits of assistance for degree courses.

**53.1.2 Professional admission courses**

The Barristers or Solicitors Admission Board's course or other similar professional admission

courses for graduates may be approved following completion of an undergraduate degree

where it is an essential requirement for entry to the profession relevant to the completed

undergraduate degree. Such courses may be completed in addition to the number of degree

courses permitted under the limits of assistance rules.

**53.1.3 Masters qualifying course**

A Master's qualifying course can be a year of undergraduate study that is an alternative to the

completion of an Honours year and enables entry to Masters or Doctorate study. The Masters

Qualifying year is undertaken following the completion of an undergraduate pass degree, that is,

a degree without Honours, so that a student can receive assistance to complete an Honours

year or a Masters Qualifying course, but not both.

**53.1.4 Limits of assistance for students continuing study in a degree course that**

**commenced prior to 1998**

Where a student is continuing study in a second or subsequent degree course that s/he

commenced prior to 1998 and has been undertaking on a continuous basis since then, previous

degree/s undertaken at that level may be disregarded for the purposes of determining eligibility

under the limits of assistance rules. This exception applies until either:

• the student completes the degree course in question; or

• the student discontinues or defers studies.

**53.2 Calculating limits of assistance**

The assessment of whether a student has exceeded the limits of assistance in a degree course

is to include a comparison of the reasonable time for the course with the length of time for

which the student has received ABSTUDY Living Allowance or Pensioner Education Supplement

for study at that study level. Additional reasonable time may need to be considered in

accordance with 52.4.

If, at the commencement of the year of claim, the length of time that the student has received

ABSTUDY Living Allowance or Pensioner Education Supplement for study at the level of the

degree course is greater than or equal to the reasonable time allowed for the second course,

**53.2.1 Study not taken into account when calculating limits of assistance**

When calculating previous study time for degree level study, the following are not taken into

account:

• periods of study for which Living Allowance or Pensioner Education Supplement was not

paid, regardless of the reason why these were not paid;

• periods of study in courses other than degree level courses; and

• studies undertaken more than 10 years before the year for which assistance is being

claimed.

**ABSTUDY Study Requirement: Chapter 54 - Study through Open**

**Universities Australia**

This chapter discusses the assessment of study through Open Universities Australia (OUA) for

ABSTUDY purposes.

**On this page**

• 54.1 Study-load of Open Universities Australia (OUA) units

• 54.2 Closing date for claims for OUA students

• 54.3 Break in study rule

**54.1 Study-load of Open Universities Australia (OUA) units**

**54.1.1 University Level Units through OUA**

University level units through OUA are either:

• single units with a credit weighting of 1/8 or 0.125, generally run over one study period

of 13 weeks and identified by a 2 number unit code (eg PSY11); or

• double units with a credit weighting of 1/4 or 0.25, generally run over two or more

consecutive study periods and identified by a 3 number unit code, (eg FRE112).

**For ABSTUDY purposes, the normal full-time (100%) workload for an OUA student undertaking university level**

**units is 1/4 or 0.25 over a single study period of 13 weeks.**

**54.1.2 Vocational and Technical Education (VTE) modules through OUA**

For ABSTUDY purposes the normal full time study-load for an OUA student undertaking VTE

modules is 214 hours in a single study period. Therefore, students who undertake OUA VTE

modules equivalent to 160 hours per study period are considered to be enrolled in 75% of the

normal full-time study-load.

For VTE courses, the unit registration of students over two or more study periods is not

averaged across the study periods.

**54.2 Closing date for claims for OUA students**

With the exception of the closing dates, the provisions relating to lodgement of ABSTUDY

claims set out in 6.3 apply to OUA students.

The closing date for lodgement of ABSTUDY claims for OUA students is the last day of the study

period for which the student is seeking ABSTUDY.

**54.3 Break in study rule**

For the purposes of determining the start date of Living Allowance entitlement set out in 73.2,

OUA students who have had a break of more than two study periods are considered to have

had a break in full-time or concessional study-load study of more than one semester.

**ABSTUDY Study Requirement: Chapter 55 - Overseas Study**

Students may be eligible for ABSTUDY allowances when studying overseas if they meet the

guidelines outlined in this chapter. This chapter covers these circumstances and criteria in

detail.

**On this page**

• 55.1 Secondary school students studying overseas

• 55.2 Secondary non-school, tertiary, and Masters & Doctorate Level students studying

overseas

• 55.3 Entitlements for students studying overseas

**55.1 Secondary school students studying overseas**

**55.1.1 Eligibility for secondary school student studying overseas**

A secondary school student who is studying overseas is eligible for ABSTUDY assistance where:

• the education institution at which the student is studying is equivalent to an approved

education institution in Australia; and

• the course the student is studying is at secondary level and meets the study-load

provisions set down for secondary school students.

**55.1.1.1 Documentation**

As determined by Centrelink, evidence may be required to support the claim for assistance for

a secondary school student studying overseas.

**55.1.2 Period of assistance for secondary school students studying overseas**

The table below lists the periods for which overseas ABSTUDY assistance may be approved

under certain circumstances.

|  |  |
| --- | --- |
| **If the student is...** | **then assistance is approved for...** |
| participating in an international educational  exchange programme recognised by the  relevant State or Territory education  authority | the period of the study at an overseas  education institution. |
| accompanying parent(s)/guardian(s) who  are employed by the Australian  Government (e.g. members of the  Australian Defence Force) | the period of the overseas posting. |
| studying overseas for any other reason | a period of 12 months from the first  date of attendance at the overseas  education institution, i.e. where a  student does not return to Australia,  ABSTUDY assistance ceases from the  end of the payment period that  includes the anniversary of the first  date of attendance. |

**55.1.3 Attendance**

The attendance provisions applying to secondary school students studying in Australia also

apply to secondary school students studying overseas.

**55.2 Secondary non-school, tertiary, and Masters & Doctorate Level students**

**studying overseas**

**55.2.1 Eligibility for secondary non-school, tertiary, and Masters & Doctorate Level students studying overseas**

A secondary non-school, tertiary or Masters & Doctorate level student who is studying overseas

is eligible for ABSTUDY assistance where:

• the student is enrolled on a full-time or concessional study-load basis in an approved

course at a Australian higher education institution which approves the overseas study

and is prepared to credit the results of study at the overseas education institution

toward the approved course; and

• the student meets the normal study-load requirements in respect of the approved

Australian course.

The student must also ensure they remain enrolled in an approved course at an Australian

higher education institution. Where a student defers their enrolment from the Australian higher

education institution and is still enrolled at an overseas institution, they will no longer be

eligible for ABSTUDY assistance.

The period of study overseas need not be compulsory for all students.

**55.2.1.1 Documentation**

As determined by Centrelink, evidence may be required to support the claim for assistance for

a secondary non-school, tertiary or Masters and Doctorate level student studying overseas.

**55.2.2 Period of assistance for secondary non-school, tertiary, and Masters & Doctorate Level students studying**

**overseas**

There is no limit to the period of assistance for secondary non-school, tertiary or Masters and

Doctorate students who are undertaking overseas study, provided other eligibility and

reasonable time conditions are met.

**55.3 Entitlements for students studying overseas**

**55.3.1 Entitlements**

Subject to the Living Allowance and Fares Allowance provisions, students approved to study

overseas do not receive any additional entitlements over and above their entitlements if

studying at an approved Australian institution.

**55.3.1.1 Rate of Living Allowance**

Secondary school students may qualify for Living Allowance at the Away From Home or

independent rate if their circumstances overseas would meet the requirements for these rates

were the student in Australia.

A secondary non-school, tertiary, or Masters & Doctorate Level student approved for ABSTUDY

while studying overseas is entitled to the Away From Home rate of Living Allowance.

**55.3.1.2 Fares allowance**

Students approved to study overseas may receive Fares Allowance entitlements, for travel

within the overseas country, if their circumstances overseas would entitle them to Fares

Allowance if these conditions were experienced in Australia, e.g. the student’s family is posted

to a remote area overseas.

Fares allowance to travel between Australia and the overseas country is not available.

**ABSTUDY, Means Tests: Chapter 56 - Introduction to Means Testing**

Certain ABSTUDY allowances are subject to means tests to determine the level of entitlement

payable.

**On this page**

• 56.1 Allowances subject to means testing

• 56.2 Allowances not subject to means testing

• 56.3 Means tests for dependent ABSTUDY customers

• 56.4 Means tests for independent ABSTUDY customers

• 56.5 Means tests for ABSTUDY customers in State Care

**56.1 Allowances subject to means testing**

The following allowances are subject to means tests to determine the level of entitlement

payable:

• Living Allowance, including Rent Assistance, Remote Area Allowance, Pharmaceutical

Allowance;

• Group 2 School Fees Allowance greater than the non-income tested amount.

**56.1.1 Allowances subject to indirect means testing**

The following allowances are not subject to the means tests covered in Part VII, however

applicants are required to be in receipt of certain means-tested payments to qualify for these

allowances:

• School Term Allowance;

• Group 1 School Fees Allowance; and

• Pensioner Education Supplement.

Refer to the chapters on specific allowances for details.

**56.2 Allowances not subject to means testing**

The following allowances are not subject to means tests to determine the level of entitlement

payable:

• Group 2 School Fees Allowance (non-income-tested amount)

• Incidentals Allowance

• Additional Incidentals Allowance

• Fares Allowance

• Lawful Custody Allowance

• Additional Assistance

• Away-from-base entitlements

• Relocation Allowance

• Thesis Allowance

• Assistance to pay for compulsory course fees or Commonwealth supported places,

previously known as the Higher Education Contribution Scheme (HECS).

**56.3 Means tests for dependent ABSTUDY customers**

Dependent customers applying for Living Allowance (plus Rent Assistance, Remote Area

Allowance and Pharmaceutical Allowance) and/or Group 2 School Fees Allowance are subject to

one or more of the following tests:

• Parental Income Test;

• Family Assets Test;

• Family Actual Means Test (FAMT); and

• Personal Income Test.

Where all four tests are applied, the test that produces the higher rate out of the Parental

Income Test and the FAMT is disregarded.

Dependent customers aged under 16 years are not subject to the personal income test.

**56.4 Means tests for independent ABSTUDY customers**

Independent customers applying for Living Allowance (plus Rent Assistance, Remote Area

Allowance and Pharmaceutical Allowance) are subject to the following tests:

• Personal Assets Test (if the customer is partnered, this test includes the assets of the

customer’s partner);

• Partner Income Test; and

• Personal Income Test (with the exception of Independent students aged under 16 years,

who are exempted from the Personal Income Test).

Australian Apprentices who are independent and under 16 years of age will have the Personal

Income Test applied to their Living Allowance (plus Rent Assistance, Remote Area Allowance

and Pharmaceutical Allowance) as they are considered to be earning an income working fulltime

as an apprentice, trainee or trainee apprentice.

**56.5 Means tests for ABSTUDY customers in State Care**

Customers in State Care who are applying for Living Allowance are subject to the following test:

• Personal Income Test (with the exception of students in State Care aged under 16

years, who are exempted from the Personal Income Test).

**ABSTUDY, Means Tests: Chapter 57 - Calculating ABSTUDY Rates**

This chapter describes the calculation of rates of ABSTUDY Living Allowance (plus Rent

Assistance, Remote Area Allowance and Pharmaceutical Allowance) and Group 2 School Fees

Allowance, and the effect of the Parental, Partner and Personal Income Tests.

**On this page**

• 57.1 Overall Living Allowance rate calculation process

• 57.2 Overall Group 2 School Fees Allowance rate calculation process

**57.1 Overall Living Allowance rate calculation process**

**57.1.1 Method of calculating rate of Living Allowance (plus Youth Disability Supplement, Rent Assistance,**

**Remote Area Allowance and Pharmaceutical Allowance)**

The fortnightly (and where applicable, term-in-advance) payments of Living Allowance will also

incorporate the customer’s entitlement, if any, to Rent Assistance and Pharmaceutical

Allowance. The income test/s are applied to the combined total of these allowances. Where a

customer is also entitled to Remote Area Allowance or Youth Disability Supplement, this also

forms part of the fortnightly (and where applicable, term-in-advance) payments.

The rate of allowance is a daily rate. That rate is worked out by dividing the fortnightly rate

calculated according to this Rate Calculator by 14.

**57.1.2 Steps to calculate rate of Living Allowance (plus Rent Assistance, Remote Area Allowance and**

**Pharmaceutical Allowance)**

|  |  |
| --- | --- |
| **Step 1** | Work out the person's maximum basic rate by referring to Chapter 72 Living Allowance and the Guide to Australian Government Payments . |
| **Step 2** | Work out the amount a fortnight (if any) of Youth Disability Supplement by referring to Chapter 72 Living Allowance and A guide to Australian Government payments |
| **Step 3** | Work out the amount a fortnight (if any) of Pharmaceutical Allowance by referring to Chapter 80 Pharmaceutical Allowance and the Guide to Australian Government Payments . |
| **Step 4** | Work out the applicable amount (if any) for Rent Assistance by referring to Chapter 76 Rent Assistance and the Guide to Australian Government Payments . |
| **Step 5** | Add up the amounts obtained in **Steps 1** to **4**: the result is the **maximum payment rate**. |
| **Step 6** | If the person is not independent and the parental income test applies to the person, work out the **reduction for parental income** using Chapter 58 Parental Income Test and Limits and take the reduction away from the maximum payment rate: the result is the **parental income test reduced rate**. |
| **Step 7** | If the parental income test reduced rate is nil, then ABSTUDY Living Allowance (plus Rent Assistance and Pharmaceutical Allowance) is not payable to the person and the following steps are to be disregarded. |
| **Step 8** | If the person is not independent and the family actual means test applies to the person (Refer to Chapter 66 Family Actual Means Test), work out the person's **reduction for actual means** using Chapter 69 Application of the Family Actual Means Test and take the reduction away from the maximum payment rate: the result is the **actual means test reduced rate**. |
| **Step 9** | If the actual means test reduced rate is nil, then ABSTUDY Living Allowance (plus Rent  Assistance and Pharmaceutical Allowance) is not payable to the person and the following steps are to be disregarded. |
| **Step 10** | Apply the Personal Income Test, referring to Chapter 61 Personal Income Test to work out the person's income reduction. |
| **Step 11** | Take the person's income reduction away from: (a) if the person is not independent and **Steps 6** and **8** did not apply to the person-the maximum payment rate; or  (b) if the person is not independent and **Step 6** applied to the person but **Steps 7** and **8** did not-the parental income test reduced rate; or  (c) if the person is not independent and **Step 8** applied to the person but **Steps 6** and **9** did not-the actual means test reduced rate; or  (d) if the person is not independent and **Steps 6** and **8** applied to the person but **Steps 7**  and **9** did not-the parental income test reduced rate, or (if the actual means test reduced rate is lower) the actual means test reduced rate; or  (e) if the person is independent -the maximum payment rate; the result is the **personal income test reduced rate**. |
| **Step 12** | If the person is independent and has a partner, apply the Partner Income Test using Chapter 60 Partner Income Test and Limits to work out the reduction for partner income. Take the reduction away from the **personal income test reduced rate**. The result is the **provisional fortnightly payment rate**. **Note:** If a person's rate is reduced under **Step 6, 8, 11** or **12**, the order in which the reduction is to be made is Living Allowance first, then Rent Assistance, then Pharmaceutical Allowance. |
| **Step 13** | The **rate of allowance** is the amount obtained by:  (a) subtracting from the provisional fortnightly payment rate any advance payment deduction (see 75.4 Repayment of Advance Payments); and  (b) adding any amount payable by way of Remote Area Allowance (see Chapter 79 Remote Area Allowance). |

**57.2 Overall Group 2 School Fees Allowance rate calculation process**

**7.2.1 Method of calculating rate of Group 2 School Fees Allowance**

The rate of allowance is a daily rate. That rate is worked out by dividing the annual rate

calculated according to this Rate Calculator by the number of days in the calendar year.

**57.2.2 Steps to calculate rate of Group 2 School Fees Allowance**

|  |  |
| --- | --- |
| **Step 1** | Determine if the **annual school fees charged by the school** exceed the **annual income test-free component of Group 2 School Fees Allowance**. Refer to “A Guide to Australian Government payments ” for this amount. |
| **Step 2** | If the **annual school fees charged by the school** do not exceed this amount, then the **annual amount of Group 2 School Fees Allowance payable** is equal to the **annual school fees charged by the school**. Disregard the following steps. |
| **Step 3** | If the **annual school fees charged by the school** do exceed this amount, then determine if the **annual school fees charged by the school** exceed the **maximum annual amount of Group 2 School Fees Allowance**. Refer to “A Guide to Australian Government payments ” for this amount.  • If yes, go to **Step 4**.  • If no, go to **Step 6**. |
| **Step 4** | Where the **annual school fees charged by the school** exceed the **maximum annual amount of Group 2 School Fees Allowance**, the Parental Income Test (Refer to Parental Income Test and Limits Chapter 58) is applied to the **School Fees Allowance amount subject to income testing**.  The **School Fees Allowance amount subject to income testing** is the difference between the **annual income-test-free component of Group 2 School Fees Allowance** and the **maximum annual amount of Group 2 School Fees Allowance**.  Work out the reduction for parental income using Chapter 58 Parental Income Test and Limits and take this reduction away from the **School Fees Allowance amount subject to income**  **testing**. |
| **Step 5** | Add this amount to the **annual income-test-free component of Group 2 School Fees Allowance**. The total is the **annual Group 2 School Fees Allowance entitlement**. Disregard the following steps. |
| **Step 6** | Where the **annual school fees charged by the school** does not exceed the **maximum annual amount of Group 2 School Fees Allowance**, the Parental Income Test (Refer to Parental Income Test and Limits Chapter 58) is applied to the **School Fees Allowance amount subject to income testing**.  The **School Fees Allowance amount subject to income testing** is the difference between the **annual income-test-free component of Group 2 School Fees Allowance** and the **annual school fees charged by the school**.  Work out the reduction for parental income using Chapter 58 Parental Income Test and Limits. Use the annual amount obtained at **Step 5** of 58.5, which is referred to as the Parental Income Excess, and take this annual amount away from the **School Fees Allowance amount subject to income testing**. |
| **Step 7** | Add this amount to the **annual income-test-free component of Group 2 School Fees Allowance**.  The total is the **annual Group 2 School Fees Allowance entitlement**. |

**ABSTUDY, Means Tests: Chapter 58 - Parental Income Test and Limits**

This chapter describes the Parental Income Test that is applied when determining the level of

entitlement payable of certain ABSTUDY allowances.

**On this page**

• 58.1 Exemptions from the Parental Income Test

• 58.2 Whose income is assessed under the Parental Income Test?

• 58.3 Income for the purposes of the Parental Income Test

• 58.4 Income assessed under the Parental Income Test

• 58.5 Parental Income Test

• 58.6 Parental Income Free Area

**58.1 Exemptions from the Parental Income Test**

The Parental Income Test does NOT apply where one or both parents are:

• in receipt of an income support payment; or

• in receipt of Farm Help Income Support or Exceptional Circumstance Relief payments

under Part 5 or 6 of the *Farm Household Support Act 1992*; or

• holders of a current Health Care Card (HCC) or Low Income Health Care Card, including

a HCC issued on the basis of receipt of maximum rate Family Tax Benefit Part A; or

• in receipt of ABSTUDY Living Allowance; or

• in receipt of a Community Development Employment Projects (CDEP) wage as a

participant; or

• taken to be receiving their income support payment during an employment income nil

rate period.

However, the special assessment concession does not apply:

• for a period after the expiry date on the card; or

• where a **Parent** holds a HCC because they receive a social security Mobility Allowance

or Carer Allowance (in respect of a disabled child); or

• if the applicant or the applicant’s Partner holds only a Pensioner Concession Card or a

Commonwealth Seniors Health Card (CSHC).

**58.1.1 Exceptional Circumstances Relief Payment ceases**

A parent receiving payment under the Exceptional Circumstances Relief Payment (ECRP)

provisions of the *Farm Household Support Act 1992* is not subject to the Parental Income Test

from the commencement of the period of receipt of ECRP until 31 December of that year.

**58.2 Whose income is assessed under the Parental Income Test?**

The Parental Income Test is based on the combined income of the student’s or Australian

Apprentice's parent/s.

Where there is a change in parent, the ABSTUDY is income tested in respect of the most recent

parent from the date of change.

**58.3 Income for the purposes of the Parental Income Test**

For the purposes of the Parental Income Test, the components of parental income are:

• taxable income;

• adjusted employer provided benefits (commonly known as fringe benefits) for the

relevant tax year;

• Reportable superannuation contributions;

• target foreign income based on the relevant Australian tax year;

• total net investment loss; and

• maintenance.

**58.3.1 Taxable income**

Taxable income has the same meaning as in the *Income Tax Assessment Act 1997*.

**58.3.2 Adjusted employer provided benefits**

For the purposes of the ABSTUDY Parental Income Test, an employer provided benefit is a

benefit an employer provides to, or on behalf of, an employee for the employee's, or in some

cases their family's, private use. An employer provided benefit is commonly known as a fringe

benefit.

Employer provided benefits include, but are not limited to:

• cars;

• school fees;

• private health insurance;

• low interest loans;

• housing assistance;

• financial investments; and

• expense benefits.

Expense benefits include, but are not limited to:

• telephone expenses;

• holiday expenses;

• medical or hospital expenses;

• union dues/professional association membership fees;

• fuel and/or power expenses, including electricity, gas, oil or firewood;

• entertainment;

• grocery bills;

• credit card accounts;

• sporting or social club fees; and

• childcare expenses.

Amounts paid to meet or reimburse expenses incurred in connection with the employee's

employment are NOT employer provided benefits.

**58.3.3 Reportable superannuation contributions**

For the purposes of ABSTUDY, the reportable superannuation contributions, including amounts

of salary voluntarily sacrificed into superannuation, are the parent’s total reportable

superannuation contributions within the meaning of the *Income Tax Assessment Act 1997* for

the appropriate tax year. The reportable superannuation contributions are added to the

combined parental income for the purposes of the ABSTUDY Parental Income Test, and are also

added to total household expenditure for the purposes of the Family Actual Means Test, along

with any reportable superannuation contributions for each family member of the

claimant/recipient.

**58.3.4 Foreign income**

For the purposes of the ABSTUDY Parental Income Test, foreign income includes:

• any taxable or non-taxable income amount earned, derived or received from sources

outside Australia; AND

• periodical payments or benefits by the way of gifts or allowances from a source outside

Australia.

**58.3.5 Total net investment loss**

For the purposes of ABSTUDY, total net investment loss means the sum of the total net

investment losses of each of the parents of the claimant/recipient in the appropriate tax year

(within the meaning of the *Income Tax Assessment Act 1997*).

The value of such total net investment loss is added to the combined parental income for the

purposes of the ABSTUDY Parental Income Test, and is also added to total household

expenditure for the purposes of the Family Actual Means Test.

**58.3.6 Maintenance**

Maintenance payments are taken into account when assessing combined parental income for

the Parental Income Test. This includes:

• all maintenance received by either parent for the upkeep of a child in their care; and

• partner maintenance.

Maintenance includes payments made or received directly, and payments made or received

indirectly, such as payments via the Child Support Agency, or payments via a third party e.g.

school fees, payment of utility charges.

Maintenance amounts received are included and amounts paid out are deducted.

**58.4 Income assessed under the Parental Income Test**

Income assessed under the Parental Income Test is combined parental income in either:

• the financial year ending on 30 June of the year before the calendar year for which

payment is claimed, referred to as the base tax year; or

• the financial year ending on 30 June of the calendar year for which payment is claimed,

referred to as the current tax year.

Under the Parental Income Test, it is not possible to consider a financial year other than the

base tax year or the current tax year.

Normally, the parental income test would be applied against the base tax year income unless:

• the applicant and/or parent/s request the Parental Income Test be applied against the

current tax year parental income due to a reduction in this income; or

• the parental income for the tax year following the base tax year exceeds 125% of base

tax year parental income and of the claimant's parental income free area. In this case,

from 1 October the Parental Income Test would be applied against the current tax year

parental income.

**58.4.1 Current tax year assessment**

Current year assessments can be used when:

• the parental income is substantially less in the current tax year than in the base tax

year; and

• the decrease in parental income is likely to apply for AT LEAST 2 years from the date

on which the event that led to the decrease occurred or first became apparent.

A broad interpretation of what constitutes “substantially less income” should be applied. If the

parental income has, or will, decrease enough for the student to get ABSTUDY, the decrease

may be accepted as substantial.

**58.5 Parental Income Test**

The following table shows the steps involved in applying the Parental Income Test.

|  |  |
| --- | --- |
| **Step** | **Action** |
| **1** | Determine whether the base tax year or current tax year should apply. |
| **2** | Determine the combined parental income for that year. |
| **3** | Determine the parental income free area. |
| **4** | Does the combined parental income exceed the parental income free area?  • if NO, the test does not affect the customer's maximum rate of ABSTUDY.  • if YES, go to **step 5**. |
| **5** | Determine the parental income excess:  • combined parental income  • less parental income free area  • divided by 4  • the result of the division by 4 is rounded down to the nearest dollar  RESULT: the PARENTAL INCOME EXCESS. |
| **6** | Determine the reduction for parental income:  • parental income excess  • divided by 26  RESULT: the REDUCTION FOR PARENTAL INCOME. |

The manner in which the ABSTUDY Living Allowance (plus Rent Assistance, Remote Area

Allowance and Pharmaceutical Allowance) is affected is set out in Chapter 57 Calculating

ABSTUDY Rates.

**58.6 Parental Income Free Area**

The adjusted Parental Income Free Area (PIFA) is the amount of income the parent/s can have

without affecting the ABSTUDY customer’s rate. If the parental income is above the adjusted

PIFA, the ABSTUDY customer’s rate is reduced.

Every $4 of parental income above the adjusted Parental Income Free Area reduces the rate of

ABSTUDY by $1, which is the minimum amount payable.

The base Parental Income Free Area is set annually. The current base Parental Income Free

Area amount is found in “A Guide to Australian Government Payments ”. Additional

amounts for other dependent children in the parent's care are added to the base PIFA to arrive

at the adjusted PIFA. These amounts are shown in dollars in the following table.

|  |  |
| --- | --- |
| **If the dependent child is…** | **The additional**  **amount is…** |
| the first child under 16, | **$**1,230 |
| the second or a subsequent child under 16, | **$**2,562 |
| • either aged 16-24 and in full-time study or undertaking an  Australian Apprenticeship ; OR  • aged 16-20 if not in full-time study; AND  o not independent for the purposes of ABSTUDY or Youth Allowance, AND  o not receiving Australian Government income support other than ABSTUDY, Youth Allowance or Assistance For Isolated Children Boarding Allowance or Second Home Allowance.  OR  • aged under 16 years; AND  • not independent for the purposes of ABSTUDY or Youth  Allowance; AND  • qualifies for either:  o Assistance for Isolated Children Boarding Allowance or  Second Home Allowance; or  o Where the student has a full-time or concessional studyload,  one of the following:  􀂃 ABSTUDY Schooling B Award;  􀂃 ABSTUDY Tertiary Award;  􀂃 ABSTUDY Masters and Doctorate Award; or  􀂃 School Term Allowance under the ABSTUDY  Schooling A Award | **$**3,792 |
| a tertiary student receiving living away from home rate of ABSTUDY or  Youth Allowance to study while there are at least two such children in  the family, | $7,585 |

**ABSTUDY, Means Tests: Chapter 59 - Assessing Income for the Partner**

**and Personal Income Tests**

This chapter discusses what income is included for the purposes of the personal and partner

income tests.

**On this page**

• 59.1 Personal and Partner Income Tests – Ordinary Income

• 59.2 Employment Income

• 59.3 Income from a Business

• 59.4 Other Ordinary Income

• 59.5 Other Ordinary Income – Scholarships

• 59.6 Exempt income

• 59.7 Exempt Lump Sums

• 59.8 Maintenance

• 59.9 Determining the Rate of Ordinary Income

**59.1 Personal and Partner Income Tests – Ordinary Income**

Where a student has been awarded a Commonwealth Education Costs Scholarship or a

Commonwealth Accommodation Scholarship to assist with challenges in meeting their

education costs, the scholarships are NOT income for the purpose of ABSTUDY Personal and

Partner Income Tests.

The current ABSTUDY Policy is as follows:

**59.2 Employment Income**

Employment Income, or income from employment, is ordinary income derived from

remunerative work undertaken by an employee from an employer/employee relationship.

It includes:

• commissions;

• salaries;

• wages;

• employment-related fringe benefits; and

• profit sharing arrangements in certain industries.

It includes employment income received or earned in Australia or overseas.

It does not include:

• profits from having ownership or an interest in a business or other business income;

• superannuation pensions;

• personal injury compensation; or

• employment related insurance payouts.

To calculate income, the **gross** rate of earnings is used, before taxation or any personal

deductions.

**59.2.1 Assignment of earnings**

If a customer assigns either all or part of their earnings to another person, the amount

assigned is the customer's income and **IS** treated as income for the purposes of the ABSTUDY

Personal and Partner Income Tests.

**59.2.2 Deductions for agency fees**

In some situations customers may have employment agency fees deducted from their after tax

earnings or be required to pay an agency a percentage of their gross income. Agency fees

should be treated like any other employment expense and included in the customer's gross

income used for social security purposes.

**59.2.3 Back pay paid to a person for a period of employment**

Arrears of pay can be treated as income **IF** the person had a 'present legal entitlement' to the

payment of arrears at the time they were earned (for example, the person was underpaid due

to administrative error on the part of the employer).

Back pay paid to a person for a period of employment, where there was no 'present legal

entitlement' is NOT treated as income. 'Present legal entitlement' at the time earned does NOT

exist in situations such as where a workplace agreement backdates a pay increase. In those

situations, 'present legal entitlement' exists from the date of decision to increase pay, not the

earlier date for the commencement of the back pay. Where a person receives arrears for which

there was no 'present legal entitlement', the payment, represents a period in the past. The

arrears cannot be considered twice: once for the past period, and once for the fortnight of

receipt, i.e., the arrears are NOT assessed at all.

**59.2.4 Disputed wages**

Where a customer has performed work but there is a dispute about who is to pay the wages,

the customer may not be paid for the work performed. This means the customer has no

present legal entitlement to be paid for the work and it cannot be said that the customer has

'earned' the amount. The amount not paid is therefore NOT counted as Ordinary Income for

that period.

If an employee had no choice over whether or not their income was deferred, income is NOT

assessed until he or she has received it.

**59.2.5 Allowances paid by employers**

Payment of an allowance from an employer for expenses is NOT included in any income

assessment.

**59.2.6 Fringe Benefits**

A fringe benefit is any benefit received as part of employment conditions that is not a wage or

salary. This includes benefits provided by an employer such as private use of a car or financial

investments. Fringe benefits and any valuable consideration received by a customer are treated

as employment income.

The value of the non-grossed-up fringe benefits is assessed as employment income.

The 'grossed up' amount of a fringe benefit is the amount that would have been paid in cash

salary if it were paid instead of the fringe benefit. The 'grossed up' value is determined by the

employer by using a formula supplied by the Australian Taxation Office (ATO) and is calculated

using the highest marginal rate of income tax plus the Medicare levy.

The 'non-grossed up' amount of a fringe benefit reflects the actual cost to the employer of the

goods or services provided.

**59.2.7 Gifts in lieu of money**

If a customer receives a gift IN LIEU of money for work performed, the value of the gift IS

treated as income for the purposes of the ABSTUDY Partner and Personal Income tests. Such

gifts must be capable of being given a monetary value under the principle of valuable

consideration.

**59.2.8 Ministers of religion**

A minister of religion under a contract for service is neither an employee nor self-employed, but

is a “holder of a religious office”. The gross income of the minister is counted as income for the

purposes of the ABSTUDY Partner and Personal Income Tests; business deductions (such as the

depreciation of assets) cannot be claimed. Fringe benefits that are for the minister’s own

private benefit are valuable consideration and must be included.

**59.2.9 Prisoner’s employment income paid to dependants**

Employment income paid to a prisoner’s dependants, such as employment income while on

work release that is handed over to the prisoner’s family, is regarded as employment income

for the purpose of assessment under the ABSTUDY partner income test.

**59.2.10 Earnings of professional sportspeople**

Remuneration for professional sports games is attributed to the period in which it is earned and

assessed as income in each relevant fortnight in which it is earned, even if payment to the

player is deferred, paid at the end of the season, or at another set time.

**59.2.11 Industry based lump sum payments**

An industry based lump sum payment MAY be conditional upon the customer discontinuing any

involvement in that industry. These lump sum amounts ARE treated as income for 52 weeks

from the date at which they are entitled to be received.

**59.2.12 Profit sharing arrangements**

If a customer receives a lump sum amount from a profit sharing arrangement, then the lump

sum is treated as income for 52 weeks from the date the person is entitled to receive that

amount.

**59.2.13 Salary sacrifice to superannuation – customer over age pension age**

If a customer has reached age pension age, and their employer makes contributions to a

superannuation fund for their benefit, the amount that is paid as part of the employer’s

Superannuation Guarantee Contribution (SGC) obligations, award, collective workplace

agreement or superannuation fund rules will be disregarded as income.

**59.2.14 Salary sacrifice into superannuation - employees under age pension age**

For employees under age pension age, the reportable superannuation contributions within the

meaning of the *Income Tax Assessment Act 1997* for the income year, including amounts of

salary voluntarily sacrificed into superannuation, are income for the purposes of the ABSTUDY

Personal or Partner Income tests.

Employer contributions to superannuation on behalf of an employee under age pension age,

made under the superannuation Guarantee, award, collective workplace agreement or

superannuation fund rules, are NOT assessed as income.

**59.2.15 Salary sacrifice into fringe benefits**

Fringe benefits are valuable consideration. An amount of salary sacrifice into a fringe benefit or

set of fringe benefits IS income.

**59.2.16 Valuable consideration**

Valuable consideration is something received that is not in money form but is capable of being

valued in money terms. Valuable consideration received by a customer **IS** treated as income

for the purposes of the ABSTUDY Partner and Personal Income Tests.

• **giving an item**: If an item is given to a customer, as valuable consideration, the

normal cost of purchasing that item **IS** assessed as income for the 12 month period

from the date the item is received; or

• **hiring or leasing an item**: If an item is provided for a customer's use, the lease or

hire fee IS assessed as income for the duration of the lease or hire agreement.

**59.3 Income from a Business**

Income from a sole trader or partnership business is the net amount:

• AFTER deducting the following allowable expenses for the cost of running a business:

o losses and deductions that relate to the business and are allowable under

section 51 of the *Income Tax Assessment Act 1936* or section 8-1 of the

*Income Tax Assessment Act 1997*; and

o depreciation that relates to the business and is allowable under subsection 54(1)

of the *Income Tax Assessment Act 1936* or division 42 of the *Income Tax*

*Assessment Act 1997*; and

o amounts that relate to the business and are allowable deductions under

subsection 82AAC(1) of the *Income Tax Assessment Act 1936*; AND

• BEFORE income tax and other personal deductions.

**59.4 Other Ordinary Income**

Other ordinary income is all ordinary income that is not employment income.

**59.4.1 Gifts**

Gifts are assessed for the purposes of the ABSTUDY Personal and Partner Income Tests in the

following ways:

• if the gift is a one-off payment, then it is not treated as income;

• if the gift is received regularly from an immediate family member, then the gift is

reduced to a fortnightly equivalent and treated as income;

• if the gift is received regularly from another source, then it is treated as income.

**59.4.2 Legacies**

Money received by way of a legacy or inheritance is NOT treated as income whether received as

a lump sum or by instalments.

**59.4.3 Private companies & trusts**

Dividends and distributions received from private companies and trusts ARE included in the

customer's income. The gross amount of the dividend payment, including any imputation credit,

is the amount to be assessed as income.

The assessed income includes the actual amount of any individual payments, AND any franking

credits attached to them.

**59.4.4 Compensation**

Certain forms of compensation are treated as income for ABSTUDY purposes. Refer to Chapter

62 Compensation.

**59.4.5 Disability pensions paid by Department of Veterans’ Affairs**

Certain payments made by the Department of Veterans’ Affairs, as a group referred to as

adjusted disability pensions, are treated as income for the purposes of the ABSTUDY partner

and personal income tests. These payments include:

• disability pensions paid under Parts II or IV of the *Veterans’ Entitlements Act 1986*;

• dependent pension (a small frozen amount paid to dependants of disability pensioners,

not granted since 1986);

• temporary incapacity allowance; and

• permanent impairment payments and special rate disability pension paid under the

*Military Rehabilitation and Compensation Act 2004*.

Refer to Chapter 12 for information about customers whose ABSTUDY Living Allowance has

been reduced to nil as a result of assessing the above income under the partner and personal

income tests.

**59.5 Other Ordinary Income – Scholarships**

**59.5.1 What is a Scholarship?**

A scholarship is an award made to a student or Australian Apprentice to assist with the costs

associated with education. This may include general living expenses. Scholarships may also be

called bursaries, stipends, awards or grants. They are generally provided to:

• assist recipients to complete an academic qualification,

• obtain specialised training; or

• complete a special project.

Scholarships may be:

• paid to the scholarship recipient directly (in the form of money, or valuable

consideration such as computers or airline flights); or

• indirectly, in the form of a financial obligation paid on behalf of the scholar (such as

prepaid fees), that the student is liable to pay in order to enrol.

**59.5.2 Employees of a Government agency who are awarded a scholarship**

Where a student is an employee of a Government agency, and they are awarded a scholarship

by that agency, their eligibility for ABSTUDY may be affected. Refer to Government Financial

Assistance - Scholarships.

**59.5.3 Non-discretionary fee-waiver and fee-pay scholarships**

Non-discretionary scholarships do not provide any choice to students or Australian

Apprentices over how the scholarship can be used:

• a fee-waiver scholarship is one where an education provider reduces or waives part or

all of the course charges or fees;

• a fee-pay scholarship is one provided by an external provider (e.g. a business, charity

or government department) to pay for tuition fees.

Non-discretionary fee-waiver and fee-pay scholarships are not assessed as income under the

ABSTUDY Partner and Personal Income Tests.

**59.5.4 Scholarships paid directly to the student or Australian Apprentice**

Scholarships or similar payments that are paid directly to the student or Australian Apprentice

are assessed as income under the ABSTUDY Personal and Partner Income Tests unless

otherwise excluded.

**59.5.4.1 Commonwealth Scholarships**

Commonwealth Scholarships are NOT income for the purposes of the ABSTUDY Personal and

Partner Income Tests, nor for purposes of the *Social Security Act* (See *Social Security Act s*

*8(8)(zja) ).*

These scholarships, introduced in 2004, assist students from low socio economic backgrounds,

particularly Indigenous students and students from regional and remote areas who have to

move to undertake higher education studies.

There are two categories of Commonwealth Scholarships and each category includes a number

of scholarship types:

• Commonwealth Education Costs Scholarship (CECS) – this category includes Ordinary

CECS; Associate Degree CECS and Indigenous Enabling CECS; and

• Commonwealth Accommodation Scholarship (CAS) – this category includes Ordinary

CAS; Associate Degree CAS; Indigenous Enabling CAS and the Indigenous Access

Scholarship (also known as CAS-Indigenous Payment).

These scholarships are indexed each year in accordance with the *Higher Education Support Act*

*2003* (Division 198 of Part 5-6).

**59.5.4.2 Value of board & lodging**

If a scholarship provides for either free (or a reduced charge for) board and lodging the value

of the free (or a reduced charge for) board and lodging IS NOT counted as income.

Money paid to a student to pay for accommodation, other than through a Commonwealth

Accommodation Scholarship, **IS** counted as income.

**59.5.4.3 Additional allowance**

In addition to the scholarship amount, recipients may be entitled to reimbursement of specified

'out of pocket' expenses such as photocopying, postage, printing and similar expenses. To

obtain this allowance, the participant is usually required to present an itemised claim for

reimbursement, together with receipts. The reimbursement amount is NOT income.

**59.5.4.4 Certain scholarships awarded outside Australia**

Scholarships that have been awarded outside Australia and that are not intended to be used

wholly or partly to assist recipients to meet living expenses are NOT income.

Examples:

• Rotary Foundation Ambassadorial Scholarship, provided that it does not contain any

component for living expenses;

• Cambridge Commonwealth Trust Fees Scholarship; and

• Scholarship awarded by Association of Mouth and Foot Painting Artists, Liechtenstein.

**59.5.5 Scholarships in the nature of a reward or prize**

Scholarships that are paid as one-off sums in the nature of a reward or prize are not treated as

income for the purposes of the ABSTUDY Partner and Personal Income Tests. These

scholarships are defined by the following characteristics:

• the payment of the lump sum is unlikely to be repeated; and

• the scholarship/reward/prize could not reasonably have been expected to be received

or necessarily anticipated; and

• the payment of the lump sum does not represent receipt of money for services

rendered directly or indirectly.

**59.5.6 Commonwealth Trade Learning Scholarships**

Commonwealth Trade Learning scholarships are NOT income for the purposes of the ABSTUDY

Personal and Partner Income Tests. These scholarships are available to Australian Apprentices

who are undertaking an identified Australian Apprenticeship trade qualification and paid at the

successful completion of the first and second years of an Australian Apprenticeship in a skill

shortage trade. It is paid by the Department of Education, Employment and Workplace

Relations.

**59.5.7 Australian Government Work Skills Vouchers**

Australian Government Work Skills Vouchers are NOT income for the purposes of the ABSTUDY

Personal and Partner Income Tests. The vouchers are worth up to $3,000 and are paid by the

Department of Education, Employment and Workplace Relations.

**59.6 Exempt income**

**59.6.1 Income received to cover expenses**

Income received to cover out of pocket expenses and payment/reimbursement of work-related

expenses are not assessed as income for the purposes of the ABSTUDY Partner and Personal

Income Tests.

**59.6.2 Income received as special financial assistance**

Income received as special financial assistance, emergency relief, or like-assistance is not

assessed for the purposes of the ABSTUDY Personal and Partner Income Tests.

Examples include, but are not limited to:

• State Government financial assistance for victims of bushfires;

• Bali Emergency Relief;

• payment of Transition to Independent Living Allowance (TILA) up to $1 000;

• drought financial assistance;

• flood financial assistance;

• Tools for your Trade; and

• payments from medically acquired HIV trusts.

**59.6.3 Other exempt income**

Other income that is exempt from assessment under the ABSTUDY personal and partner

income tests:

• free or discounted accommodation or board and lodging;

• private health insurance rebate;

• payments made to, or for, dependent children such as Foster Care Allowance,

superannuation or compensation;

• money passing between partners in a couple, i.e. housekeeping;

• legacies or inheritance;

• pay and allowances (other than in respect of continuous full-time service) to a member

of the Naval Reserve, Army Reserve or Air Force Reserve;

• compensation and insurance payouts for damages to property and personal effects;

• Child Care Rebate scheme payments;

• personal care support scheme payments;

• credits from approved exchange trading systems

• bona fide customer borrowings (loans); and

• Apprenticeship Wage Top-Up payments made under the Australian Apprenticeships

Incentives Programme.

**59.6.4 DFISA-like payments**

Defence Force Income Support Allowance-like (DFISA-like) payments made under the *Veterans’*

*Entitlements Act 1986* are not assessed as income for ABSTUDY purposes.

**59.7 Exempt Lump Sums**

Some lump sums are not treated as income for the purposes of the ABSTUDY partner and

personal income tests. An amount received by a person is an exempt lump sum if it is:

• unlikely to be repeated; and

• cannot be reasonably expected to be received or necessarily anticipated; and

• do not represent receipt of money for services rendered directly or indirectly.

They include items like:

• one-off gifts, irrespective of the source of the gifts, if they are not of a periodical nature

or representing a form of continuous support;

• windfall gains such as lottery winnings, the distribution of capital from a legacy or

inheritance, or prizes/awards;

• ex-gratia superannuation payments, for example, bona fide redundancy payments or

the lump sum payment of a superannuation invalidity benefit;

• irregular superannuation amounts such as:

o lump sum amount from the conversion; or

o commutation of a superannuation pension; or

o the payment of arrears at the time of commencing a superannuation pension.

**Note**: The initial exemption of a lump sum amount from the income test does NOT mean that

any ongoing income generated by the lump sum is exempt, nor does it mean that the asset the

lump sum turns into is exempt.

**59.8 Maintenance**

**59.8.1 Child maintenance**

Maintenance received from a former partner to support a child of the former relationship and

paid to a custodial parent or grandparents or other person to whom the court has appointed

custody of the child is **NOT** assessed as ordinary income under the ABSTUDY Personal and

Partner Income Tests.

**59.8.2 Maintenance payments**

Maintenance is money (or in kind payment) made to a former partner following a divorce or

separation. It does not include payments for dependent children. For the person who receives

maintenance, the maintenance is NOT assessed as ordinary income under the ABSTUDY Partner

and Personal Income Tests.

**59.8.3 Legally enforceable agreements**

Where the person's former partner has a legally enforceable right to the maintenance, the

amount paid should not be treated as income of the person paying the maintenance.

**59.8.4 Property settlement - capital component**

Property settlements are NOT assessed as income, if they are received as:

• a one-time only payment, OR

• regular repayments of the capital component of the property settlement.

**59.9 Determining the Rate of Ordinary Income**

The rate of ordinary income is a required input to the rate calculation process under the Partner

and Personal Income Tests for ABSTUDY Living Allowance. The rate of ordinary income is the

sum of the rates of all components of ordinary income.

**59.9.1 Income taken into account when it is earned, derived or received**

Ordinary income, including employment income, is assessed in the fortnight that it is first

earned, derived or received. Employment income that has been earned in an entitlement period

is spread evenly across all days in that entitlement period, regardless of which days or the

number of days worked.

**59.9.2 Income received at intervals greater than a fortnight**

Income is apportioned over a specific period relating to the source of the income, if:

• it is a payment relating to a period that is greater than a fortnight;

• there are a number of ordinary income payments;

• the amounts of the payments are predictable; and

• there is reasonable regularity in the timing of the payments.

**59.9.3 Apportioning lump sums over 12 months**

One-off, irregular or non-periodical lump sum amounts are apportioned as income over a 12

month period in 52 weekly amounts, if they are:

• NOT remuneration, periodic payments, or an exempt lump sum;

o Examples:

􀂃 family trust distributions;

􀂃 certain 'loan' arrangements i.e. NOT a bona fide loan to customers;

􀂃 scholarships (where not an exempt lump sum – see 59.5.5); and

􀂃 dividend distributions from a private company; or

• remuneration and received AFTER the date of claim;

o Examples:

􀂃 commissions;

􀂃 signing on fees or endorsements for professional sports people;

􀂃 an industry related payment such as a dairy cash bonus, or payments

to leave the industry; and

􀂃 profit sharing.

The date earned, derived or received is the date the customer becomes entitled to receive the

amount.

**59.9.4 Casual earnings assessed in fortnight earned**

Income from casual earnings is assessed in the actual fortnight it is earned or derived, not in

the fortnight it is received.

**59.9.5 Assessment of deferred income - voluntary**

An employee may earn money but choose to defer receipt of the money. As the person has an

entitlement to claim the income before it is received, the income is assessed at the time it is

earned rather than the time it is received.

**59.9.6 Assessment of deferred income - involuntary**

If an employee had no choice over whether or not their income was deferred, income is NOT

assessed until he or she received it.

**ABSTUDY, ABSTUDY, Means Tests: Chapter 60 - Partner Income Test and Limits**

This chapter describes the Partner Income Test that is applied when determining the level of

entitlement payable of ABSTUDY Living Allowance.

**On this page**

• 60.1 Exemptions from the Partner Income Test

• 60.2 Partner Income Test

• 60.3 Partner Income Test Limits

**60.1 Exemptions from the Partner Income Test**

The Partner Income Test is not applied where:

• a dependent ABSTUDY customer (including dependent ABSTUDY customers who have

claimed but not yet been paid benefits) is a member of a couple (different or same-sex);

and/or

• an ABSTUDY customer is a member of a couple (different or same-sex); with a

dependent Youth Allowance or ABSTUDY customer (including dependent Youth

Allowance or ABSTUDY customers who have claimed but not yet been paid benefits).

Exemption from the Partner Income Test will not apply where a customer has applied for Youth

Allowance or ABSTUDY as a dependent person and that claim has been rejected.

**60.2 Partner Income Test**

The Partner Income Test applies where an independent ABSTUDY customer is considered to be

partnered for ABSTUDY purposes.

**60.2.1 Partner Income Test period**

The Partner Income Test is applied for any period where an independent partnered student or

Australian Apprentice is eligible to receive ABSTUDY assistance. Income is then assessed on a

fortnightly basis.

**60.3 Partner Income Test Limits**

A student's or Australian Apprentice's partner can have income up to defined limits, known as

the Partner Income Free Area (PtrIFA), without it affecting the student’s or Australian

Apprentice's ABSTUDY Living Allowance. Where the partner’s income exceeds the PtrIFA, the

student’s or Australian Apprentice's ABSTUDY will be reduced by a specified amount.

The manner in which the ABSTUDY maximum basic rate (Living Allowance) plus add ons (i.e.

Rent Assistance, Remote Area Allowance and Pharmaceutical Allowance) is affected is set out in

Chapter 57, Calculating ABSTUDY Rates.

**60.3.1 Student or Australian Apprentice is under 21 years, partner is under 21 years and not in receipt of any**

**income support**

For an ABSTUDY customer who is aged under 21 years old, where their partner is:

• aged under 21 years old; and

• not receiving an income support payment,

the PtrIFA (Partner Income Free Area) is the amount of the partner's income that would

preclude payment of the maximum basic rate of Youth Allowance (YA) based on the personal

income free area for a non-student.

The ABSTUDY is then reduced by an amount equal to (Partner’s Income – PtrIFA) x 0.6.

**60.3.2 Student or Australian Apprentice is under 21 years, partner is 21 years or over and not in receipt of any**

**income support**

For an ABSTUDY customer who is aged under 21 years old, where their partner is:

• aged 21 years or over; and

• not receiving an income support payment,

the Partner Income Free Area is the amount of the partner's income that would preclude

payment of the maximum basic rate of Newstart Allowance (NSA).

The ABSTUDY is then reduced by an amount equal to (Partner’s Income – PtrIFA) x 0.6.

**60.3.3 Student or Australian Apprentice is under 21 years, partner is any age and not a student or Australian**

**Apprentice and is in receipt of certain income support payments**

For an ABSTUDY customer who is aged under 21 years old, where their partner is:

• any age; and

• receiving one of the following income support payments:

o Newstart Allowance;

o Youth Allowance (as a jobseeker);

o Sickness Allowance;

o Special Benefit;

o Parenting Payment (Partnered);

o Mature Age Allowance; or

o Mature Age Partner Allowance,

the Partner Income Free Area is the amount of the partner's income that would preclude

payment of the maximum basic rate and add-ons (i.e. Rent Assistance, Remote Area Allowance,

Pharmaceutical Allowance) for that benefit.

The ABSTUDY is then reduced by an amount equal to (Partner’s Income – PtrIFA) x 0.6.

**60.3.4 Student or Australian Apprentice is under 21 years, partner is any age and is a student or Australian**

**Apprentice and is in receipt of Youth Allowance, Austudy or ABSTUDY Living Allowance payments**

For an ABSTUDY customer who is aged under 21 years old, where their partner is:

• any age; and

• receiving one of the following income support payments as a student or Australian

Apprentice:

o Youth Allowance;

o Austudy;

o ABSTUDY Living Allowance,

the Partner Income Free Area is the amount of the partner's income that would preclude

payment of the maximum basic rate and add-ons (i.e. Rent Assistance, Remote Area Allowance,

Pharmaceutical Allowance) for that benefit.

The ABSTUDY is then reduced by an amount equal to (Partner’s Income – PtrIFA) x 0.6.

**60.3.5 Student or Australian Apprentice is 21 years or over, partner is any age and is not a student or Australian**

**Apprentice and is either in receipt of certain income support payments OR is not on an income support payment**

For an ABSTUDY customer who is aged 21 years or over, where their partner is:

• any age; and

• either:

o receiving one of the following income support payments:

􀂃 Newstart Allowance;

􀂃 Youth Allowance (as a jobseeker);

􀂃 Sickness Allowance;

􀂃 Special Benefit;

􀂃 Parenting Payment (Partnered);

􀂃 Mature Age Allowance; or

􀂃 Mature Age Partner Allowance; OR

o not in receipt of an income support payment,

there is a set Partner Income Free Area when assessing partner income.

The base Partner Income Free Area is $731.34 per fortnight. Adjustments to the PtrIFA are

then made for any dependent children.

The ABSTUDY is then reduced by an amount equal to (Partner’s Income – PtrIFA) x 0.5.

**60.3.5.1 Adjustments to Partner Income Free Area for dependants**

Additional amounts for other dependent children in the customer/partner’s care are added to

the basic Partner Income Free Area. These are shown in dollars in the following table.

|  |  |
| --- | --- |
| **If the dependent child is…** | **The additional**  **amount is…** |
| the first child under 16, | **$**1,230 |
| the second or a subsequent child under 16, | **$**2,562 |
| • either aged 16-24 and in full-time study  OR  • aged under 16 years, AND  • not independent for the purposes of ABSTUDY or Youth  Allowance, AND  • qualifies for either:  o Assistance For Isolated Children Boarding Allowance or  Second Home Allowance; or  o Where the student has a full-time or concessional studyload,  one of the following:  􀂃 ABSTUDY Schooling B Award;  􀂃 ABSTUDY Tertiary Award;  􀂃 ABSTUDY Masters and Doctorate Award; or  􀂃 School Term Allowance under the ABSTUDY  Schooling A Award | **$**3,792 |

**60.3.5.2 Calculation of Effect of Partner Income test for Student or Australian Apprentice 21 years or over**

The following table shows the steps involved in applying the Partner Income test for students or

Australian Apprentices aged 21 years or over.

|  |  |
| --- | --- |
| **Step** | **Action** |
| **1** | Determine the Partner Income for the fortnight. |
| **2** | Determine the annual base Partner Income Free Area (PtrIFA). The base PtrIFA  is $731.34 per fortnight. |
| **3** | Determine the adjusted PtrIFA. This is the base PtrIFA plus any amounts for  dependent children as per 60.3.5.1. |
| **4** | Does the Partner Income for the fortnight exceed the fortnightly adjusted PtrIFA?  • if NO, the test does not affect the customer’s maximum rate of  ABSTUDY.  • if YES, go to **Step 5**. |
| **5** | Determine the Partner Income Excess for the fortnight:  • Partner income for the fortnight  • less the fortnightly adjusted PtrIFA  RESULT: Partner Income Excess for the fortnight. |
| **6** | Determine the reduction for Partner Income:  • Partner Income Excess for the fortnight  • divided by 2  RESULT: the Reduction for Partner Income. |

**60.3.6 Student or Australian Apprentice is 21 years or over, partner is any age and is a student or Australian**

**Apprentice and is in receipt of Youth Allowance, Austudy or ABSTUDY Living Allowance payments**

For an ABSTUDY customer who is aged 21 years or over, where their partner is:

• any age; and

• receiving one of the following income support payments as a student or Australian

Apprentice:

o Youth Allowance;

o Austudy;

o ABSTUDY Living Allowance,

there is a set Partner Income Free Area when assessing partner income.

The base Partner Income Free Area is currently $731.34 per fortnight. Adjustments are then

made for any dependent children, and for the partner’s Student Income Bank balance (if

applicable).

The ABSTUDY is then reduced by an amount equal to (Partner’s Income – PtrIFA) x 0.5.

**60.3.6.1 Adjustments to Partner Income Free Area for dependants**

Additional amounts for other dependent children in the customer/partner’s care are added to

the basic Partner Income Free Area. Refer to the amounts in the table in 60.3.5.1.

**60.3.6.2 Calculation of Effect of Partner Income test for Student or Australian Apprentice 21 years or over**

To calculate the effect of the Partner Income Test, refer to the table in 60.3.5.2, adding the

partner’s Income Bank Balance to the base Partner Income Free Area at **Step 2**.

**60.3.7 Student or Australian Apprentice is any age, partner is any age and is in receipt of a FaCS or DVA Pension**

For an ABSTUDY customer of any age, where their partner is:

• any age; and

• receiving one of the following Family and Community Services (FaCS) pensions:

o Age Pension;

o Disability Support Pension;

o Wife Pension;

o Carer Payment;

o Parenting Payment (Single);

o Bereavement Allowance;

o Widow B pension; OR

• Receiving one of the following Department of Veterans’ Affairs (DVA) service pensions:

o an age service pension under part III of the *Veterans’ Entitlements Act* (VEA);

or

o an invalidity service pension under Part III of the VEA; or

o a partner service pension under Part III of the VEA; or

o a carer service pension under Part III of the VEA,

there is no Partner Income Free Area.

Instead, the total combined income of the ABSTUDY student or Australian Apprentice and

pensioner partner is halved. The ABSTUDY student’s or Australian Apprentice's half is then

assessed under the ABSTUDY Personal Income Test, taking into account any Income Bank

Balance.

**ABSTUDY, Means Tests: Chapter 61 - Personal Income Test, Limits and**

**Student or Australian Apprentice Income Bank**

This chapter describes the Personal Income Test that is applied when determining the level of

entitlement payable of ABSTUDY Living Allowance.

**On this page**

• 61.1 Personal Income Test

• 61.2 Personal Income Test limits

• 61.3 Rules of the Student or Australian Apprentice Income Bank

• 61.4 Operation of the Student or Australian Apprentice Income Bank

• 61.5 Carryover of Working Credits to Student or Australian Apprentice Income Bank

**61.1 Personal Income Test**

The Personal Income Test is applied for any period where the ABSTUDY customer is 16 years of

age or over and eligible to receive Living Allowance. Income is assessed on a fortnightly basis.

Australian Apprentices who are aged under 16 years of age and meet the independent status

criteria will have the personal income test applied and assessed on a fortnightly basis.

Australian Apprentices are required to report their income on a fortnightly basis. Where an

Australian Apprentice does not report their income their ABSTUDY entitlement may be stopped.

**61.2 Personal Income Test limits**

An ABSTUDY student or Australian Apprentice can have income up to the Income Free Area

amount of $236 per fortnight, plus the balance of their Student or Australian Apprentice

Income Bank for the fortnight, without affecting Living Allowance entitlement.

**61.2.1 Effect of Personal Income**

A student’s or Australian Apprentice's income affects their fortnightly entitlement to Living

Allowance as follows:

• if the student’s or Australian Apprentice's income is less than or equal to $236.00 a

fortnight, there is no effect on Living Allowance entitlement;

• if the student’s or Australian Apprentice's income is between $236.01 and $316.00 a

fortnight, the Living Allowance entitlement is reduced by 50 cents in the dollar; and

• if the student’s or Australian Apprentice's income is greater than $316.00 a fortnight,

the Living Allowance entitlement is reduced by 60 cents in the dollar.

**61.3 Rules of the Student or Australian Apprentice Income Bank**

The following rules apply to the Student or Australian Apprentice Income Bank:

• if the student or Australian Apprentice commences receiving ABSTUDY Living Allowance,

balance of Student or Australian Apprentice Income Bank commences at nil;

• in any fortnight where the student’s or Australian Apprentice's income is less than the

Income Free Area, the difference between the two is credited to the Income Bank;

• the maximum Student Income Bank balance that can be saved is $6,000;

• the maximum Australian Apprentice Income Bank balance that can be saved is $1,000;

• the Student or Australian Apprentice Income Bank is not reset unless a student or

Australian Apprentice becomes ineligible for ABSTUDY Living Allowance;

• where a student or Australian Apprentice becomes ineligible for ABSTUDY Living

Allowance, the Student or Australian Apprentice Income Bank balance is set to nil;

• where a student’s or Australian Apprentice's eligibility for Living Allowance is

subsequently restored on a continuous basis, the Student Income Bank Balance is

reinstated.

**61.4 Operation of the Student or Australian Apprentice Income Bank**

The following table shows how the Student or Australian Apprentice Income Bank operates

when a student or Australian Apprentice has ordinary income in a fortnight.

|  |  |  |
| --- | --- | --- |
| **If the income is…** | **Then…** | **And…** |
| **LESS than the Income**  **Free Area,** | subtract the income from the  income free area to determine  the saved amount, | add the saved amount to the  customer's Student or Australian Apprentice Income Bank credits. The Living Allowance payment is not affected. |
| **EQUAL to the Income**  **Free Area,** | there is no effect on Living  Allowance payment, | there is no effect on the Student  or Australian Apprentice Income  Bank. |
| **GREATER than the**  **Income Free Area, but**  **less than or equal to**  **the Student Income**  **Bank credit,** | subtract the Income Free Area  from the income to determine the reduction for income, | subtract the reduction for income from BOTH the Student or Australian Apprentice Income Bank credit AND the ordinary income. The effect is that there is no ordinary income for the fortnight. |
| **greater than BOTH the**  **Income Free Area AND**  **the Student Income**  **Bank credit,** | subtract the Student or Australian Apprentice Income Bank credit from the income to determine the Student or Australian Apprentice Income Bank debit, | reduce the Student or Australian Apprentice Income Bank credit to zero. There is no entitlement to Living Allowance. |

**61.5 Carryover of Working Credits to Student or Australian Apprentice Income**

**Bank**

Customers transferring from a FaCS payment eligible for Working Credit to ABSTUDY are able

to transfer their Working Credit balance to their Student or Australian Apprentice Income Bank.

The maximum Working Credit balance is $1000.

1 Working credit = $1 Student or Australian Apprentice Income Bank

The following table list all the possible carryover situations.

|  |  |
| --- | --- |
| **Customer Situation** | **Carryover** |
| A customer transfers from a social security  pension or benefit that has access to working  credit to ABSTUDY Living Allowance. | Unused working credit becomes new Student  or Australian Apprentice Income Bank opening  balance. |
| A customer ceases a social security pension or  benefit that has access to working credit and  after a break of no more than 12 months  commences ABSTUDY Living Allowance. | Unused working credit becomes new Student  or Australian Apprentice Income Bank opening  balance. |

**Note**: there is no provision to carry over Student or Australian Apprentice Income Bank

balance credits between Youth Allowance, Austudy and ABSTUDY. Customers transferring from

ABSTUDY to a payment attracting Working Credit can carry over a balance of up to $1000 of

Income Bank credits to their Working Credit balance.

**ABSTUDY, Means Tests: Chapter 62 - Compensation**

This chapter discusses the effect of compensation on ABSTUDY.

**On this page**

• 62.1 Compensation not affecting ABSTUDY entitlements

• 62.2 Compensation affecting ABSTUDY entitlements

**62.1 Compensation not affecting ABSTUDY entitlements**

The following payments, ordinarily considered to be compensatory in nature, are not assessed

as either income or assets for ABSTUDY purposes:

• compensation payments made for criminal injuries, discrimination or workplace

harassment;

• compensation for non-economic loss;

• compensation paid on death; and

• compensation for war injuries.

**Note**: Indigenous people who were employed under the former Community Wages Scheme on

Queensland settlements and reserves between 1975 and 1986, have been awarded

compensation with a one off payment of $7000. For ABSTUDY purposes this payment is not to

be included for any ABSTUDY means tests.

**62.2 Compensation affecting ABSTUDY entitlements**

The following compensation payments affect ABSTUDY entitlements:

• lump sum personal injury compensation for economic loss; and

• periodic personal injury compensation for economic loss.

**62.2.1 Treatment of lump sum compensation payments**

Taxable lump sum compensation payments are regarded for ABSTUDY purposes as the assets

of the person to whom the compensation payment was made.

Non-taxable lump sum compensation payments are not regarded as an asset for ABSTUDY

purposes.

**62.2.2 Treatment of ongoing compensation payments**

Taxable compensation payments that are made on an ongoing and regular basis are regarded

for ABSTUDY purposes as the income of the person to whom the compensation payments are

made:

• ongoing taxable compensation payments made to the parent are included as a

component of parental income under the Parental Income Test.

• ongoing taxable compensation payments made to the student or partner are included

as a component of ordinary income under the Personal Income Test and Partner

Income Test.

**Exception**: Where a student or Australian Apprentice has a partner who is in receipt of a FaCS

payment where the rate of that payment has been calculated on the basis of the student

or Australian Apprentice being in receipt of a compensation payment, the compensation

payment should not affect the student's or Australian Apprentice's ABSTUDY. Where a student

or Australian Apprentice has a partner who is serving a Compensation Preclusion Period and

that preclusion period cannot be adjusted to take into account any effect on the student's or

Australian Apprentice's ABSTUDY payments, the compensation payment should not affect the

student's or Australian Apprentice's ABSTUDY.

Non-taxable compensation payments that are made on an ongoing and regular basis are

disregarded for ABSTUDY purposes.

**ABSTUDY, Means Tests: Chapter 63 - Assets Tests**

This chapter describes how to assess assets for the purposes of the Family Assets Test and

Personal Assets Test.

**On this page**

• 63.1 Definition of assets

• 63.2 Assessing the value of assets

• 63.3 Assessing compensation and insurance payments

• 63.4 Principal home

• 63.5 Disposal of an asset

• 63.6 Assets hardship provisions

**63.1 Definition of assets**

For the purposes of the ABSTUDY Family Assets Test and Personal Assets Test, a person’s

assets include the following items.

• Personal effects and household contents such as:

o clothing;

o jewellery;

o hobby collections;

o furniture;

o paintings and works of art;

o soft furnishings; and

o electrical appliances other than fixtures such as stoves and built in items;

• Motor vehicles, caravans and boats;

• Real estate including holiday homes;

• Businesses and farms;

• Surrender value of life insurance policies;

• Financial investments including;

o cash;

o bank, building society and credit union accounts;

o term deposits;

o bonds and debentures;

o managed investments;

o listed shares and securities;

o loans to family trusts, family members or organisations;

o amounts disposed of without adequate financial return;

o gifts above $10,000 in a single financial year, or gifts exceeding $30,000 over a

5 financial year rolling period (on or after 1 July 2002);

o bullion;

o investments in superannuation funds, approved deposit funds and deferred

annuities after age pension age);

o asset tested income stream (short term) products; and

o asset tested income stream (long term) products;

• Accommodation bonds for hostels;

• Entry Contributions to retirement villages IF less than the extra allowable amount at

time of entry.

• Personal effects and household contents such as:

o clothing;

o jewellery;

o hobby collections;

o furniture;

o paintings and works of art;

o soft furnishings; and

o electrical appliances other than fixtures such as stoves and built in items;

• Motor vehicles, caravans and boats;

• Real estate including holiday homes;

• Businesses and farms;

• Surrender value of life insurance policies; and

• Financial investments including;

o cash;

o bank, building society and credit union accounts;

o term deposits;

o bonds and debentures;

o managed investments;

o listed shares and securities;

o loans to family trusts, family members or organisations;

o amounts disposed of without adequate financial return;

o gifts above $10,000 in a single financial year, or gifts exceeding $30,000 over a

5 financial year rolling period (on or after 1 July 2002);

o bullion;

o investments in superannuation funds, approved deposit funds and deferred

annuities after age pension age);

o asset tested income stream (short term) products; and

o asset tested income stream (long term) products;

• Accommodation bonds for hostels;

• Entry Contributions to retirement villages **IF** less than the extra allowable amount at

time of entry.

All assets other than those specified as exempt at 63.1.1 are assessable.

**63.1.1 Exempt assets**

The following assets are exempt from consideration under both the Family and Personal Assets

Tests:

• certain compensation and insurance payments;

• principal home;

• pre-paid funeral expenses and cemetery plots;

• the value of any purchases or modifications (e.g. to care or home) to accommodate the

disability of a member of the ABSTUDY customer’s family;

• care provided under the Commonwealth gift car scheme;

• medals and decorations awarded for valour;

• the value of any Native Title right(s) or interests of the person, or of the community of

which the customer is a member. This does not include any right or interest in a lease

or licence, or in a freehold estate;

• superannuation and/or rollover investment(s) where the person has not yet attained

age pension age; and

• payments received under the *Compensation (Japanese Internment) Act 2001*.

**63.1.1.1 Compensation and insurance payments**

Compensation and insurance payments received by a customer for damage to buildings, plant

or personal effects are exempt assets for 12 months from the date that the payment was

received.

See Chapter 62 Compensation for more information about the treatment of assets.

**63.2 Assessing the value of assets**

Assets are generally assessed at their net market value. The net market value is the amount

you would expect to receive if you sold the asset on the open market, less any valid debts or encumbrances.

**63.2.1 Co-owned Assets**

If the asset is owned with another person, the asset value for a customer is determined using

their proportion of their interest in the asset.

**63.2.2 Customer’s estimate of asset value**

The customer’s estimate of the asset value is accepted as reasonable unless it appears that the

value has been understated AND the value is likely to affect the customer’s payment.

**63.3 Assessing compensation and insurance payments**

Lump sum compensation payments are assessed as assets in some circumstances.

**63.3.1 Lump sum compensation for personal injury**

A lump sum compensation payment paid to a customer for personal injury is included as an

asset under the Personal Assets Test.

**63.3.2 Lump sum compensation for damage to buildings, plant or personal effects**

Compensation and insurance payments received by a customer for damage to buildings, plant

or personal effects are exempt assets for 12 months from the date that the payment was

received.

**63.3.2.1 Extension of exemption from assets test**

The 12 months exemption can be extended if the customer can demonstrate:

• that they had a genuine intention to spend the payment within 12 months, BUT

• were unable to for reasons beyond their control.

**63.4 Principal home**

**63.4.1 Defining the principal home**

The principal home is generally the home in which a customer or couple lives for the greatest

amount of time each year.

**63.4.2 Assessing the principal home**

The principal home, including adjacent land, is an exempt asset, regardless of its value.

Adjacent land is the private land surrounding the principal home that is held under the same

title document. The maximum amount of land adjacent to the principal home that can be

exempted under the private land use test is 2 hectares.

If the principal home is a dwelling-house, the land adjacent must be:

• held on the same title document; and

• must be used primarily for private or domestic purposes.

If the principal home is a flat or home units – a garage or storeroom, the land adjacent must

be used primarily for private or domestic purposes in association with the flat or home unit.

The land is considered private if it is:

• not primarily used for commercial purposes; or

• overgrown, vacant or unused land; or

• land occasionally used for commercial purposes.

**63.4.2.1 Customer operates a business from their principal home**

If part of the property is used for both business and domestic purposes, then this part of the

property is considered part of the principal home and is therefore exempt.

If there are distinct areas of the property used for business purposes, these areas are not part

of the principal home and are therefore not exempt.

**63.4.2.2 Defining the principal home – self-contained living areas (granny flats)**

If a home contains a self-contained living area that is vacant or let to a near relative, then the

area is considered part of the customer’s principal home. If a home contains a self-contained

living area that is let to a person other than a near relative, the area is not considered part of

the customer’s principal home.

**63.4.2.3 Customer owns more than one home**

If a customer or their partner has more than one home, their principal home is the one in which

they spend the greatest amount of time, unless they spend the same amount of time in each of

them, in which case the most expensive home is defined as the principal home.

The property that is not the principal home is assessed as an asset even when the customer or

their partner are living in the property.

If a customer or their partner spends a considerable amount of time in a home they do not own,

the home they own is the principal home.

**63.4.2.4 Proceeds from selling the principal home**

If a customer sells their principal home and is likely to use the proceeds within 12 months to

purchase another home, the portion of the proceeds that will be used to acquire another home

are exempt from the assets test for up to 12 months from the date of sale. The customer

continues to be assessed as a homeowner during this period.

If the proceeds of the sale are used to purchase assets that will be used to construct a home,

such as land and building materials, this is exempt from the assets test.

**63.4.2.5 Exemption of principal home sale proceeds beyond 12 months**

From 1 July 2007, if the recipient has not been able to purchase, build, rebuild, repair, or

renovate a new principal home within 12 months, the principal home sale proceeds can be

exempt from the assets test for up to 24 months, subject to the ABSTUDY recipient meeting

certain criteria.

An ABSTUDY recipient can only gain a principal home sale proceeds exemption for up 24

months from 1 July 2007. This includes the original 12 months and up to a further 12 months

extended exemption.

To gain an extended principal home sale proceeds exemption for up to 24 months the recipient

must have a continuing intention to apply the proceeds of the sale to purchase, build, rebuild,

repair or renovate a new principal home and must have:

• made reasonable attempts to purchase, build, rebuild, repair or renovate their new

principal home; and

• been making those attempts within a reasonable period after selling the principal home;

and

• experienced delays beyond their control in purchasing, building, rebuilding, repairing or

renovating their new principal home.

The recipient will be required to provide documentary evidence when the extended exemption

period is being requested to satisfy they have been making reasonable attempts.

**Exception:** In special circumstances a recipient may be considered to be making reasonable

attempts to purchase, build, rebuild, repair, or renovate their new principal home if they have

been unable to enter some form of an agreement. These circumstances include where the

income support recipient has:

• experienced delays relating to the purchase, construction, rebuilding, repair or

renovation of the new principal home such as delays in gaining building approval from

the local government authority; or

• been absent from the place they intend to purchase, build, rebuild, repair or renovate

their new home due to reasons beyond their control; or

• had changes in health that have had a major bearing on the individual’s circumstances,

such as being hospitalised for a period of time; or

• been unable to gain a commitment/enter into an agreement with a builder because

demands in the building industry are stretched in a particular area.

The recipient will be required to provide documentary evidence for special circumstances to

apply. If a recipient has NOT made attempts within a reasonable period, i.e. 6 months from the

date of sale, the extended exemption CANNOT apply.

The extended principal home sale proceeds exemption ends when either:

• the ABSTUDY recipient ceases to have an intention to apply the proceeds; or

• a new principal home is purchased, or the building, rebuilding, repair or renovation of

the new principal home is complete; or

• the determined extended time period expires, whichever occurs first.

**63.4.2.6 Existing recipients whose principal home sale proceeds assets test exemption expired prior to 1 July 2007**

ABSTUDY recipients whose 12 month principal home sale proceeds exemption period expired

prior to 1 July 2007 CANNOT gain an assets test exemption for the period between when their

exemption ceased and the extended exemption came into effect (1 July 2007).

If, on 1 July 2007, the ABSTUDY recipient is still in the process of purchasing, building,

repairing, rebuilding or renovating a new principal home they can request an extended assets

test exemption. If the recipient meets the criterion the extended exemption can only apply

from 1 July 2007 and when the new home is anticipated to be purchased, built, repaired,

rebuilt or renovated.

**63.5 Disposal of an asset**

Where an asset has been disposed of, the value of that asset may still be considered under the

Family Assets Test and Personal Assets Test. For this provision to apply, it must be shown that

a customer has destroyed or diminished the value of an asset.

A customer is considered to have disposed of an asset when they:

• engage in a course of conduct that destroys, disposes of or diminishes the value of

their assets; and

• do not receive adequate financial consideration in exchange for that asset.

This provision does not apply where special or unusual circumstances necessitated the quick

sale of an asset.

**63.5.1 Allowable disposal free areas for assets**

The allowable disposal free areas for assets for both single and partnered customers are:

• $10,000 per financial year; and

• $30,000 over any rolling 5 financial year period.

Only the amounts disposed of in excess of the disposal free areas are assessable under the

assets tests.

**63.6 Assets hardship provisions**

For details of assets hardship provisions, see:

• Family Assets Test; and

• Personal Assets Test.

**ABSTUDY, Means Tests: Chapter 64 - Family Assets Test and Limits**

This chapter describes the Family Assets Test that is applied when determining a dependent

student’s or Australian Apprentice's entitlement to certain ABSTUDY allowances.

**On this page**

• 64.1 Exemptions from the Family Assets Test

• 64.2 What assets are assessed under the Family Assets Test?

• 64.3 The Family Assets Test

• 64.4 Discount for Business Assets

**64.1 Exemptions from the Family Assets Test**

The Family Assets Test does NOT apply where one or both parents are:

• in receipt of an income support payment; OR

• in receipt of Farm Help Income Support or Exceptional Circumstance Relief payments

under Part 5 or 6 of the *Farm Household Support Act, 1992*; OR

• holders of a current Health Care Card or Low Income Health Care Card, including a HCC

issues on the basis of receipt of maximum rate Family Tax Benefit Part A; OR

• in receipt of ABSTUDY Living Allowance; OR

• in receipt of a Community Development Employment Projects (CDEP) wage as a

participant; OR

• taken to be receiving their income support payment during an employment income nil

rate period.

**64.1.1 Exceptional Circumstances Relief Payment ceases**

A parent receiving payment under the Exceptional Circumstances Relief Payment (ECRP)

provisions of the *Farm Household Support Act 1992* is not subject to the Family Assets Test

from the commencement of the period of receipt of ECRP until 31 December of that year.

**64.1.2 Assets Hardship Provisions**

There are no assets hardship provisions under the Family Assets Test.

**64.2 What assets are assessed under the Family Assets Test?**

The Family Assets Test is based on the assets of the student’s or Australian Apprentice's

parent/s.

ALL of the family's assets are included, **EXCEPT**:

• the assets of independent children, AND

• the assets of the partner of dependent YA or dependent ABSTUDY recipients, AND

• farm assets, if a current drought relief exceptional circumstances certificate has been

issued.

Where there is a change in parent, the ABSTUDY is assets tested in respect of the new parent

from the date of change.

**64.3 The Family Assets Test**

ABSTUDY is NOT payable if the value of a family's total assets exceeds a specified limit, set

annually. Refer to “A Guide to Australian Government Payments ” for this limit.

**64.4 Discount for Business Assets**

Seventy-five per cent of a customer's interest in the value of a business, including farms, is

disregarded if the customer owns the business and is wholly or mainly engaged in that business.

Wholly or mainly means more than 50% of their work time.

**ABSTUDY, Means Tests: Chapter 65 - Personal Assets Test and Limits**

This chapter describes the Personal Assets Test that is applied when determining an

independent student’s or Australian Apprentice's entitlement to certain ABSTUDY allowances.

**On this page**

• 65.1 Exemptions from the Personal Assets Test

• 65.2 The Personal Assets Test

• 65.3 Assets hardship provisions

**65.1 Exemptions from the Personal Assets Test**

The personal assets test does NOT apply to:

• dependent customers; OR

• farm assets if the customer or their partner has a current drought relief exceptional

circumstances certificate.

**65.2 The Personal Assets Test**

ABSTUDY Living Allowance is not payable if the combined assets of the customer and partner, if

the customer is partnered, exceed the personal assets test limits.

Different limits apply depending on whether the customer is single or partnered, and whether

the customer is a homeowner or non-homeowner.

Refer to “A Guide to Australian Government Payments ” for limits.

**65.2.1 Definition of a homeowner**

A homeowner is a customer who has, or whose partner has:

• a right or interest in the place they occupy, AND

• the right or interest gives them reasonable security of tenure.

A customer who has sold their principal home is still a homeowner if:

• the principal home was sold in the last 12 months, AND

• the customer intends to use some or all of the proceeds to acquire another principal

home within 12 months.

**65.2.2 Definition of a non-homeowner**

A customer is a non-homeowner if they cannot be defined as a homeowner. Customers who are

non-homeowners can have a higher value of assets before considered ineligible for meanstested

benefits.

**65.3 Assets hardship provisions**

Assets hardship provisions can apply where the customer is:

• in severe financial hardship, AND

• unable to sell or borrow against an asset.

In these circumstances, the customer and partner’s assets can be disregarded for the purposes

of the Personal Assets Test.

**ABSTUDY, Means Tests: Chapter 66 - Family Actual Means Test (FAMT)**

This section contains information on the purpose of the Family Actual Means Test (FAMT) and

the categories of parent that are assessed under the FAMT.

**On this page**

• 66.1 Purpose of Family Actual Means Test

• 66.2 Family Actual Means Test - Designated Parents

**66.1 Purpose of Family Actual Means Test**

The Family Actual Means Test is used to assess the level of entitlement for means-tested

allowances for dependent students or Australian Apprentices where their parent/s’ taxable

income may not be a good indication of their need for ABSTUDY assistance.

The Family Actual Means Test (FAMT) assesses a family's financial resources by determining

their spending and savings for the appropriate tax year. The FAMT is directed towards

designated parents who may receive income from sources other than a wage or salary, or have

an assessable income under the parental income test that may not accurately reflect their

capacity to pay the costs of education because of their ability to legitimately minimise their

taxable income. The FAMT is ONLY applied to dependent ABSTUDY customers when either one

or both of their parent's meet one or more of the FAMT categories.

**66.2 Family Actual Means Test - Designated Parents**

A dependent ABSTUDY customer's parent/s are designated parent/s for the purposes of the

FAMT if they:

• in the base tax year had an interest in a trust, private company or unlisted public

company; OR

• in the base tax year were self-employed, except as a sole trader who was mainly or

wholly engaged in a primary production owned by the person; OR

• in the base tax year were a partner in a partnership; OR

• in the base tax year derived $A2,500 of income, or more, that does not consist only of

income from a pension or similar payment from a source in Norfolk Island or overseas;

OR

• in the base tax year derived income from a salary or wage and has claimed a tax

deduction for a business loss (for that year or previous year) that does not consist only

of a total net investment loss; OR

• have a current interest of $A2,500 or more in any assets located outside Australia and

its external territories; OR

• entered Australia under a permanent visa or entry permit visa in a business skills

category in the last 10 years before 1 January in the calendar year in which ABSTUDY

payment period ends.

**Exception**: A parent receiving payment under the Exceptional Circumstances Relief Payment

(ECRP) provisions is NOT subject to the FAMT for that part of the calendar year in which they

receive payment until 31 December in that year.

**Note 1**: The first five categories of designated parent/s relate to the base tax year and

parent/s only need to be involved for a day or more in this period in order to be in a FAMT

category. It should be noted that the last two FAMT categories in relation to overseas assets

and a migrant under a business skills category relate to the current situation and NOT the base

tax year.

**Note 2**: The FAMT does NOT apply to dependent ABSTUDY customers, or any related siblings,

if they are in one of the FAMT categories and their parent/s are not.

**66.2.1 Interest in a trust**

A person holds an interest in a trust if they are the trustee, beneficiary, or unit holder but NOT

an agent creditor or employee of a trust. A trust is a vehicle for a person to give property to

another person or persons, usually on terms in a trust deed. A trust deed will set out the

conditions of the trusts and will also state whether the trust is discretionary or nondiscretionary.

All trusts are included in assessing FAMT categories EXCEPT the following:

• a parent's account held in trust for a child,

• deceased estate trusts,

• assets held in trust by an insolvency administrator,

• a trust in relation to a superannuation fund within the meaning of the *Superannuation*

*Industry (Supervision) Act 1993* that is not an excluded fund within the meaning of that

Act (i.e. involvement in a trust created by a resident, complying superannuation fund),

• public unit trusts in which 50 or more people are not family members of the trustee, or

they are offered for subscription or purchase by the public (body corporate trusts and

most managed investment funds through institutions such as Banker's trust, Citibank,

AMP etc),

• charitable trusts, AND

• trusts created by operation of law.

**66.2.2 Interest in a private company or unlisted public company**

The most common type of company is a private or family company, normally identified by

'Proprietary Limited', 'Pty Limited' or 'Pty Ltd' after its name. A private company has shares

issued to family members and office holders are usually family members. Whether or not the

company does any type of business is irrelevant, as its mere existence will include parent/s in

the FAMT. Under corporation law, ALL companies are required to register for the Australian

Securities Commission (ASC) whether listed or unlisted, private or public.

An unlisted public company is not listed on the Australian Stock Exchange (ASX).

**66.2.3 Self-employment**

A self-employed person is defined as someone who works with a view to making a profit or for

gain or reward other than under a contract of employment or apprenticeship, whether or not

the person employs one or more employees.

Indications that parent/s are self-employed are:

• maintaining their own financial accounting records;

• not receiving a group certificate from an employer at the end of the financial year;

• not having compulsory superannuation or Workcover payments paid by an employer on

their behalf. Instead, they pay their own superannuation and can claim it as a tax

deduction or business expense; or

• paying tax on a monthly basis through the Prescribed Payments System or the

Reportable Payments System.

**Exception**: Self-employed primary producers who are wholly or mainly engaged in a primary

production business that they own in the base tax year are NOT included in this category.

Wholly or mainly means more than 50% of their work time.

**66.2.4 Partner in a partnership**

A partnership does not need a written agreement to exist. Sharing profits and losses may be

enough to indicate a partnership exists. A joint owner of an asset is not necessarily in a

partnership for the purposes of the FAMT. This may even be the case where income is being

derived from the joint ownership of the asset.

Parent/s involved in a partnership MUST provide the following information:

• Evidence and supporting documents to show a partnership has been dissolved.

However, if the parent/s were involved in the partnership for at least a day or more in

the base tax year, then they are subject to the FAMT. If however the dissolution of the

partnership causes a decline in the family's actual means there may be a case for a

current FAMT assessment, and

• A declaration of income or losses in their individual income tax return.

**66.2.5 Overseas income above or at $A2,500**

The $A2,500 threshold relates to ANY income in the base tax year that parent/s receive from

overseas which does not consist only of income from a pension or similar such payment. Where

a person derived pension type income and other income (such as rent or interest), the pension

must be included in determining whether the $A2,500 threshold is exceeded. Income also from

a taxable overseas pension should be shown as overseas income under the ABSTUDY parental

income test. Parent/s who also worked overseas and earned $A2,500 or more in the base tax

year are also included in this category.

**66.2.6 Salary or wage earner with a business loss**

A parent is a designated parent for the purposes of FAMT if, in the base tax year, they derived

income from a salary or wage and claimed a tax deduction for a business loss (for that year or

previous year) that does not consist only of a total net investment loss.

Parent/s are a salary or wage earner if they earn income on a regular basis under a contract of

employment, whether implied or expressed.

If parent/s have a total net investment loss only, they are NOT subject to this category. A total

net investment loss incurred by parent/s has the same meaning as in the *Income Tax*

*Assessment Act 1997*.

**66.2.7 Overseas assets above $A2,500**

Parent/s are designated for the purposes of the FAMT if they currently have an interest (the

value of which is $A2,500 or more) in any assets located outside Australia and its external

territories (including Norfolk Island). An asset is an overseas asset if:

• a parent would normally be obliged to declare it under the ABSTUDY Family Assets Test,

and

• it is normally located outside Australia. This includes the principal family home if it is

located overseas, even though the value of that home is exempt from the Family Assets

Test.

A parent may move in and out of this category as the value of their overseas assets changes

during the year. ONLY the value of the PARENT/S interest in the asset must be or exceed

$A2,500. If parent/s move out of this category they MUST provide evidence of the disposal of

the asset OR the value of their interest reducing below the $A2,500. The FAMT may cease to

apply from the date the parent/s ceased to hold assets overseas worth $A2,500, if they are not

in any other FAMT category.

Documentary evidence must be supplied in these cases (statutory declaration and copy of deed

of transfer of sale). It is important to note that a parent may at any time during the calendar

year become subject to this FAMT category, as their involvement in assets may increase over

or at the $A2,500 threshold during the year. It is the obligation of the customer to inform

Centrelink of any change in events or circumstances.

An asset is EXEMPT if:

• it is normally held in Australia, but is temporarily overseas, OR

• an Australian resident invests in a company in Australia, independent of their family,

AND the company invests the money in overseas investments (see example).

**66.2.8 Example - Business migrant**

A parent in the business migrant category is assessed under the FAMT on a full calendar year.

This INCLUDES the year they arrived in Australia. A parent is in this category if within 10 years

before 1 January in the calendar year in which ABSTUDY is payable the parent first entered

Australia under a permanent visa or entry permit. A parent remains in the business migrant

category for 10 years from their arrival in Australia. Customers can check with the Department

of Immigration and Multicultural and Indigenous Affairs for the correct date of their entry into

Australia. The visa codes for people entering Australia under these conditions include 127, 128,

129, and 130.

**ABSTUDY, Means Tests: Chapter 67 - Family Actual Means Test - Actual**

**Means**

This section contains information on the type of actual means that are assessed under the

Family Actual Means Test (FAMT).

**On this page**

• 67.1 What is included as family actual means

• 67.2 Areas of family spending

• 67.3 Areas of family saving

**67.1 What is included as family actual means**

The spending and savings of all assessable family members in the base tax year are taken into

account to determine a family's actual means. For the purposes of the FAMT, the assessable

family includes:

• the student;

• the Australian Apprentice;

• the parents;

• any siblings of the student or Australian Apprentice who are dependent

children/students/Australian Apprentices.

Where the assessable family changes, for example, a dependent sibling becomes independent,

the FAMT is reassessed to take account of the new composition of the assessable family.

Where applicant and/or sibling is a family member and is living away from parental home all

their separate spending and savings must be included.

All spending and savings must be reported from ALL sources including related entities, third

parties and financial institutions.

**67.2 Areas of family spending**

The following table lists the main areas of family spending and provides examples of each. The

spending relates to the base tax year, and should also apply for the current year (base tax year

+ 1) for current family actual means test assessment.

|  |  |
| --- | --- |
| **Area of spending** | **Examples** |
| Principal home | • the purchase of a home and associated costs such as  solicitor/accountant fees, land tax, stamp duty etc;  • mortgage repayments, rent & insurance;  • rates, gas, electricity and water;  • repairs and extensions;  • furniture and appliances;  • repayments of principal and interest on any personal loans from a financial institution to cover any costs associated with the principal home. |
| Transport | purchase costs of any motor vehicles, including lease  payments;  • maintenance, repairs, and running costs;  • insurances and registration;  • public transport;  • repayments of principal and interest on any personal loans from a financial institution to cover any costs associated with transport. |
| Education | • school, tuition and boarding fees;  • books, uniforms and amenities fees;  • evening and leisure classes;  • up-front HECS;  • repayments of principal and interest on any personal loans from a financial institution to cover any costs associated with education. |
| General living | • food and clothing;  • entertainment;  • holiday costs;  • insurances, medical and pharmaceutical expenses not  covered by Medicare or private health insurance;  • books, newspapers, magazines;  • non-refundable child care expenses;  • telecommunications costs (phone & fax);  • repayments of principal and interest on any personal loansfrom a financial institution to cover any costs associatedwith general living. |
| Other | • other loan costs;  • expenditure on investments, such as real estate, shares, art & coin collection;  • tax deductible business expenditure not necessary for carrying on the business, such as donations to charities;  • the taxable value of any fringe benefits, covering what would have been an expense to the family;  • money paid into the business that was not derived from the earnings of the business;  • repayments of principal and interest on any personal loans from a financial institution to cover any costs associated with other expenses. |

**67.3 Areas of family saving**

The following table lists the main areas of family savings and examples of each. The savings

relate to the base tax year, and should also apply for the current year (base tax year + 1) for

current family actual means test assessment.

|  |  |
| --- | --- |
| **Area of saving** | **Examples** |
| Financial institutions | The net increase, including interest, in any bank, building society or  credit union account.  **Note:** A decrease in the amount owed on a loan or credit card is a  repayment under the spending categories. Any repayments on a  personal loan or credit card should be reported in the appropriate  spending categories for the FAMT. |
| Retained profits | The value of a family member's share of:  • any undistributed profits from, and retained earnings in, a private or unlisted public company;  • any increase in their partnership capital accounts and/or current accounts;  • undistributed trust profits if the family member is a beneficiary or trustee. |
| Superannuation | Contributions above:  • the minimum amount required under the *Superannuation*  *Guarantee (Administration) Act 1992* for an employee, OR  • $3,000 per family member (these are total voluntary  contributions made by each family member who were sole  traders or partners in a partnership. In these cases the first  $3,000 of voluntary contributions should not be included). |
| Other | Loans by a family member to a related entity. |

**ABSTUDY, Means Tests: Chapter 68 - Amounts not Included in Family**

**Actual Means Test**

This topic explains the financial resources that are not included in the Family Actual Means Test.

**On this page**

• 68.1 Amounts not included in Family Actual Means Test

**68.1 Amounts not included in Family Actual Means Test**

While spending and savings funded from these resources need to be shown in a family's

assessment, they will be deducted from the family's actual means. They are:

• a financial institution's or 'arm's length loan';

• prior year savings;

• sale of assets;

• non-taxable compensation payments;

• windfall gains;

• defence Force Reserve payment;

• government benefits;

• isolated secondary boarders concession;

• dependent children's employment income;

• business spending;

• spending on a disabled family member; and

• spending on maintenance payments.

**68.1.1 A financial institution or arms length loan**

To be deducted, a loan MUST be an arm's length loan. No formal contract is needed for the

terms of a loan, nor does interest have to be paid. An arm's length loan specifically includes:

• any transaction that gives effect to an advance of money,

• the provision of credit, and

• any payment that is obliged to be repaid.

A financial institution loan made by a person or body to an assessable family member can be

deducted when it is part of the lender's usual business to make loans to members of the public.

**68.1.2 Prior year savings**

Spending that has been funded by the use of prior year savings is not included in family actual

means. A net reduction in savings account balances between 1 July and 30 June of the

appropriate tax year would substantiate the use of prior year savings.

**68.1.3 Sale of assets**

For spending or savings sourced from sale of assets to be deducted from the FAMT, the assets

must have been held before the commencement of the base tax year.

**68.1.4 Non-taxable compensation payments**

A non-taxable compensation payment is the amount of compensation payment that is not

required to be included in taxable income under the *Income Tax Assessment Act 1997*. This is

usually because the payment does not represent lost income. The deduction may relate to

some or all of a compensation payment.

**68.1.5 Windfall gains**

Windfall gains are inheritances and lottery wins, but NOT gifts.

**68.1.6 Defence force reserve payments**

Up to a maximum of $6,000 for each family member receiving non-taxable Defence Force

Reserve payments and allowances.

**68.1.7 Government benefits**

Certain government income assistance received by family members can count as a deduction:

• Payments for students or Australian Apprentices:

o Youth Allowance for students or Australian Apprentices;

o Austudy;

o ABSTUDY;

o Assistance For Isolated Children;

o Pensioner Education Supplement;

o Supplement Loan schemes for Youth Allowance, Austudy, Pensioner Education

Supplement and ABSTUDY;

• Certain non-taxable Centrelink payments:

o Family Tax Benefits;

o Rent Assistance;

o Multiple birth and Guardian Allowance;

o Non-taxable component of Parenting Payment;

o youth disability supplement;

o Maternity Allowance;

o Disability Support Pension;

o Carer Allowance;

o Carer Payment;

o Wife pension for wives of disability support pensioners;

o Double Orphan Pension;

o Rehabilitation allowance;

o Mobility Allowance;

o Pharmaceutical Allowance;

o Telephone Allowance;

o Remote Area Allowance;

o Employment Entry Payment;

• Certain non taxable payments from the Department of Veterans’ Affairs:

o Veterans’ Children Education Scheme;

• State or Territory education allowances (e.g., for isolation).

**68.1.8 Isolated or secondary boarders**

Spending on Assistance for Isolated Children (AIC) or secondary boarders is able to be

deducted if it was for boarding students, (including the ABSTUDY customer if they are a

dependent secondary student) who qualified for:

• a boarding allowance under the AIC scheme (this includes AIC second home allowance);

or

• a dependent secondary student who was required to live away from home for study.

The exempt amount is $5,274 for each eligible family member.

**68.1.9 Dependent children's employment income (maximum of $6,000)**

For any dependent children aged 16-24 years and studying full-time, or aged 16-20 years and

not studying full-time.

Families are able to exclude up to a maximum of $6,000 for each dependent child of spending

and savings derived from income earned by a dependent child.

Employment income includes income derived from bona fide employment in the family business,

farm etc. (maximum of $6,000).

The following table shows the treatment of a young person's income in the base tax year.

Here are some examples of income for the purposes of the FAMT:

|  |  |
| --- | --- |
| **If a young person…** | **The exempt income is…** |
| is earning an income, | the amount of spending and savings derived from the earnings  (only a maximum of $6,000 will apply). |
| stops being a family  member, | if the young person stops being a family member who would be  assessed for the purposes of the FAMT and is therefore no longer  considered dependent, they are no longer part of the family for  the purposes of FAMT - and their income should NOT be included. |
| receives income from a  family business, | employment income includes income derived from bona fide  employment in the family business, farm etc (maximum of  $6,000). |

**68.1.10 Business spending**

Spending on the business that was necessary for carrying on a business and claimed as such

under the *Income Tax Assessment Act 1997*.

All tax deductible business expenditure necessarily incurred in carrying on the business is

exempt from the FAMT, EXCEPT:

• superannuation contributions that are above the minimum required under the

*Superannuation Guarantee (Administration) Act 1992*, if a person is employed by the

business; OR

• the lesser of $3,000 and the total voluntary contributions made by each family member

who were sole traders or partners in a partnership; AND

• donations to charity.

**68.1.11 Spending on a disabled family member**

Spending to acquire or modify property necessary to assist a family member with a disability.

**68.1.12 Spending on maintenance payments**

Spending on maintenance payments for a former partner or child not in the day-to-day care of

the assessable family member.

**ABSTUDY, Means Tests: Chapter 69 - Application of the Family Actual**

**Means Test**

This topic contains information on applying the Family Actual Means Test.

**On this page**

• 69.1 Family Actual Means Test

• 69.2 Family actual means calculation

• 69.3 Family actual means free area

• 69.4 Reduction for family actual means

**69.1 Family Actual Means Test**

The following table shows the steps involved in applying the FAMT.

|  |  |
| --- | --- |
| **Step** | **Action** |
| **1** | Determine whether the customer has a designated parent. |
| **2** | Determine the appropriate tax year. The base tax year should be used for a FAMT  assessment and the current tax year in the calendar year that the customer claims  should be used for the current FAMT. A base tax year FAMT assessment MUST be  completed before a current FAMT is applied. |
| **3** | Determine the family that will be assessed for the base tax year. It is important to  note that the current family situation at the time of the claim should be taken into  consideration for the FAMT. For example if a sibling was 22 years of age in the base  tax year and in receipt of ABSTUDY (dependent full-time student or Australian  Apprentice), BUT is currently in full-time employment and not in receipt of  ABSTUDY, the sibling would not be included as a family member for the FAMT.  Therefore spending and savings for the sibling would not be mentioned in the FAMT  for the base tax year. |
| **4** | Determine the actual means of the customer's family. |
| **5** | Determine whether the family have any deductions or exemptions from the FAMT. |
| **6** | Determine the customer's family actual means free area. |
| **7** | Determine the customer's reduction for family actual means. |

**69.2 Family actual means calculation**

The formula for determining a family's actual means is as follows. The below equation works by

taking the family's actual means (spending + savings - deductions) and halving, and then

applying the marginal tax rate and Medicare levy to this amount, which is then doubled. Total

Net Investment Loss (TNIL) is added. This gives the family an equivalent family income that

will be used for assessment purposes. The formula for determining a family's actual means is

as follows:

|  |  |
| --- | --- |
| **2[(GAM/2) + TNITML] + TNIL** | |
| when: |  |
| GAM | Gross actual means is the actual means for all family members that year. |
| TNITML | Total notional income tax/Medicare levy is the sum of the amount of Medicare  levy and income tax that is notionally payable by the parents. |
| TNIL | The sum of the total net investment losses of each of the parents of the  claimant/recipient in the appropriate tax year. |

**69.3 Family actual means free area**

The family actual means free area specifies the amount ABOVE WHICH a dependent ABSTUDY

customer's rate is reduced by family actual means. The family actual means free area is the

same as the parental income free area, and includes adjustments for dependent children.

**69.4 Reduction for family actual means**

Every $4 of family actual means above the family actual means free area reduces the rate of

ABSTUDY by $1. If the fortnightly ABSTUDY rate is reduced to between zero and $1, ABSTUDY

entitlement is $1. A customer's reduction for family actual means is worked out using the

following formula:

|  |  |
| --- | --- |
| Fortnightly reduction for  family actual means = | (family actual means - actual means free area)/26  4 |

The result of the division by 4 is rounded DOWN to the nearest dollar. If as a result of

calculating the maximum fortnightly rate of ABSTUDY Living Allowance is less than $1 and

more than zero, entitlement would be $1.

|  |  |
| --- | --- |
| Fortnightly entitlement = | Maximum fortnightly rate of ABSTUDY – fortnightly reduction for  family actual means |

**ABSTUDY, Means Tests: Chapter 70 - Current Family Actual Means Test -**

**Current Family Actual Means Test Assessment**

When a family has a reduction in family actual means from the base tax year, they can request

that their actual means be assessed on the current year, i.e. the tax year immediately following

the base tax year. This topic explains the conditions involved in current Family Actual Means

Test (FAMT) assessments

**On this page**

• 70.1 Appropriate tax year for a current FAMT assessment

• 70.2 Conditions for using a current FAMT assessment

• 70.3 Period of effect of assessment

• 70.4 Expectations of decreased profits

• 70.5 Reasons for a decrease in actual means

• 70.6 Family members no longer designated parents

• 70.7 Actual means decreased due to study

**70.1 Appropriate tax year for a current FAMT assessment**

The appropriate tax year for a current FAMT assessment is the tax year ending in the calendar

year in which the customer claims ABSTUDY (base tax year + 1). Therefore all spending,

savings and appropriate deductions for the current FAMT will be for the current tax year instead

of the base tax year. Where a customer applies for a current FAMT assessment, the base tax

year details are required in order to assess the drop in the family's actual means.

**70.2 Conditions for using a current FAMT assessment**

The conditions for using a current FAMT assessment are that a reduction of actual means will

last for 2 years, with the additional requirement that the decrease in actual means must be

attributed to one or more of the following:

• a circumstance or circumstances beyond the control of an family member; OR

• there is no longer a designated parent for the FAMT; OR

• a family member has taken up full-time study.

These conditions provide an objective basis for granting a concession to families whose actual

means was too high in the base tax year.

**70.3 Period of effect of assessment**

The following table shows the period of effect of current FAMT assessments according to the

date of the event that caused the decrease in actual means.

|  |  |
| --- | --- |
| **If…** | **Then period of effect is…** |
| the event occurred on or before  1 January of the current year, | from 1 January until the end of:  • the calendar year; or  • the period of ABSTUDY qualification. |
| the event occurred after 1  January of the current year, | from the date of the event until the earlier of:  • the end of calendar year; or  • the period of ABSTUDY qualification. |
| no event can be tied to the  decrease in the current year, | from the date after 1 January when the decrease started, until the end of:  • the calendar year; or  • the period of ABSTUDY qualification. |

**70.4 Expectations of decreased profits**

Customers MUST supply financial evidence of decreased actual means before current FAMT

assessment is used. It should be noted that a current FAMT should not be approved on the

basis of an expectation of reduced actual means. A customer needs to have assessed whether

their actual means will indeed be lower and provide documentary evidence. Expectation of a

decrease in profits in relation to a family company or business should NOT usually be granted

for a current FAMT assessment.

**70.5 Reasons for a decrease in actual means**

For a current FAMT assessment to be used, the reasons for the decrease in actual means MUST

be out of the control of a:

• parent;

• student;

• Australian Apprentice; or

• family member.

**70.6 Family members no longer designated parents**

A current FAMT assessment can be used if, at the time of applying for the assessment, a parent

is no longer a designated parent.

**70.7 Actual means decreased due to study**

Current FAMT assessment is used if total family actual means decrease because a family gives

up substantial employment to take up full-time or concessional study-load study. Generally, a

full-time course of study, and the reduction in actual means, will need to last for at least 2

years. If the customer withdraws from the course, the current FAMT assessment is not usually

withdrawn.

Current FAMT assessment is NOT used if a parent claims the decrease in actual means resulted

from education costs.

**ABSTUDY, Allowances and Benefits: Chapter 71 - Overview of Living**

**Allowance**

This chapter provides an overview of Living Allowance qualification and payments.

**On this page**

• 71.1 Purpose of Living Allowance

• 71.2 Qualification for Living Allowance

• 71.3 Payment of Living Allowance for students at the secondary non-school, tertiary, or

Masters & Doctorate level and Australian Apprentices at the Tertiary Level

• 71.4 Payment of Living Allowance for secondary school students who are not approved to live

away from home

• 71.5 Payment of Living Allowance for secondary school students approved to live away from

home

• 71.6 Weekly Payments

• 71.7 Payee for Living Allowance

• 71.8 Taxation status

• 71.9 Overpayments

**71.1 Purpose of Living Allowance**

Living Allowance is for assistance in meeting the day-to-day living costs of the student or

Australian Apprentice.

**71.2 Qualification for Living Allowance**

Students on the following ABSTUDY Awards may qualify for Living Allowance:

• Schooling B Award;

• Tertiary Award; or

• Masters and Doctorate Award.

Australian Apprentices may qualify for Living Allowance under the Tertiary Award.

**71.2.1 Other income support**

A student or Australian Apprentice cannot receive ABSTUDY Living Allowance and other

Australian Government income support at the same time. See 12.1 Income Support.

**71.2.2 Away-from-base assistance**

Some students eligible for Away-from-base assistance may also qualify for Living Allowance for

a short period. Different rules apply to payment of Living Allowance for these students. See

Chapter 92 Away-from-base Living Allowance.

**71.3 Payment of Living Allowance for students at the secondary non-school,**

**tertiary, or Masters & Doctorate level and Australian Apprentices at the Tertiary**

**Level**

**71.3.1 Payment frequency**

Payments of Living Allowance in respect of Australian Apprentices or students who are studying

at the secondary non-school, tertiary, or Masters & Doctorate level are calculated on a daily

rate, and made fortnightly in arrears.

**71.3.1.1 Advance payments**

Advance payments of Living Allowance may be made in accordance with the provisions set out

in Chapter 75.

**71.3.1.2 Residential Costs Option**

Where a student has opted for the Residential Costs Option, the reduced Living Allowance

payments are made fortnightly in arrears.

**71.4 Payment of Living Allowance for secondary school students who are not**

**approved to live away from home**

**71.4.1 Payment frequency**

Payments of Living Allowance in respect of secondary school students who are not approved for

away from home entitlements are calculated on a daily rate, and made fortnightly in arrears.

**71.4.1.1 Advance payments**

Advance payments of Living Allowance may be made in accordance with the provisions set out

in Chapter 75.

**71.5 Payment of Living Allowance for secondary school students approved to live**

**away from home**

The payment method and frequency for Living Allowance for secondary school students

approved to live away from home depends on whether the student is either:

A. boarding at a boarding school; or

B. boarding at a hostel that is a signatory to the Standard Hostels Agreement; or

C. boarding at a hostel that is NOT a signatory to the Standard Hostels Agreement; or

D. boarding in a private board arrangement.

ABSTUDY assistance cannot be provided for out-of term accommodation where a student is

unable to return home during a term break as it is expected that schools and boarding

providers will have contingency plans for such occasions.

**71.5.1 Secondary school student boarding at a boarding school, or at a hostel that is a signatory to the Standard**

**Hostels Agreement**

The student’s entitlement for the whole calendar year is used to help meet the annual amounts

charged by the school and/or hostel for board, even though the entitlement may relate to

periods prior to or after the school year.

These entitlements are calculated on a daily rate. Payments are made in a combination of

term-in-advance and fortnightly in arrears, depending on the student’s entitlement and the

board amount charged by the school/hostel.

**71.5.1.1 Amounts paid term-in-advance**

Payments are made, direct to the school/hostel, four times a year on a term-in-advance basis

for the following periods:

• Term 1 01 January – 31 March;

• Term 2 01 April – 30 June;

• Term 3 01 July – 30 September;

• Term 4 01 October – 31 December.

These payments are made on a pro-rata basis for the lower of:

• the student’s maximum combined annual entitlement of Rent Assistance, Remote Area

Allowance, Living Allowance, and unused Group 2 School Fees Allowance that has been

transferred to meet board costs under the provisions set out in 85.8; or

• the annual amount of Rent Assistance, Remote Area Allowance, Living Allowance, and

unused Group 2 School Fees Allowance that has been transferred to meet board costs

under the provisions set out in 85.8 determined in that order, that is required to meet

the value of the board amount charged by the school/hostel.

**71.5.1.2 Amounts paid fortnightly in arrears to student or parent**

Payments are made to the payee identified in 71.7.1, fortnightly in arrears, only where the

student’s maximum combined annual entitlement of Rent Assistance, Remote Area Allowance,

Living Allowance exceeds the board costs charged by the boarding school/hostel. In these

circumstances, the difference between the maximum combined annual entitlement of Rent

Assistance, Remote Area Allowance, Living Allowance and the annual board costs is paid.

**71.5.1.3 Disparity in board fees**

Fees levied for ABSTUDY students must be at the same level as those set for non-ABSTUDY

students at the same boarding school or hostel.

**71.5.2 Secondary school student boarding at a hostel that is NOT a signatory to the Standard Hostels Agreement**

The student’s entitlement for the whole calendar year is used to help meet the annual amounts

charged by the hostel for board, even though the entitlement may relate to periods prior to or

after the school year.

These entitlements are calculated on a daily rate. Payments are made fortnightly in arrears to

the hostel, and in some circumstances also to the payee identified in 71.7.1, depending on the

student’s entitlement and the board amount charged by the hostel.

**71.5.2.1 Amounts paid fortnightly in arrears to hostel**

Payments are made direct to the hostel, fortnightly in arrears, on a pro-rata basis for the lower

of:

• the student’s maximum combined annual entitlement of Rent Assistance, Remote Area

Allowance and Living Allowance; or

• the annual amount of Rent Assistance, Remote Area Allowance and Living Allowance,

determined in that order, that is required to meet the value of the board amount

charged by the hostel.

**71.5.2.2 Amounts paid fortnightly in arrears to the student or payee**

Payments are made to the payee identified in 71.7.1, on a fortnightly in arrears basis, only

where the student’s maximum combined annual entitlement of Rent Assistance, Remote Area

Allowance and Living Allowance exceeds the board costs charged by the hostel. In these

circumstances, the difference between the maximum combined annual entitlement of Rent

Assistance, Remote Area Allowance and Living Allowance and the annual board costs is paid.

**71.5.2.3 Disparity in board fees**

Fees levied for ABSTUDY students must be at the same level as those set for non-ABSTUDY

students at the same hostel.

**71.5.3 Secondary school student boarding in a private board arrangement**

A student is considered to board in a private board arrangement if a provider other than a

boarding school or hostel provides him/her with board and lodgings during the school term.

**71.5.3.1 Payment frequency**

Payments of Living Allowance in respect of secondary school students who are boarding in a

private board arrangement are made fortnightly in arrears.

**71.5.3.2 Advance payments**

Advance payments of Living Allowance may be made in accordance with the provisions set out

in Chapter 75.

**71.6 Weekly Payments**

Where some or all of a student’s Living Allowance entitlement is being paid fortnightly in

arrears, the student may, in certain circumstances, choose to receive these payments on a

weekly basis.

Payments may be made weekly where the following conditions are met:

• the student is under 18 years of age; and

• the student is the payee; and

• special circumstances exist that would make it beneficial for the student to receive

weekly payments e.g. a homeless student who is having difficulty budgeting over the

full fortnight.

Payments cannot be made weekly in any of the following circumstances:

• the student is not the payee;

• the student has a dependent child; or

• the student has, or has had, regular casual earnings in the recent past.

**71.7 Payee for Living Allowance**

**71.7.1 Payee for fortnightly payments of Living Allowance**

Where Living Allowance is being paid fortnightly, payments are to be made to the payee

designated in the following table:

|  |  |
| --- | --- |
| **If…** | **Then**… |
| the student or Australian Apprentice is in one or  more of the following categories:  • studying at a secondary non-school,  tertiary or Masters & Doctorate level;  OR  • undertaking an Australian  Apprenticeship; OR  • 18 years old or over; OR  • has Independent status | the payee is the student or Australian  Apprentice |
| the student is 16-18 years old AND a secondary  school student AND has dependent status… | the payee is:  • the parent; OR  • the private board provider, if  requested by the parent; OR  • the student, if requested by the  parent; OR  • the student, if the student is not  benefiting from the allowance because  the parent uses it for other purposes  e.g. gambling, alcohol. |
| the student is under 16 years old AND a  secondary school student AND has dependent  status. | the payee is:  • is the parent; or  • the boarding school, if requested by  the parent; or  • the private board provider, if  requested by the parent; or  • the boarding hostel that is a signatory  to the Standard Hostels Agreement, if  requested by the parent. |

**71.7.1.1 Payee where student boarding at a hostel that is not a signatory to the Standard Hostels Agreement**

Where the student is boarding at a hostel that is not a signatory to the Standard Hostels

Agreement, payments must be made on a fortnightly in arrears basis direct to the hostel for

the amount determined at 71.5.2.1.

**71.7.2 Payee for term-in-advance payments of Living Allowance**

Where Living Allowance is being paid on a term-in-advance basis under the provisions of 71.5.1,

payments must be made direct to the boarding school or hostel for the amount determined at

71.5.1.

**71.7.3 Payee for Residential Costs Option**

Where a student has opted for the Residential Costs Option, payments of residential costs are

to be made direct to the residential college or hostel. For fortnightly Living Allowance payments

made under the Residential Costs Option, the provisions in 71.7.1 apply.

**71.8 Taxation status**

For details of the tax status of Living Allowance, refer to Chapter 5 Taxation.

**71.9 Overpayments**

Where payments in excess of entitlement have occurred, refer to Chapter 3 Overpayment and

Recovery of Allowances to determine what is a recoverable debt and from whom this amount

should be recovered.

**ABSTUDY, Allowances and Benefits: Chapter 72 - ABSTUDY Living**

**Allowance Rates**

This chapter discusses the rates of Living Allowance and the circumstances that may affect

these basic rates.

**On this page**

• 72.1 Indexation of Living Allowance rates

• 72.2 Circumstances affecting rate of Living Allowance

**72.1 Indexation of Living Allowance rates**

Living Allowance rates are subject to Consumer Price Index (CPI) changes each year. Maximum

rates for students and Australian Apprentices 21 years and over are indexed by the CPI on 20

March and 20 September. Maximum rates for students and Australian Apprentices under 21

years are indexed at 1 January each year.

For details of Living Allowance rates, see “A Guide to Australian Government Payments ”.

**72.2 Circumstances affecting rate of Living Allowance**

There are a number of different rates of ABSTUDY Living Allowance, depending on the following

circumstances:

• student’s or Australian Apprentice's age

• dependent or independent status

• in State Care(supported or unsupported)

• living in the parental home

• partnered or single

• with or without dependent children

• qualification for the Masters and Doctorate Award

• qualification for the Maintained Rate of payment

• qualification for Youth Disability Supplement.

For details of Living Allowance rates, see “A Guide to Australian Government Payments ” A

Guide To Australian Government Payments gives details of the payment rates and eligibility

criteria for all payments made by Centrelink and the Family Assistance Office.

These basic rates may then be affected by the income, assets and Family Actual Means tests.

**72.2.1 Age of student or Australian Apprentice**

Different rates of Living Allowance apply depending upon the student’s or Australian

Apprentice's age. For the purposes of determining the rate of Living Allowance on a given day,

the student’s or Australian Apprentice's age is his/her age on that day.

**72.2.2 Dependent and Independent status**

Different rates of Living Allowance apply depending upon whether the student or Australian

Apprentice is considered Dependent or Independent for ABSTUDY purposes. See Chapter 24

Introduction to Dependent Status and Chapter 37 Overview to Independent Status.

**72.2.3 In State Care (supported or unsupported)**

Students or Australian Apprentices in State Care may qualify for Living Allowance at either the

maximum standard (at home) rate or the away from home rate, depending on:

• whether the student or Australian Apprentice has reached the minimum school leaving

age for their State or Territory;

• whether their carer receives a regular foster care allowance for the student’s or

Australian Apprentice's upkeep; and

• whether the student or Australian Apprentice meets the conditions for approval of the

Away From Home rate of ABSTUDY.

For details, refer to Chapter 45 Student in State Care.

**72.2.4 Living in the parental home**

The rate of Living Allowance payable for both dependent and independent students

and Australian Apprentices can be affected by whether or not the student or Australian

Apprentice lives in the parental home.

**72.2.4.1 Dependent students and Australian Apprentices aged less than 16 years**

Dependent students and Australian Apprentices aged less than 16 years who live away from

home and meet the conditions for approval of the Away from Home rate can qualify for Living

Allowance under the Schooling B Award or the Tertiary Award. See Chapter 25 Eligibility criteria

for Away from Home entitlements.

For dependent students aged less than 16 years who either live at home, or live away from

home but do not meet the conditions for approval of the Away From Home rate, Living

Allowance is not payable. See instead the Schooling A Award.

For dependent Australian Apprentices aged less than 16 years who live at home, or live away

from home but do not meet the conditions for approval of the Away From Home rate, Living

Allowance at the standard (at home rate) is payable under the Tertiary Award.

**72.2.4.2 Dependent students and Australian Apprentices aged 16 years or over**

The basic rate of Living Allowance for a dependent student and Australian Apprentice aged 16

years or over is the standard (at home) rate. A higher rate of payment is available to those

students and Australian Apprentices who meet the conditions for approval of the Away from

Home rate. See Chapter 25 Eligibility criteria for Away from Home entitlements.

**72.2.4.3 Independent students or Australian Apprentices living in the parental home**

Where an independent student or Australian Apprentice lives in the parental home and is

considered an “accommodated independent person”, they are entitled to the lower at-home

Independent rates of Living Allowance.

A student or Australian Apprentice is considered to be an accommodated independent person

where they are:

• independent; and

• living at the home of either or both of his/her parents/guardians; and

• 20 years of age or under; and

• not a person who

o is or has been married or in a registered relationship; or

o has or has had a dependent child; or

o is 16 years of age or older and living in a de facto relationship which is of at

least 6 months duration; or

o currently has the care or custody of another person’s dependent child or

dependent student or Australian Apprentice.

Independent students or Australian Apprentices who are not considered an accommodated

independent person qualify for the standard independent rate for their circumstances.

**72.2.5 Partnered or single status**

Different rates of Living Allowance apply depending upon whether the student or Australian

Apprentice is considered partnered or single for ABSTUDY purposes.

**72.2.5.1 Illness separated couple**

A partnered ABSTUDY customer can receive a rate of Living Allowance equivalent to the single

rate where s/he is a member of an illness separated couple. A person is a member of an illness

separated couple if:

• they are unable to live together in their home as a result of the illness or infirmity of

either or both of them; and

• because of that inability to live together, their living expenses are, or are likely to be,

greater than they would otherwise be; and

• that inability is likely to continue indefinitely.

**72.2.5.2 Respite care couple**

A partnered ABSTUDY customer can receive a rate of Living Allowance equivalent to the single

rate where s/he is a member of a respite care couple. A person is a member of a respite care

couple if:

• one of the members of the couple has entered respite care; and

• the member who has entered the approved respite care has remained, or is likely to

remain, in that care for at least 14 consecutive days.

For ABSTUDY purposes, a person is in **approved respite care** on a particular day if the person

is eligible for a respite care supplement in respect of that day under section 44-12 of the *Aged*

*Care Act 1997*.

**72.2.5.3 Partner in gaol**

A partnered ABSTUDY customer can receive a rate of Living Allowance equivalent to the single

rate where s/he has a partner in gaol. A person is considered to have a partner in gaol if the

person’s partner is:

• in gaol; or

• undergoing psychiatric confinement because the partner has been charged with

committing an offence.

**72.2.6 Dependent children rate**

The rates of Living Allowance available to independent students or Australian Apprentices (sole

parent or partnered) who have dependent children can be paid to a student or Australian

Apprentice who:

• has a dependent child or dependent student/Australian Apprentice in his/her care; or

• shares custody and financial responsibility of a child, if the child lives with that parent

for at least half the week.

**72.2.7 Masters and Doctorate rate of Living Allowance**

Full-time or concessional study-load students approved for the Masters and Doctorate Award

receive a higher rate of Living Allowance that is based on the rates that apply for the Australian

Postgraduate Award (APA) scheme. This rate is not affected by age, or whether the student has

a partner and/or dependent children.

**72.2.8 Maintained Rates for Continuing Students aged 21 years or more**

A student is entitled to receive the 1999 rate of Living Allowance in the following circumstances:

• s/he was aged 21 years or more at 31 December 1999; and

• s/he was in receipt of ABSTUDY Living Allowance in 1999; and

• s/he has received Living Allowance continuously since 1999; and

• the student has studied his/her current course of study continuously, without a break in

study since 1999; and

• the 1999 maintained rate of Living Allowance is more beneficial to the student than the

rate s/he would otherwise receive.

**72.2.8.1 Entitlement to maintained rate ceases**

Entitlement to the maintained rate ceases when either of the following occur:

• the student completes the current course of study; or

• the student ceases to undertake the current course of study, e.g. changes to a new

course that is not considered to be part of the current course of study; or

• the student has a break in study; or

• the 1999 maintained rate of Living Allowance is no longer more beneficial to the

student than the rate s/he would otherwise receive.

Once a student ceases to be entitled to the maintained rate of Living Allowance, s/he may not

re-qualify for the maintained rate should his/her circumstances change.

**72.2.8.2 Current Course of Study**

For the purposes of determining entitlement to the maintained rates of Living Allowance, a

current course of study includes:

• regular undergraduate courses;

• articulated courses, such as those where a series of courses can be linked to count for a

higher qualification;

• a continuing course in the same field of study undertaken at different institutions or at

a different campus;

• natural progression, such as:

o a Bachelor of Laws and Letters followed by a Graduate Diploma of Legal Studies;

or

o an access or bridging course undertaken as a prerequisite entry to a tertiary

qualification; or

o a series of certificate level courses in the same field of study; or

o a Bachelor degree that is a prerequisite for a Graduate degree; or

o an Honours year or Masters qualifying year followed by a Masters.

**72.2.8.3 Break in study**

For the purposes of determining entitlement to the maintained rates of Living Allowance, a

student is considered to have had a break in study if, with the exception of vacation periods,

s/he was not enrolled in and undertaking the current course of study at any time since 1999.

A student is considered to not have had a break in study where exceptional circumstances

beyond the student's control prevented him/her from enrolling in the current course of study.

These exceptional circumstances include:

• medical grounds;

• personal circumstances; or

• academic requirements or course availability.

**72.2.9 Qualification for Youth Disability Supplement**

The Youth Disability Supplement is an income supplement paid to young people with disabilities

recognising additional costs associated with their physical, intellectual and psychiatric

disabilities.

The Youth Disability Supplement is payable to ABSTUDY customers on an ABSTUDY Living

Allowance aged under 21 years and assessed by a Job Capacity Assessment as having a partial

capacity to work.

The rate payable to a person on ABSTUDY who is under 21 years of age cannot exceed the rate

payable to an ABSTUDY customer who is aged 21 years or over, therefore the rates payable to

single customers living away from home, single customers with children and to partnered

customers are limited to the equivalent common benefit rates (NSA rate). For details of Youth

Disability Supplement rate see ‘A Guide to Australian Government Payments '.

The Youth Disability Supplement is a fortnightly entitlement and is indexed annually in line with CPI increases.

**ABSTUDY, Allowances and Benefits: Chapter 73 - Living Allowance**

**entitlement periods**

This chapter describes the period for which ABSTUDY Living Allowance is paid, and the

circumstances that may affect this.

**On this page**

• 73.1 Period of entitlement

• 73.2 Circumstances affecting commencement of entitlement

• 73.3 Circumstances affecting cessation of entitlement

• 73.4 Continuation of entitlement during vacation periods

• 73.5 Entitlement during gaps between courses

**73.1 Period of entitlement**

Where a student is undertaking approved study, the normal period of Living Allowance

entitlement is:

• for secondary school students, from 1 January to 31 December of that year; or

• for tertiary and secondary non-school students, from the first day to the last day of the

approved course.

o for these purposes, the first day of the course is the earlier of the following:

􀂃 the first day of attendance at classes in the course; or

􀂃 for external students, the first day of the enrolment period; or

􀂃 for students attending the first year of a higher education course, the

first day of orientation week.

o for these purposes, the last day of the course will be the later of the following:

􀂃 the last day of the academic year/study period for that course; or

􀂃 for external students, the last day of the enrolment period; or

􀂃 the date of the last examination.

For Australian Apprentices undertaking an apprenticeship, traineeship or trainee apprenticeship,

the normal period of Living Allowance entitlement is from the latter of:

• the date the customer lodges a claim or intention to claim; or

• the start date of the Australian Apprenticeship;

to the last day of the apprenticeship, traineeship or trainee apprenticeship as specified in the

training contract.

However, in order for an Australian Apprentice to commence receiving payment, Centrelink

must be provided with the Australian Apprentice's Commonwealth registration number and

their start date.

**73.1.1 Period of entitlement for term-in-advance payments**

Where payments of Living Allowance are being made on a term-in-advance basis to a school or

hostel under the provisions set out in 71.5.1, then the normal periods of Living Allowance

entitlement for these term-in-advance payments are:

• Term 1 01 January to 31 March;

• Term 2 01 April to 30 June;

• Term 3 1 July to 30 September;

• Term 4 1 October to 31 December.

**73.1.2 Circumstances affecting the normal period of entitlement**

The following circumstances affect the commencement date and end date of entitlement:

• late commencement;

• resuming study after a break;

• discontinuing full-time or concessional study-load study;

• discontinuing an apprenticeship, traineeship or trainee apprenticeship under the

Australian Apprenticeship Scheme;

• suspension or cancellation of an Australian Apprentice’s Commonwealth registration

number;

• discontinuing boarding at a boarding school;

• discontinuing boarding at a hostel;

• continuation of entitlement during vacation periods; and

• entitlement during gaps between courses.

The following circumstances also apply to Australian Apprentices:

• the date the Australian Apprentice’s Commonwealth Registration Number in respect to

the full-time Australian Apprenticeship commences.

The new claim application for Australian Apprentices may be suspended without rejection while

waiting for the Commonwealth Registration number to be provided.

**73.2 Circumstances affecting commencement of entitlement**

**73.2.1 Late Commencement**

A student will be entitled to Living Allowance from the normal entitlement period start date

specified in 73.1 provided that s/he commences full-time or concessional study-load study in

the approved course by the Friday of the third week of the relevant study period.

Where a student commences study in the course after the Friday of the third week, s/he is

entitled to Living Allowance only from the day on which the student actually commences fulltime

or concessional study-load study in the approved course.

**73.2.1.1 Late commencement due to circumstances beyond the student’s control**

If a student’s late commencement was due to circumstances beyond the student’s control, s/he

is entitled to Living Allowance from the from the normal entitlement period start date specified

in 73.1.

**73.2.2 Resuming study after a break**

A student is entitled to Living Allowance from 1 January if s/he has had a break in full-time or

concessional study-load study of no greater than 1 semester and the first day of his or her

course is between 1 January and 31 March of that year.

A student is entitled to Living Allowance from 1 July if s/he has had a break in full-time or

concessional study-load study of no greater than one semester and the first day of his or her

course is between 1 July and 31 July.

**73.2.2.1 Break in study due to circumstances beyond the student’s control**

Where the break in full-time or concessional study-load study was greater than one semester,

but the break in study was as a result of circumstances beyond the student’s control, the

student is entitled to Living Allowance from 1 January or 1 July as appropriate.

**73.2.2.2 Intention to resume study after a break in study**

If the student was paid from 1 January or 1 July on the basis of his/her intention to study a

full-time or concessional study-load in the approved course in the next available study period,

and the student subsequently becomes aware s/he will not be commencing the course, s/he is

entitled to Living Allowance up to the date s/he became aware s/he would not commence the

course.

This provision cannot be extended beyond the third Friday of the study period i.e. term or

semester.

**73.3 Circumstances affecting cessation of entitlement**

**73.3.1 Discontinuing full-time or concessional study-load study**

Where a student has discontinued full-time or concessional study-load study, his/her

entitlement to Living Allowance ceases. A student is considered to have discontinued full-time

or concessional study-load study if:

• s/he informs Centrelink s/he has ceased full-time or concessional study-load study; or

• s/he cancels his/her enrolment or his/her enrolment is cancelled by the education

institution; or

• the education institution advises Centrelink that the student has ceased full-time or

concessional study-load study; or

• s/he is a secondary non-school, tertiary or Masters & Doctorate level student who

ceases to meet the conditions for payment during a period of extended absence as set

out in 50.2; or

• s/he is a secondary school student and the education institution advises that s/he has

had a continuous period of unapproved absence in excess of two weeks, as set out in

49.4.

The date of discontinuation is whichever the earlier is of:

• the date on which the student ceases to study full-time; or

• the date on which the student ceases to meet the conditions for payment during a

period of extended absence as set out in 50.2; or

• the date on which the student ceases to be enrolled.

**73.3.2 Discontinued boarding at a boarding school**

If Living Allowance has been paid on a term-in-advance basis to a boarding school for a student

who has commenced in the term and under the institution’s conditions of enrolment it will not

be refunded, then the entitlement end date for the term-in-advance payment will remain the

normal entitlement end date for that term as set out in 73.1.1. This applies even where the

reason for the student’s discontinuation is suspension or expulsion from the school.

There is no entitlement to the school for a student who does not commence.

**73.3.2.1 Change of school affect on term-in-advance Living Allowance payments**

Where term-in-advance Living Allowance has been paid for the term and a student

subsequently ceases to board at that school, and the boarding school is entitled to retain the

term payment under the provisions set out in 73.3.2, no further payments for board may be

made until the commencement of a new term entitlement period.

**73.3.3 Discontinued boarding at a hostel**

If Living Allowance has been paid on a term-in-advance basis to a hostel that is a signatory to

the ABSTUDY Hostels Agreement, and the student either discontinues boarding or ceases

studying within 6 weeks of taking up residence, then under the ABSTUDY Hostels Agreement

the entitlement end date for the term-in-advance payment will be 6 weeks from the date the

student took up residence. This applies even where the reason for the student’s discontinuation

is suspension or expulsion from the school.

**73.3.3.1 Discontinued boarding at a hostel where term-in-advance payments are made**

Where term-in-advance Living Allowance has been paid for the term and a student

subsequently ceases to board at that hostel, and the hostel is entitled to retain 6 weeks of the

term payment under the provisions set out in 73.3.3, no further payments for board may be

made until the date after this 6 week period ends.

**73.4 Continuation of entitlement during vacation periods**

A student is entitled to Living Allowance during any vacation period where:

• s/he was receiving Living Allowance on the basis of undertaking approved full-time or

concessional study-load study immediately prior to the vacation period; and

• s/he is intending to undertake approved full-time or concessional study-load study in

the study period immediately following the vacation period.

There is no entitlement to Living Allowance over the long vacation period where the approved

course immediately prior to the vacation period ended earlier than 15 September and/or where

the approved course immediately after the vacation period starts after 31 March.

**73.4.1 Continuing student does not resume study after vacation period**

Where such a student does not resume full-time or concessional study-load study after the

vacation by the third Friday of the next study period, s/he is entitled to Living Allowance up to

and including the day when s/he became aware that s/he would not be resuming full-time or

concessional study-load study.

This provision cannot be extended beyond the third Friday of the relevant term/semester.

**73.4.2 Payments made to boarding school or hostel**

There is no entitlement to either term-in-advance payment to a boarding school or hostel, or

fortnightly payments to a hostel, for a term where the student who does not commence in that

term. This includes a continuing student who does not resume study after a vacation period.

In this situation, the provisions set out in 73.4.1 still apply in respect of fortnightly payments of

Living Allowance directed to the payee identified in 71.7.1. This means that, although the

boarding school or hostel is not entitled to any payments for a student where s/he does not

commence in a term, the student is entitled to their normal fortnightly entitlement of Living

Allowance up to and including the day s/he became aware that s/he would not be resuming

study.

**73.5 Entitlement during gaps between courses**

Where a student discontinues and then subsequently commences full-time or concessional

study-load study, in either the same course or a different course, s/he remains entitled to

Living Allowance if the period between is no greater than 28 days.

**ABSTUDY, Allowances and Benefits: Chapter 74 - Residential Costs**

**Option**

This chapter describes the circumstances where a student may elect to receive the residential

costs option in place of ABSTUDY Living Allowance.

**On this page**

• 74.1 Purpose of the Residential Costs Option (RCO)

• 74.2 Eligibility for Residential Costs Options

• 74.3 What is the Residential Costs Option?

• 74.4 What are residential costs?

**74.1 Purpose of the Residential Costs Option (RCO)**

The Residential Costs Option allows students who live in a residential college or hostel the

option of having his/her residential costs paid directly by ABSTUDY, in addition to receiving a

reduced amount of Living Allowance or nil rate of Pensioner Education Supplement (PES). For

the periods residential fees are not charged, eligible students receive their full Living Allowance

or PES entitlement.

Australian Apprentices are unable to access this entitlement.

**74.2 Eligibility for Residential Costs Options**

To be eligible for the residential costs option students must be:

• eligible for one of the following Awards:

o Schooling B Award; or

o Tertiary Award; or

o Masters & Doctorate Award; and

• either:

o a tertiary student; or

o a secondary non-school student undertaking approved studies of at least 30

weeks duration (full year course) at a university; and

• receiving either:

o an amount of Living Allowance; or

o Pensioner Education Supplement (PES); or

o payments of Defence Force Income Support Allowance-like (DFISA-like)

payments under the *Veterans’ Entitlements Act 1986*; and

• either:

o a dependent student who has been approved for Away From Home entitlements;

or

o an independent student or a PES recipient who would, if they were not

independent or a PES recipient, meet one of the criteria for approval of Away

from Home entitlements; and

• be residing at a residential college attached to an Australian education institution, or a

hostel.

**74.3 What is the Residential Costs Option?**

Where a student meets the eligibility criteria set out in 74.2, s/he may elect to take up the

Residential Costs Option. The Residential Costs Option involves the following:

• residential costs are paid by ABSTUDY directly to the college or hostel; and

• during periods for which residential fees are charged, the student forfeits their normal

fortnightly amount of Living Allowance or Pensioner Education Supplement (PES):

o Living Allowance recipients receive a reduced fortnightly rate of Living

Allowance; and

o PES recipients forfeit their fortnightly PES payments; and

• during periods for which residential fees are not charged, Living Allowance/PES

payments return to the normal fortnightly amounts.

**74.3.1 Reduced rate of Living Allowance**

Eligible Living Allowance recipients who elect to take up the Residential Costs Option will

receive a reduced rate of Living Allowance during periods for which residential fees are charged.

The amount they will receive each fortnight is the lesser of:

• the prescribed Residential Costs Option fortnightly allowance (for details of this rate,

see “A Guide to Australian Government payments ”.); or

• the student’s normal Living Allowance entitlement.

A student who chooses the RCO is ineligible for Additional Assistance or Meals Allowance to

supplement the reduced rate of Living Allowance.

**74.4 What are residential costs?**

For the purpose of the Residential Costs Option, residential costs include:

• accommodation fees; and

• meals provided; and

• laundry charges; and

• other compulsory fees.

Residential costs do not include bonds or other refundable fees.

**74.4.1 Reasonable residential costs**

There is no set upper limit on the residential costs payable by ABSTUDY for approved students

who choose the Residential Costs Option; however, residential charges must be reasonable.

**ABSTUDY, Allowances and Benefits: Chapter 75 - Advance Payment**

This chapter describes the rules around the payment of an Advance Payment of ABSTUDY

Living Allowance.

**On this page**

• 75.1 Qualification for Advance Payment

• 75.2 Formula for calculating Advance Payment

• 75.3 Payment of Advance Payment

• 75.4 Repayment of Advance Payments

**75.1 Qualification for Advance Payment**

To qualify for an advance, a student or Australian Apprentice must meet the following criteria:

• have a payable ABSTUDY Living Allowance entitlement; and

• request, and be entitled to, between $250 and $500 in advance; and

• not have received an advance in the last 12 months, including an advance made under

another social security benefit or allowance; and

• not owe any money to the Commonwealth that is being recovered, or may be

recovered, by repayments from their social security or ABSTUDY payment; and

• not be currently repaying a previous advance, including an advance made under

another social security benefit or allowance (excluding a Family Tax Benefit,

Pharmaceutical Allowance or Mobility Allowance advance); and

• not be a secondary school boarding student where payments are being made term-inadvance

to a boarding school or hostel;

• be able to repay the advance without suffering financial hardship.

Advance Payments for dependent secondary students aged less than 18 years cannot be made

without the permission of the parent.

**75.2 Formula for calculating Advance Payment**

**75.2.1 Minimum advance payable**

The minimum amount of ABSTUDY Living Allowance payable as an advance payment is $250.

**75.2.2 Maximum advance payable**

The maximum amount of ABSTUDY Living Allowance payable as an advance payment is the

lowest of the following amounts:

• the amount requested; or

• 7 per cent of the gross amount of the last full fortnightly entitlement (including gross

Living Allowance plus Rent Assistance plus Pharmaceutical Allowance, but not including

Remote Area Allowance) x 26; or

• $500.

**75.3 Payment of Advance Payment**

Normally, advance payments are made by direct credit of the whole amount as an immediate

payment, but customers have the option of payment by instalments.

**75.3.1 Payment by instalments**

The maximum number of instalments is two. There is no minimum instalment amount. The

customer must nominate the instalment amounts and the date they require the second

instalment to be automatically paid. The second instalment must be paid within 6 months of

the first. When a customer elects to have instalments, the recovery rate is still calculated on

the full amount to be advanced.

**75.4 Repayment of Advance Payments**

Advances are recovered through repayments from the student’s or Australian

Apprentice's fortnightly payments of ABSTUDY. A student or Australian Apprentice can,

however, make a cash refund to repay any amount of an outstanding advance at any time.

**75.4.1 Transfer between payments**

Where a customer transfers from ABSTUDY Living Allowance to a social security income support

payment, and there is a balance of an outstanding advance, this outstanding balance transfers

to the income support payment and continues to be recovered as an advance.

**75.4.2 No longer entitled to social security benefit, allowance or pension, or ABSTUDY**

If a customer is no longer entitled to a social security benefit, allowance or pension, or

ABSTUDY Living Allowance, and there is a balance of an outstanding advance, this outstanding

balance becomes a debt to the Commonwealth.

**75.4.3 Rate of repayment of advances**

The first repayment of an advance will be made on the first payday after the advance payment

is made. The rate of repayment is one-thirteenth of the full amount of the advance, even if the

advance is made in instalments.

**75.4.3.1 Variation in rate of repayment of advances: changes in circumstance**

In some fortnights, the student’s ABSTUDY Living Allowance entitlement may be reduced below

the repayment rate as a result of the application of income tests. Where this happens, the full

amount is deducted to cover the repayment rate. As the full repayment has not been made, the

number of fortnights over which the advance is recovered will increase.

**75.4.3.2 Variation in rate of repayment of advances: customer request**

A request by the customer to decrease or temporarily cease the rate of repayment of an

advance can be approved if:

• the person has experienced an unexpected change in circumstances that is special and

unusual; and

• the person would suffer severe financial hardship if the repayment rate was not

reduced.

**ABSTUDY, Allowances and Benefits: Chapter 76 - Overview of Rent**

**Assistance**

This chapter provides an overview of Rent Assistance qualification.

**On this page**

• 76.1 Purpose of Rent Assistance

• 76.2 Qualification for Rent Assistance

• 76.3 Government Rent

• 76.4 Ineligible Homeowner

• 76.5 Temporary Accommodation

• 76.6 Student living in parental home

• 76.7 Absence from Australia

**76.1 Purpose of Rent Assistance**

The purpose of Rent Assistance is to assist in meeting the board and lodging expenses of

eligible students and Australian Apprentices.

**76.2 Qualification for Rent Assistance**

To qualify for Rent Assistance, the following criteria must be met:

• the student or Australian Apprentice must qualify for one of the following ABSTUDY

Awards:

o Schooling B Award; or

o Tertiary Award; and

• the student or Australian Apprentice must either:

o have dependent status and be approved for Away from Home entitlements; or

o be a student or Australian Apprentice in State Care who is approved for the

Away from Home rate of Living Allowance; or

o have independent status and NOT be considered an accommodated

independent person; and

• the student or Australian Apprentice must either:

o be entitled to receive Living Allowance; or

o be receiving a Defence Force Income Support Allowance-like (DFISA-like)

payment under the *Veterans’ Entitlements Act 1986*; and

• the student or Australian Apprentice must pay, or be liable to pay, rent (other than

Government rent) above the specified threshold in order to occupy their principal

residence; and

• the student’s or Australian Apprentice's principal residence is in Australia; and

• the student or Australian Apprentice is not either of the following:

o an ineligible homeowner; or

o an aged care resident occupying a Commonwealth funded bed in a nursing

home or hostel; and

• the student or Australian Apprentice has a partner, where the partner is neither:

o receiving Family Tax Benefits (FTB) Part A under the *Family Assistance Act*

*1999* at greater than the base FTB child rate; or

o receiving a rent increased pension under the *Social Security Act 1991* or a rent

increased service pension under the *Veterans’ Entitlements Act 1986*.

**76.2.1 Rent Assistance not available under certain Awards**

Rent Assistance is not available under the following ABSTUDY Awards:

• Masters and Doctorate Award;

• Schooling A Award;

• Testing and Assessment Award;

• Part-time Award; and

• Lawful Custody Award.

**76.2.2 Not qualified for Rent Assistance**

A student or Australian Apprentice does not qualify for Rent Assistance where the student or

Australian Apprentice:

• pays less than the threshold amount of rent according to their circumstances; or

• pays Government rent; or

• is an ineligible homeowner; or

• continues to be treated as a homeowner during a period of temporary absence, despite

renting their temporary accommodation (some exceptions apply); or

• does not qualify because of rules that apply to some students or Australian

Apprentices who live in the parental home; or

• is receiving a maintained rate of Living Allowance under the provisions set out in 72.2.8.

**76.2.3 Evidence supporting claims for Rent Assistance**

As determined by Centrelink, evidence may be required to support a student’s or Australian

Apprentice's claim for Rent Assistance, or to support the student’s or Australian Apprentice's

ongoing entitlement for Rent Assistance.

**76.3 Government Rent**

Government rent means rent paid to a State Housing Authority.

A student or Australian Apprentice who pays Government rent does not qualify for Rent

Assistance, even if s/he is paying market rent or has a sub-tenant.

**76.3.1 Not considered to be Government Rent**

For the purposes of assessing eligibility for Rent Assistance, the following are not considered to

be government rent:

• any housing co-operative, disability state housing or other organisation that may

receive funding and/or properties through housing authorities, even if the student or

Australian Apprentice pays rent directly to the state housing authority; or

• Commonwealth housing, e.g. housing provided by the Defence Housing Authority or the

Department of Immigration and Multicultural and Indigenous Affairs.

**76.3.2 Customer who sub-lets in public (Government) housing**

A sub-tenant in public housing cannot qualify for Rent Assistance unless:

• the primary tenant pays market rent as determined by the State Housing Authority;

OR

• the primary tenant has advised the State Housing Authority that they have a subtenant;

and

• the sub-tenant's income has been taken into consideration when calculating the rent

payable by the primary tenant.

**76.4 Ineligible Homeowner**

Where a student or Australian Apprentice is an ineligible homeowner, s/he does not qualify for

Rent Assistance. A student or Australian Apprentice is considered to be an ineligible homeowner

where:

• the student or Australian Apprentice has a right or interest in his/her principal home;

and

• the student’s or Australian Apprentice's right or interest in the home gives the

student or Australian Apprentice reasonable security of tenure in the home;

OR

• the student or Australian Apprentice has a partner and the student or Australian

Apprentice, or the partner, has a right or interest in one residence that is either:

o the student’s or Australian Apprentice's principal home; or

o the partner's principal home; or

o the principal home of both of them; and

• the student’s or Australian Apprentice's right or interest, or the partner's right or

interest, in the home gives the student or Australian Apprentice, or the partner,

reasonable security of tenure in the home.

**76.4.1 Not considered an ineligible homeowner**

A student or Australian Apprentice in the following circumstances is not considered to be an

ineligible homeowner:

• the student or Australian Apprentice, and/or the student’s or Australian Apprentice's

partner, has sold his/her principal home within the last 12 months and has not yet

acquired another residence, but is likely to apply some or all of the proceeds of the sale

to that purpose; or

• the student or Australian Apprentice is absent from his/her principal home in order to

undertake caring responsibilities for another person for at least 14 consecutive days,

but for no longer than 2 years; or

• the student or Australian Apprentice is either:

o in a care situation but not residing in a retirement village or aged care

residence; or

o paying for the use of a site or structure, including rights to moor a vessel, that

is his/her principal home. Example: A caravan or boat.

**76.5 Temporary Accommodation**

Rent Assistance is generally only payable when the accommodation being rented is regarded as

the student’s or Australian Apprentice's principal home. However, in some circumstances where

the customer is likely to have increased accommodation costs for a temporary period, rent paid

for temporary accommodation may qualify for Rent Assistance. These circumstances are:

• the student or Australian Apprentice requires specific medical treatment that is

unavailable in the area where his/her principal home is located; or

• the student or Australian Apprentice temporarily moves away from the area where

his/her principal home is located in order to live at his/her study location or undertake

an apprenticeship, traineeship or trainee apprenticeship; or

• the student or Australian Apprentice has a dependent child attending school away from

the area where their principal home is located because of unavailability of appropriate

schools (except where the family receive second Home Allowance under the Assistance

for isolated Children (AIC) scheme for this purpose); or

• the student or Australian Apprentice lives in a refuge; or

• the student or Australian Apprentice must leave his/her principal home temporarily

because it is uninhabitable.

Where a student or Australian Apprentice pays rent on both his/her principal home and on

temporary accommodation, s/he can only receive Rent Assistance on one of the residences.

**76.6 Student living in parental home**

Rent Assistance is not payable in some circumstances where a student or Australian Apprentice

lives in the principal home of a parent. The following students or Australian Apprentices are not

eligible for Rent Assistance:

• a student or Australian Apprentice who has dependent status and is living in the

principal home of a parent; and

• a student or Australian Apprentice who has independent status and is considered to be

an accommodated independent person.

**76.6.1 Principal home of parent**

A customer is considered to be living in the principal home of a parent when living in the same

home that at least one of their parents is residing in. This does NOT include:

• the parent's investment property;

• a fully self-contained flat attached to or detached from the parent's home;

• a fully self-contained caravan in the backyard of the parent's home; or

• a separate, fully self-contained house on the same block of land as the parent's home.

**76.6.1.1 Fully self-contained accommodation**

For the purposes of 76.6.1, accommodation is considered to be fully self-contained where it

includes a kitchen, bathroom and other facilities that do not require the student to use the

parent’s home on a regular basis.

**76.7 Absence from Australia**

Rent Assistance is payable during absences overseas where:

• the portability provisions set out in 9.2 are met; and

• the student or Australian Apprentice continues to pay rent for his/her residential

premises in Australia; and

• the his/her remains otherwise eligible for Rent Assistance.

Depending on the reason for the overseas absence, the length of time for which Rent

Assistance remains payable varies:

• where the student or Australian Apprentice is overseas and meets the provisions of

Chapter 55 Overseas Study, Rent Assistance remains payable for up to 26 weeks;

• where the student or Australian Apprentice is overseas and does not meet the

provisions of Chapter 55 Overseas Study, Rent Assistance remains payable for up to 13

weeks;

• where the student or Australian Apprentice is overseas and does not meet the

provisions of Chapter 55 Overseas Study, BUT the student or Australian Apprentice

receives an extension to his/her limited portability period under the provisions set out

in 9.2.2.1, Rent Assistance remains payable for up to 26 weeks.

**ABSTUDY, Allowances and Benefits: Chapter 77 - Assessment of Rent**

This chapter discusses the assessment of rent for the purposes of Rent Assistance.

**On this page**

• 77.1 What is Rent?

• 77.2 Payments for Board & Lodging

• 77.3 Net Rent Rules

• 77.4 Students and Australian Apprentices who share accommodation with others

**77.1 What is Rent?**

For the purposes of Rent Assistance, rent means amounts paid or payable on a regular basis by

a student or Australian Apprentice, or his/her partner, as a condition of occupying their

principal home. This includes amounts paid for:

• lodging;

• accommodation in a care situation, except for Government subsidised Residential Aged

Care;

• service or maintenance fee for services provided in a retirement village;

• the use of site for, and/or rental of, a:

o caravan or other vehicle; or

o mobile home; or

o transportable home; or

o tent;

• the right to moor a vessel; and

• a service or charge on certain shared equity accommodation such as some schemes

provide for people with disabilities or the elderly.

**7**

**7.1.1 Considered to be paid on a regular basis**

Where an amount is paid at least quarterly, it is considered to be paid on a regular basis.

Where an amount for the following is paid at least annually, it is considered to be paid on a

regular basis:

• site fees paid for a:

o caravan or other vehicle; or

o mobile home; or

o transportable home; or

o tent; or

• service or maintenance fee for services provided in a retirement village.

**77.1.2 Child support maintenance payments**

Maintenance payments for child support purposes do not reduce a student’s or Australian

Apprentice's entitlement to Rent Assistance, even if they are:

• paid specifically to help with rental accommodation costs; OR

• made directly to the landlord or agent.

The amount of rent assessed for the purposes of Rent Assistance is the gross amount of rent

paid, as if there were no subsidy.

**77.2 Payments for Board & Lodging**

For the purposes of Rent Assistance, where a student or Australian Apprentice makes payments

for board and lodging, that is, s/he is provided with meals on a regular basis in addition to the

lodging, only the amount paid for lodging is considered to be rent.

**77.2.1 Two-thirds rule**

Where a student or Australian Apprentice pays for board and lodging and the amount paid or

payable for lodging cannot be identified, two-thirds of the total amount is considered to be for

rent.

**77.2.2 Free board & lodging**

The following table explains the provisions that apply if a student or Australian

Apprentice receives free board and lodging:

|  |  |
| --- | --- |
| **If the student or Australian**  **Apprentice**... | **Then the student or Australian Apprentice**... |
| receives free lodgings, or free board  and lodgings, whether in return for  services or not, | is NOT regarded as paying rent.  **Exception**: If it is accepted that amounts for lodging,or board and lodging will be paid WHEN Rent Assistance is granted. |
| is given the right of occupancy of a  property (not being a life interest or  an equity in the property) in return for  the payment of rates, repairs or  similar. | MAY be regarded as paying rent IF:  - it can be established that they are required to pay regular amounts (usually at least quarterly), AND  - it is reasonable to regard this student as paying rent. |

**77.2.3 Student residing at a boarding school, hostel, or residential college**

For the purposes of assessing eligibility for Rent Assistance, the board fees for a student who is

residing at a boarding school, hostel or residential college are regarded as being paid by the

student, even if paid by a third party on behalf of the student.

See 77.3.4 for details of special rules for accommodation that is paid for by a scholarship.

**77.3 Net Rent Rules**

Generally, Rent Assistance is payable only on the amount of rent paid by the student or

Australian Apprentice, net of any subsidies or payments from tenants. The exceptions to this

are:

• student or Australian Apprentice who sub-lets in community or co-operative housing;

• student or Australian Apprentice who resides in disability program accommodation;

• State & Territory rent relief schemes;

• student or Australian Apprentice scholarships;

• rent in return for work.

**77.3.1 Student or Australian Apprentice who sub-lets in community or co-operative housing**

A student or Australian Apprentice who sub-lets a house that is managed by a co-operative or

community housing group is paid Rent Assistance based on the amount of rent paid by the

student. This is usually a given percentage of their income.

**77.3.2 Student or Australian Apprentice who resides in disability program accommodation**

Where a student or Australian Apprentice resides in disability accommodation provided by a

government or community agency, Rent Assistance is payable. This includes situations where:

• the accommodation owned by the State Housing Authority (SHA) but managed by the

disability service agency; and

• rent is paid directly to the SHA.

Only the amount paid by the student for accommodation is considered to be rent. Amounts

paid for maintenance and service fees are not considered to be rent.

**77.3.3 State & Territory rent relief schemes**

Some State and Territory Governments offer rent relief schemes which impact on the eligibility

for Rent Assistance. The Government schemes offered and their treatment under Rent

Assistance provisions are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| **State**  **Government** | **Scheme Name** | **Details of Scheme** | **Rent Assistance**  **based on …** |
| **NSW** | Special Assistance  Subsidy (SAS) | Subsidy paid to disabled and HIV/AIDS customers on waiting list. | gross rent payable. |
| **South Australia** | Rent Relief (closed  to new applicants in  May 2001) | Subsidy paid to low-income  people to maintain private  rental. | gross rent payable. |
|  | Student Rent Relief | Subsidy paid to tertiary  students who live more than  75km from home. | gross rent payable. |
| **Queensland** | Rental Subsidy  Scheme | Assistance to people with  disability or special need. | Rent Assistance is NOT  payable, customers are  Government renters. |

**77.3.4 Student or Australian Apprentice scholarships**

Where a student or Australian Apprentice receives a scholarship that pays for some or all of

their rental or accommodation costs, the following applies:

• if the scholarship is considered to be income under the Personal Income Test, then the

Rent Assistance is based on the gross rent payable by the student and is not affected

by the scholarship amount;

• if the scholarship is NOT considered to be income under the Personal Income Test, then

the Rent Assistance is based only on the amount of net rent paid by the student

discounted by the scholarship amount.

**77.3.4.1 Commonwealth Accommodation Scholarship**

Where a student receives a Commonwealth Accommodation Scholarship under the

Commonwealth Learning Scholarships program, this scholarship is NOT to be taken into

account when calculating Rent Assistance. Rent Assistance should be paid on the amount of

rent paid by the student, without discounting it for the scholarship amount.

**77.3.5 Rent in return for work**

Where a student or Australian Apprentice receives rent or board and lodging as payment for

services rendered, Rent Assistance is only payable where the customer would otherwise receive

income for the services provided. In these circumstances, the board and lodging 2/3 rule may

have to be applied to the deducted amount to determine the Rent Assistance entitlement.

**77.4 Students and Australian Apprentices who share accommodation with others**

For the purposes of Rent Assistance, the total combined rent payable by each member of a

household cannot exceed the total rent payable for the accommodation.

**ABSTUDY, Allowances and Benefits: Chapter 78 - Entitlement to Rent**

**Assistance**

This chapter details how Rent Assistance entitlement is determined and calculated.

**On this page**

• 78.1 Calculation of Rent Assistance

• 78.2 Rent Assistance rates and thresholds

• 78.3 Sharers Provisions

• 78.4 Payment of Rent Assistance

• 78.5 Rent Assistance entitlement

**78.1 Calculation of Rent Assistance**

Rent Assistance is paid at a rate of 75 cents in the dollar for every dollar of rent paid over the

threshold amount, up to the maximum rate payable.

Where a student or Australian Apprentice is eligible for Rent Assistance, payment is made for

the lower of the following amounts:

• (Rent Payable – Rent Threshold for the student’s circumstances) x 0.75; or

• Maximum rate of Rent Assistance for the student’s circumstances .

**78.1.1 Rent payable**

For the purposes of Rent Assistance, the rent payable is the amount a person pays or is liable

to pay as a condition of occupying their principal home. See Chapter 77 for details of the

assessment of rent.

**78.1.2 Rent threshold**

For the purposes of Rent Assistance, the rent threshold is the minimum amount of rent payable

before qualification for Rent Assistance commences.

**78.2 Rent Assistance rates and thresholds**

Rent Assistance thresholds and the maximum rates payable vary, depending on the following

circumstances:

• whether the student or Australian Apprentice is single or partnered; and

• whether the student or Australian Apprentice is considered to live in shared

accommodation.

For details of Rent Assistance rates and thresholds, see “A Guide to Australian Government

Payments ”.

**78.2.1 Partnered or single status**

Different Rent Assistance thresholds and maximum rates apply depending upon whether the

student or Australian Apprentice is considered partnered or single for ABSTUDY purposes.

**78.2.1.1 Illness-separated couple**

A partnered ABSTUDY student or Australian Apprentice can receive a rate of Rent Assistance

equivalent to the single rate where s/he is a member of an illness-separated couple. A person is

a member of an illness separated couple if:

• they are unable to live together in a matrimonial home as a result of the illness or

infirmity of either or both of them; and

• because of that inability to live together, their living expenses are, or are likely to be,

greater than they would otherwise be; and

• that inability is likely to continue indefinitely.

**78.2.1.2 Respite care couple**

A partnered ABSTUDY student or Australian Apprentice can receive a rate of Rent Assistance

equivalent to the single rate where s/he is a member of a respite care couple. A person is a

member of a respite care couple if:

• one of the members of the couple has entered respite care; and

• the member who has entered the approved respite care has remained, or is likely to

remain, in that care for at least 14 consecutive days.

For ABSTUDY purposes, a person is in approved respite care on a particular day if the person is

eligible for a respite care supplement in respect of that day under section 44-12 of the *Aged*

*Care Act 1997*.

**78.2.1.3 Partner in gaol**

A partnered ABSTUDY student or Australian Apprentice can receive a rate of Rent Assistance

equivalent to the single rate where s/he has a partner in gaol. A person is considered to have a

partner in gaol if the person’s partner is:

• in gaol; or

• undergoing psychiatric confinement because the partner has been charged with

committing an offence.

**78.2.2 Indexation of Rent Assistance rates and thresholds**

Rent Assistance rates and thresholds are subject to Consumer Price Index (CPI) changes each

year. The rent thresholds and maximum rates are indexed by the CPI on 20 March and 20

September each year.

For details of Rent Assistance rates and thresholds, see “A Guide to Australian Government

Payments ”.

**78.3 Sharers Provisions**

The maximum rate of Rent Assistance for a single person without dependent child/ren who is

considered to live in shared accommodation is set at two-thirds the maximum rate for a single

person living alone.

A person is considered to live in shared accommodation if s/he shares a major area of his/her

accommodation with others (including non-dependent members of their own family), unless

they are specifically exempt.

A person is not considered to live in shared accommodation if:

• s/he has the exclusive right to use a bathroom, a kitchen and a bedroom; and

• s/he has the right, in common with others, to use other major areas of accommodation.

**78.3.1 Customers who are exempt from sharers provisions**

The following groups of customers are exempt from the sharer provisions:

• students or Australian Apprentices who have a partner;

• single students or Australian Apprentices who have a dependent child;

• boarders and lodgers;

• students or Australian Apprentices in nursing homes or aged care hostels;

• single parents sharing accommodation only with their recipient children;

• singles living in a caravan, boat or a mobile home on their own, even if they are

sharing a major area of accommodation in a caravan park or marina; and

• students or Australian Apprentices who live in exempt accommodation.

**78.3.1.1 Recipient children**

A recipient child is a child of the ABSTUDY customer who receives any of the following, but who

does not receive any rent assistance:

• an income support payment; or

• ABSTUDY Living Allowance.

**78.3.2 Exempt accommodation**

Where a student or Australian Apprentice lives in the following types of accommodation, they

are not considered to live in shared accommodation:

• boarding school;

• hostel;

• boarding house;

• guest house;

• hotel;

• private hotel;

• rooming house;

• lodging house; or

• similar premises.

**78.3.3 Boarders and lodgers**

A student or Australian Apprentice who pays board and lodgings will be considered to live in

shared accommodation if s/he:

• can separately identify the costs of accommodation from the costs of meals; and

• is sharing a major area of accommodation with others.

**78.3.4 Examples of Shared and non-shared accommodation**

The following provides examples of shared and non-shared accommodation.

Examples of shared accommodation:

• a single customer who shares one or more major areas of a flat, apartment or house,

with one or more other people including wage earners or other Centrelink customers,

including other non-dependent family members;

• single customer paying board and lodging in a private home, living in the same

situation as described above, and who shares a major area of accommodation with

others as a lodger, BUT who does not receive meals on a regular basis as part of their

accommodation costs;

• two or more single people (i.e. not partnered to each other) residing in a self-contained

unit in a retirement village/home and sharing a major area of accommodation;

• a single customer who sub-lets a room in a State Housing Authority house, flat or

apartment, and who shares at least one major area of accommodation;

• a single customer in a granny flat attached or detached from the house, who also uses

a major area of accommodation in the house, or who is living with one or more other

people in the granny flat;

• a single customer in a caravan, mobile home or boat, who also uses a major area of

accommodation in the house;

• a single customer in a caravan, mobile home or boat, living with one or more other

people in the same caravan in a caravan park (or living with one or more people in the

same boat/mobile home).

Examples of non-shared accommodation:

• single customer paying board and lodging in a private home, living in a privately owned

house and who has the right to receive regular meals as part of their accommodation

arrangements as a 'boarder and lodger';

• single customer residing in a refuge/hostel where the refuge/hostel provides regular

meals as part of their accommodation arrangements;

• single customer residing in a refuge/hostel where the customer shares a major area of

accommodation with others, BUT does not receive meals on a regular basis as part of

their accommodation costs.

• a single customer residing in a private hotel/hostel/boarding style accommodation and

using communal facilities;

• a single customer residing in a nursing home or aged care hostel, and who uses some

communal facilities;

• a single customer residing in a self-contained unit in a retirement village/home who

may use communal facilities;

• a single customer in a granny flat attached or detached from the house, AND not using

a major area of accommodation in the house;

• a single customer in a caravan, mobile home or boat, AND using the park or marina's

communal facilities OR where located in a backyard or similar, NOT using a major area

of accommodation in the house.

**78.4 Payment of Rent Assistance**

**78.4.1 Payment frequency**

Payments of Rent Assistance are calculated on a daily rate and made fortnightly in arrears.

Where payments of Living Allowance are made to a boarding school/hostel on a term-inadvance

basis under the provisions set out in 71.5, Rent Assistance must also be paid on a

term-in-advance basis under the same provisions.

**78.4.2 Payee for Rent Assistance**

The payee for Rent Assistance is same as the payee for Living Allowance as set out in 71.7.

**78.4.3 Payment of Rent Assistance for student or Australian Apprentice with a partner**

Rules for payment of Rent Assistance to a student or Australian Apprentice who has a partner

vary depending on the payment type being received by the partner, as outlined in the following

table:

|  |  |
| --- | --- |
| **If the student or Australian Apprentice...** | **Then Rent Assistance...** |
| has a partner who receives Family Tax Benefits  (FTB) Part A under the *Family Assistance Act 1999* at greater than the base FTB child rate, | is paid to the partner receiving FTB. |
| has a partner who receives a pension, | is paid to the pensioner at the combined rate,  that is, rent assistance is not payable to the  ABSTUDY student or Australian Apprentice. |
| has a partner who receives an allowance under  the Social Security Act 1991. | is split equally between the partners. |

**78.4.4 Taxation Status**

For details of the tax status of Rent Assistance, refer to Chapter 5 Taxation.

**78.5 Rent Assistance entitlement**

**78.5.1 Means testing**

The means tests that apply to ABSTUDY Living Allowance also apply to Rent Assistance. See

Chapter 56 Introduction to Means Testing.

**78.5.2 Entitlement Period**

Rent Assistance is payable from the date the student or Australian Apprentice becomes

qualified for Rent Assistance, provided s/he is otherwise eligible for Living Allowance.

The entitlement period for Rent Assistance is the same as the entitlement period for Living

Allowance as set out in Chapter 73.

**78.5.3 Entitlement during vacations for student or Australian living away from home**

Where an ABSTUDY student or Australian Apprentice is living away from home in order to study

or undertake a full-time apprenticeship, traineeship or trainee apprenticeship, e.g. at boarding

school or training, and is eligible for Rent Assistance, s/he will retain eligibility for Rent

Assistance during vacation period/s provided that s/he continues to pay rent for his/her term

address.

**78.5.4 Overpayments**

Where payments in excess of entitlement have occurred, refer to Chapter 3 Overpayment and

Recovery of Allowances to determine what is a recoverable debt and from whom this amount

should be recovered.

**ABSTUDY, Allowances and Benefits: Chapter 79 - Remote Area**

**Allowance (RAA)**

This chapter details the qualifications, entitlement and payment of Remote Area Allowance.

**On this page**

• 79.1 Purpose of Remote Area Allowance

• 79.2 Qualification for Remote Area Allowance

• 79.3 Usual Place of Residence

• 79.4 Absence from Usual Place of Residence

• 79.5 Remote Area Allowance rates

• 79.6 Payment of Remote Area Allowance

• 79.7 Remote Area Allowance entitlement

**79.1 Purpose of Remote Area Allowance**

The purpose of Remote Area Allowance (RAA) is to assist in meeting additional costs associated

with residence in a remote area.

**79.2 Qualification for Remote Area Allowance**

To qualify for Remote Area Allowance (RAA), the following criteria must be met:

• the student or Australian Apprentice must qualify for one of the following ABSTUDY

Awards:

o Schooling B Award; or

o Tertiary Award; and

• the student or Australian Apprentice must either:

o qualify for Living Allowance at a rate greater than zero; or

o be receiving a Defence Force Income Support Allowance-like (DFISA-like)

payment under the *Veterans’ Entitlements Act 1986*; and

• the student or Australian Apprentice must have a Remote Area Allowance remote area

as their usual place of residence.

**79.2.1 Definition of a Remote Area Allowance (RAA) remote area**

For the purposes of Remote Area Allowance, a remote area is an area listed the following parts

of I & II of Schedule 2 of the *Income Tax Assessment Act 1936 (ITAA)*:

• Taxation Zone A, including Special Taxation Zone A; and

• Special Taxation Zone B.

For Remote Area Allowance purposes, the following Taxation Zone A areas are not considered

to be remote areas:

• Norfolk Island;

• Macquarie Island;

• the Territory of Heard Island;

• the McDonalds Islands; and

• the Australian Antarctic Territory.

**79.2.1.1 Commissioner of taxation deems an area to be a remote area**

Where the Commissioner of Taxation deems an area to be within an RAA specified area, then

the area is considered to be a remote area for RAA purposes. The student/Australian

Apprentice/parent may apply to the Commissioner for this ruling.

**79.2.2 Not qualified for Remote Area Allowance**

Where a student is receiving a maintained rate of Living Allowance under the provisions set out

in 72.2.8, s/he does not qualify for Remote Area Allowance.

**79.3 Usual Place of Residence**

A student's or Australian Apprentice's usual place of residence is the area where they normally

live, sleep and eat.

To change his/her usual place of residence, a student or Australian Apprentice has to

completely abandon the former place of residence.

**79.3.1 Usual place of residence for students or Australian Apprentices who live away from home to study**

Where a student or Australian Apprentice lives away from home during the term to study,

his/her usual place of residence is taken to be their permanent home.

**79.3.2 Postal address in RAA remote area**

If the postcode of a student's or Australian Apprentice's postal address is in an RAA remote

area, s/he is eligible for RAA only where:

• the student’s or Australian Apprentice's

usual place of residence is also in the postcode

area; and

• the student or Australian Apprentice is physically present in that area.

In some circumstances payments can be made during temporary absences.

**79.3.3 Customer lives on border of a RAA remote area**

If a student’s or Australian Apprentice's usual place of residence is in a local government area

that is partly in a RAA remote area, the student or Australian Apprentice is taken to be living in

a RAA remote area.

This provision does NOT apply to postcodes that are partly a RAA remote area.

**79.4 Absence from Usual Place of Residence**

**79.4.1 Temporary absence**

Remote Area Allowance remains payable for the first 8 weeks of a student’s or Australian

Apprentice's temporary absence from their usual place of residence, including overseas

absences. To be considered a temporary absence, a student or Australian Apprentice must

intend to return to their usual place of residence.

**79.4.2 Child absent from the RAA remote area**

Where a student or Australian Apprentice is receiving a rate of Remote Area Allowance that

takes account of his/her dependent child/ren, this rate remains payable for the first 8 weeks

that a dependent child lives outside the RAA remote area if the child's usual place of residence

is in the RAA remote area.

**79.4.3 Student’s or Australian Apprentice's partner absent from the RAA remote area**

Where a student or Australian Apprentice is receiving the partnered rate of Remote Area

Allowance, this rate remains payable even if the partner is not physically present in the RAA

remote area. There is no time limit for a partner’s absence.

**79.5 Remote Area Allowance rates**

Remote Area Allowance rates vary depending on the following circumstances:

• whether the student or Australian Apprentice is single or partnered; and

• whether the student or Australian Apprentice has dependent child/ren.

For details of Remote Area Allowance rates, refer to “A Guide to Australian Government

Payments ”.

**79.5.1 Partnered or single status**

Different Remote Area Allowance rates apply depending upon whether the student or Australian

Apprentice is considered partnered or single for ABSTUDY purposes.

**79.5.2 Dependent child**

The rate of Remote Area Allowance is increased by a prescribed amount for each dependent

child of the student or Australian Apprentice.

**79.5.3 Indexation of Remote Area Allowance rates**

Remote Area Allowance rates are not indexed.

**79.6 Payment of Remote Area Allowance**

**79.6.1 Payment frequency**

Payments of Remote Area Allowance are calculated on a daily rate and made fortnightly in

arrears.

Where payments of Living Allowance are being made to a boarding school/hostel on a term-in advance basis under the provisions set out in 71.5, Remote Area Allowance must also be paid

on a term-in-advance basis under the same provisions.

**79.6.2 Payee for Remote Area Allowance**

The payee for Remote Area Allowance is the same as the payee for Living Allowance as set out

in 71.7.

**79.6.3 Taxation status**

For details of the tax status of Remote Area Allowance, refer to Chapter 5 Taxation.

**79.7 Remote Area Allowance entitlement**

**79.7.1 Means testing**

If, after applying the relevant means tests, the student or Australian Apprentice is entitled to

ANY amount of Living Allowance, s/he receives the full rate of Remote Area Allowance.

**79.7.2 Entitlement Period for Remote Area Allowance**

Remote Area Allowance is payable from the date the student or Australian Apprentice becomes

qualified for Remote Area Allowance, provided s/he is otherwise eligible for Living Allowance.

The entitlement period for Remote Area Allowance is the same as the entitlement period for

Living Allowance as set out in Chapter 73.

**79.7.3 Overpayments**

Where payments in excess of entitlement have occurred, refer to Chapter 3 Overpayment and

Recovery of Allowances to determine what is a recoverable debt and from whom this amount

should be recovered.

**ABSTUDY, Allowances and Benefits: Chapter 80 - Pharmaceutical**

**Allowance**

This chapter details the qualification, entitlement and payment of Pharmaceutical Allowance.

**On this page**

• 80.1 Purpose of Pharmaceutical Allowance

• 80.2 Qualification for Pharmaceutical Allowance

• 80.3 Pharmaceutical Allowance rates

• 80.4 Payment of Pharmaceutical Allowance

• 80.5 Pharmaceutical Allowance Entitlement

**80.1 Purpose of Pharmaceutical Allowance**

Pharmaceutical Allowance is paid to assist eligible customers who are temporarily incapacitated

for study with the purchase of prescription medicines listed on the Pharmaceutical Benefit

Scheme (PBS).

**80.2 Qualification for Pharmaceutical Allowance**

To qualify for Pharmaceutical Allowance, the following criteria must be met:

• the student or Australian Apprentice must qualify for one of the following ABSTUDY

Awards:

o Schooling B Award; or

o Tertiary Award; and

• the student or Australian Apprentice must either:

o be entitled to receive Living Allowance; or

o be receiving a Defence Force Income Support Allowance-like (DFISA-like)

payment under the *Veterans’ Entitlements Act 1986*; and

• the student or Australian Apprentice must be either:

o temporarily incapacitated for study or their apprenticeship, traineeship or

trainee apprenticeship; or

o aged over 60 years.

**80.2.1 Not qualified for Pharmaceutical Allowance**

A student or Australian Apprentice does not qualify for Pharmaceutical Allowance where the

student or Australian Apprentice:

• is being paid Pharmaceutical Allowance by the Department of Veterans’ Affairs (DVA);

or

• has a partner who is in receipt of the partnered rate of Pharmaceutical Allowance from

DVA; or

• is receiving a maintained rate of Living Allowance under the provisions set out in 72.2.8.

**80.2.2 Absences from Australia**

Pharmaceutical Allowance is payable for absences overseas where:

• the portability provisions set out in 9.2 are met; and

• the his/her remains otherwise eligible for Pharmaceutical Allowance.

Depending on the reason for the overseas absence, the length of time for which Pharmaceutical

Allowance remains payable varies:

• where the student or Australian Apprentice is overseas and meets the provisions of

Chapter 55 Overseas Study, Pharmaceutical Allowance remains payable for up to 26

weeks;

• where the student or Australian Apprentice is overseas and does not meet the

provisions of Chapter 55 Overseas Study, Pharmaceutical Allowance remains payable

for up to 13 weeks;

• where the student or Australian Apprentice is overseas and does not meet the

provisions of Chapter 55 Overseas Study, BUT the student or Australian

Apprentice receives an extension to his/her limited portability period under the

provisions set out in 9.2.2.1, Pharmaceutical Allowance remains payable for up to 26

weeks.

**80.3 Pharmaceutical Allowance rates**

Different Pharmaceutical Allowance rates apply depending upon whether the student or

Australian Apprentice is considered partnered or single for ABSTUDY purposes.

For details of Pharmaceutical Allowance rates, see “A Guide to Australian Government

Payments ”

.

**80.3.1 Illness-separated couple**

A partnered ABSTUDY student or Australian Apprentice can receive a rate of Pharmaceutical

Allowance equivalent to the single rate where s/he is a member of an illness-separated couple.

A person is a member of an illness separated couple if:

• they are unable to live together in their home as a result of the illness or infirmity of

either or both of them; and

• because of that inability to live together, their living expenses are, or are likely to be,

greater than they would otherwise be; and

• that inability is likely to continue indefinitely.

**80.3.2 Respite care couple**

A partnered ABSTUDY student or Australian Apprentice can receive a rate of Pharmaceutical

Allowance equivalent to the single rate where s/he is a member of a respite care couple. A

person is a member of a respite care couple if:

• one of the members of the couple has entered approved respite care; and

• the member who has entered the approved respite care has remained, or is likely to

remain, in that care for at least 14 consecutive days.

For ABSTUDY purposes, a person is in approved respite care on a particular day if the person is

eligible for a respite care supplement in respect of that day under section 44-12 of the *Aged*

*Care Act 1997*.

**80.3.3 Partner in gaol**

A partnered ABSTUDY student or Australian Apprentice can receive a rate of Pharmaceutical

Allowance equivalent to the single rate where s/he has a partner in gaol. A person is considered

to have a partner in gaol if the person’s partner is:

• in gaol; or

• undergoing psychiatric confinement because the partner has been charged with

committing an offence.

**80.3.4 Indexation of Pharmaceutical Allowance**

The rates of Pharmaceutical Allowance are indexed annually to changes in the Consumer Price

Index (CPI). The effective date of indexation is 1 January each year.

**80.4 Payment of Pharmaceutical Allowance**

**80.4.1 Payment frequency**

Payments of Pharmaceutical Allowance are calculated on a daily rate and made fortnightly in

arrears.

Where payments of Living Allowance are being made to a boarding school/hostel on a term-in-advance basis under the provisions set out in 71.5, Pharmaceutical Allowance must also be paid on a term-in-advance basis under the same provisions.

**80.4.2 Payment of Pharmaceutical Allowance for a student or Australian Apprentice with a partner**

Rules for payment of Pharmaceutical Allowance to a student or Australian Apprentice who has a

partner vary on the payment type being received by the partner, as outlined in the following

table:

|  |  |
| --- | --- |
| **If the student or Australian Apprentice…** | **Then Pharmaceutical Allowance…** |
| is a single person, | is paid at the full fortnightly rate to the student  or Australian Apprentice. |
| has a partner who is entitled to PhA, | is paid at half the fortnightly combined rate to  both the student or Australian Apprentice and  their partner. |
| has a partner who is NOT entitled to PhA, | is paid at half the fortnightly combined rate to  the student or Australian Apprentice. |
| has a partner who is entitled to PhA and the student or New Apprentice is:  • a member of an illness-separated couple; or  • a member of a respite care couple;  OR the partner is in gaol, | is paid at the full fortnightly rate to both the student or Australian Apprentice and their partner. |
| has a partner who is receiving one of the  following DVA payments:  • service pension (age or invalidity); or  • partner service pension; or  • carer service pension. | is paid at half the fortnightly combined rate to  the student or Australian Apprentice. |

**80.4.3 Payee for Pharmaceutical Allowance**

The payee for Pharmaceutical Allowance is the same as the payee for Living Allowance as set

out in 71.7.

**80.4.4 Taxation status**

For details of the tax status of Pharmaceutical Allowance, refer to Chapter 5 Taxation.

**80.5 Pharmaceutical Allowance Entitlement**

**80.5.1 Means testing**

If, after applying the means tests, a student or Australian Apprentice is entitled to any amount

of Pharmaceutical Allowance, s/he receives the full Pharmaceutical Allowance amount. The

effect of means testing upon Pharmaceutical Allowance is set out in Chapter 57 Calculating

ABSTUDY Rates.

**80.5.2 Entitlement period for Pharmaceutical Allowance**

Pharmaceutical Allowance is payable from the date the student becomes qualified for PhA,

provided s/he is otherwise eligible for Living Allowance.

The entitlement period for Pharmaceutical Allowance is the same as the entitlement period for

Living Allowance as set out in Chapter 73.

**80.5.3 Overpayments**

Where payments in excess of entitlement have occurred, refer to Chapter 3 Overpayment and

Recovery of Allowances to determine what is a recoverable debt and from whom this amount

should be recovered.

**ABSTUDY, Allowances and Benefits: Chapter 81 - Pensioner Education**

**Supplement**

This chapter provides details of ABSTUDY Pensioner Education Supplement qualification and

payments.

**On this page**

• 81.1 Purpose of ABSTUDY Pensioner Education Supplement (PES)

• 81.2 Qualification for ABSTUDY Pensioner Education Supplement (PES)

• 81.3 ABSTUDY Pensioner Education Supplement (PES) rates

• 81.4 Payment of ABSTUDY Pensioner Education Supplement (PES)

• 81.5 ABSTUDY Pensioner Education Supplement (PES) Entitlement

**81.1 Purpose of ABSTUDY Pensioner Education Supplement (PES)**

The purpose of the ABSTUDY Pensioner Education Supplement is to provide help and so

encourage certain disadvantaged Indigenous pensioner groups, such as sole parents and

people with disabilities to take up study by providing a supplement to the pension to assist with

ongoing expenses associated with full-time or part-time study.

**81.2 Qualification for ABSTUDY Pensioner Education Supplement (PES)**

To qualify for the ABSTUDY Pensioner Education Supplement, the following criteria must be met:

• the student must qualify for one of the following ABSTUDY Awards:

o Schooling B Award; or

o Tertiary Award; or

o Masters and Doctorate Award; and

• the student must be one of the following:

o in receipt of one of the following payments made under the *Social Security Act*

*1991*, or taken to be in receipt of the payment during an employment income

nil rate period:

􀂃 Carer Payment; or

􀂃 Disability Support Pension; or

􀂃 Parenting Payment (Single); or

􀂃 Widow B Pension; or

􀂃 Widow Allowance; or

􀂃 Wife Pension, if the partner receives a Disability Support Pension; or

􀂃 Special Benefit, if the student is a sole parent; or

􀂃 Newstart Allowance and Youth Allowance as a job seeker (in certain

circumstances – see section 81.2A.); or

o in receipt of one of the following payments made under the *Veterans'*

*Entitlements Act 1986*:

􀂃 invalidity service pension; or

􀂃 carer service pension; or

􀂃 income support supplement; or

􀂃 partner service pension, if the partner receives invalidity service

pension; or

􀂃 war widow/ers pension under Part II of the *Veterans' Entitlements Act*,

if the widow/er has a dependent child; or

􀂃 defence widow/er's pension under Part IV of the *Veterans' Entitlements*

*Act* if the widow/er has a dependent child; or

o in receipt of compensation under the *Military Rehabilitation and Compensation Act*,

where the student has a dependent child.

**81.2A Recipient of Newstart and Youth Allowance (job seeker) for the purposes of PES qualification.**

A customer is eligible for the ABSTUDY Pensioner Education Supplement while in receipt of

Newstart or Youth Allowance, as a job seeker, in the following circumstances:

a. The person receiving Newstart or Youth Allowance (job seeker):

I. has a partial capacity to work; and

II. on the day (being a day occurring on or after 1 July 2006) immediately before

the person last qualified for Youth Allowance or Newstart, was a *transitional*

*DSP applicant* and was receiving a disability support pension; and

III. on that day ceased to be qualified for that disability support pension because he

or she no longer had a continuing inability to work within the meaning of

Section 94 of the *Social Security Act 1991* (Qualification for disability

support pension-continuing inability to work); and

IV. on that day was qualified for a Pensioner Education Supplement in relation to a

particular course of education or study; or

b. The person receiving Newstart or Youth Allowance (job seeker)***:***

I. is the principal carer of at least one child and is not a member of a couple; and

II. on the day (being a day occurring on or after 1 July 2006) immediately before

the person last qualified for Youth Allowance or Newstart, was receiving a

pension single; and

III. on that day ceased to be qualified for a Parenting Payment because he or she

no longer had a Parenting Payment child for the reason that his or her youngest

dependent child had turned 8; and

IV. on that day was qualified for a pensioner education supplement in relation to a

particular course of education or study;

and the person has:

c. at all times since that day, been qualified both for:

I. a Youth Allowance or Newstart; and

II. a Pensioner Education Supplement in relation to that particular course of

education or study; and

d. at no time since that day, either undertaken fulltime study or been an Australian

Apprentice under a Youth Allowance student or ABSTUDY Living Allowance.

**81.2.1 Not qualified for ABSTUDY Pensioner Education Supplement**

A student does not qualify for ABSTUDY Pensioner Education Supplement where the student:

• receives a Language, Literacy and Numeracy Supplement (LLNS) under a Language,

Literacy and Numeracy Programme (LLNP); or

• receives Pensioner Education Supplement under the *Social Security Act 1991*.

Australian Apprentices do not qualify for Pensioner Education Supplement.

**81.3 ABSTUDY Pensioner Education Supplement (PES) rates**

There are different rates of ABSTUDY Pensioner Education Supplement (PES) depending upon

the student’s circumstances:

• full rate of ABSTUDY PES;

• half rate of ABSTUDY PES; and

• maintained rates of ABSTUDY PES.

**81.3.1 Full rate of ABSTUDY PES**

The full rate of ABSTUDY Pensioner Education Supplement is payable in the following

circumstances:

• the student is enrolled in a full-time study-load or is a concessional study-load student

enrolled in at least 50% of the normal full-time study-load for his/her course; or

• the student is in receipt of either:

o Disability Support Pension paid under the *Social Security Act 1991*; or

o an invalidity service pension paid under the *Veterans’ Entitlements Act 1986*; or

• the student meets the following conditions:

o s/he is in receipt of a war widow/er pension under the *Veterans’ Entitlements*

*Act 1986*; and

o s/he is in receipt of an invalidity income support supplement under that Act;

and

o s/he has a dependent child under 16 years of age.

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**1.3.2 Half rate of ABSTUDY PES**

The half rate of ABSTUDY Pensioner Education Supplement is payable for a concessional studyload,

other than those listed in 81.3.1, who is enrolled in at least 25% of the normal full-time

study-load for his/her course.

**81.3.3 Maintained Rates of ABSTUDY PES**

A student is entitled to receive the 1999 rate of ABSTUDY PES in the following circumstances:

• s/he was in receipt of ABSTUDY PES in 1999; and

• s/he has received ABSTUDY PES continuously since 1999; and

• the student has studied his/her current course of study continuously, without a break in

study since 1999; and

• the 1999 maintained rate of ABSTUDY PES is more beneficial to the student than the

rate s/he would otherwise receive.

**81.3.3.1 Entitlement to maintained rate ceases**

Entitlement to the maintained rate ceases when any of the following occur:

• the student completes the current course of study; or

• the student ceases to undertake the current course of study, e.g. changes to a new

course that is not considered to be part of the current course of study; or

• the student has a break in study; or

• the 1999 maintained rate of ABSTUDY PES is no longer more beneficial to the student

than the rate s/he would otherwise receive.

Once a student ceases to be entitled to the maintained rate of ABSTUDY PES, s/he may not requalify for the maintained rate should his/her circumstances change.

**81.3.3.2 Current Course of Study**

For the purposes of determining entitlement to the maintained rates of ABSTUDY PES, a current

course of study includes:

• regular undergraduate courses;

• articulated courses, such as those where a series of courses can be linked to count for a

higher qualification;

• a continuing course in the same field of study undertaken at different institutions or at

a different campus;

• natural progression, such as:

o a Bachelor of Laws and Letters followed by a Graduate Diploma of Legal Studies;

or

o an access or bridging course undertaken as a prerequisite entry to a tertiary

qualification; or

o a series of certificate level courses in the same field of study; or

o a Bachelor degree that is a prerequisite for a Graduate degree; or

o a Bachelor degree followed by an Honours year or Masters qualifying year followed by a Masters.

**81.3.3.3 Break in study**

For the purposes of determining entitlement to the maintained rates of ABSTUDY PES, a

student is considered to have had a break in study if, with the exception of vacation periods,

s/he was not enrolled in and undertaking the current course of study at any time since 1999.

A student is considered to not have had a break in study where exceptional circumstances

beyond the student's control prevented him/her from enrolling in the current course of study.

These exceptional circumstances include:

• medical grounds;

• personal circumstances; or

• academic requirements or course availability.

**81.3.4 Indexation of ABSTUDY Pensioner Education Supplement (PES) rates**

ABSTUDY Pensioner Education Supplement (PES) rates are not indexed.

**81.4 Payment of ABSTUDY Pensioner Education Supplement (PES)**

**81.4.1 Payment frequency**

ABSTUDY Pensioner Education Supplement is calculated on a daily rate and paid fortnightly in

arrears.

**81.4.2 Payee**

The payee for ABSTUDY Pensioner Education Supplement is the student.

**81.4.3 Taxation Status**

For details of the tax status of the ABSTUDY Pensioner Education Supplement, see Chapter 5

Taxation.

**81.5 ABSTUDY Pensioner Education Supplement (PES) Entitlement**

**81.5.1 Means Testing**

ABSTUDY Pensioner Education Supplement is not subject to means testing.

**81.5.2 Entitlement Period for ABSTUDY PES**

The entitlement periods for ABSTUDY PES are the same as for Living Allowance, as set out in

Chapter 73 Living Allowance Entitlement Periods.

The exception is an ABSTUDY PES student who is enrolled in a course of more than 30 weeks

duration and who completes the course any time after 15 September of that year. In this

circumstance, the entitlement end date for ABSTUDY PES is 31 December of that year.

**81.5.3 Overpayments**

Where payments in excess of entitlement have occurred, refer to Chapter 3 Overpayment and

Recovery of Allowances to determine what is a recoverable debt and from whom this amount

should be recovered.

**ABSTUDY, Allowances and Benefits: Chapter 82 - Incidentals Allowance**

This chapter provides details of Incidentals Allowance qualification and payments.

**On this page**

• 82.1 Purpose of Incidentals Allowance

• 82.2 Qualification for Incidentals Allowance

• 82.3 Incidentals Allowance rates

• 82.4 Payment of Incidentals Allowance

• 82.5 Incidentals Allowance entitlement

**82.1 Purpose of Incidentals Allowance**

The purpose of Incidentals Allowance is to assist students and Australian Apprentices to meet

expenses associated with commencement of study in the approved course.

**82.2 Qualification for Incidentals Allowance**

To qualify for Incidentals Allowance, the following criteria must be met:

• the student or Australian Apprentice must qualify for one of the following ABSTUDY

Awards:

o Schooling B Award; or

o Tertiary Award; or

o Masters and Doctorate Award; or

o Part-time Award; and

• if a student, they must be either:

o enrolled in a tertiary level course; or

o enrolled in a preparatory course that is delivered by a higher education

institution and designed to assist people to gain entry to higher education level

courses (also known as a bridging, access or enabling course); or

o enrolled in a secondary school AND aged 18 years or older at 1 January in the

year of study; or

o enrolled in a secondary non-school level course, AND aged 18 years or older at

1 January in the year of study.

o the student or Australian Apprentice must commence in the course

or apprenticeship, traineeship or trainee apprenticeship.

**82.2.1 Not qualified for Incidentals Allowance**

A student or Australian Apprentice does not qualify for Incidentals Allowance in the following

circumstances:

• the student is enrolled in a Australian Apprenticeship Access Programme course; or

• the student or Australian Apprentice does not commence study in an approved

course or apprenticeship, traineeship or trainee apprenticeship.

**82.2.2 Concurrent Awards**

Where a student or Australian Apprentice is studying simultaneous courses, apprenticeship,

traineeship or trainee apprenticeship and holds more than one Award over the same period,

Incidentals Allowance is payable in respect of each Award. See 14.3 Concurrent Awards.

**82.3 Incidentals Allowance rates**

Incidentals Allowance rates vary depending upon the period of the student’s enrolment in the

course during the year of assistance. Different rates apply for the following periods of

enrolment:

• less than 12 weeks;

• 12 to 16 weeks;

• 17 to 23 weeks; and

• 24 weeks to 1 year.

Australian Apprentices will be entitled to Incidentals Allowance for each year they participate in

the apprenticeship, traineeship or trainee apprenticeship they are undertaking.

For details of Incidentals Allowance rates, see “A Guide to Australian Government

Payments ”.

**82.3.1 Indexation of Incidentals Allowance rates**

Incidentals Allowance rates are subject to Consumer Price Index (CPI) changes on an annual

basis. Maximum rates are indexed at 1 January each year.

**82.4 Payment of Incidentals Allowance**

**82.4.1 Payment frequency**

Incidentals Allowance is paid in one instalment at the time the entitlement is approved. Where

the student is a continuing student, the allowance can be paid up to four weeks before the

student commences the next academic period of the course.

Incidentals Allowance cannot be paid while a Australian Apprentice is in receipt of the Living

Away from Home Allowance (LAFHA) paid under the Australian Apprenticeship Scheme.

**82.4.2 Payee for Incidentals Allowance**

Incidentals Allowance is paid to the student or Australian Apprentice.

**82.5 Incidentals Allowance entitlement**

**82.5.1 Means testing**

Incidentals Allowance entitlement is not means tested.

**82.5.2 Discontinuation of study**

Early discontinuation of study or apprenticeship, traineeship or trainee apprenticeship does not

affect the rate of Incidentals Allowance. Entitlement is established by commencement in the

course.

**82.5.3 Change in course**

The student or Australian Apprentice is not entitled to more than the maximum rates specified

in 82.3 where a change of course occurs. This means that, where a student or Australian

Apprentice has been paid Incidentals Allowance for a certain period of enrolment or training,

subsequently discontinues that course, apprenticeship, traineeship or trainee apprenticeship,

and then commences a new course, apprenticeship, traineeship or trainee apprenticeship,

Incidentals Allowance is only payable for any period of enrolment in the new

course, apprenticeship, traineeship or trainee apprenticeship that does not overlap the period

for which the initial Incidentals Allowance payment was made.

**82.5.4 Overpayments**

Where payments in excess of entitlement have occurred, refer to Chapter 3 Overpayment and

Recovery of Allowances to determine what is a recoverable debt and from whom this amount

should be recovered

**ABSTUDY, Allowances and Benefits: Chapter 83 - Additional Incidentals**

**Allowance**

This section contains details about Additional Incidentals Allowance qualification and payments.

**On this page**

• 83.1 Purpose of Additional Incidentals Allowance

• 83.2 Essential Course Costs

• 83.3 Qualification for Additional Incidentals Allowance

• 83.4 Additional Incidentals Allowance Rates

• 83.5 Lodgement and Payment of Additional Incidentals Allowance

• 83.6 Conditions Affecting Additional Incidentals Allowance

**83.1 Purpose of Additional Incidentals Allowance**

The purpose of Additional Incidentals Allowance is to assist students to meet essential course

costs associated with study in an approved tertiary course. The Additional Incidentals Allowance

is only payable where these costs **must** be incurred by **all** students in the course. This

allowance is not intended to cover the full cost of such items.

Additional Incidentals Allowance is not available to Australian Apprentices.

**83.2 Essential Course Costs**

For the purposes of assessing Additional Incidentals Allowance, essential course costs are

considered to be those costs that are mandatory to the course but that the education institution

would not reasonably be expected to provide. The Head of School/Faculty must certify in

writing that the costs incurred by the student are for mandatory items, that is, all students in

the course are obliged to incur these costs in order to undertake their course. Such costs may

include:

• education institution fees, including union, sports, library, administration, amenities,

laboratory fees or levies or the like charged by an approved education institution; and

• textbooks and equipment, including clinical instruments, books, published articles,

stationery and other equipment items.

**83.2.1 Not included as essential course cost**

For the purposes of assessing Additional Incidentals Allowance, the following are not included

as essential course costs (even where certified by the Head of School/Faculty as being

mandatory):

• tuition or course fees charged by an education institution, including the flying time and

associated fees charged by institutions offering pilot (aviation) courses; and

• items that education providers would normally be expected to make available for

student use, for example assets such as musical instruments, cameras, videos, sewing

machines, typewriters or computers.

**83.3 Qualification for Additional Incidentals Allowance**

To qualify for Additional Incidentals Allowance, the following criteria must be met:

• the student must qualify for one of the following ABSTUDY Awards:

o Tertiary Award; or

o Masters and Doctorate Allowance; and

• the student must commence in the course; and

• the student has incurred essential course costs that exceed the prescribed amount.

• the claim must be verified in writing by the Head of School/Faculty as being an

essential requirement for all students undertaking the course.

**83.3.1 Not qualified for Additional Incidentals Allowance**

A student does not qualify for Additional Incidentals Allowance in the following circumstances:

• the student is enrolled in a secondary level course; or

• the student is enrolled in a Australian Apprenticeship Access Programme course; or

• the student does not commence study in the approved course; or

• the student does not incur essential course costs that exceed the prescribed amount.

**83.4 Additional Incidentals Allowance Rates**

The Additional Incidentals Allowance entitlement is the amount by which essential course costs

exceed the prescribed amount. There is a maximum to the amount of Additional Incidentals

Allowance that can be claimed in a year.

For details of the maximum annual Additional Incidentals Allowance payable, see “A Guide to

Australian Government Payments ”.

**83.4.1 Prescribed amount**

The prescribed amount is the amount of expenditure on essential course costs required before

an entitlement to Additional Incidentals Allowance is established. This amount includes the

normal Incidental Allowance level plus a student contribution to costs.

The prescribed amounts vary depending upon the period of the student’s enrolment in the

course during the year of assistance. Different prescribed amounts apply for the following

periods of enrolment:

• less than 12 weeks;

• 12 to 16 weeks;

• 17 to 23 weeks; and

• 24 weeks to 1 year.

For details of the prescribed amounts for Additional Incidentals Allowance, see “A Guide to

Australian Government Payments ”.

**83.4.2 Indexation of Additional Incidentals Allowance rates**

The prescribed amounts for Additional Incidentals Allowance are subject to annual Consumer

Price Index (CPI) changes at 1 January each year.

The maximum annual amount of Additional Incidentals Allowance that is payable is not subject

to indexation.

**83.5 Lodgement and Payment of Additional Incidentals Allowance**

**83.5.1 Lodging the Additional Incidentals Allowance Claim**

A claim for Additional Incidentals must be submitted with details of the cost of each item of

essential course expenditure and account for the full level of the expenditure including the

initial Incidentals Allowance amount and student contribution.

The student must provide confirmation in writing by the Head of School/Faculty that the items

are essential to all students undertaking the course.

**83.5.2 Payment of Additional Incidentals Allowance**

Payment of Additional Incidentals Allowance can only be made as a reimbursement of actual

expenditure by the student up to the maximum value.

**83.5.3 Payee for Additional Incidentals Allowance**

Additional Incidentals Allowance is paid to the student.

**83.5.4 Payment frequency**

Additional Incidentals Allowance is paid in one instalment at the time the entitlement is

approved.

**83.5.5 Means testing**

Additional Incidentals Allowance is not means tested.

**83.5.6 Taxation status**

For details of the tax status of Additional Incidentals Allowance, see Chapter 5 Taxation.

**83.6 Conditions Affecting Additional Incidentals Allowance**

**83.6.1 Discontinuation of study**

Early discontinuation of study does not affect the rate of Additional Incidentals Allowance.

Entitlement is established by commencement in the course for which the expenses have been

incurred.

**83.6.2 Change in course**

The student is not entitled to more than the maximum rate of Additional Incidentals Allowance

specified in 83.4 where a change of course occurs.

**83.6.3 Overpayments**

Where payments in excess of entitlement have occurred, refer to Chapter 3 Overpayment and

Recovery of Allowances to determine what is a recoverable debt and from whom this amount

should be recovered.

**ABSTUDY, Allowances and Benefits: Chapter 84 - School Term**

**Allowance**

This chapter provides details of School Term Allowance qualification and payment.

**On this page**

• 84.1 Purpose of School Term Allowance

• 84.2 Qualification for School Term Allowance

• 84.3 Attendance Requirements

• 84.4 School Term Allowance rates

• 84.5 Payment of School Term Allowance

• 84.6 School Term Allowance Entitlement

**84.1 Purpose of School Term Allowance**

The purpose of School Term Allowance is to assist Indigenous families with expenses associated

with the commencement of school for students aged less than 16 years old.

**84.2 Qualification for School Term Allowance**

To qualify for School Term Allowance in respect of the term one payment for each calendar

year, the following criteria must all be met on any one day during that school term:

• the student meets the Schooling A Award criteria; and

• the student is enrolled in and attending study at the secondary school; and

• one of the following apply:

o one or both of the student’s parent/s are one of the following:

􀂃 in receipt of an income support payment; or

􀂃 in receipt of Farm Help Income Support or Exceptional Circumstances

Relief payment under Part 5 of the *Farm Help Income Support Act 1992*;

or

􀂃 holders of a current Health Care Card (HCC) or a Low Income Card,

including a HCC issued on the basis of receipt of maximum rate Family

Tax Benefit Part A; or

􀂃 in receipt of ABSTUDY Living Allowance; or

􀂃 in receipt of a Community Development Employment Projects (CDEP)

wage as a participant; or

􀂃 taken to be receiving their income support payment during an

employment income nil rate period; OR

o the student is:

􀂃 in State Care; and

􀂃 under the minimum school leaving age for his/her State or Territory;

and

􀂃 does not meet the criteria for Away from Home entitlements set out in

Chapter 25; OR

o the student would, except for reasons of age, qualify for Independent status as an

orphan, a student whose parents cannot exercise parental responsibilities, or on the

basis that it is Unreasonable to Live at Home.

In addition to the above, to qualify for School Term Allowance in respect of the second and

subsequent payments, the student must be enrolled in and attending secondary school for at

least 85% of each school term, prior to that term for which the allowance is being claimed.

**84.2.1 Exceptional Circumstances Relief Payment ceases**

An applicant, or partner of an applicant, who receives payment under the Exceptional

Circumstances Relief Payment (ECRP) provisions of the *Farm Help Income Support Act 1992* is

taken to be qualified for School Term Allowance from the commencement of the period of

receipt of ECRP until 31 December of that year.

**84.3 Attendance Requirements**

|  |  |
| --- | --- |
| **Qualification of…** | **Student must…** |
| First School Term Allowance payment | be enrolled and attend school in theterm. |
| Second and subsequent School TermAllowance payment | be enrolled and attending school, orhad an approved absence, for atleast 85% of the school days in the previous term. |

**84.3.1 Unapproved absence from school**

Absences not approved by the school will be deemed an unapproved absence and will

contribute to the calculation of the attendance rate.

**84.3.2 Approved Absences**

Schools will determine whether an absence is an approved or unapproved absence, in

accordance with their attendance policy, in determining whether the 85% attendance

requirement has been met.

**84.3 3 Evidence of 85% attendance**

Evidence that attendance was met will be required from all of the schools the student attended

in the previous term to claim their next instalment of School Term Allowance.

**84.4 School Term Allowance rates**

The annual entitlement of School Term Allowance is $540.80. This is paid in four quarterly

amounts. The entitlement periods for School Term Allowance are listed as follows:

|  |  |  |
| --- | --- | --- |
| **Instalment** | **Entitlement Period** | **Amount** |
| **1** | 1 January – 31 March | $187.20 |
| **2** | 1 April – 30 June | $83.20 |
| **3** | 1 July – 30 September | $187.20 |
| **4** | 1 October – 31 December | $83.20 |

This applies in all States/Territories, even where the school year has four or more terms.

For Tasmania, as there are three school terms, the School Term Allowance of $540.80 is made

in three payments. The entitlement periods for School Term Allowance are as follows:

|  |  |  |
| --- | --- | --- |
| **Instalment** | **Entitlement Period** | **Amount** |
| **1** | 1 January – 1 June | $187.20 |
| **2** | 2 June – 30 September | $176.80 |
| **3** | 1 October – 31 December | 176.80 |

**84.5 Payment of School Term Allowance**

School Term Allowance is paid in four instalments, as set out in 84.4.

Term one payment is paid automatically to eligible, enrolled students who lodge a

claim. Subsequent payments in that calendar year can be made after the applicant provides

evidence that attendance of 85% has been achieved in the previous school term.

For students that are enrolled in study where there is no requirement to record attendance,

such as home schooling, distance education or VET courses, the second and subsequent

payments can be made upon evidence from the appropriate authority that, for the previous

term, the student met the requirements of their course of study.

**84.5.1 Payee for School Term Allowance**

Payment of School Term Allowance must be made to the applicant. Refer to 6.1 Who can apply

for ABSTUDY for details of who should be the applicant.

**84.6 School Term Allowance Entitlement**

**The table below lists what occurs when, during a term, a student’s circumstances**

**change.**

|  |  |
| --- | --- |
| **If the…** | **Then...** |
| student turns 16 during the term | School Term Allowance will be pro-rated based on the number of school days in the term before the student turns 16. The student must have achieved 85% attendance to be eligible for the payment. |
| student discontinues study during a school term | School Term Allowance is payable for the term where 85% attendance in the previous term was achieved. |
| student changes school during a  school term | not entitled to more than the  maximum rates specified in 84.4  where a change in school occurs. |
| student leaves private board or hostel during the term | School Term Allowance is payable for the term where 85% attendance in the previous term was achieved. |
| student leaves a boarding school during the term for which a term’s entitlements have been paid | there is no entitlement to School  Term Allowance in that term. |
| student moves to another carer  during the term | where School Term Allowance has been paid in the term, the new carer is not entitled to a payment of School Term Allowance in that term. |

**84.6.1 Overpayments**

Where payments in excess of entitlement have occurred, refer to Chapter 3 Overpayment and

Recovery of Allowances to determine what is a recoverable debt and from whom this amount

should be recovered.

**84.6.2 Indexation of School Term Allowance rates**

The rates of School Term Allowance are not indexed.

**84.6.3 Taxation Status**

For details of the tax status of School Term Allowance, see Chapter 5 Taxation.

**ABSTUDY, Allowances and Benefits: Chapter 85 - School Fees**

**Allowance**

This chapter provides details of School Fees Allowance qualification and payment.

**On this page**

• 85.1 Purpose of School Fees Allowance

• 85.2 Qualification for School Fees Allowance

• 85.3 School Fees Allowance rates

• 85.4 Payment of Group 1 School Fees Allowance (SFA)

• 85.5 Payment of Group 2 School Fees Allowance (SFA)

• 85.6 School Fees

• 85.7 School Fees Allowance Entitlement

• 85.8 Transfer of unused Group 2 School Fees Allowance to pay boarding costs

**85.1 Purpose of School Fees Allowance**

The purpose of the School Fees Allowance is to assist Indigenous families to meet the costs of

school fees levied by the approved education institution for the student.

**85.2 Qualification for School Fees Allowance**

There are two categories of School Fees Allowance:

• Group 1 School Fees Allowance; and

• Group 2 School Fees Allowance.

**85.2.1 Qualification for Group 1 School Fees Allowance**

To qualify for Group 1 School Fees Allowance in respect of a school year, the following criteria

must all be met on any one day during that school year:

• the student meets the Schooling A Award criteria; and

• the student is enrolled in and attending studies at the secondary school; and

• one of the following apply:

o one or both of the student’s parent/s are one of the following:

􀂃 in receipt of an income support payment; or

􀂃 in receipt of Farm Help Income Support or Exceptional Circumstances

Relief payment under Part 5 or 6 of the *Farm Help Income Support Act,*

*1992*; or

􀂃 holders of a current Health Care Card (HCC) or a Low Income Card,

including a HCC issued on the basis of receipt of maximum rate Family

Tax Benefit Part A; or

􀂃 in receipt of ABSTUDY Living Allowance; or

􀂃 in receipt of a Community Development Employment Projects (CDEP)

wage as a participant; or

􀂃 taken to be receiving their income support payment during an

employment income nil rate period; OR

o the student is:

􀂃 in State Care; and

􀂃 under the minimum school leaving age for his/her State or Territory;

and

􀂃 does not meet the criteria for Away from Home entitlements set out in

Chapter 25; OR

o the student would, except for reasons of age, qualify for Independent status as

an orphan, a student whose parents cannot exercise parental responsibilities, or

on the basis that it is Unreasonable to Live at Home.

**85.2.2 Qualification for Group 2 School Fees Allowance**

To qualify for Group 2 School Fees Allowance, the following criteria must be met:

• the student meets the Schooling B Award criteria; and

• the student is a secondary school student; and

• one of the following apply:

o the student meets the criteria for Away from Home entitlements; or

o the student would meet one or more of the criteria for Away from Home

entitlements under the specific principles of Chapter 26 Travel Time and Access

or Chapter 27 Limited Local School Facilities/Programme, but instead attends a

local non-government school; or

o the student qualifies for independent status as an orphan, a student whose

parents cannot exercise parental responsibilities, or on the basis that it is

Unreasonable to Live at Home; or

o the student qualifies for Independent status on the basis of criteria other than

those listed in the previous dot point AND meets the criteria for Away from

Home entitlements; or

o the student is in State Care and the following apply:

􀂃 the student is entitled to receive the Away from Home rate of Living

Allowance because the carer does not receive a regular foster care

allowance; and

􀂃 the student would meet the criteria for Away from Home entitlements;

Or

o the student does not have reasonable access to an appropriate level of

education at a government school but lives at home and attends a local nongovernment

school that does provide an appropriate level of education.

**85.3 School Fees Allowance rates**

**85.3.1 Group 1 School Fees Allowance**

There are two different rates of Group 1 School Fees Allowance:

• the lower rate for a student turning 16 years old prior to 1 July in that year; and

• the higher rate for a student who is aged less than 16 years old at 30 June in that year.

For details of these rates, see “A Guide to Australian Government Payments”

**85.3.2 Group 2 School Fees Allowance**

There are two components of Group 2 School Fees Allowance entitlement:

• An annual amount free from income testing; and

• An additional annual amount that is subject to the Parental Income Test, to determine

the amount payable. Refer to 57.2 for details of the effect of these tests upon Group 2

School Fees Allowance.

For details of these amounts, see “A Guide to Australian Government Payments”

**85.3.3 Indexation of School Fees Allowance rates**

The level of School Fees Allowance is indexed as follows:

• Group 1 School Fees Allowance is not indexed; and

• Group 2 School Fees Allowance is subject to annual indexation against the Consumer

Price Index (CPI) at 1 January.

**85.4 Payment of Group 1 School Fees Allowance (SFA)**

Group 1 School Fees Allowance is payable as follows:

• Payment, upon approval of the entitlement, in one instalment direct to the school for

the maximum amount of School Fees Allowance entitlement specified in 85.3.1; or

• Reimbursement/s to the applicant upon presentation of receipt/s from the school that

show the school fees amount paid by the applicant. In total, reimbursement will be

made for the lesser of:

o the amount of school fees paid by the applicant; or

o the maximum amount of School Fees Allowance entitlement specified in 85.3.1.

**85.5 Payment of Group 2 School Fees Allowance (SFA)**

Group 2 School Fees Allowance is payable as follows:

• Payment direct to the school for the amount determined by 85.5.1; or

• Reimbursement/s to the person who has incurred the expenses, upon presentation of

receipt/s from the school that show the school fee amount paid. In total,

reimbursement will be made for the lesser of:

o the amount of school fees paid; or

o the maximum amount of School Fees Allowance entitlement specified in 85.3.2.

**85.5.1 Payment of Group 2 SFA to the school**

Where Group 2 School Fees Allowance is being paid to the school, the payment frequency and

calculation is affected by whether the student is either:

• boarding at a boarding school; or

• boarding at a hostel that is a signatory to the Standard Hostels Agreement; or

• boarding at a hostel that is NOT a signatory to the Standard Hostels Agreement; or

• boarding in a private board arrangement.

**85.5.1.1 Student is boarding at a boarding school or a hostel that is a signatory to the Standard Hostels**

**Agreement**

Where the student is boarding at a boarding school or a hostel that is a signatory to the

Standard Hostels Agreement, Group 2 School Fees Allowance payments are calculated on a

daily rate and paid four times a year on a term-in-advance basis for the following periods:

• Term 1 01 January – 31 March;

• Term 2 01 April – 30 June;

• Term 3 01 July – 30 September;

• Term 4 01 October – 31 December.

These payments are made on a pro-rata basis for the lesser of:

• the student’s maximum entitlement of Group 2 School Fees Allowance as set out in

85.3.2; or

• the annual school fees amount charged by the school.

**85.5.1.2 Student is boarding at a hostel that is NOT a signatory to the Standard Hostels Agreement or in a private**

**board arrangement**

Where the student is boarding at a hostel that is NOT a signatory to the Standard Hostels

Agreement or in a private board arrangement, Group 2 School Fees Allowance is paid in one

instalment for the lesser of:

• the student’s maximum entitlement of Group 2 School Fees Allowance as set out in

85.3.2; or

• the annual school fees amount charged by the school.

**85.5.2 Taxation status**

For details of the tax status of Group 1 and 2 School Fees Allowance, see Chapter 5 Taxation.

**85.6 School Fees**

**85.6.1 School Fees**

For the purposes of School Fees Allowance, school fees are those fees charged by a school for

all students enrolled in a particular programme. This includes:

• fees associated with school subjects, including charges for consumable materials and

charges for sporting activities where sport is taken as a school subject and a subject

fee is levied;

• general purpose fees for services and amenities;

• tuition fees; and

• fees for items such as school magazines, locker hire, book hire, and examinations.

**85.6.2 Not included as school fees**

For the purposes of School Fees Allowance, school fees do not include:

• charges for the issue of stationery, or the use or purchase of school clothing including

sports clothing or special clothing e.g. aprons for Home Economics or Manual Arts;

• charges to cover incidental expenses incurred by a student during the term e.g.

purchases from the school shop;

• charges for laundry/purchase of linen;

• levies on behalf of Parents’ and Citizens’ Association or similar organisation;

• contributions (whether or not compulsory and/or refundable) to school building funds;

or

• charges for insurance cover for school–related activities.

**85.6.3 Disparity in fees levied by schools**

Fees levied for ABSTUDY students must be at the same level as those set for non-ABSTUDY

students at the school.

**85.7 School Fees Allowance Entitlement**

**85.7.1 Means testing**

Group 1 School Fees Allowance is not subject to the means tests outlined in Chapter 56

Introduction to Means Testing.

There are two components of Group 2 School Fees Allowance entitlement:

• An amount free from means testing; and

• An additional amount that is subject to the Parental Income Test, Family Assets Test

and Family Actual Means Test to determine the amount payable. Refer to 57.2 for

details of the effect of these tests upon Group 2 SFA.

**85.7.2 Entitlement**

Entitlement to Group 1 School Fees Allowance is established when the student commences

study in the school year. The entitlement is not affected if a student subsequently discontinues

study.

Entitlement to Group 2 School Fees Allowance is established upon commencement at the school,

and is determined on a pro-rata basis, in accordance with the provisions outlined in Chapter 73

Living Allowance entitlement periods.

**85.7.3 Change in school**

The same maximum rates of Group 1 and 2 School Fees Allowance apply where a student

changes school during the year; payments of School Fees Allowance in respect of the student

for a year may total up to the maximum rate of School Fees Allowance.

**85.7.4 Overpayments**

Where payments in excess of entitlement have occurred, refer to Chapter 3 Overpayment and

Recovery of Allowances to determine what is a recoverable debt and from whom this amount

should be recovered.

**85.8 Transfer of unused Group 2 School Fees Allowance to pay boarding costs**

**85.8.1 Qualification for transfer of unused Group 2 SFA to pay boarding costs**

Unused Group 2 School Fees Allowance may be transferred to meet outstanding board fees in

the following circumstances:

• the student qualifies for Group 2 School Fees Allowance; and

• the annual tuition amount charged by the school is less than the student’s maximum

entitlement of Group 2 SFA as set out in 85.3.2;

• the student boards at a boarding school OR a hostel that is a signatory to the Standard

Hostels Agreement; and

• the annual amount of boarding fees charged by the boarding school/hostel exceeds the

student’s combined annual entitlement of Living Allowance, Rent Assistance, Remote

Area Allowance and Pharmaceutical Allowance.

**85.8.1.1 Not qualified for transfer of unused Group 2 School Fees Allowance to pay boarding costs**

Transfer of Group 2 School Fees Allowance to pay boarding costs may not be approved in the

following circumstances:

• no Living Allowance is payable in respect of the student as a result of the application of

the means tests; and/or

• the student is boarding at a hostel that is NOT a signatory to the Standard Hostels

Agreement or is in a private board arrangement.

**85.8.2 Payment of transferred Group 2 School Fees Allowance**

Where the transfer of unused Group 2 SFA to pay boarding costs has been approved, these

payments are calculated on a daily rate and paid four times a year on a term-in-advance basis

for the following periods:

• Term 1 01 January – 31 March;

• Term 2 01 April – 30 June;

• Term 3 01 July – 30 September;

• Term 4 01 October – 31 December.

Payment is made for the lesser of:

• the difference between the student’s combined annual entitlement of Living Allowance,

Rent Assistance, Remote Area Allowance and Pharmaceutical Allowance and the annual

amount of boarding fees charged by the boarding school/hostel; or

• the difference between the student’s maximum entitlement of Group 2 SFA as set out

in 85.3.2 and the annual tuition fee amount charged by the school.

**85.8.3 Entitlement not to be exceeded**

Where unused Group 2 School Fees Allowance has been transferred to meet any outstanding

board fees under the provisions of 85.6, any residual amount of Group 2 School Fees Allowance

cannot be used for other purpose e.g. to pay existing overpayments, or to be directed to the

student.

**ABSTUDY, Allowances and Benefits: Chapter 86 - Under 16 Boarding**

**Supplement**

This chapter describes eligibility conditions and entitlements for the Under 16 Boarding

Supplement.

**On this page**

• 86.1 Purpose of the Under-16 Boarding Supplement

• 86.2 When is the Under-16 Boarding Supplement Payable?

• 86.3 Boarding School Qualification

• 86.4 Students who are eligible to attract the Under 16 Boarding Supplement

• 86.5 Payment of Under 16 Boarding Supplement

• 86.6 Under-16 Boarding Supplement Entitlement

**86.1 Purpose of the Under-16 Boarding Supplement**

The purpose of the Under 16 Boarding Supplement is to assist boarding schools that have a

significant number of Indigenous enrolments with the shortfall in boarding and tuition fees paid

to an eligible school for students under 16 years of age who receive a lower rate of ABSTUDY

Living Allowance than those aged between 16 and 20 years. These boarding schools would then

receive the same rate of assistance for all their eligible secondary school students who are

entitled to Living Allowance and approved for Away from Home entitlements.

**86.2 When is the Under-16 Boarding Supplement Payable?**

For Under-16 Boarding Supplement to be payable in respect of a student, the following criteria

must be met:

• the boarding school must meet the qualifications for Under-16 Boarding Supplement, as

set out in 86.3; and

• the student must meet the qualifications for Under-16 Boarding Supplement, as set out

in 86.4; and

• the student must be enrolled as a boarder and receiving tuition at the boarding school

that is claiming the under 16 Boarding Supplement.

**86.3 Boarding School Qualification**

The ABSTUDY Under-16 Boarding Supplement is only available to schools that meet the

following criteria:

• the school provides boarding facilities and can demonstrate that these boarding

facilities are integrated within the school's infrastructure, as set out in 86.3.1; and

• at least 10 per cent of the total numbers of students enrolled at the school are

Indigenous Australians or a minimum of 20 Indigenous students are enrolled.

To establish a boarding school’s qualification for Under-16 Boarding Supplement for the

following year, DEEWR uses data derived from the Non-government Schools Census which is

undertaken in August each year.

DEEWR assess a school’s qualification for the Under-16 Boarding Supplement and will contact

all eligible schools prior to the new school year. DEEWR will provide Centrelink with a list of

eligible schools.

**86.3.1 Verification that Boarding Facilities are integrated within the School’s Infrastructure**

Boarding facilities will be considered to be integrated within the school’s infrastructure in the

following circumstances:

• the facilities must be owned or leased by the school for the sole purpose of providing

boarding facilities, including homework supervision and recreational programmes;

• the facilities must meet the standards for occupancy set by the local Council or other

relevant approval authorities;

• the staff and house parents must be employees of the school; and

• there must be a full-time staff presence within the facilities to look after, for example,

children unable to attend school because of illness.

Should verification of the conditions outlined above be required, DEEWR will contact the

education provider. The evidence sought will include documentation about the ownership or

leasing arrangements for the boarding facilities, employment conditions for the staff and

contractual agreements for house parents.

**86.3.2 Hostels**

Hostels are not eligible for payment of Under-16 Boarding Supplement

**86.3.3 External students boarding at a boarding School**

Students studying external to the boarding school, i.e. are day students at another school but

boarding in a boarding school facility are not eligible to be counted in a schools enrolments for

the purposes of the Under 16 Boarding Supplement.

**86.4 Students who are eligible to attract the Under 16 Boarding Supplement**

A student is eligible to attract the Under-16 Boarding Supplement for Semester 1 of a year if

the following criteria are met on the 3rd Friday in February:

• s/he meets the Schooling B Award criteria; and

• s/he is under 16 years old; and

• s/he is enrolled and attending school; and

• s/he is enrolled in and boarding at a school that meets the qualifications for Under-16

Boarding Supplement set out in 86.3; and

• s/he either:

o meets the criteria for Away from Home entitlements; or

o s/he qualifies for Independent status as an orphan, a student whose parents

cannot exercise parental responsibilities,or on the basis that it is Unreasonable

To Live at Home; or

o s/he qualifies for independent status on the basis of criteria other than those

listed in the previous dot point AND meets the criteria for Away from Home

entitlements; or

o s/he is a student in State Care and the following apply:

􀂃 the student is entitled to receive the Away from Home rate of Living

Allowance because the carer does not receive a regular foster care

allowance; and

􀂃 the student would meet the criteria for Away from Home entitlements;

And

• Living Allowance is payable in respect of the student.

A student is eligible to attract the Under-16 Boarding Supplement for Semester 2 of a year if

the above criteria are met on the 3rd Friday in August.

The school may receive a per capita payment for each student who meets the criteria.

**86.4.1 Student Unable to Commence**

Where a student has not commenced school by the date specified in 86.4, Under-16 Boarding

Supplement is payable in the following circumstances:

• the student was unable to commence school by the specified date due to circumstances

beyond his/her control, such as severe weather conditions; and

• the student has not attracted this allowance at another school for the relevant semester.

**86.4.2 Delayed assessment and payment**

Where a student who is enrolled and attending a boarding school on the census date has not

been assessed as eligible for ABSTUDY entitlements at the time of payment of the Boarding

Supplement, assessment and payment may be made following confirmation of the student's

eligibility.

**86.5 Payment of Under 16 Boarding Supplement**

**86.5.1 Rate of Under-16 Boarding Supplement**

A set rate of Under-16 Boarding Supplement applies in respect of each eligible student for each

semester. For details of this amount, see “A Guide to Australian Government Payments ”.

The Under 16 Boarding Supplement can be made on behalf of a student only once for a

semester. There are no pro rata payments of Boarding Supplement.

**86.5.1.1 Indexation of Under-16 Boarding Supplement rates**

Under-16 Boarding Supplement is subject to annual indexation against the Consumer Price

Index (CPI) at 1 January.

**86.5.2 Payment frequency**

The Under-16 Boarding Supplement is paid once for each half of the year, i.e. once per

semester. Where eligibility has been established, the full payment is made in one instalment.

There are no pro rata payments of Under-16 Boarding Supplement.

**86.5.3 Payee for Under-16 Boarding Supplement**

The payee for Under-16 Boarding Supplement is the boarding school.

**86.6 Under-16 Boarding Supplement Entitlement**

**86.6.1 Means testing**

Under-16 Boarding Supplement is not subject to the means-testing outlined in Chapter 56

Introduction to Means Testing.

**86.6.2 Discontinuation of study**

Provided that the student has met the criteria set out at 86.4, early discontinuation of study or

board does not affect entitlement to the Under-16 Boarding Supplement.

**86.6.3 Change of School**

If a student changes school during a semester, the payment of Under-16 Boarding Supplement

is made to the school where the student was boarding on the census date.

If a student leaves the school during that semester, no overpayment is raised.

**86.6.4 Overpayment and recovery of allowances**

Where payments in excess of entitlement have occurred, refer to Chapter 3 Overpayment and

Recovery of Allowances to determine what is a recoverable debt and from whom this amount

should be recovered.

**ABSTUDY, Allowances and Benefits: Chapter 87 - Qualification for Fares**

**Allowance**

This chapter details the qualifications for Fares Allowance.

**On this page**

• 87.1 Purpose of Fares Allowance

• 87.2 Qualification for Fares Allowance

• 87.3 Restrictions on interstate travel

• 87.4 Overseas travel

**87.1 Purpose of Fares Allowance**

The purpose of Fares Allowance is to cover the cost of specified travel for students who need to

live away from home to attend study or to participate in an approved Away from Base activity.

This allows the student to participate fully in the approved course while maintaining contact

with his/her home community. Persons other than students may also be eligible for fares

allowance in specified circumstances.

Fares Allowance is not available to Australian Apprentices.

**87.2 Qualification for Fares Allowance**

There are different types of specified travel for which Fares Allowance may be approved; these

are detailed in Chapter 89 Approved Travel.

The qualification criteria for Fares Allowance vary depending upon the type of specified travel

being undertaken:

• all types of specified travel, except Away from Base activities travel; and

• Away from Base activities travel.

**87.2.1 Qualification for Fares Allowance for all types of specified travel, except Away from Base activities travel**

To qualify for Fares Allowance for all types of specified travel, with the exception of Away from

Base activities travel, the following criteria must be met:

• the student meets the criteria for one of the following ABSTUDY Awards:

o Schooling B Award; or

o Tertiary Award; or

o Masters and Doctorate Award; and

• the student has a permanent home address that varies from his/her term address; and

• the student was living at the permanent home address immediately prior to

undertaking the travel; and

• the travelling time and/or distance between the permanent home and the term address

can be considered to be unreasonable according to the principles set out in Chapter 26

Travel Time and Access; and

• the journey is not precluded under the interstate travel rules; and

• the person undertaking the journey is an approved traveller; and

• the student is eligible for the type of specified travel being undertaken

**87.2.1.1 Not qualified for Fares Allowance if have received Relocation Allowance**

Where a student is undertaking a Masters or Doctorate level degree, and s/he has received

Relocation Allowance in order to relocate to the study location, the study location is considered

the permanent home. This means that Fares Allowance is no longer payable in respect of this

approved course.

**87.2.2 Qualification for Fares Allowance for Away from Base activities travel**

To qualify for Fares Allowance for Away from Base activities travel, the following criteria must

be met:

• the student meets the criteria for one of the following ABSTUDY Awards:

o Schooling A Award; or

o Schooling B Award; or

o Tertiary Award; or

o Part-time Award; or

o Testing and Assessment Award; or

o Masters and Doctorate Award; or

o Student in Lawful Custody Award; and

• the student is required to temporarily live away from the permanent home in order to

attend an Away from Base activity; and

• one of the following apply:

o for field trips, the travelling time and/or distance between the institution

location and the field trip location can be considered to be unreasonable

according to the principles set out in Chapter 26 Travel Time and Access; and

o for residential schools and testing/assessment programmes, the travelling time

and/or distance between the permanent home and the institution location can

be considered to be unreasonable according to the principles set out in Chapter

26 Travel Time and Access; and

o for placements:

􀂃 where the student is living at his/her permanent home, the travelling

time and/or distance between the permanent home and the placement

location can be considered to be unreasonable according to the

principles set out in Chapter 26 Travel Time and Access; and

􀂃 where the student is living at his/her term address, the travelling time

and/or distance between the term address and the placement location

can be considered to be unreasonable according to the principles set

out in Chapter 26 Travel Time and Access; and

• the journey is not precluded under the interstate travel rules; and

• the person undertaking the journey is an approved traveller; and

• the student is eligible for Away from Base activities travel.

**87.3 Restrictions on interstate travel**

There are restrictions on interstate travel for the following students:

• secondary school students;

• students undertaking certificate and enabling courses;

• students undertaking Statement of Attainment courses; and

• students undertaking an Away from Base field trip or placement.

**87.3.1 Interstate travel for secondary school students**

Fares Allowance cannot be approved for secondary school students who choose to study

interstate, except in the following circumstances:

• the student lives near a State/Territory border and will attend a school at a nearby

interstate location; or

• interstate travel is more cost effective that intrastate; or

• there are no available boarding places at boarding schools in the student's

State/Territory; or

• the student is undertaking an approved specialist secondary course at a government

school which meets the criteria at 28.6 and is not available in their home state; or

• the student has been awarded a scholarship to a boarding school at an interstate

location that has been approved by the Minister for Education as listed at 35.2; or

• the student has been approved for ABSTUDY away from home entitlements on the

basis of being offered an Independent Boarding School Scholarship (refer 35.1); or

• the student has been approved to live away from the permanent family home under the

Continuity of Study provisions set out in Chapter 32.

**Note:** When assessing cost effectiveness other factors may need to be considered such as how

long the travel will take, the time of day the travel is taken, the number of legs that need to be

taken and the availability of appropriate transport.

**87.3.2 Interstate travel for students undertaking Statement of Attainment, Certificate and Enabling Courses**

Fares Allowance cannot be approved for students undertaking Statement of

Attainment, certificate and enabling courses who choose to study interstate, except in the

following circumstances:

• interstate travel is more cost effective than intrastate; or

• the student is participating in the Indigenous Youth Mobility Program (IYMP) and has

been offered a placement at an interstate location; or

• both of the following apply:

o a similar course in the particular field of study is not available in the student’s

home state or territory; and

o the institution has applied to DEEWR for, and has been granted an exemption

from this interstate travel rule.

In such cases, the student may be approved to travel to the nearest most cost-effective

interstate location; or if the student is participating in the Indigenous Youth Leadership

Program (IYLP) or IYMP or has been awarded a scholarship to an independent boarding school

in accordance with 35.1, to the location where the student has been offered a placement.

**87.3.2.1 Exemption from interstate travel rule**

The decision whether or not a certificate or enabling course is available in a particular State or

Territory is made by DEEWR. It is the responsibility of institutions, not students, to apply for

recognition that a course is not available in (some) other States/Territories.

Institutions wishing to apply for such recognition should be advised to make a written request

to the:

Branch Manager

Income Support for Students Branch

DEEWR

GPO Box 9880

CANBERRA ACT 2601

or by fax to 02 6240 8435, for consideration.

DEEWR will advise both the institution and Centrelink of the decision.

**87.3.3 Interstate travel for field trips and placements**

Interstate travel will not be approved for Away from Base field trips and placements except

where:

• the travel is between New South Wales and the Australian Capital Territory; or

• the student is attending an educational institution near a State/Territory border; or

• the field trip or placement provides experience or training that is both:

o essential for successful completion of the minimum requirements of the

student’s course; and

o unavailable within the home State or Territory.

**87.4 Overseas travel**

Fares Allowance is not available for travel between Australia and an overseas location.

Fares Allowance may be available for travel within an overseas country under the specific

provisions set out in Chapter 55 Overseas Study.

**ABSTUDY, Allowances and Benefits: Chapter 88 - Approved Travellers**

This chapter discusses who may be approved to travel under Fares Allowance.

**On this page**

• 88.1 Approved Travellers

• 88.2 Dependant Travellers

• 88.3 Family Member Travellers

• 88.4 Supervisor Travellers

• 88.5 Travelling Companions

• 88.6 Education Institution Representative Travellers

**88.1 Approved Travellers**

A student may be approved for Fares Allowance where:

• the student meets the qualifications for Fares Allowance; and

• the student is eligible for the type of specified travel being undertaken; and

• the person undertaking the journey is an approved traveller.

Where the student is the person undertaking the journey, s/he is an approved traveller.

Person/s other than the student may be an approved traveller in the following circumstances:

• Dependant travellers;

• Family member travellers;

• Supervisor travellers;

• Travelling companions; or

• Education institution representative travellers.

**88.2 Dependant Travellers**

**88.2.1 Purpose of approval of dependent travellers**

The purpose of approval of Dependant Travellers is to cover travel for a dependant/s of a

student who is approved for Fares Allowance. A dependant can be a partner and/or any

dependent children of the student.

**88.2.2 Eligibility for travel as a dependant**

Fares Allowance may be approved for a student’s partner and/or any dependent children in the

following circumstances:

• the student meets the qualifications for Fares Allowance; and

• the student is eligible for the type of specified travel being undertaken; and

• the partner and/or dependent children travel to live at the term address; and

• one or more of the following apply:

o the student is eligible for Parenting Payment (Single) under the Social Security

Act 1991; or

o the student’s partner is eligible for Parenting Payment Partnered under the

Social Security Act 1991; and/or

o the student or student's partner holds a Health Care Card, Low Income Health

Care Card or a Pensioner Concession Card AND has a dependent child.

**88.2.3 Entitlement for a dependant traveller**

The types of specified travel available for a Dependant Traveller are:

• travel at the commencement and end of study; and

• travel on compassionate grounds.

**88.3 Family Member Travellers**

**88.3.1 Purpose of approval of family member travellers**

The purpose of approval of Family Member Travellers is to allow a family member to travel to

the student’s term address for the purposes of either orientation/special purpose visit travel or

compassionate travel.

**88.3.2 Eligibility for travel as a family member**

Fares Allowance may be approved for a parent, partner or close family member to visit a

student at the term address in the following circumstances:

• the student meets the qualifications for Fares Allowance; and

• either of the following apply:

o both:

􀂃 the student would be eligible for Compassionate travel due to serious

illness or injury; and

􀂃 the circumstances are such that a visit from a close family member

would be appropriate; OR

o both:

􀂃 the student is eligible for orientation or special purpose visit travel; and

􀂃 it is appropriate for the parent to either accompany the student to the

term address or to visit the student at the term address.

Where the student is suffering from a terminal illness, both parents may be approved to travel

to visit the student under Compassionate Travel.

**88.3.3 Entitlement for a family member traveller**

The types of specified travel available for a family member traveller are:

• orientation or special purpose visit travel; and

• compassionate travel.

Where Fares Allowance has been approved for a family member under compassionate travel or

orientation or special purpose visit travel, the family member is entitled to one return journey

between the family member’s home and the student’s term address.

**88.4 Supervisor Travellers**

**88.4.1 Purpose of approval of supervisor travellers**

The purpose of approval of supervisor travellers is to enable the supervision of secondary

school students while in transit during an approved journey.

**88.4.2 Eligibility for travel as a supervisor**

Fares Allowance may be approved for a supervisor to accompany a student on a journey in the

following circumstances:

• the student meets the qualifications for Fares Allowance; and

• the student is eligible for the type of specified travel being undertaken; and

• the student’s circumstances, and the circumstances of the travel, mean that

supervision would be appropriate; and

• the supervisor is a parent, community representative or representative of the receiving

school or hostel.

Where more than one approved student is travelling, more than one supervisor may be

required. The appropriate number of supervisors will depend on the circumstances of the travel;

however, a ratio of one supervisor to six students would normally be used.

**88.4.3 Entitlement for a supervisor traveller**

Where Fares Allowance has been approved for a supervisor to accompany a student on a type

of specified travel, the supervisor is entitled to one return journey between the supervisor's

home and the student's place of study or other location to which the student is travelling.

All types of specified travel are available under the provisions of supervisor travel.

**88.5 Travelling Companions**

**88.5.1 Purpose of approval of a travelling companion**

The purpose of approval of a travelling companion is to allow an ill, injured or disabled student

who is undertaking approved travel to be accompanied on the journey.

**88.5.2 Eligibility for travel as a travelling companion**

Fares Allowance may be approved for a travelling companion to accompany a student on a

journey in the following circumstances:

• the student meets the qualifications for Fares Allowance; and

• the student is eligible for the type of specified travel being undertaken; and

• the student has an illness, injury or disability that would make it appropriate for a

companion to travel with him/her.

**88.5.3 Entitlement for a travelling companion**

All types of specified travel are available under the provisions of travelling companion travel.

Where Fares Allowance has been approved for a travelling companion to accompany a student

on a type of specified travel, the travelling companion is entitled to one return journey between

the travelling companion’s home and the student's place of study or other location to which the

student is travelling.

**88.6 Education Institution Representative Travellers**

**88.6.1 Purpose of approval of education institution representative travellers**

The purpose of approval of education institution representative travellers is to allow

representatives from an education institution or hostel to travel to a community to undertake

an Away from Base activity or to participate in an orientation/special purpose visit, where it is

more cost effective to do so.

**88.6.2 Eligibility for travel as an education institution representative**

Fares Allowance may be approved for representatives of an education institution or hostel to

travel to a student’s home community in the following circumstances:

• the student meets the qualifications for Fares Allowance; and

• either of the following apply:

o the student is eligible for orientation/special purpose visit travel; and

o the proposed travellers have direct contact with ABSTUDY students at the

boarding location; and

o there are at least six ABSTUDY students at the school/hostel who come from

the communities to be visited and there is likely to be a continued boarding

connection between the education institution and the community;

OR

o the student is eligible for Away from Base activities travel; and

o the applicant will be participating in either a Testing and Assessment

programme or a residential school; and

o the education institution can demonstrate that it is cost-effective for its

representatives to travel to a community or communities rather than for

students or parents to travel to the education institution.

**88.6.3 Entitlement**

Where Fares Allowance has been approved for a representative from an education institution to

travel to a student’s home community, the education institution representative is entitled to

one return journey between the education institution and the student’s home community.

The number of education institution representatives receiving assistance would, in normal

circumstances, be limited to two.

**ABSTUDY, Allowances and Benefits: Chapter 89 - Approved Travel**

This chapter discusses the types of specified travel that may be undertaken under the

provisions of Fares Allowance.

**On this page**

• 89.1 Types of Approved Travel

• 89.2 Travel at commencement and end of study period

• 89.3 School Vacation Travel

• 89.4 Tertiary and Secondary Non-schooling Travel for Study of more than One Semester

• 89.5 Compassionate Travel

• 89.6 Examination Travel

• 89.7 Graduation Travel

• 89.8 Masters/Doctorate Relocation Travel

• 89.9 Orientation or Special Purpose Visit Travel

• 89.10 Away from Base activity travel

**89.1 Types of Approved Travel**

The following types of specified travel are available under the provisions of Fares Allowance:

• travel at commencement and end of study period;

• school vacation travel;

• tertiary and secondary non-school travel for study of more than one semester;

• compassionate travel;

• examination travel;

• graduation travel;

• Masters/Doctorate relocation travel;

• orientation or special purpose visit travel;

• Away from Base activities travel.

**89.2 Travel at commencement and end of study period**

**89.2.1 Purpose of travel at commencement and end of study period**

The purpose of travel at the commencement and end of a study period is to enable a student to

travel between the permanent home and the term address.

**89.2.2 Eligibility for travel at commencement and end of study period**

To qualify for travel at the commencement and end of the study period, the student must meet

the qualifications for Fares Allowance set out in 87.2.1.

**89.2.3 Travel at commencement and end of study period entitlement**

Where a student qualifies for travel at the commencement and end of the study period, the

entitlement is for:

• one single journey from the permanent home to the term address at the

commencement of study for the year; and

• one single journey from the term address to the permanent home at either:

o the discontinuation of study for a year; or

o the completion of the study for the year.

**89.2.4 Forward journey to commence course**

Travel prior to the commencement of the course may be approved where a student can

demonstrate a reasonable need to do so, e.g. to secure rental accommodation.

**89.2.5 Return journey at the end of study for the year**

Continuing students must return to their permanent home address at the conclusion of study

for the year to continue to qualify for Fares Allowance. If the student does not return to the

permanent home, it would normally be assumed that s/he remained at the study location for

reasons other than for study and, in these circumstances, has established her/his permanent

home at the term address.

This return journey must be undertaken within three months of ceasing studies for the year.

**89.3 School Vacation Travel**

**89.3.1 Purpose of school vacation travel**

The purpose of school vacation travel is to enable a secondary school student to be reunited

with her/his family during school vacations.

**89.3.2 Eligibility for school vacation travel**

To qualify for school vacation travel, the student must:

• meet the qualifications for Fares Allowance set out in 87.2.1; and

• be a secondary school student.

**89.3.3 School vacation travel entitlement**

Where a student qualifies for school vacation travel during the academic year, s/he is entitled

to one return journey between the permanent home and the term address to coincide with

each of the term vacations to a maximum of three per academic year. In Tasmania, which has

three school terms, this includes the Easter break.

**89.4 Tertiary and Secondary Non-schooling Travel for Study of more than One**

**Semester**

**89.4.1 Purpose of tertiary and secondary non-schooling travel**

The purpose of tertiary and secondary non-schooling travel for study of more than one

semester duration is to enable a tertiary or secondary non-schooling student to be reunited

with her/his family during the academic year.

**89.4.2 Eligibility for tertiary and secondary non-schooling travel**

To qualify for tertiary and secondary non-schooling travel, the student must:

• meet the qualifications for Fares Allowance set out in 87.2.1; and

• be undertaking tertiary level or secondary non-schooling study; and

• be living away from the permanent home for a period greater than one semester; and

• not be precluded under the rule set out in 89.4.2.1.

**89.4.2.1 Ineligible for tertiary and secondary non-schooling travel**

Tertiary and secondary non-schooling travel cannot be approved for a student or his/her

dependants where s/he has elected to receive Fares Allowance for dependant(s) to travel to the

term address under the dependant traveller provisions.

**89.4.3 Tertiary and secondary non-schooling travel entitlement**

Where a student qualifies for tertiary and secondary non-schooling travel, s/he is entitled to

one return journey between the permanent home and the term address. This journey may be

taken at any time after the date on which the student commences study and before the date on

which the student ceases study.

**89.5 Compassionate Travel**

**89.5.1 Purpose of compassionate travel**

The purpose of compassionate travel is to enable students to return from their term address to

their permanent home for compassionate reasons. In certain circumstances, a close family

member may instead visit an ill or injured student at the term address.

**89.5.2 Eligibility for compassionate travel**

To qualify for compassionate travel, a student must:

• meet the qualifications for Fares Allowance set out in 87.2.1; and

• meet one of the circumstances described in grounds for compassionate travel at 89.5.5;

and

• have not exceeded the limits of approval of compassionate travel for the year; and

• not be precluded under 89.5.2.1.

Where a student has received Fares Allowance for a dependant to travel with them to the study

location, the dependant is also eligible for compassionate travel where it is necessary for them

to return home with the student.

**89.5.2.1 Not eligible for compassionate travel**

Students attending an Away from Base activity are not eligible for compassionate travel but

may use their return trip prior to the end date of the activity.

**89.5.2.2 Family member travellers**

Where a student meets the conditions for approval of compassionate travel, a close family

member may, in certain circumstances, be approved to visit the student at the term address.

See 88.3 family member travellers.

**89.5.3 Compassionate travel entitlement**

Where a student has been approved for compassionate travel, s/he is entitled to one return

journey between the term address and the permanent home.

**89.5.4 Limits on compassionate travel**

A maximum of two return trips per student per year can be approved under compassionate

travel entitlements. This maximum includes any instances where a family member has visited

the student at the term address under the compassionate travel provisions.

**89.5.5 Grounds for compassionate travel**

Circumstances justifying travel for compassionate reasons include:

• the critical illness or injury of an immediate family member, i.e. parent/guardian,

parent substitute, grandparent, sibling, partner, child, or partner's parent or child; or

• an illness or injury of the student that requires the student to return home; or

• the death or funeral of an extended family member; or

• where the student comes from an Aboriginal or Torres Strait Islander community that

observes Aboriginal or Torres Strait Islander law or kinship obligations, a requirement

for the student to participate in a community activity under these law or kinship

obligations.

**89.6 Examination Travel**

**89.6.1 Purpose of examination travel**

The purpose of examination travel is to enable students to attend examinations for the

approved course.

**89.6.2 Eligibility for examination travel**

To qualify for examination travel, a student must:

• meet the qualifications for Fares Allowance set out in 87.2.1; and

• either:

o be required to take a supplementary or deferred examination; or

o be required to travel to a location other than the normal place of residence to

sit examinations.

A full-time tertiary or secondary non-school student would be expected to remain at the place

of study until the end of their participation in the normal examination period and would

therefore only qualify for examination travel for unexpected supplementary or deferred

examinations.

**89.6.3 Examination travel entitlement**

Where a student has been approved for examination travel, s/he is entitled to one return

journey between the permanent home and the examination centre for each approved

examination or set of examinations.

**89.7 Graduation Travel**

**89.7.1 Purpose of graduation travel**

The purpose of Graduation Travel is to enable students to attend a graduation ceremony to

graduate from a course of study.

**89.7.2 Eligibility for graduation travel**

To qualify for graduation travel, a student must meet the following criteria:

• the student must have either:

o completed a tertiary course that is equivalent to a course of at least two years

full-time duration, for which s/he received ABSTUDY assistance; or

o completed a postgraduate degree for which s/he received ABSTUDY assistance;

and

• one of the following apply:

o s/he was approved for Fares Allowance under ABSTUDY to undertake his/her

course away from his/her permanent home; or

o s/he was approved for Fares Allowance under ABSTUDY to undertake his/her

course through a combination of external studies and face-to-face teaching; or

o s/he was approved for travel assistance under DEST's Indigenous Education

Programmes to undertake his/her course through mixed-mode studies.

**89.7.2.1 Ineligible for Graduation Travel**

If, for the duration of his/her course, a student only received ABSTUDY Fares Allowance

entitlements in order to participate in a placement, field trip or testing and assessment

program under the provisions of Away from Base activities travel, s/he is not eligible for

graduation travel.

**89.7.3 Graduation Travel Entitlement**

Where a student has been approved for graduation travel to graduate from a course of study,

s/he is entitled to one return journey within Australia between his/her permanent home and the

location of the graduation ceremony. Travel is paid at no more than the equivalent rate to

which the student was entitled to during the course of study.

There are no meals and accommodation allowances payable for graduation travel except where

the journey must be broken - see 90.7.3 Overnight Accommodation.

**89.8 Masters/Doctorate Relocation Travel**

**89.8.1 Purpose of Masters/Doctorate Relocation Travel**

The purpose of Masters and Doctorate relocation travel is to assist a Masters/Doctorate student,

and his/her partner and dependent child/ren, to travel to their new permanent home at the

place of study. This entitlement is part of the Relocation Allowance payable to students on an

approved Masters and Doctorate Award.

**89.8.2 Eligibility for Masters/Doctorate Relocation Travel**

To qualify for Masters and Doctorate relocation travel, a student must:

• meet the qualifications for Fares Allowance set out in 87.2.1; and

• meet the qualifications for Masters and Doctorate Allowances set out in 97.2; and

• be travelling to the study location in order to establish a new permanent home address.

**89.8.3 Masters/Doctorate Relocation Travel Entitlement**

Where a student has been approved for Masters and Doctorate relocation travel, the student,

his/her partner and dependent child/ren are entitled to a one-way journey from their existing

permanent home to the study location.

**89.9 Orientation or Special Purpose Visit Travel**

**89.9.1 Purpose of Orientation or Special Purpose Visit Travel**

The purpose of orientation or special purpose visit travel is to assist in the entry, orientation or

adjustment of a student to a term location, so that the away from home placement may be

effective. It is expected that travel would be required in the student’s first term/semester only.

**89.9.2 Eligibility for Orientation or Special Purpose Visit Travel**

To qualify for orientation or special purpose visit travel, the following criteria must be met:

• the student meets the qualifications for Fares Allowance set out in 87.2.1; and

• one of the following apply:

o a secondary school, or boarding facility, requires prospective students to attend

interviews or other selection procedures prior to acceptance; or

o the secondary school student is intending to board away from home for the first

time and is either:

􀂃 from a remote Aboriginal community; or

􀂃 from a town in a remote location AND it is likely that the student would

experience serious problems of adjustment; or

o a secondary school student in a boarding placement is under threat of expulsion

because of serious problems of adjustment or similar circumstances and a visit

is expected to stabilise the situation; or

o the student has completed secondary studies in the previous year and is

intending to study in an approved tertiary course of at least one year's duration.

**Note: Secondary school students intending to board away from home for the first time may not have had their**

**enrolment confirmed.**

**89.9.2.1 Education Institution Representative Travellers**

Where a student would be approved for orientation/special purpose visit travel, a

representative from the education institution may, in certain circumstances, be approved to

visit the student at the student’s permanent home address. See 88.6 Education Institution

Representative Travellers.

**89.9.2.2 Family Member Travellers**

Where a student would be approved for orientation/special purpose visit travel, a family

member may be approved to either accompany the student to the term address or visit the

student at the term address. See 88.3 Family Member Travellers.

**89.9.2.3 Serious problems of adjustment**

A student is considered to be experiencing serious problems of adjustment where any or all of

the following apply:

• prolonged homesickness;

• poor attendance at classes;

• behavioural problems which affect the student's academic performance; and/or

• behavioural problems that are in serious breach of the school's or boarding education

institution's standards of behaviour.

**89.9.3 Orientation or Special Purpose Visit Travel Entitlement**

Where approval has been given for orientation or special purpose visit travel, the student

and/or other approved traveller are entitled to one return journey between the home

community and term address.

**89.10 Away from Base activity travel**

**89.10.1 Purpose of Away from Base activity travel**

The purpose of Away from Base activity travel is to enable a student to participate in an

approved Away from Base activity, such as a selection test or interview programme, residential

school, field trip or placement.

**89.10.2 Eligibility for Away from Base activity travel**

To qualify for Away from Base activity travel, the following criteria must be met:

• the student must meet the qualifications for Fares Allowance set out in 87.2.2;

• the student must meet the qualifications for Away from Base assistance set out in 92.3;

and

• the student must be participating in an approved Away from Base activity.

**89.10.2.1 Education Institution Representative Travel**

Where student/s would be approved for Away from Base activity travel in order to participate in

a Testing and Assessment programme or residential school, a representative from the

education institution may instead be approved to visit the student/s’ home community to

undertake the Away from Base activities. See 88.5 Education Institution Representative Travel.

**89.10.3 Away from Base activity travel entitlement**

Where a student is approved for Away from Base activity travel, s/he is entitled to:

• for field trips:

o where the student is living at his/her permanent home, one return journey

between the permanent home and the field trip location; or

o where the student is living at his/her term address, one return journey between

the institution location and the field trip location; or

• for residential schools and testing/assessment programmes, one return journey

between the permanent home and the institution location; or

• for placements:

o where the student is living at his/her permanent home, one return journey

between the permanent home and the placement location; or

o where the student is living at his/her term address, one return journey between

the term address and the placement location.

**89.10.3.1 Off-campus residential school travel**

Where an education institution conducting a residential school arranges accommodation at an

off-campus location, Fares Allowance may cover the cost of transport between the place of

accommodation and the education provider provided that:

• there is no suitable and convenient form of public transport; and

• the education institution arranges the transport; and

• the costs of the transport are reasonable and can be justified.

**ABSTUDY, Allowances and Benefits: Chapter 90 - Fares Allowance**

**Entitlement**

This chapter details the entitlements that may be payable where Fares Allowance has been

approved.

**On this page**

• 90.1 Fares Allowance Entitlement

• 90.2 Assessment of a Journey

• 90.3 Rate of Fares Allowance

• 90.4 Approval of the cost of economy air fare or a rail fare with a sleeping berth

• 90.5 Approval of the cost of Motor Vehicle Allowance (MVA)

• 90.6 Approval of the cost of chartered transport

• 90.7 Additional Travel Costs

**90.1 Fares Allowance Entitlement**

An approved traveller is entitled to undertake an approved journey at the rate specified in 90.3

Rate of Fares Allowance where the following apply:

• the student meets the qualifications for Fares Allowance set out in 87.2; and

• the student, or other approved traveller has been approved for Fares Allowance in

relation to a type of specified travel.

Certain additional travel costs may also be payable.

The rate of Fares Allowance will be determined by the provisions of 90.3 Rate of Fares

Allowance regardless of the actual mode of travel used by the student.

**90.1.1 Means testing**

Fares Allowance entitlement is not subject to means testing.

**90.1.2 Unused entitlements**

A student who does not use all her/his travel entitlements in one year may not carryover the

unused entitlements to the next year.

**90.2 Assessment of a Journey**

Where Fares Allowance has been approved, the student, or other approved traveller, must

undertake travel between the locations appropriate to the type of specified travel being

undertaken. Fares Allowance is not payable for a student to travel to a destination other than

those appropriate to the type of specified travel being undertaken, even where travel to the

requested location may be less expensive.

**90.2.1 Travel assessed to/from normal travel terminal**

In determining entitlements under Fares Allowance, travel is to be assessed to and from the

location used as the normal travel terminal, eg a train station, bus stop or airport/airfield,

servicing the permanent home or the term address.

**90.2.2 Indirect route or broken journey**

Additional costs for taking an indirect route or for breaking the journey are not included in

Fares Allowance unless a break in the journey cannot be avoided.

**90.2.3 Travel to destination other than the permanent home**

Where the type of specified travel being undertaken entitles a student, or other approved

traveller, to a journey to or from the permanent home, the student/approved traveller may

travel from, or return to, a location other than her/his permanent home in the following

circumstances:

• the parent has temporarily moved; and

• the student is undertaking the travel in order to join the family.

Costs must not exceed the level of Fares Allowance entitlement for previously approved travel.

**90.3 Rate of Fares Allowance**

The rate of Fares Allowance will be determined by the rate of the mode of travel that is:

• the most practicable and cost-effective mode of transport for the journey; and

• reasonable in the circumstances.

It is considered that it is practicable, cost-effective and reasonable for a student, or other

approved traveller, to receive Fares Allowance at the rate of the economy class rail or bus fare

for a journey, unless one of the following apply:

• the conditions for approval of the cost of a rail fare with a sleeping berth or economy

air fare are met are met; or

• the conditions for approval of the cost of Motor Vehicle Allowance (MVA) are met ; or

• the conditions for approval of the cost of chartered transport are met.

**90.4 Approval of the cost of economy air fare or a rail fare with a sleeping berth**

The cost of economy air travel or a rail fare with sleeping berth, whichever is most applicable,

may be approved if any of the following circumstances apply:

• no rail or bus service exists for the journey; or

• the total travelling time for the journey, by surface public transport, exceeds:

o 8 hours by rail or bus, for a secondary school student travelling alone; or

o 10 hours (including waiting time between connections), by rail or bus for other

secondary level students; or

o 18 hours (including waiting time between connections), by bus for tertiary

students and secondary level students at a tertiary institution; or

o 36 hours (including waiting time between connections), by rail for tertiary

students and secondary level students at a tertiary institution; or

• the approved traveller is unable to make the journey by economy class rail or bus due

to illness or incapacity; or

• due to travel schedules:

o an overnight journey by surface transport is unavoidable, or

o a secondary school student would have to leave the departure point or arrive at

the destination unreasonably late at night or early in the morning, eg between

9:00pm and 7:00am; or

o the approved traveller is undertaking Away from Base activity travel and the

total travelling time for a one-way journey (including waiting time between

connections) would exceed the length of the Away from Base activity for which

the travel is being undertaken.

A student will not be entitled to Fares Allowance at the level covering economy air travel or rail

fare with sleeping berth simply because s/he cannot secure a booking at the desired time.

**90.4.1 Sydney Airport noise tax**

Where an approved traveller who is travelling by air is required to land at Sydney Airport, an

additional “noise tax” will be added on to the cost of the ticket. This cost is payable as part of

the student’s Fares Allowance entitlement.

**90.5 Approval of the cost of Motor Vehicle Allowance (MVA)**

The cost of Motor Vehicle Allowance (MVA) may be approved if any of the following

circumstances apply in respect of all or part of the journey:

• if no regular public transport services exists, i.e. neither surface nor air services; or

• it is unreasonable or impracticable, eg due to infrequent services or poor connections,

to travel by public transport; or

• the student is unable, due to injury, disability or other circumstances beyond her/his

control, to travel by public transport; or

• travel by private vehicle is cost-effective.

**90.5.1 Rate of Motor Vehicle Allowance (MVA)**

Where MVA is able to be approved under the provisions of 90.3.3 for all or part of a journey,

the rate payable will be the distance in kilometres by the shortest practicable route between

the locations for which MVA is approved, multiplied by the relevant MVA rate for the engine

capacity of the vehicle.

Current MVA rates can be viewed at Section 3.8.9.30 of the Guide to Social Security Law.

**90.5.1.1 Rate of MVA where third party transports one or more students**

Where a third party uses a private vehicle to transport one or more ABSTUDY students as

passengers, and these ABSTUDY students are qualified for Fares Allowance for the journey, the

rate of Fares Allowance payable to the third party is:

• the rate of economy class rail or bus fare (including concessional rate, if applicable) for

that journey; plus

• an additional one-third of this rate for each passenger transported.

**90.5.1.2 Rate of MVA where student transports one or more other students**

Where an ABSTUDY student uses his/her private vehicle to transport one or more other

ABSTUDY students as passengers, and both the driver and passenger/s are qualified for Fares

Allowance at the MVA rate for that journey, the rate of Fares Allowance payable to the driver is:

• the MVA entitlement of the student as set out in 90.5.1; PLUS

• an additional 0.63 of one cent per kilometre.

**90.5.1.3 Rate of MVA for journey without students**

Where either a third party or an ABSTUDY student has transported other ABSTUDY student/s in

a private vehicle, and is undertaking the return journey without ABSTUDY students as

passengers, the standard rate of MVA set out in 90.5.1 is payable.

**90.5.2 Assessment where public transport available for part of the journey**

Where suitable public transport is available for part of the journey, Fares Allowance entitlement

will be the sum of:

• MVA entitlement for that part of the journey where suitable public transport is not

available; plus

• the standard rate of Fares Allowance as set out in 90.3 for that part of the journey

where suitable public transport is available.

**90.6 Approval of the cost of chartered transport**

The cost of chartered transport, including taxis, hire cares, ferries or helicopters, may be

approved in respect of all or part of the journey where either of the following circumstances

apply:

• there is no public transport or regular air service available; or

• the use of chartered transport for the student/s is cost-effective.

**90.6.1 Travel by hire car**

Travel by hire car should be approved only in exceptional circumstances. Where it is approved,

Fares Allowance entitlement is equivalent to the rate of:

• the contracted hiring fee for the minimum period necessary for the travel; and

• the most suitable vehicle for the journey; and

• any distance levy charged by the hire company for the shortest practicable route; and

• petrol costs.

Hire car contracts are to be entered into by the approved traveller and not by the Australian

Government.

**90.7 Additional Travel Costs**

Where a student or other approved traveller has been approved to undertake a journey, the

following additional travel costs may also be payable:

• transport terminal transfers;

• excess baggage; and

• overnight accommodation.

**90.7.1 Transport terminal transfer costs**

A student, or other approved traveller, who is required to use a transport service to transfer

between an air, coach or train terminal and the board or accommodation location, may incur

costs. Fares Allowance for this transport terminal transfer cost is to be assessed at the rate of:

• the fee levied for all students, or a reasonable fee if levied for ABSTUDY students only,

where a boarding establishment or accommodation provider provides transport facilities;

or

• taxi fare where:

o public transport is not available; or

o it is unsafe to use public transport considering the age of the school student

and/or the time of day at which the travel occurs; or

o the student is travelling to the place of study for the first occasion and is

unfamiliar with the public transport routes; or

o there are other compelling and justifiable factors which deem a taxi to be

suitable; or

• public transport bus and/or rail fare.

**90.7.2 Excess baggage**

Where the student or other approved traveller has baggage in excess of that carried free of

charge by whatever means of public transport is being used, the cost of excess baggage will be

payable as part of Fares Allowance up to the following limits:

• where the baggage allowance is given in linear measure, one additional piece of

baggage within the linear limits; or

• where the allowance is based on weight, excess baggage up to 18 kilograms.

**90.7.3 Overnight accommodation**

Costs associated with overnight accommodation may be met in the following circumstances:

• the student or other approved traveller is required to stay one or more nights at an intransit

location (except where these costs are the responsibility of the carrier); or

• the approved traveller is undertaking the journey under the provisions of family

member travellers, supervisor travellers or travelling companion travellers and either:

o as a result of transport schedules, the approved traveller is unable to avoid

staying one or more nights at the destination to which s/he accompanied the

student/s before returning to his/her usual place of residence; or

o for family member travellers only, the approved traveller is required to stay a

reasonable amount of time at/near the student’s term address in order to visit

the student; or

• the approved traveller is an education institution representative who is undertaking the

journey under the education institution representative travel provisions in order to

undertake an orientation/special purpose visit and either:

o as a result of transport schedules, the approved traveller is unable to avoid

staying one or more nights at the location of the orientation/special purpose

visit; or

o the approved traveller stays a reasonable amount of time at the location of the

orientation/special purpose visit in order to undertake the visit.

**90.7.3.1 Costs payable for overnight accommodation**

Where the costs associated with overnight accommodation are able to be met under the

provisions of 90.7.3, the following expenses are payable:

• the reasonable cost of meals and accommodation for the stopover, where

accommodation is arranged by the education institution, Centrelink or community; or

• travel allowance, where accommodation is arranged by the student or approved

traveller.

Where the accommodation provider provides reception services as part of an all-inclusive

charge, this may also be met.

**90.7.3.2 Overnight accommodation also payable for chartered transport drivers/pilots**

The costs of overnight accommodation as defined in 90.7.3.1 may also be met for chartered

transport drivers/pilots where s/he is unable to avoid staying one or more nights at the

destination to which s/he travelled the student/s or other approved travellers.

**ABSTUDY, Allowances and Benefits: Chapter 91 - Fares Allowances**

**Claims, Penalties and Payment**

**On this page**

• 91.1 Claim for Fares Allowance

• 91.2 Provision of Fares Allowance entitlements

• 91.3 Penalties for missing booked travel

• 91.4 Payment of Fares Allowance

**91.1 Claim for Fares Allowance**

**91.1.1 Fares Allowance claimant**

The person or institution that incurred the expense for the travel undertaken by the student, or

other approved traveller, may submit a claim for Fares Allowance.

**91.1.2 Closing dates for Fares Allowance claims**

Claims for reimbursement of Fares Allowance must be lodged with Centrelink before 1 April in

the year after the relevant year of study.

Claims for Graduation Travel or Examination Travel must be submitted within three months of

travelling.

**91.1.2.1 Late lodgement of Fares Allowance claims**

Claims for Fares Allowance can only be considered after this time if circumstances beyond the

control of the claimant prevented lodgement within the required period and the claim was

lodged as soon as practicable.

**91.2 Provision of Fares Allowance entitlements**

Fares Allowance entitlements may be provided in respect of the approved traveller in the form

of:

• pre-booked or pre-authorised travel, subject to the restrictions for approved travellers

who miss booked travel as set out in 91.3; or

• reimbursement of travel costs at the rate of entitlement specified in 90.3.

**91.3 Penalties for missing booked travel**

**91.3.1 Where travel is not undertaken**

An approved traveller is considered to have missed booked travel where travel is booked, or a

ticket authorised, and the following circumstances apply:

• the approved traveller subsequently:

o does not travel; and

o does not advise Centrelink prior to the travel departure that s/he will not be

travelling; and

• the reasons for the missed travel were not due to circumstances beyond the approved

traveller’s control .

**91.3.2 Penalties for tertiary and secondary non-school students and non-student travellers**

Where an approved tertiary and secondary non-school student traveller or a non-student

traveller is considered to have missed booked travel, the approved traveller will not have travel

for that journey re-booked or paid for in advance by Centrelink.

**91.3.3 Penalties for secondary school students**

Where a secondary school student is considered to have missed booked travel for the first time

in a calendar year, no penalty will be applied.

Where secondary school student is considered to have missed booked travel for the second

time in a calendar year, the secondary school student will not have travel for that journey   
re-booked or paid for in advance by Centrelink.

**91.3.4 Fares Allowance entitlement where booked travel has been missed**

Where an approved traveller is subject to the penalties set out in 91.3.2 and 91.3.3, but still

wishes to undertake travel for that journey, the approved traveller will be responsible for

booking the travel and purchasing his/her own ticket. Approved travellers who purchase his/her

own ticket will be reimbursed for the purchase in the following circumstances:

• the travel provider has not charged Centrelink for the ticket of the missed journey;

• and the approved traveller is able to provide the travel ticket as evidence of the

purchase.

**91.3.5 Amounts charged by travel provider for missed travel**

With the exception of secondary school students who have missed booked travel for the first

time in a calendar year, if an approved traveller is considered to have missed booked travel,

and the travel provider charges an amount as a penalty or ticket cost as a result of the

approved traveller missing booked travel, this amount is to raised as an overpayment against

the approved traveller.

**91.4 Payment of Fares Allowance**

**91.4.1 Payee for Fares Allowance reimbursement**

Where an entitlement to reimbursement of travel costs has been approved, payment of the

Fares Allowance should be made to the student, third party or institution that incurred the

expense.

**91.4.2 Advance payment**

Payment of Fares Allowance entitlements may be advanced to:

• an education provider or boarding establishment for arrangement of travel; or

• a travel carrier providing chartered services where advance payment is a condition of

the charter.

Advance payment of Fares Allowance entitlements is subject to satisfactory acquittal. The

requirements of acquittal are detailed in Chapter 96 Payment and Acquittal of Away from Base.

**91.4.3 Taxation Status**

For details of the tax status of Fares Allowance, see Chapter 5 Taxation.

**91.4.4 Overpayments**

Where payments in excess of entitlement have occurred, refer to Chapter 3 Overpayment and

Recovery of Allowances to determine what is a recoverable debt and from whom this amount

should be recovered.

**ABSTUDY, Allowances and Benefits: Chapter 92 - Away from Base**

**Assistance**

This chapter details the qualifications for Away from Base assistance.

**On this page**

• 92.1 Purpose of Away from Base assistance

• 92.2 What are Away from Base activities?

• 92.3 Qualification for Away from Base assistance

• 92.4 Limits on Away from Base Assistance

**92.1 Purpose of Away from Base assistance**

The purpose of Away from Base assistance is to assist eligible students to participate in the

necessary academic components of an approved course where that course requires students to

travel away from their permanent home or study location for a short period of time. Away from

Base assistance covers the student’s travel costs to attend the activity and the reasonable costs

of accommodation and meals while away from his/her normal place of residence.

**92.2 What are Away from Base activities?**

Away from Base activities are necessary academic components of an approved course that

require students to travel away from their home or study location for a short period of time.

These activities include:

• testing and assessment programmes;

• placements;

• field trips;

• residential schools(also known as block release programmes).

**92.2.1 Assistance from DEEWR's Indigenous Education Programmes (IEP)**

Where an education provider receives assistance under DEEWR's Indigenous Education

Programme (IEP) Away from Base element to fund travel and accommodation costs of student

participation in a course of study, then field trips, placements and residential schools in this

course will not be approved for ABSTUDY Away from Base assistance. Students enrolled in

these courses would need to apply to the education provider for this assistance.

DEEWR's Indigenous Education Programme (IEP) Away from Base element does not fund the

costs of student participation in Testing and Assessment activities. Therefore, even where

DEEWR's IEP Away from Base funds the cost of student participation in a particular course,

ABSTUDY Away from Base assistance is available to attend a testing and assessment

programme in order to gain entry to that course.

Where DEEWR's IEP Away from Base, funds the costs of student participation in a course, a

student is still entitled to claim the ABSTUDY non-means-tested Living Allowance and ABSTUDY

benefits other than those available under the provisions of Away from Base.

**92.3 Qualification for Away from Base assistance**

To qualify for Away from Base Assistance, the following criteria must be met:

• the applicant meets the criteria for the following ABSTUDY Awards:

o Schooling A Award; or

o Schooling B Award; or

o Tertiary Award; or

o Part-time Award; or

o Testing and Assessment Award; or

o Masters and Doctorate Award; or

o Lawful Custody Award; and

• the Away from Base activity in which the student is participating meets the criteria for

approval of Away from Base assistance; and

• the student has not exceeded his/her limits on Away from Base assistance; and

• the student is required to travel away from the permanent home in order to attend the

Away from Base activity; and

• one of the following apply:

o for field trips, the journey between the provider location and the field trip

location satisfies the requirements of Chapter 26 Travel Time and Access; and

o for residential schools and testing and assessment programmes, either of the

following apply:

􀂃 on-campus residence during the residential school or testing and

assessment programme is compulsory; or

􀂃 the journey between the permanent home and the provider location

satisfies the requirements of Chapter 26 Travel Time and Access; and

o for placements:

􀂃 where the student is living at his/her permanent home, the journey

between the permanent home and the placement location satisfies the

requirements of Chapter 26 Travel Time and Access; and

􀂃 where the student is living at his/her term address, the journey

between the term address and the placement location satisfies the

requirements of Chapter 26 Travel Time and Access; and

• if the student is attending a Testing and Assessment programme, either of the following

apply:

o the student’s academic ability to undertake the course to which the testing and

assessment programme relates is unable to be gauged by his/her previous

study; and/or

o it is essential that a student also undertake a structured interview or audition to

ascertain the student’s general suitability to undertake the course; or

o it is essential that a student undertake a preliminary assessment before being

admitted into an enabling course at a university, where that enabling course is

an alternative entry to a mainstream higher education course; or

o it is essential that a participant undertake a structured interview with activities

to ascertain their general suitability to the Indigenous Youth Mobility

Programme (IYMP); and

• if the student is claiming Away from Base assistance under the Lawful Custody Award,

the student has permission from the correctional provider to attend the Away from

Base activity.

**92.4 Limits on Away from Base Assistance**

**92.4.1 Limits on assistance for residential schools, field trips and/or placements**

There are annual limits on the number of return trips and the number of days for which Away

from Base assistance may be approved for each student. The limits apply to any combination of

residential schools, field trips and/or placements during the period of enrolment in the course.

Where the course for which the student is seeking assistance is a full-time course, the limits on

Away from Base assistance are based on the normal full-time course duration.

|  |  |  |
| --- | --- | --- |
| **Normal full-time course**  **duration** | **Maximum number of return**  **trips** | **Maximum number of days**  **for which residential costs**  **may be paid** |
| 24 weeks to 1 year | 6 | 40 |
| 17 to 23 weeks (i.e. 1  semester) | 4 | 30 |
| 12 to 16 weeks | 3 | 20 |
| Less than 12 weeks | 2 | 10 (provided that this does not  exceed 50% of the course  length) |

The above limits are not affected by the student’s actual study load.

**92.4.1.1 Part-time course**

Where the course for which the student is seeking assistance is a part-time course, the limits

on Away from Base assistance will be determined by a nominal duration for the course based

on an equivalent full-time study-load of 20 contact hours (i.e. enrolled hours) per week.

**92.4.1.2 Not included in limits**

If, as a result of transport schedules, a student is required to stay one or more nights at an   
in-transit location or stay additional night/s at the location of the Away from Base activity, these

overnight stays are not to be included in the limits on Away from Base assistance specified in

92.4.1.

**92.4.2 Limits on assistance for Testing and Assessment programmes**

Where a student undertakes multiple testing and assessment programmes, s/he may receive

Away from Base assistance for a maximum of two of these testing and assessment

programmes in a calendar year.

**92.4.3 Limits on assistance for Masters or Doctorate students**

The Away from Base assistance available to both full-time and part-time Masters or Doctorate

students, including Fares Allowance paid under the Away from Base activities travel provisions,

is not to exceed $2,080 in a calendar year.

Where an education provider receives assistance under DEEWR’s IEP Away from Base element

to fund travel and accommodation costs of students participation in a Masters or Doctorate

degree delivered by ‘mixed mode’ course work, the student is not eligible for assistance under

ABSTUDY Away from Base.

Note: Students who received, and were eligible to receive, an amount under ABSTUDY Away

from Base prior to this policy change coming into effect are entitled to retain the funding they

received.

**ABSTUDY, Allowances and Benefits: Chapter 93 - Away from Base**

**Beneficiaries**

This chapter discusses who may be the recipient of Away from Base assistance.

**On this page**

• 93.1 Away from Base beneficiaries

• 93.2 Student entitlements

• 93.3 Education provider representatives entitlements

• 93.4 Drivers or pilots entitlements

**93.1 Away from Base beneficiaries**

Where a student is qualified for Away from Base assistance and the course activity is approved

for Away from Base purposes, the following parties may be entitled to assistance:

• the student; and

• education provider representatives; and

• drivers or pilots of chartered transport companies.

Away from Base assistance will not cover the costs of parties other than those specified above.

**93.2 Student entitlements**

Where a student has been approved to participate in an Away from Base activity, the following

allowances may be payable:

• Fares Allowance, under the provisions of Away from Base activities travel; and

• costs associated with meals and accommodation, either:

o residential expenses; or

o travel allowance; and

• non-means-tested Living Allowance, if a regular source of income is lost.

Costs other than those covered by the allowances above are the responsibility of the education

provider or the student.

**93.3 Education provider representatives entitlements**

Representative/s for an education provider may be approved for Away from Base assistance in

the following circumstances:

• the education provider is conducting either:

o a testing and assessment activity that is approved for Away from Base

assistance; or

o a residential school that is approved for Away from Base assistance; and

• the student/s participating in the activity are qualified for Away from Base assistance;

and

• the education provider can demonstrate that it is cost-effective for its representatives

to travel to a student/s’ home community rather than for student/s to travel to the

education provider.

Where an education provider has been approved to participate in an Away from Base activity,

the following allowances may be payable:

• Fares Allowance, under the provisions of Education Provider Representative Travel; and

• costs associated with meals and accommodation, either:

o residential expenses; or

o travel allowance.

Costs other than those covered by the allowances above are the responsibility of the education

provider or the student.

**93.4 Drivers or pilots entitlements**

Drivers or pilots of chartered transport companies may be approved for Away from Base

assistance in the following circumstances:

• the education provider is conducting an approved Away from Base activity; and

• the student/s who are participating in the activity are qualified for Away from Base

assistance; and

• Away from Base activity travel has been approved; and

• the cost of chartered transport has been approved as a mode of transport for the Away

from Base activity; and

• in order to undertake this journey, the driver or pilot is required to be away from

his/her normal home for the period of the activity (usually only applicable for a field

trip); and

• the costs of the charter did not include meals and accommodation for the driver or pilot.

Where the driver or pilot of a chartered transport company has been approved for Away from

Base assistance, the costs of meals and accommodation may be payable, either as:

• residential expenses; or

• travel allowance.

**ABSTUDY, Allowances and Benefits: Chapter 94 - Approval of Away from**

**Base activities**

This chapter discusses the types of activities that may be approved for Away from Base

assistance.

**On this page**

• 94.1 Types of approved activities

• 94.2 General approval requirements

• 94.3 Testing and Assessment programmes

• 94.4 Placements

• 94.5 Field trips

• 94.6 Residential schools

**94.1 Types of approved activities**

The following types of course activities may be approved under the provisions of Away from

Base assistance:

• testing and assessment programmes;

• placements;

• field trips;

• residential schools(also known as block release programmes).

**94.2 General approval requirements**

Approval for Away from Base assistance for a course activity may be given where:

• for placements, field trips and residential schools, the costs of student participation in

the Away from Base course activity are not approved for assistance under DEEWR's

Indigenous Education Programmes (IEPs); and

• all participants in the activity incur the same or comparable costs, and any non-

Indigenous students would be expected to cover their own costs; and

• any previous advances to the provider for Away from Base activities have been

satisfactorily acquitted; and

• the specific approval requirements for the type of activity being undertaken have been

met:

o testing and assessment programme;

o placements;

o field trips;

o residential schools;

• the activity is being conducted within Australia.

**94.2.1 Away from Base assistance only payable in respect of qualified students**

Where an activity has been approved for Away from Base assistance, payment of Away from

Base allowances may only be made in respect of students who are qualified for Away from Base

assistance for the duration of the activity.

**94.3 Testing and Assessment programmes**

**94.3.1 What is a testing and assessment program?**

A testing and assessment programme is an activity conducted by a tertiary education provider

to interview, test, assess or otherwise determine the academic suitability of a person for a

particular tertiary course or range of courses, or in certain circumstances, an enabling course.

**94.3.2 Approval of a testing and assessment program**

A testing and assessment programme may be approved for Away from Base assistance where

the following criteria are met:

• the general approval requirements for an Away from Base activity have been met; and

• the course of study to which the testing and assessment programme relates is a course

approved for ABSTUDY purposes; and

• the course of study to which the testing and assessment programme relates is either:

o a tertiary course; or

o an enabling course at a university, where the enabling course is an alternative

entry to a mainstream higher education course and where it is essential that a

student undertake a preliminary assessment before being admitted into this

enabling course; and

• the length of the programme does not exceed five days, unless approval to do so has

been granted by DEEWR;

• the education provider is not repeating a testing and assessment activity for a

particular course intake because they were unsuccessful in obtaining sufficient student

numbers from the original testing and assessment activity.

**94.3.2.1 Approval where testing and assessment activity longer than 5 days**

If a proposed testing and assessment activity is longer than five days, the education provider

must seek approval in writing from DEEWR National Office at least eight weeks before the

proposed commencement date.

The address is:

Group Manager

Strategic Analysis and Evaluation Group

DEEWR

GPO Box 9880

Canberra 2601

Loc: 113

DEEWR will only approve an extension to the normal limit of 5 days for a testing and

assessment activity where the education provider can demonstrate that, due to the rigour of

the proposed testing and assessment activity, an adequate appraisal of the student/s’ academic

ability to undertake the course to which the testing and assessment activity relates is unable to

be completed within 5 days.

**94.4 Placements**

**94.4.1 What is a placement?**

A placement is a tertiary course activity that involves an individual student completing practical

training in a work environment as part of her/his course. Generally, it is expected that

placements will be obtained within the local community where the student is residing whilst

studying and will therefore not require ABSTUDY assistance. However, in exceptional

circumstances alternative arrangements may be approved.

**94.4.2 Approval of a placement**

A placement may be approved for Away from Base assistance where the following criteria are

met:

• the general approval requirements for an Away from Base activity have been met; and

• the placement is an integral part of the course, i.e. it is an assessable component of the

course curriculum; and

• the placement needs to be taken at the proposed location, i.e. the activities or learning

experiences available at the proposed placement location are not available at the

normal study location or a closer location; and

• the placement is at a location within the student’s home state/territory, unless the

provisions of 94.4.2.1 apply.

**94.4.2.1 Interstate placement**

A student may only be approved to participate in a placement at an interstate location where it:

• involves travel between NSW and the ACT or by students attending an education

provider near a state/territory border; or

• provides experience or training essential for successful completion of the minimum

requirements of the student's course which is not available within the State or Territory.

**94.5 Field trips**

**94.5.1 What is a field trip?**

A field trip is a tertiary course activity that involves a group of students or, a single student,

travelling from the normal place of study to one or more locations that provide practical

activities or experiences.

**94.5.2 Approval of a field trip**

A field trip may be approved for Away from Base assistance where the following criteria are met:

• the general approval requirements for an Away from Base activity have been met; and

• the course is a tertiary level, including Masters/Doctorate level, course;

• the field trip is an integral part of the course, i.e. it is an assessable component of the

course curriculum; and

• the field trip needs to be taken at the proposed location, i.e. the activities or learning

experiences available at the proposed field trip location are not available at the normal

study location or a closer location; and

• the Away from base assistance being claimed for the field trip does not exceed seven

days; and

• the field trip is at a location within the student’s home state/territory, unless the

provisions of 94.5.1.1 apply.

**94.5.1.1 Interstate field trips**

Students may only be approved to participate in a field trip at an interstate location where it:

• involves travel between NSW and the ACT or by students attending an education

provider near a State/Territory border; or

• provides experience or training essential for successful completion of the student's

course that is not available within the State or Territory.

**94.6 Residential schools**

**94.6.1 What is a residential school?**

Residential schools are secondary and tertiary course activities that provide a group of external

students studying through distance education the opportunity to attend face-to-face lectures

and tutorials on campus and to access all campus facilities. For ABSTUDY purposes, Away from

Base assistance is only provided where the Residential School is a compulsory and assessable

component of the course. Residential Schools usually involve a period of one or two weeks

duration.

**94.6.2 Approval of a residential school**

A residential school may be approved for Away from Base assistance where the following

criteria are met:

• the general approval requirements for an Away from Base activity have been met; and

• the residential school is an integral part of the course, i.e. it is an assessable

component of the course curriculum; and

• the length of the residential school is justified; and

• the residential school is either:

o conducted at the education provider’s location; or

o at another location within the same state/territory as the education provider

only in circumstances where it can be demonstrated that the face-to-face

tuition components of the residential school are unable to be conducted at the

education provider’s normal location or a closer location.

**ABSTUDY, Allowances and Benefits: Chapter 95 - Approval of Away from**

**Base allowances**

This chapter details the allowances that may be payable where Away from Base assistance has

been approved.

**On this page**

• 95.1 Approvable costs

• 95.2 Types of Away from Base Allowances

• 95.3 Costs Associated with Meals and Accommodation

• 95.4 Residential expenses

• 95.5 Travel allowance

• 95.6 Non-means tested Living Allowance

**95.1 Approvable costs**

**95.1.1 When are costs approvable?**

Costs are payable under Away from Base assistance in the following circumstances:

• the student is qualified for Away from Base assistance; and

• the course activity is an approved Away from Base activity; and

• the costs are essential to meet the stated purpose of the Away from Base activity; and

• the costs are reasonable; and

• the costs are for travel, accommodation and/or meals incurred by:

o the student; and

o in certain circumstances, representatives from the education provider and/or

the driver/pilot of chartered transport.

Any other costs not covered by the above points are the responsibility of the education provider

or the student who is undertaking the activity.

**95.1.2 Part approval of costs**

Where approval is given for only part of an activity’s costs, the balance of the cost is to be met

by the education provider or by the student.

**95.1.3 Disallowed costs**

The following costs cannot be met with Away from Base assistance:

• fees associated with Away from Base activities e.g. entry fee to a show, festival or

exhibition, including conference registration fees or similar costs;

• the costs of attending conferences, seminars, forums, performances or similar activities,

where these do not form an essential part of an approved Away from Base activity.

The above costs are the responsibility of the education provider or the student who is

undertaking the activity.

**95.1.4 Period of entitlement for Away from Base assistance**

When assessing the costs of an approved Away from Base activity, the period for which costs

may be approved is:

• the length of the approved Away from Base activity; and

• any period(s) of unavoidable overnight stopover(s) at an in-transit location or an Away

from Base location due to transport timetables.

**95.1.5 Overpayments**

Where payments in excess of entitlement have occurred, refer to Chapter 3 Overpayment and

Recovery of Allowances to determine what is a recoverable debt and from whom this amount

should be recovered.

**95.2 Types of Away from Base Allowances**

The following types of Away from Base allowances may be approved under the provisions of

Away from Base assistance:

• Fares Allowance, under the provisions of Away from Base activity travel;

• costs associated with meals and accommodation;

• non-income-tested Living Allowance.

**95.3 Costs Associated with Meals and Accommodation**

Away from Base assistance is intended to cover the reasonable costs of accommodation and

meals while a student is required to be away from his/her normal place of residence.

Costs associated with meals and accommodation can be approved either as:

• residential expenses; or

• travel allowance.

While residential expenses and travel allowance are fundamentally for the same purpose, they

are alternative benefits.

**95.4 Residential expenses**

**95.4.1 Purpose of residential expenses**

Where costs associated with meals and accommodation are approved under the provisions of

residential expenses, the education provider is responsible for arranging the residential

programme, including meals and accommodation, for the Away from Base activity.

Residential expenses, rather than travel allowance, will apply unless there are circumstances

that make it unreasonable, impractical or not cost-effective for an provider to arrange a

package of accommodation and meals.

**95.4.2 Costs payable under residential expenses**

Residential expenses will meet the actual cost of meals and accommodation incurred where the

education provider has organised a package of accommodation and meals for a designated

price per student, per day. Costs may only be approved where they are reasonable.

**95.4.2.1 Reasonable accommodation costs**

The cost of a room should not exceed the level of the accommodation component of travel

allowance for that location unless all other accommodation is fully booked. It should be a

modest but comfortable room arranged strictly on a twin share basis or other group discount,

unless a participant has a verifiable medical, cultural or other reason requiring a single room.

The room cost should not include the cost of room service, phone calls, mini bar or other   
non-accommodation based services.

**95.4.2.2 Reasonable cost of meals**

The cost of meals should not exceed the total meal allowance component of travel allowance

but should allow for the meals to be healthy and of reasonable quality. The cost of

morning/afternoon tea or additional snacks is not included.

The needs of participants with specific dietary requirements (e.g. vegetarians) should be

accommodated.

**95.4.3 Refusal of residential arrangements**

Students who choose not to avail themselves of the residential expenses package

arrangements provided by the education provider or education provide representatives who

choose not to avail themselves of the residential expenses package arrangements provided at

the community will not be entitled to travel allowance instead.

However, if certain meals are not provided in the residential package, then the provisions of

95.4.4 will apply in respect of those meals only.

**95.4.4 Certain meals not provided in residential package**

Where a residential expenses package cannot be arranged by the education provider to include

all meals during an activity, meal allowance is payable on behalf of each student for any meals

not included in the package. This is to be disbursed by the education provider.

**95.5 Travel allowance**

**95.5.1 Purpose of travel allowance**

Where costs associated with meals and accommodation are approved under the provisions of

travel allowance, a set allowance is provided to the student to cover the cost of accommodation

and meals, irrespective of the actual cost.

Travel allowance may be approved for an Away from Base activity in circumstances where it is

unreasonable, impractical or not cost effective for a residential expenses package to be

arranged by the education or service provider.

**95.5.2 Rate of travel allowance**

For the purposes of Away from Base assistance the rate of travel allowance is set by DEEWR

and adjusted yearly.

Travel allowance will be paid at full rate for a period of up to of 21 consecutive days, after

which 50% of the rate is payable. Travel allowance is not payable (at either half or full rate) for

more than three months cumulatively in a calendar year. These provisions apply irrespective of

the length of a course.

There are two components of travel allowance:

• accommodation allowance; and

• meal allowance.

**95.5.3 Accommodation allowance**

The rate of accommodation allowance is determined by the location of the accommodation.

**95.5.3.1 High cost country centre accommodation allowance rates**

Where travel allowance has been approved for a high-cost location not listed below, payment

may be made for a higher rate of travel allowance where the standard travel allowance rate is

acquitted and excess expenses are proven by receipts, provided that the expense is

representative of reasonable costs for the location.

**95.5.4 Meal allowance rates**

The rate of meal allowance is determined by the location.

**95.5.4.1 Meal allowance not payable**

Meal allowance cannot be paid for those meals provided by a hotel/motel i.e. if breakfast is

included in the room cost, the breakfast component of meal allowance is not payable.

**95.6 Non-means tested Living Allowance**

**95.6.1 Purpose of non-means tested Living Allowance**

The purpose of non-means-tested Living Allowance is to assist students who would otherwise

lose their regular source of income while undertaking a course activity necessary to complete

the course.

**95.6.2 Qualification for non-means tested Living Allowance**

For a student to qualify for non-means tested Living Allowance, the following criteria must be

met:

• the student qualifies for Away from Base assistance; and

• the student is participating in an approved Away from Base activity; and

• the student will lose his/her regular source of income as a result of attending the

course activity, provided that the regular income is derived from either:

o a form of Australian Government assistance, e.g. social security benefits; or

o employment that has no study leave provision and the student is required to

access leave without pay to participate in the Away from Base activity.

Where the costs of student participation in a course are funded under DEEWR's Indigenous

Education Programmes (IEPs), a student may claim the non-means-tested Living Allowance,

even though ABSTUDY Away from Base assistance to undertake a residential school, field trip

or placement as part of the course is unavailable.

**95.6.3 Rate of non-means-tested Living Allowance**

Where a student qualifies for non-means-tested Living Allowance under the provisions set out

in 95.5.2, the rate of Living Allowance will be the maximum rate based on a student’s

circumstances as set out in Chapter 72.

**95.6.4 Payment of non-means-tested Living Allowance**

**95.6.4.1 Payee**

The payee for non-means-tested Living Allowance is the student.

**95.6.4.2 Taxation status**

For details of the tax status of Living Allowance, see Chapter 5 Taxation.

**95.6.5 Non-means-tested Living Allowance entitlement**

**95.6.5.1 Means testing**

The non-means-tested Living Allowance will not be subject to means testing.

**95.6.5.2 Entitlement**

The non-means-tested Living Allowance is paid for the duration of the Away from Base activity.

**ABSTUDY, Allowances and Benefits: Chapter 96 - Payment and Acquittal**

**of Away from Base**

This chapter details the payment and acquittal of Away from Base allowances.

**On this page**

• 96.1 Payment of Away from Base Allowances

• 96.2 Away from Base Submissions

• 96.3 Advance payment

• 96.4 Reimbursement

• 96.5 Bulk Funding

• 96.6 Overpayments

**96.1 Payment of Away from Base Allowances**

Payment of Away from Base allowances in respect of a student and other approved

beneficiaries can only occur where the following has occurred:

• approval of the Away from Base activity has been given, following lodgement of either:

o a submission from the education provider; or

o a submission from an individual student for an individual testing and

assessment activity or a placement; and

• the student is assessed as qualified for Away from Base assistance, following lodgement

of an ABSTUDY claim from the student.

**96.2 Away from Base Submissions**

**96.2.1 Away from Base submission from an education provider**

An Away from Base submission from an education provider must provide details of the student

participants, evidence that the proposed activity meets the conditions for approval of an Away

from Base activity, and details of the costs of travel, meals and accommodation for the activity.

**96.2.2 Away from Base submission from an individual student**

A submission from an individual student for an individual testing and assessment activity or a

placement must provide confirmation of the Away from Base activity from the education

provider.

**96.2.3 Closing dates for Away from Base submissions**

Unless exceptional circumstances exist, the following closing dates apply to submissions for

Away from Base assistance:

• a request by an education provider must be lodged at least six weeks in advance of the

activity for either:

o payment in advance; or

o approval in principle i.e. in order to seek reimbursement;

• a request by an individual student must be lodged at least three weeks in advance of

the activity for payment in advance of travel allowance;

• a request by an education provider for bulk funding in advance must be lodged at least

six weeks before the commencement of the first residential school for the year.

**96.2.4 Variations to original submission**

Where an education provider has lodged an Away from Base submission, the education provider

will be responsible for informing Centrelink of variations to any activity on the original

submission.

Where an individual student has lodged a request for Away from Base assistance, the student

will be responsible for informing Centrelink of variations to the activity on the original request.

**96.3 Advance payment**

Where payment in advance of an individual activity is requested, advance payment is made

either for:

• residential expenses; or

• travel allowance.

Funds can only be advanced in respect of students who are qualified for Away from Base

assistance.

**96.3.1 Advance payment for residential expenses**

Where residential expenses are an approved cost under the provisions of Chapter 95,

residential expenses are payable in advance on submission by the education provider of the

estimated costs.

This is subject to acquittal as set out in 96.3.1.4.

**96.3.1.1 Claims for advance payment of residential expenses**

The expenditure approval requirements for claims for advance payment of residential expenses

are:

• where it is proposed to procure services estimated to cost $10,000 or less, a written

quote must be provided with the submission. Additional quotes may be requested,

where it is determined that better value for money may be achieved;

• where the estimated value of services is greater than $10,000 but does not exceed

$100,000, a minimum of three written quotes must be provided with the submission;

• where the estimated value of services is greater than $100,000, or where the

estimated value is $100,000 or less, but the nature of the claim is complex, a formal

open tender process must be used.

A proposed activity cannot be divided into a number of separate components so as to bring

each order within the minimum threshold requirement.

**96.3.1.2 Exceptions to normal expenditure approval requirements**

An exception may be made to the normal expenditure approval requirements set out in

96.3.1.1 if there is a justifiable basis to confine the purchaser to one supplier, or it is

impractical or inexpedient to either obtain the required number of quotations or meet the

formal tender process.

Insufficient time resulting from poor procurement planning is not a justifiable reason for an

exception to be made.

**96.3.1.3 Payee**

Advance payment of residential expenses is to be made to the education provider or

organisation incurring the expense.

**96.3.1.4 Acquittal of residential expenses**

Acquittal of residential expenses should be made in sufficient detail to reflect the original

submission. Original receipts or audited financial statements should be attached to substantiate

the acquittal.

Acquittal of an advance payment must be sent to Centrelink within one calendar month of the

completion of the approved course activity.

**96.3.2 Advance payment of travel allowance**

Where travel allowance is an approved cost under the provisions of Chapter 95, travel

allowance is payable in advance upon lodgement of either:

• a submission from an education provider; or

• an individual submission by the student.

This is subject to acquittal as set out in 96.3.2.2.

**96.3.2.1 Payee**

Unless the provisions of 95.4.4 apply, both the meals and accommodation components of travel

allowance are to be paid to the student. Where the travel allowance is approved under the

provisions of Chapter 93 Away from Base beneficiaries for the cost of accommodation and

meals for an education provider representative or a driver/pilot of a charter company, travel

allowance is paid to the education provider.

**96.3.2.2 Acquittal of travel allowance**

Travel allowance is acquitted by confirmation from the education provider that that the

approved student/s, and other approved beneficiaries for whom travel allowance was paid,

participated in the approved activity for the full period covered by the funding.

**96.4 Reimbursement**

Where reimbursement of the costs of an individual activity is requested, payment is made in

respect of approved beneficiaries for the approvable costs upon lodgement of a claim from

either:

• the education provider; or

• the individual student.

**96.4.1 Claim for reimbursement by education provider**

An education provider may lodge a claim for reimbursement where an initial submission for

approval in principle of the activity was received by the closing dates specified in 96.2.3.

Original receipts must accompany the claim for reimbursement.

Reimbursement can only be made in respect of students who are qualified for Away from Base

assistance.

**96.4.2 Claim for reimbursement by individual student**

Where an individual student lodges a claim for reimbursement, original receipts and

confirmation by the education provider that the student participated in the approved activity for

the full period covered by the funding must accompany this.

**96.4.3 Closing dates for requests for reimbursement**

A request by an education provider or a student for reimbursement of the costs of undertaking

an activity must be lodged by 1 April of the year following the activity, unless there are

exceptional circumstances preventing this.

**96.4.4 Payee**

Where reimbursement is being made for costs payable under Away from Base assistance,

payment is made to either the education provider, the service provider or the student,

depending upon who incurred the expense.

**96.5 Bulk Funding**

**96.5.1 Approved providers for bulk funding**

Bulk funding may only be approved for education providers that have the administrative and

organisational infrastructure capable of undertaking the necessary administrative arrangements.

**96.5.2 Application requirements for bulk funding**

The person who is authorised to make a claim on behalf of the education provider must lodge a

single submission with Centrelink at least six weeks before commencement of the first

residential school for the year, outlining all proposed residential schools for the academic year.

Normally an education provider would be expected to apply for bulk funding for the whole year,

but an application for bulk funding for a semester or term may be accepted in exceptional

circumstances.

**96.5.3 Administrative costs**

The education provider may claim up to $3,529 a year for administration and audit costs. This

amount is indexed annually.

**96.5.4 Payment of bulk funding**

Once a bulk funding submission has been approved, payment can be processed and paid in

advance. The first payment in advance will cover the costs of planned activities that will take

place during the first semester. The second payment for second semester activities will be

made when the first semester report and expenditure statement have been provided.

Funds can only be advanced in respect of students who are qualified for Away from Base

assistance.

**96.5.5 Variations to original submission**

The education provider will be responsible for informing Centrelink of variations to any activity

on the original submission.

**96.5.6 Acquittal of Bulk Funding**

Where bulk funding of Away from Base assistance has been made to an education provider, the

provider is required to lodge an end of year acquittal report, which must be endorsed as correct

by the Principal or Head of Department of the education provider. An audited financial

statement, including a detailed statement of all outstanding commitments to be met from

remaining funds, or a statement that no payments to providers are outstanding, must also

accompany the acquittal report. The end of year audited financial statement must be

undertaken by an independent auditor and include a declaration certifying that the funds have

been expended in accordance with the agreement.

This information should be provided by 31 January in the following year so that the level of

funding for the next year's submission can be assessed.

Future submissions will not be funded until Centrelink receives the audited financial statement

and expenditure has been assessed as duly correct according to the activities outlined in the

submission.

**96.5.6.1 Unexpended funds**

Unexpended funds remaining at the end of the year may be rolled over into the next year and

deducted from the new allocation.

**96.5.6.2 Acquittal Not Received**

Where an acquittal is not received within the required time, no further payments should be

made to the education provider until acquittal is made. If a satisfactory acquittal is unable to be

made, the non-acquitted amounts are to be considered an overpayment.

**96.5.6.3 Unacquitted funds**

Funds that cannot be acquitted i.e., the education provider is unable to substantiate

expenditure, are to be considered an overpayment. These unacquitted funds must be repaid

before further ABSTUDY funding can be paid.

**96.6 Overpayments**

Where payments in excess of entitlement have occurred, refer to Chapter 3 Overpayment and

Recovery of Allowances to determine what is a recoverable debt and from whom this amount

should be recovered.

**ABSTUDY, Allowances and Benefits: Chapter 97 - Masters and Doctorate**

**Allowances**

This chapter provides details of the allowances that may be available to students undertaking

Masters and Doctorate degrees.

**On this page**

• 97.1 Purpose of Masters and Doctorate Allowances

• 97.2 Qualification for Masters and Doctorate Allowances

• 97.3 Masters and Doctorate Allowances

• 97.4 Relocation Allowance

• 97.5 Thesis Allowance

• 97.6 Payment of student contributions (previously known as HECS) or tuition fees

**97.1 Purpose of Masters and Doctorate Allowances**

The purpose of the Masters and Doctorate Allowances is to provide assistance to students

undertaking higher degrees at the Masters and Doctorate level to assist with the cost of student

contributions (formerly HECS), tuition fees and other expenses.

**97.2 Qualification for Masters and Doctorate Allowances**

To qualify for the Masters and Doctorate Allowances, a student must:

• qualify for the Masters and Doctorate Award; and

• be receiving either:

o Living Allowance; or

o ABSTUDY Pensioner Education Supplement; or

o a Defence Force Income Support-like (DFISA-like) payment under the *Veterans’*

*Entitlements Act 1986*; and

• meet the specific criteria for the particular Masters and Doctorate Allowance.

**97.3 Masters and Doctorate Allowances**

The following supplementary Masters and Doctorate allowances are available:

• Relocation allowance;

• Thesis allowance;

• Payment of student contributions (previously known as HECS) or tuition fees.

These allowances are based on those that apply for the Australian Postgraduate Award (APA) -

refer APA

**97.3.1 Rate of Masters and Doctorate Allowances**

The rates of ABSTUDY Masters and Doctorate Allowances are aligned with those that apply for

the Australian Postgraduate Award (APA).

**97.3.2 Taxation Status**

For details of the tax status of Relocation Allowance, Thesis Allowance and payment of student

contribution or tuition fees, see Chapter 5 Taxation.

**97.3.3 Means testing**

The Masters and Doctorate Allowances (Relocation Allowance, Thesis Allowance and payment of

student contribution or tuition fees) are not subject to means testing.

**97.3.4 Overpayments**

Where payments in excess of entitlement have occurred, refer to Chapter 3 Overpayment and

Recovery of Allowances to determine what is a recoverable debt and from whom this amount

should be recovered.

**97.4 Relocation Allowance**

Relocation Allowance is available where a student has to move to another town or city to take

up a Masters and Doctorate Award. Relocation allowance is to assist with:

• removal costs, up to a set maximum; and

• fares Allowance for the student, the student's partner and dependent child/ren to

relocate to the study location. Refer to 89.8 Masters and Doctorate Relocation Travel.

The maximum amount of Relocation Allowance that may be payable to meet removal costs is

specified in “A Guide to Australian Government Payments ”.

**97.4.1 Removal costs**

The removal costs that can be paid include:

• removals through a removalist company, or

• a hire truck if the student chooses to undertake her/his own removal.

Qualified students are entitled to reasonable removal costs, up to the maximum amount of

Relocation Allowance payable.

**97.4.2 Payment of Removal Costs**

Removal costs must be paid either:

• direct to the removal/hire truck company on receipt of their invoice; or

• as a reimbursement to the student on submission of original receipts.

**97.4.3 Relocation Allowance exclusions**

Relocation Allowance does not cover the costs of establishing the student's new home.

**97.5 Thesis Allowance**

Eligible students may receive a Thesis Allowance to assist with costs associated with the

presentation of a thesis or other similar course requirement, e.g. the costs of printing,

publishing and binding the thesis. This allowance is a contribution to the costs of production of

the thesis, and does not include costs such as a purchase of computer equipment.

**97.5.1 Thesis Allowance rates**

Qualified students are entitled to actual costs, where reasonable, up to the maximum amount

of Thesis Allowance payable.

Different maximum rates of Thesis Allowance apply, depending upon whether the student is

undertaking Masters or Doctorate level study. For details of these maximum rates, see “A

Guide to Australian Government Payments ”.

**97.5.2 Claiming Thesis Allowance**

Thesis Allowance must be claimed within two years of the expiry of the Award.

**97.6 Payment of student contributions (previously known as HECS) or tuition fees**

Eligible students may apply for assistance to pay their student contributions (previously known

as HECS) or tuition fees incurred for the approved course. ABSTUDY will pay the student

contributions or the tuition fees payable (less any fee scholarship received from the higher

education provider).

**97.6.1 Rates payable for student contributions or tuition fees**

Qualified students are entitled to actual costs of the student contributions or the tuition fees

payable (less any fee scholarship received from the higher education provider). There is no

upper limit to the amount payable.

**97.6.2 Claiming payment of student contributions**

Claims for payment of student contributions must be lodged before the census date or the date

set by the provider if earlier, in order that the advance payment discount be received.

Students claiming payment of student contributions must choose the up-front payment option.

Where a student has incorrectly nominated to defer their student contribution instead of

choosing the up-front payment option, or has lodged their *Request for Commonwealth support*

*and HECS-HELP* form late, and the provider is unable to accept payment, the student must

then obtain a statement of their student contributions payable from the provider before

payment can be made to the Tax Office. In such cases, the early repayment discount would

need to be deducted from the notified amount.

**97.6.3 Payment of student contributions or tuition fees**

For both student contributions and tuition fees, payment must be made direct to the higher

education provider.

**ABSTUDY, Allowances and Benefits: Chapter 98 - Lawful Custody**

**Allowance**

Students and Australian Apprentices held in lawful custody may be eligible for the Lawful

Custody Allowance. This chapter outlines details of this allowance.

**On this page**

• 98.1 Purpose of Lawful Custody Allowance

• 98.2 Qualification for Lawful Custody Allowance

• 98.3 Lawful Custody Allowance

• 98.4 Payment of Lawful Custody Allowance

• 98.5 Lawful Custody Allowance Entitlement

**98.1 Purpose of Lawful Custody Allowance**

The purpose of Lawful Custody Allowance is to assist in meeting essential study and course

costs for Indigenous Australian students and Australian Apprentices who are in lawful custody.

The aim is to encourage students and Australian Apprentices in lawful custody to participate in

studies and apprenticeships that will improve their potential to undertake further education and

training and gain employment upon release.

**98.2 Qualification for Lawful Custody Allowance**

To qualify for Lawful Custody Allowance, the following criteria must be met:

• the student or Australian Apprentice must meet the criteria for Lawful Custody Award;

and

• the correctional institution authority must agree to the student or New

Apprentice receiving the assistance.

**98.3 Lawful Custody Allowance**

Where a student or Australian Apprentice is qualified for Lawful Custody Allowance, s/he is

entitled to payment of essential course costs. There is no upper limit to this allowance.

**98.3.1 Essential course costs**

For the purposes of determining if a cost is an essential course cost:

• the costs have been certified by the Head of School/Faculty or equivalent

representative of the course provider as being mandatory, that is, all students or

Australian Apprentices in lawful custody undertaking the course MUST incur these costs

in order to undertake their course; and

• the education institution would not reasonably be expected to provide the item/s in

question.

Essential course costs may include:

• education institution fees, including union, sports, library, administration, amenities,

laboratory fees or levies or the like charged by an approved education institution; and

• textbooks and stationery, including books, published articles, ink cartridges and paper

for computer printers; and

• daily travel expenses (where the student or Australian Apprentice has permission to

travel between the correctional institution and the education institution); and

• extra education costs incurred because of the student's or Australian Apprentice's legal

status e.g. the cost of additional photocopying incurred because the student or

Australian Apprentice cannot borrow library books on restricted access where reading

chapters of these books is essential; and

• compulsory equipment items, ONLY where it is unreasonable to expect the educational

institution to provide these items.

**98.3.1.1 Not included as essential course cost**

The following are not included as essential course costs (even where certified by the Head of

School/Faculty or equivalent representative of the course provider as being mandatory):

• tuition or course fees charged by an education institution, including the flying time and

associated fees charged by institutions offering pilot (aviation) courses; and

• items that education providers would normally be expected to make available for

student or Australian Apprentice use, for example assets such as musical instruments,

cameras, videos, sewing machines, typewriters or computers.

**98.3.1.2 Prior approval of course costs**

Prior approval must be sought by the student or Australian Apprentice or correctional

institution from Centrelink for art and photographic materials and other items where the annual

cost per student or Australian Apprentice for a course will exceed the equivalent of the rate of

ABSTUDY Incidentals Allowance for a 24 week to one year course. If the student or Australian

Apprentice is undertaking two part-time courses, prior approval must be sought where the

annual cost will exceed the equivalent of twice that rate of ABSTUDY Incidentals Allowance. For

details of the Incidentals Allowance rates see 'A guide to Australian Government payments'.

There is no upper limit to this allowance, however, only claims for essential course costs that

are comparable to other course participant’s costs will be considered.

**98.4 Payment of Lawful Custody Allowance**

**98.4.1 Claim lodgement**

Claims for reimbursement of essential course costs under Lawful Custody Allowance must be

lodged with Centrelink before 1 April in the year immediately following the year of study.

**98.4.2 Payee**

Payments of Lawful Custody Allowance must be made:

• to the correctional institution for reimbursement to the student or Australian Apprentice;

or

• to the correctional institution as reimbursement for purchases made on behalf of the

student or Australian Apprentice; or

• to the education institution or supplier of textbooks or materials for services provided to

the student or Australian Apprentice; or

• direct to the student or Australian Apprentice, only where the correctional institution

has approved such an arrangement.

**98.4.3 Taxation Status**

Lawful custody Allowance is non taxable. Chapter 5 Taxation.

**98.5 Lawful Custody Allowance Entitlement**

**98.5.1 Means testing**

Lawful Custody Allowance is not subject to means testing.

**98.5.2 Entitlement**

Lawful Custody Allowance may be paid provided that another entitlement for the same purpose

has not already been paid for that semester.

**98.5.3 Overpayments**

Where payments in excess of entitlement have occurred, refer to Chapter 3 Overpayment and

Recovery of Allowances to determine what is a recoverable debt and from whom this amount

should be recovered.

**ABSTUDY, Allowances and Benefits: Chapter 99 - Additional Assistance**

This chapter outlines the qualification and payment of Additional Assistance.

**On this page**

• 99.1 Purpose of Additional Assistance

• 99.2 Qualification for Additional Assistance

• 99.3 Rate of Additional Assistance

• 99.4 Payment of Additional Assistance

**99.1 Purpose of Additional Assistance**

The purpose of Additional Assistance is to provide a means by which, in exceptional

circumstances, financial benefit over and above ABSTUDY entitlements is available for students

and Australian Apprentices who experience severe financial difficulties meeting associated

education and training costs. The intended outcome is to reduce the risk of students or

Australian Apprentices withdrawing from education or training.

**99.2 Qualification for Additional Assistance**

To qualify for Additional Assistance, the following criteria must be met:

• the student or Australian Apprentice is eligible for Living Allowance; and

• the application of an ABSTUDY eligibility or entitlement provision is harsh or inequitable

in the student's or Australian Apprentice's circumstance; and

• the student's or Australian Apprentice's circumstances are unique i.e. the grant of

Additional Assistance is not likely to result in the inconsistent delivery of benefits nor

establish a precedent for a potentially significant number of students or Australian

Apprentices; and

• the basis of the Additional Assistance claim is directly related to a factor associated with

the student's or Australian Apprentice's study or training programme which has

resulted in the student or Australian Apprentice or family experiencing significant

hardship and which may be overcome by the grant of Additional Assistance; and

• the circumstances have not been caused or contributed to by action taken by the

student or Australian Apprentice or applicant which may be regarded as negligent or

imprudent; and

• there is no other Australian Government or State Government agency or private

organisation that is a more appropriate source of assistance; and

• under exceptional circumstances, eligibility will be determined on a case-by-case basis

by DEEWR, in instances meeting the following criteria:

o The student is from a State/Territory or region where the final year of primary

school is Year 7;

o the student has completed Year 6, and there is no local daily access to Year 7

schooling; and

o there is no local school available providing Year 7 secondary school courses.

**99.2.1 Significant hardship**

The student or Australian Apprentice or family are considered to experience significant hardship

in the following circumstances:

• fortnightly expenditure on essential items is equal to or exceeds the fortnightly income

of the student/Australian Apprentice or student's/Australian Apprentice's family; and

• there are no financial reserves for the student/Australian Apprentice or

student's/Australian Apprentice's family to draw upon.

**99.2.1.1 Income of the student/Australian Apprentice or student’s/Australian Apprentice's family**

For the purposes of assessing significant hardship, the income of the student/Australian

Apprentice or student’s/Australian Apprentice's family includes:

• wage and salary payments after tax and Medicare levy are deducted;

• maintenance received; and

• Australian Government benefits including:

o social security pension or benefit payments;

o Family Tax Benefits;

o ABSTUDY; and

• any other form of regular income.

Maintenance paid for the support of a previous partner or children should be deducted.

**99.2.1.2 Essential items**

In general, only expenditure on any of the following essential items is to be considered in

assessing Additional Assistance claims:

• accommodation, eg rent, mortgage repayment instalments and essential costs such as

insurance and rates;

• food;

• utility services, eg gas, electricity;

• clothing;

• medical/dental costs in excess of refunds from health insurance (non essential

medical/dental costs to be excluded);

• pharmaceutical costs;

• school costs and child care costs of dependents if incurred to meet course requirements;

• daily travel costs of student and family (public transport equivalent costs should be

used if student has a car);

• hire purchase instalments for purchase of essential household furniture;

• maintenance paid; and

• miscellaneous expenses such as essential course costs.

**99.2.1.3 Non-essential items**

The following items would not normally be considered as essential items, unless it can be

demonstrated that the items are necessary for a person's employment or similar compelling

reason:

• car expenses i.e. repayments, registration, petrol, insurance and maintenance, above

public transport costs;

• telephone costs, i.e. installation, rent and call costs;

• expenses not associated with studies, e.g. club fees for interests not catered for by the

education institution; and

• debt repayment, including hire purchase of items other than household furniture.

**99.3 Rate of Additional Assistance**

Where a student or Australian Apprentice qualifies for Additional Assistance, the rate payable

will be set at whichever is the lesser of that amount required to:

• meet the cost of the particular factor associated with the student's study programme or

Australian Apprentice's training which has contributed to the financial difficulties; or

• overcome the hardship, i.e. address the imbalance between income and essential

expenditure.

**99.4 Payment of Additional Assistance**

**99.4.1 Payment frequency**

Where approved, Additional Assistance may be provided in the form of:

• a regular supplement to the student’s Living Allowance; or

• a once-only payment where this will overcome the hardship.

**99.4.2 Payee**

The payee for Additional Assistance will be the applicant.

**99.4.3 Taxation Status**

For details of the tax status of Additional Assistance, see Chapter 5 Taxation.

**99.4.4 Overpayments**

Where payments in excess of entitlement have occurred, refer to Chapter 3 Overpayment and

Recovery of Allowances to determine what is a recoverable debt and from whom this amount

should be recovered.

**Chapter 100 - Lump Sum Bereavement Payment**

**This policy is effective from 1 January 2008**

**Lump Sum Bereavement Payment**

In the event of the death of their partner, a student or Australian Apprentice in receipt of

ABSTUDY Living Allowance may receive a one-off payment which is the difference between the

single rate of ABSTUDY Living Allowance and the previous combined partnered rate of ABSTUDY

Living Allowance they were entitled to, over the 14 week bereavement period paid as a lump

sum.

**On this page**

• 100.1 Purpose of the Lump Sum Bereavement Payment

• 100.2 Qualification for Lump Sum Bereavement Payment

• 100.3 Bereavement period

• 100.4 Rate of Lump Sum Bereavement Payment

• 100.5 Payment of Lump Sum Bereavement Payment

• 100.6 Taxation Status

• 100.7 Overpayments

**100.1 Purpose of the Lump Sum Bereavement Payment**

The Lump Sum bereavement period is intended to provide financial assistance to make it easier

for a student or Australian Apprentice in receipt of ABSTUDY Living Allowance to adjust to the

changed financial circumstances caused by the death of their partner who was an ABSTUDY

recipient, a pensioner or a long term Social Security payment recipient.

**100.2 Qualification for Lump Sum Bereavement Payment**

To qualify for the Lump Sum bereavement period, the following criteria must be met:

• the student or Australian Apprentice must qualify for one of the following ABSTUDY

Awards:

o Schooling B Award; or

o Tertiary Award; or

o Masters and Doctorate Award; and

• the student or Australian Apprentice must be currently in receipt of an ABSTUDY Living

Allowance; and

• the student or Australian Apprentice must have been in receipt of ABSTUDY Living

Allowance continuously for the previous 52 weeks; or

• the student or Australian Apprentice must have been in receipt of ABSTUDY Living

Allowance for the previous 52 weeks and did not cease receiving ABSTUDY Living

Allowance for more than 6 weeks of the previous 52 weeks; and

• the student or Australian Apprentice was a member of a couple and their partner dies;

**And**

o **immediately** before the student’s or Australian Apprentice’s partner died, their

partner was qualified for and receiving:

o an ABSTUDY Living Allowance; and/or

o a Social Security benefit; and/or

o a CDEP payment; and

o was in receipt of one, or a combination of the above, payments for the 52

weeks prior to their death, and did not have a break in payment of more than 6

weeks out of those 52 weeks.

o a Social Security Pension, for any period.

**100.2.1 Couples Separated due to Illness or Respite Care**

If the student or Australian Apprentice and their partner were separated due to illness or

because their partner was in respite care, the Lump Sum bereavement period amounts are to

be worked out as if they were living together.

**100.2.2 Notification period**

To be eligible for the Lump Sum bereavement period, in the event of a death of the student’s or

Australian Apprentice’s partner, notification of their partner’s death is required within 14

calendar days from the date of death.

**100.3 Bereavement period**

For the purposes of Lump Sum bereavement period, a bereavement period is a period of 14

weeks that starts on the day on which the person dies. The Lump Sum Bereavement Payment

is only payable to a student or Australian Apprentice in receipt of ABSTUDY Living Allowance if

Centrelink is notified of the death within the notification period and adjusts the student’s or

Australian Apprentice’s payments before the end of the bereavement period. This is because

the Lump Sum Bereavement Payment represents the difference between the couple's partnered

rate and the student or Australian Apprentice's single rate of ABSTUDY Living Allowance during

the bereavement period.

**100.3.1 Changes during bereavement lump sum period**

If there is a change in the level of the student’s or Australian Apprentice’s income or assets

during the bereavement period, the ABSTUDY student’s or Australian Apprentice’s eligibility

and/or rate of entitlement to the single rate is reassessed from the date of the change in the

circumstance. See Chapters 61 and 65 for Personal Income and Assets assessments.

If the student or Australian Apprentice was a joint owner of the couple’s assets, the delegate

needs to ensure that the correct amount of income and assets is attributed to the student or

Australian Apprentice. See Chapter 65 for Personal and Partner Assets assessments.

The Lump Sum bereavement period is assessed by reference to the student’s or Australian

Apprentice’s circumstances at the time of its payment. If the Lump Sum Bereavement

Payment has already been made, it is NOT adjusted for subsequent changes in income or

assets.

**100.3.2 Exclusions**

Customer in prison – the Lump Sum bereavement period is not payable if a customer is in

prison or undergoing psychiatric confinement because they have been charged with a crime. If

the customer were acquitted, the Lump Sum Bereavement payment would then become

payable, even if some time has elapsed.

**100.4 Rate of Lump Sum Bereavement Payment**

To calculate the amount payable to the student or Australian Apprentice as a lump sum on the

death of their partner see the following calculation:

Method statement

Step 1. Add up:

a. the amount that, if the student’s or Australian Apprentice's partner had not died, would

have been payable to the student or Australian Apprentice on the student’s or

Australian Apprentice’s payday immediately before the first available bereavement

adjustment payday; and

b. the amount (if any) that, if the partner had not died, would have been payable to the

partner on the partner's payday immediately before the first available bereavement

adjustment payday;

the result is the combined rate.

Step 2 Work out the amount that would have been payable to the student or Australian

Apprentice on the student’s or Australian Apprentice’s payday immediately before

the first available bereavement adjustment payday: the result is the student’s or

Australian Apprentice's individual rate.

Step 3. Take the student’s or Australian Apprentice's individual rate away from the

combined rate: the result is the partner's instalment component

Step 4. Work out the number of the partner's paydays in the bereavement lump sum

period.

Step 5. Multiply the partner's instalment component by the number obtained in Step 4:

the result is the amount of the lump sum payable to the student or Australian

Apprentice.

**100.4.1** To calculate a lump sum payment in the event of the death of both the student or

Australian Apprentice and their partner see the following calculation:

Method statement

Step 1. Add up:

a. the amount that, if neither the student or Australian Apprentice nor the student’s or

Australian Apprentice's partner had died, would have been payable to the student or

Australian Apprentice on the student’s or Australian Apprentice's payday immediately

after the day on which the student or Australian Apprentice dies; and

b. the amount (if any) that, if neither the student or Australian Apprentice nor the

student’s or Australian Apprentice's partner had died, would have been payable to the

student’s or Australian Apprentice's partner on the partner's payday immediately after

the day on which the student or Australian Apprentice died;

the result is the ***combined rate***.

Step 2 Work out the amount that would have been payable to the student or Australian

Apprentice on the student’s or Australian Apprentice's payday immediately after

the day on which the student or Australian Apprentice died if the student or

Australian Apprentice had not died: the result is the ***student’s or Australian***

***Apprentice's individual rate***.

Step 3 Take the student’s or Australian Apprentice's individual rate away from the

combined rate: the result is the ***partner's instalment component***.

Step 4. Work out the number of paydays of the partner in the period that begins on the

day on which the student or Australian Apprentice dies and ends on the day on

which the bereavement period ends

Step 5. Multiply the partner's instalment component by the number obtained in Step 4:

the result is the amount of the lump sum payable to student or Australian

Apprentice

**100.5 Payment of Lump Sum Bereavement Payment**

*Payment frequency*

A Lump Sum bereavement period is paid as a one-off lump sum for the death of a partner.

**100.5.1 Recipient of Bereavement Payment**

The Lump Sum bereavement period is paid to the ABSTUDY student or Australian Apprentice in

the event of their partner’s death. In the case of both the ABSTUDY student’s or Australian

Apprentice’s and their partner’s death, the Lump Sum Bereavement Payment is paid to the

estate of the ABSTUDY student or Australian Apprentice.

**100.6 Taxation Status**

After the death of their partner, the student’s or Australian Apprentice’s rate of ABSTUDY Living

Allowance payment would usually increase from the partnered rate to the single rate.

If a student’s or Australian Apprentice’s partner dies and the bereavement lump sum payment

under the ABSTUDY scheme becomes due to the student or Australian Apprentice because of

the student’s or Australian Apprentice’s partners death;

The total of the following are exempt from income tax up to the tax free amount:

a. The bereavement lump sum payment; and

b. All other payments that become due to the student or Australian Apprentice under the

ABSTUDY scheme during the bereavement lump sum period.d

Note: to calculate the tax-free amount, see below.

**100.6.1** To calculate the tax free amount when the student or Australian Apprentice receives a

bereavement lump sum payment, see the following calculation:

Method statement

Step 1 Work out the payment under the ABSTUDY scheme that would have become due

to the student or Australian Apprentice during the bereavement lump sum period

if:

a. The student’s or Australian Apprentice’s partner had not died; and

b. The student’s or Australian Apprentice’s partner had been under pension age; and

c. Immediately before the student’s or Australian Apprentice’s partner died, the student or

Australian Apprentice and the student’s or Australian Apprentice’s partner had been

neither an illness separated couple nor a respite care couple.

Step 2 Work out how much of those payments would have been exempt in those

circumstances.

Step 3.Work out the payments under the ABSTUDY scheme or the Social Security Act

991 that would have become due to the student’s or Australian Apprentice’s

partner during the bereavement lump sum period if the student’s or Australian

Apprentice’s partner had not died, even if the payments would not have been

exempt.

Step 4Total the payments worked out at Steps 2 and 3: the result is the tax-free

amount.

**100.6.2** To calculate the tax free amount of an ordinary payment when no bereavement lump

sum payment is payable, see the following calculation:

Step 1 Work out the supplementary amount of the payment.

Note: the supplementary amount is tax exempt see glossary for details.

Step 2 Subtract the supplementary amount from the amount of the payment.

Step 3.Work out what would have been the amount of the payment if the student’s or

Australian Apprentice’s partner had not died.

Step 4. Work out when would have the supplementary amount of the payment if the

student’s or Australian Apprentice’s partner had not died.

Step 5. Subtract the amount at Step 4 from the amount at Step 3.

Step 6 Subtract the amount at Step 5 from the amount at Step 2: the result is the

tax free amount.

**100.7 Overpayments**

Where payments in excess of entitlement have occurred, refer to Chapter 3 Overpayment and

Recovery of Allowances to determine what a recoverable debt is and from whom this amount

should be recovered.

**Chapter 101 - Crisis Payment**

**This policy is effective from 1 January 2008**

This chapter outlines the qualification and payment of Crisis Payment.

**On this page**

• 101.1 Purpose of Crisis Payment

• 101.2 Qualification for Crisis Payment

• 101.3 Rate of Crisis Payment

• 101.4 Payment of Crisis Payment

**101.1 Purpose of Crisis Payment**

Crisis Payment is a payment designed to assist new and existing ABSTUDY customers who are

in severe financial hardship through circumstances such as domestic violence, flooding and

house fire, as well as those customers who need to re-establish themselves in the community

after having been in prison or psychiatric confinement.

**101.2 Qualification for Crisis Payment**

To qualify for Crisis Payment, the claim must be made in Australia and the following criteria

must be met:

• the student or Australian Apprentice must be qualified for one of the following ABSTUDY

Awards:

• Schooling B Award; or

• Tertiary Award; or

• Masters and Doctorate Award; and

• the student or Australian Apprentice is in receipt of at least $1 of ABSTUDY Living

Allowance, and

• the student or Australian Apprentice is in severe financial hardship the day on which the

claim for Crisis Payment is made; and

• the student or Australian Apprentice is under extreme circumstances forcing departure

from home; or

• the student or Australian Apprentice is a victim of domestic violence but remaining in

their home; or

• the student or Australian Apprentice is a released prisoner or from psychiatric

confinement.

**101.2.1 Extreme circumstances forcing departure from home**

A student or Australian Apprentice is qualified for a crisis payment if:

• the student or Australian Apprentice has left ,or cannot return to , his or her home

because of an extreme circumstance; and

• the extreme circumstance makes it unreasonable to expect the student or Australian

Apprentice to remain in, or return to, the home; and

• the student or Australian Apprentice has established, or intends to establish, a new

home; and

• at the time the extreme circumstance occurred, the student or Australian Apprentice

was in Australia; and

• the student or Australian Apprentice contacts Centrelink with their intent to claim within

7 days of the extreme circumstance occurring and then lodge the claim within 14 days

of contacting Centrelink.

Note: Crisis Payment may also be payable to an alleged or actual perpetrator of domestic

violence who has been removed from the family home by police following an instance of alleged

or actual domestic violence and who cannot remain in, or return to the home for legal

reason. It must be verified that the perpetrator actually lived with the victim in the family

home immediately before being removed from the family home by police.

**101.2.2 Remaining in home after removal of family member due to domestic or family violence:**

• the student or Australian Apprentice has been subjected to domestic or family violence,

in Australia, by a family member of the student or Australian Apprentice, and at the

time of the domestic violence the student or Australian Apprentice was living with that

family member; and

• after the family member has been removed or leaves the student’s or Australian

Apprentice’s home because of the domestic violence, the student or Australian

Apprentice remains in their home; and

• the student’s or Australian Apprentice’s home is in Australia; and

• the student or Australian Apprentice notifies Centrelink within 7 days of the

circumstance occurring and then lodges the claim within 14 days of the circumstance

occurring.

**101.2.3 Release from gaol or psychiatric confinement:**

• the student or Australian Apprentice is released from gaol, or from psychiatric

confinement, after at least 14 days as result of having been charged with committing

an offence; and

• the student or Australian Apprentice must make a claim for Crisis Payment no more

than 21 days before their release or within 7 days after their day of release. This

includes release from overseas prisons provided the person returns to Australia and

claims within 7 days of release.

**101.2.4 Social work assessments**

All Crisis payment claims related to domestic or family violence must be referred to a

Centrelink Social Worker for determination.

**101.2.5 Claim in Australia**

A claim for Crisis Payment must be made in Australia

**101.2.6 Number of Payments allowed**

For Crisis Payment claims in respect of extreme circumstances or domestic or family violence,

the student or Australian Apprentice is entitled to up to four Crisis Payments in any 12 month

period including payments under ABSTUDY and those under the *Social Security Act 1991*.

There is no limit on the number of Crisis Payment claims in respect of prison or

psychiatric releases.

An ABSTUDY Crisis Payment is not payable to a student or Australian Apprentice in respect of

an extreme circumstance or release from goal or psychiatric confinement if the student or

Australian Apprentice is qualified for a Crisis Payment under the *Social Security Act 1991* in

respect of the same circumstance.

**101.3 Rate of Crisis Payment**

Crisis Payment is paid in addition to the student’s or Australian Apprentice’s ABSTUDY Living

Allowance. The amount paid is equal to one week's payment at the maximum basic rate of the

ABSTUDY Living Allowance to which the customer is entitled.

The rate of Crisis Payment does not include any add-on payments such as Rent Assistance,

Pharmaceutical Allowance or Remote Area Allowance.

**101.4 Payment of Crisis Payment**

**101.4.1 Payment frequency**

Crisis Payment is made as a one-off payment which is equal to one week’s payment at the

maximum basic rate of the ABSTUDY Living Allowance to which the customer is entitled.

**101.4.2 Payee**

The payee for Crisis Payment will be the student or Australian Apprentice.

**101.4.3 Taxation Status**

For details of the tax status of Crisis Payment, see Chapter 5 Taxation.

**101.4.4 Overpayments**

Where payments in excess of entitlement have occurred, refer to Chapter 3 Overpayment and

Recovery of Allowances to determine what a recoverable debt is and from whom this amount

should be recovered.

**ABSTUDY: Appendix A Standard Hostels Agreement**

**On this page**

• A1.1 Introduction

• A1.2 When to use the Agreement

• A1.3 Completing the Agreement

• A1.4 Working with Children checks

• Standard Agreement

**A1.1 Introduction**

The standard Agreement was developed to allow hostels with ABSTUDY secondary boarders to

access term in advance living allowance payments.

Hostels which do not have a contractual agreement with Centrelink are to be paid fortnightly, in

arrears, for eligible students.

Agreements are valid for up to three years and new Agreements must be renegotiated at the

end of each period. The Agreement is a legally binding document and as such, no alternations

can be made to any of the terms and conditions. If there is a need for a clause to be amended

at the request of either Centrelink or a Hostel, Centrelink officers should direct the request to

the ABSTUDY Help Desk. All changes **must** be cleared by DEEWR Procurement and Legal

Group via the DEEWR/Centrelink Front Door.

**A1.2 When to use the Agreement**

The standard Agreement is to be used when a hostel wishes to receive term in advance

payments for approved ABSTUDY boarders.

**Note:** The following hostels are covered by a national Agreement with Aboriginal Hostels

Limited and do not need to sign individual Agreements:

Fordimail Residence, Katherine NT

Wangkana-Kari Hostel, Tennant Creek NT

Joe McGinness Hostel, Cairns Qld

Kirinari Hostel, Sydney NSW

Biala Hostel, Allambie Heights, Sydney NSW

Kirinari Hostel, Garden Suburbs, Newcastle NSW

Warrina Hostel, Dubbo NSW.

Canon Boggo Pilot Hostel, Thursday Island, QLD

**A1.3 Completing the Agreement**

• Print out 2 copies of the Agreement;

• Initial each page of both contracts prior to sending both copies to Hostel for signature;

• Upon return ensure:

o **no** alterations have been made;

o **no** pages have been replaced;

o all relevant certificates and approvals have been provided as per clause 3.1;

o an officer of the Hostel with the proper authorisation has signed and dated both

agreements; and

o that this signature has been witnessed.

The Centrelink Delegate and witness then sign and date both agreements, one is then returned

to the Hostel (via registered post if posting) for their records.

**A1.4 Working with Children checks**

Where states/territories have legislation in place requiring people working with children to

undergo police or other checks, this legislation must be complied with.

**Standard Agreement**

Standard Agreement (PDF) (65.8 KB)

Standard Agreement (RTF) (422.3 KB)

**ABSTUDY: Appendix B Determination No. 2007/01**

**Commonwealth of Australia**

**Student Assistance Act 1973**

**DETERMINATION OF EDUCATION INSTITUTIONS AND COURSES**

**UNDER SUBSECTIONS 3(1) AND 5D(1)**

**OF THE STUDENT ASSISTANCE ACT 1973**

Determination No. 2007/1

I, JULIA EILEEN GILLARD, Minister for Education, Employment and Workplace Relations make

this determination under subsections 3(1) and 5D(1) of the *Student Assistance Act 1973.*

**Dated 17 December 2007**

(Signed)

**JULIA EILEEN GILLARD**

Minister for Education, Employment and Workplace Relations

**Citation**

**1.** This Determination may be cited as Determination No. 2002/1 - Determination of Education

Institutions and Courses under subsections 3(1) and 5D(1) of the Student Assistance Act 1973.

**Commencement**

**2.** This Determination shall commence on January 1 2003.

**Repeal**

**3.** The Student Assistance Act 1973 Determination No 1999/2, entitled "Determination of

Education Institutions and Courses under subsections 3(1) and 5D(1) of the Student Assistance

Act 1973" and made on 26 November 1999, is repealed.

**Interpretation**

**4.** In this Determination, unless the contrary intention appears:

"accredited higher education course" means a course that is:

(a) accredited as a higher education course by the authority responsible for the accreditation of

higher education courses in the State or Territory in which the course is conducted; or

(b) if a higher education institution is authorised by a law of the Commonwealth or a law of the

State or Territory in which the institution is located to accredit its own higher education courses

- a course conducted and accredited as a higher education course by that institution;

**"accredited secondary course"** means a course accredited as a secondary course by the

State or Territory authority responsible for the accreditation of secondary courses in the State

or Territory in which the course is conducted;

**"accredited vocational education and training course"** means a course accredited as a

vocational education and training course by:

(a) the authority responsible for the accreditation of vocational education and training courses

in the State or Territory in which the course is conducted; or

(b) if the State or Territory in which the course is conducted recognises the accreditation of

vocational education and training courses in another State or Territory - the authority

responsible for the accreditation of vocational education and training courses in that other State

or Territory;

**"Act"** means the *Student Assistance Act 1973*;

**"AQF"** means the Australian Qualifications Framework guidelines;

**"AQTF"** means the Australian Quality Training Framework;

**"education institution"** has the same meaning as in paragraph 5 of this Determination;

**"endorsed training package"** means a training package listed on the National Training

Information Service of the Australian National Training Authority;

**"ESL course"** means a course of instruction in English as a second language;

**"higher education institution"** has the same meaning as in paragraph 5 of this

Determination;

**"Masters qualifying course"** means a bridging course which gives participants the

qualifications necessary for entry into a Masters degree course, but does not include any course

which forms part of a Masters degree course;

**"NBCOTP"** means the National Office of Overseas Skills Recognition Bridging Course for the

Overseas Trained Programme;

**"New Apprenticeships Access programme"** means a vocational education and training

programme funded by the Department of Education, Science and Training under the New

Apprenticeships Access Programme;

"**preparatory course**" means

(a) an accredited vocational education and training course that provides remedial education or

involves preparatory activities to enable participation in subsequent education or social settings,

and is of a type that aims to achieve basic skills and standards or to prepare students for

further education (including courses previously known as Stream 2000 courses); or

(b) a preparatory course for higher education that is a programme offered by a higher

education institution that is designed to assist people to gain entry to higher education level

courses (including enabling and bridging courses);

**"pre-vocational course**" means a programme designed to assist people to gain entry to a

specific related accredited vocational education and training programme or a New

Apprenticeship, and includes a New Apprenticeships Access Programme;

**"registered training organisation**" has the same meaning as in paragraph 5 of this

Determination;

"**secondary school**" has the same meaning as in paragraph 5 of this Determination;

"**special school"** has the same meaning as in paragraph 5 of this Determination;

"**vocational education and training programme**" means:

(a) an accredited vocational education and training course; or

(b) a sequence of training consisting of one or more subjects or modules where each subject or

module is from an accredited vocational education and training course. or

(c) a structured approach to the development and attainment of competencies for a particular

AQF qualification specified in an endorsed training package.

**Education institutions**

5. (1) For the purposes of the Act, the following are regarded as education institutions:

(a) a **"higher education institution",** being an institution that is established under

Commonwealth or State or Territory government legislation as a higher education institution or

is registered by the relevant State or Territory higher education recognition authority;

(b) a **"secondary school",** being an institution located in Australia that is:

(i) a government secondary school; or

(ii) a non-government secondary school that is recognised as a secondary school under the law

of a State or Territory in which the school is located.

(2) For the purposes of the Act, the following institutions, authorities or bodies are to be

regarded as education institutions:

(a) a **"registered training organisation"**, being an organisation that is registered by the

relevant State or Territory training recognition authority in accordance with the Australian

Quality Training Framework to provide one or more vocational education and training

programmes;

(b) a **"special school",** being an institution located in Australia that is conducted

primarily for students with a disability and is:

(i) a government school; or

(ii) a non-government school that is recognised as a school under the law of a State or

Territory in which the school is located.

**Secondary Courses**

6. (1) For the purposes of the Act, a course specified in Column 1 of Schedule 1 and conducted

by an education institution specified for that course in Column 2 of Schedule 1 is a secondary

course.

**Tertiary Courses**

7. (1) For the purposes of the Act, a course specified in Column 1 of Schedule 2 and conducted

by an education institution specified for that course in Column 2 of Schedule 2 is a tertiary

course.

(2) For the purposes of the Act, no course accredited at Masters or Doctoral level offered by a

higher education institution is a tertiary course unless expressly specified in Schedule 2.

**SCHEDULE 1 -SECONDARY COURSES**

| Column 1 – Course | Column 2 – Education institution |
| --- | --- |
| Accredited secondary course | Secondary school  Registered training organisation  Higher education institution  Special school |
| ESL Course | Secondary school  Special school |
| Preparatory course | Secondary school  Registered training organisation  Higher education institution  Registered training organisation |
| A course leading to an accredited secondary  course qualification involving accredited  secondary and accredited vocational education  and training course subjects |  |
|  |  |
| School-based apprenticeship or traineeship | Higher education institution Secondary school |

Schedule 2 Tertiary courses

| Column 1 – Course | Column 2 – Education institution |
| --- | --- |
| Pre-vocational course | Registered training organisation |
| ESL course | Registered training organisation  Higher education institution  Any other body approved by the relevant State or Territory to conduct the course |
| A vocational education and training program that is not a secondary course specified in Schedule 1 | Higher education institution  Registered training organisation |
| Course of combined studies | Registered training organisation |
| training, consisting of two or more separate  vocational education and training programmes  undertaken concurrently and each of which  leads to the award of a qualification or statement of attainment  Undergraduate or postgraduate accredited higher education course which is at the level of:  associate degree;  associate diploma;  diploma;  advanced diploma;  Bachelor degree;  graduate degree;  graduate certificate;  graduate diploma;  NBCOTP funded course;  Master's qualifying course; or  a combined course which leads to two of these awards,  and is classified as such in the institution's  handbook and is not: a secondary course  specified in Schedule 1; or  a course at the level of a Masters or Doctoral degree unless otherwise specified in Schedule 2. | Higher education institution  Registered training organisation |
| Open Learning - a programme of assessment based study provided through the Open Learning Agency, Melbourne | Higher education institution participating in the Open Learning program  Registered training organisation participating in the Open Learning program |
|  | Registered training organisation |
| Combined course - Higher education and  vocational education and training, consisting of concurrent study in an accredited higher  education course and a vocational education and training programme leading to the award of a separate qualification at each institution and that is classified in each institution's handbook as a combined course  Integrated undergraduate/postgraduate course leading to a Masters degree, excluding that year or years of the integrated course in excess of the normal full-time duration of the related undergraduate accredited higher education course or related undergraduate and postgraduate accredited higher education courses that are not at the Masters level.  (That is, excluding the year or years relating to study at the Masters level). | Higher education institution |

**Determination of Education Institutions and Courses under subsections 3(1) and**

**5D(1) of the *Student Assistance Act 1973***

**Determination No. 2002/1**

Issued by the authority of the Minister for Education, Science and Training

**Reason for the Determination**

Subsections 3(1) and 5D(1) of the *Student Assistance Act 1973* have the effect of providing

that the Minister may determine what is an approved education institution and an approved

course for the purposes of the Act.

Since 1 July 1998 the *Social Security Act 1991* has required that, to qualify for Youth Allowance

payments to students, Austudy payments or the Pensioner Education Supplement, a person

must be enrolled in and undertaking study at an education institution and in a course

determined by the Minister under the *Student Assistance Act 1973*.

Since 1 July 2000, the *A New Tax System (Goods and Services Tax) Act 1999* has provided that

a supply of secondary and tertiary courses, as determined by the Minister under the *Student*

*Assistance Act 1973*, will be GST-free.

This Determination does not change the coverage of education institutions or courses provided

by Determination 1999/2. Some wording has been amended to clarify this coverage and to

address changes in terminology in the education sectors since the last review in 1999

(Determination 1999/2).

It has been necessary to clarify the definition of "vocational education and training programme".

The definition in the 1999/2 Determination was open to an interpretation which was not

intended by the underlying legislative policy. As a result payments had been made to persons

undertaking "vocational education and training programmes" that included subjects or modules

that were not from an accredited vocational education and training course.

In light of that it is necessary to amend the definition to ensure that payments are made to

persons undertaking vocational education and training programmes that included all subjects

and modules from an accredited vocational education and training course. Any students who

were receiving Youth Allowance or Austudy based on an unintended interpretation of the

1999/2 Determination will no longer be eligible.

However, as unaccredited vocational education and training courses are typically of short

duration, it is expected that these students will have completed their courses by 1 January

2003 when the new Determination takes effect.

**Reason for Tabling the Determination of Education Institutions and Courses**

Subsections 3(2A) and 5D(3) of the *Student Assistance Act 1973* provide that Ministerial

Determinations are disallowable instruments for the purposes of section 46A of the *Acts*

*Interpretation Act 1901* and therefore must be gazetted and tabled in the Parliament.

**The Determination of Education Institutions and Courses**

Determination 2002/1 will revoke Determination 1999/2 made on 26 November 1999, will

commence on 1 January 2003 and shall remain in force until revoked.

Determination 2002/1 describes the types of education institutions, and secondary and tertiary

courses provided by these institutions, that are approved for the purposes of the *Student*

*Assistance Act 1973*. Through reference to the Determination, the *Social Security Act 1*99*1*

identifies these courses as secondary and tertiary courses approved for the purposes of

payments to students. Also through reference to the Determination, the *A New Tax System*

*(Goods and Services Tax) Act 1999* identifies these courses as secondary and tertiary courses,

the provision of which is GST-free.

NOTE: This Determination was gazetted on Wednesday, 6 November 2002 in Government

Notices No. GN 44, pages 2966 to 2974.

**ABSTUDY: Appendix C National Centre for Vocational Education**

**Research Course Classifications**

This section describes the types of courses which would be coded to each Stream category. The

content is based on material contained in the document published on behalf of the Australian

Conference of TAFE Directors, entitled **Classification Procedures Manual for TAFE Courses**.

For a more detailed description of the classification, refer to that document.

***Stream 1000 - Recreation, Leisure, and Personal Enrichment***

Courses classified to Stream 1000 are directed towards the encouragement and development of

creativity, social and personal pursuits, and skills which enable people to make more effective

use of leisure time.

***Stream 2100 - Entry to Employment or Further Education: Basic Education and Basic***

***Employment Skills***

Courses classified to Stream 2100 provide remedial education or involve other preparatory

activities to enable participation in subsequent education or social settings, and are of a type

which aim to achieve basic skills and standards. Included in courses classified to Stream 2100

are those provided for the acquisition of literacy and numeracy, EPUY courses, career

exploration courses and link courses.

***Stream 2200 - Entry to Employment or Further Education: Educational Preparation***

Courses classified to Stream 2200 provide remedial education or involve other preparatory

activities to enable participation in subsequent education or social settings, and are of a type

which prepare students for further education. Included in Stream 2200 for example would be

certificate of entrance courses, pre-certificate courses, tutorial mathematics courses for

certificate students, Tertiary Orientation program courses, and diploma entrance courses.

***Stream 3100 - Initial Vocational Courses: Operatives***

Stream 3100 courses provide initial education and training for entry to vocations requiring a

level and range of skills less than is normally required for a tradesperson. Stream 3100 courses

would generally require minimal educational qualifications for entry, would be of short duration,

and would emphasise a single activity which can be performed upon completion of the course.

Included, for example, would be courses for plant and machine operators, and cleaners.

Operatives are personnel who, after training, are able to perform a limited range of skilled

operations.

***Stream 3211 - Initial Vocational Courses: Skilled Courses for Recognised Trades -***

***Partial Exemption to Recognised Trade Courses***

Courses classified to Stream 3211 are those which provide partial exemption to recognised

trade courses.

***Stream 3212 - Initial Vocational Courses: Skilled Courses for Recognised Trades -***

***Complete Trade Courses***

Courses classified to Stream 3212 are complete trade courses which provide initial education

and training for entry to a specific trade. Such vocations require a high degree of skill, usually

in a wide range of related activities, performed with minimal direction and supervision. In

contrast to operatives, persons in such vocations are competent to carry out a broad range of

related tasks. The skill level for such vocations is less than that required of a paraprofessional

within the same industry.

***Stream 3221 - Initial Vocational Courses: Skilled Other Skills Courses - Partial***

***Exemption to Other Skills Courses***

Courses classified to Stream 3221 are those which provide partial exemption to courses for

vocations which are not recognised as trades but which require a range of skills at a similar

level.

***Stream 3222 - Initial Vocational Courses: Skilled Other Skills Courses - Complete***

***Other Skills Courses***

Courses classified to Stream 3222 are complete skills courses which provide initial education

and training for entry to vocations which are not recognised trades but which require a range of

skills at a similar level. Such vocations require a high degree of skill, usually in a wide range of

related activities, performed with minimal direction and supervision. In contrast to operatives,

persons in such vocations are competent to carry out a broad range of related tasks. The skill

level for such vocations is less than that required of a paraprofessional within the same

industry.

***Stream 3300 - Initial Vocational Course: Trade Technician/Trade Supervisory, or***

***equivalent***

Courses classified to Stream 3300 provide initial education and training in skills at a level

higher than trade or trades-equivalent skills. Stream 3300 courses may include skills needed

for supervision, but do not provide the level of breadth of specialisation which is provided

through courses for paraprofessionals.

***Stream 3400 - Initial Vocational Courses: Paraprofessional - Technician***

Courses classified to Stream 3400 are designed to provide initial education and training to

develop the breadth of specialised skills required for employment in paraprofessional vocations.

Work in such vocations requires the exercise of judgement and may involve specialist functions,

and is carried out primarily in support of professionals or other paraprofessionals, or

independently.

***Stream 3500 - Initial Vocational Courses - Paraprofessional - Higher Technician***

Courses classified to Stream 3500 provide initial education and training to develop specialised

skills beyond those developed in Stream 3400 courses, in terms of depth of scope of skills.

Stream 3500 courses prepare students for employment in paraprofessional vocations which

may involve a variety of specialist functions and require the exercises of judgement. Graduates

of Stream 3500 courses usually work in support of professionals, or independently, and are

usually employed at higher occupational levels than graduates of Stream 3400 courses.

***Stream 3600 - Initial Vocational Courses - Professional***

Courses classified to Stream 3600 provide initial education and training at a higher level than

paraprofessional courses, and include courses which lead to employment in vocations

comparable to those entered by graduates of Diploma (UG2) courses accredited by the

Australian Council on Tertiary Awards.

***Stream 4100 - Courses Subsequent to Initial Vocational Courses: Operative level***

Courses classified to Stream 4100 are operative level courses designed to be undertaken

subsequent to the completion of a Stream 3100 course (Initial Vocational Course: Operative

level) or subsequent to an on-the-job training equivalent.

***Stream 4200 - Courses Subsequent to Initial Vocational Courses: Skilled level***

Courses classified to Stream 4200 are skilled level courses designed to be undertaken

subsequent to the completion of a Stream 3212 course (Initial Vocational Course - Complete

Other Skills Course), or subsequent to an on-the-job training equivalent.

***Stream 4300 - Courses Subsequent to Initial Vocational Courses: Trade Technician:***

***Trade Supervisory, or Equivalent***

Courses classified to Stream 4300 are designed to be undertaken subsequent to the completion

of a Stream 3300 course (Initial Vocational Course - Trade Technician/Trade Supervisory, or

equivalent) or subsequent to the acquisition of an equivalent level of skills through on-the-job

training.

***Stream 4400 - Courses Subsequent to Initial Vocational Courses: Paraprofessional -***

***Technician***

Courses classified to Stream 4400 are designed to be undertaken subsequent to the completion

of a Stream 3400 course (Initial Vocational Course - Paraprofessional: Technician) or

subsequent to the acquisition of an equivalent level of skills through on-the-job training.

***Stream 4500 - Courses Subsequent to Initial Vocational Courses: Paraprofessional -***

***Higher Technical or Higher***

Courses classified to Stream 4500 are designed to be undertaken subsequent to the completion

of a Stream 3500 course (Initial Vocational Courses: Paraprofessional: Higher Technician) or a

higher level course, or subsequent to the acquisition of an equivalent level of skills through onthe-

job training.

**ABSTUDY Glossary**

|  |  |
| --- | --- |
| **AAC** | Australian Apprenticeship Centres |
| **Aboriginal Hostels Limited (AHL)** | Aboriginal Hostels Limited provides boarding facilities for Aboriginal and Torres Strait Islander students |
| **ABSTUDY Payee** | The person to whom ABSTUDY Assistance is paid. |
| **APA** | Australian Postgraduate Award Scheme |
| **Applicant** | An applicant is a person who has lodged an ABSTUDY claim with Centrelink. This is usually a parent/guardian, student or institution. |
| **Apprenticeship** | An apprenticeship is where a person is learning a trade by being employed in that trade or industry for an agreed period. The person is usually paid at a lower wage as they are not yet fully qualified in that particular field but are benefiting from employment while learning on the job and attending classes usually at a TAFE. |
| **Appropriate Tax Year** | Appropriate Tax Year for ABSTUDY purposes is the base tax year for that period. |
| **Approved scholarship course** | For the purposes of ABSTUDY, an approved scholarship course is a course as defined in section 592M of the Social Security Act 1991. Under 592M, the Social Security (Approved Scholarship Courses) Determination 2010 (No.1) sets out an approved scholarship course as being an accredited higher education course or a preparatory course where they are undertaken at a higher education institution. |
| **Assessment decision** | Also known as eligibility or entitlement decision see 4.2.1. |
| **Assistance for Isolated Children (AIC)** | The Assistance for Isolated Children Scheme provides distance education, boarding and second home allowances for primary and secondary students who have no reasonable daily access to appropriate Government schooling. |
| **ATO** | Australian Taxation Office |
| **Australian Apprenticeships** | An Australian Apprentice means a person who has a current Commonwealth Registration Number in relation to a full-time apprenticeship, traineeship or trainee apprenticeship under the scheme known as Australian Apprenticeships, but does not include a person whose registration number is suspended. Australian Apprentices were known as New Apprentices before 1 July 2006. |
| **Australian Pay and**  **Classification Scale Wage Level A** | The table below lists the maximum rate of pay under Wage  Level A of the Australian Pay and Classification Scale (formerly  known as the National Training Wage Award rates) over recent  years and the minimum amounts that people must earn to  qualify as independent under the self-supporting rules:   |  |  |  | | --- | --- | --- | | **Dates Effective** | **Maximum rate of pay under Wage Level A** | **75% of rate which equals minimum earnings** | | 1 October 2008 to present date | $26,043 | $19,532 | | 1 October 2007 to 30 September 2008 | $25,134 | $18,850 | | 1 December 2006 to 30 September 2007 | $24,700 | $18,525 | | 3 July 2005 to 30 November 2006 | $23,556 | $17,667 | | 3 July 2004 to 2 July 2005 | $22,828 | $17,121 | | 7 July 2003 to 2 July 2004 | $22,048 | $16,536 | | 3 July 2002 to 6 July 2003 | $21,320 | $15,990 | | 17 August 2001 to 2 July 2002 | $20,592 | $15,444 | | 17 August 2000 to 16 August 2001 | $20,127 | $15,095 | | 13 August 1999 to 16 August 2000 | $19,448 | $14,586 | | 3 July 1998 to 12 August 1999 | $18,928 | $14,196 | | 25 June 1997 to 2 July 1998 | $18,356 | $13,767 | | 1 January 1997 to 24 June 1997 | $17,940 | $13,455 | | 1 January 1996 to 31 December 1996 | $17,628 | $13,221 | | Before 31 December 1995 | $17,316 | $12,987 | |
| **Austudy** | Austudy is the student assistance scheme administered by Centrelink for Australian students 25 years and over. |
| **Award** | An Award is an entitlement to specified benefits made under the ABSTUDY Provisions unless otherwise stated. |
| **Base Tax Year** | The financial year ending on 30 June of the year before the calendar year for which payment is claimed. |
| **Bereavement notification day** *Social Security Act 1991 Chapter 1, Part 1.2, Section 21 (2) b* | The day on which Centrelink is informed of the partner’s death. |
| **Bereavement period** *Social Security Act 1991 Chapter 1, Part 1.2, Section 21 (2) a* | The 14-week period immediately following the death of a partner and commencing on the day on which the partner dies. |
| **Bridging Course** | A bridging course is a study programme conducted prior to the commencement of a formal award course, and is provided for particular types of disadvantaged students who need additional preparation prior to commencing the award course. Courses which form part of a formal award course or for which credit will or may be given towards and award course are not considered to be bridging courses. |
| **Cadetship** | An employment arrangement in which an employer undertakes to subsidise an employees formal training leading to certain qualifications, and in which the employee is usually required to remain with the employer for a specified period after completion of training. |
| **CDEP (The Community Development Employment Projects)** | The Community Development Employment Projects (CDEP) program aims to assist Indigenous job seekers to gain the skills, training and capabilities needed to find sustainable employment and improves the economic and social well-being of communities. It provides services and projects through two streams: work readiness stream and community development stream. For more information please visit [Community Development Employment Projects (CDEP)](http://web.archive.org/web/20110317155131/http:/www.fahcsia.gov.au/sa/indigenous/progserv/families/cdep/pages/default.aspx). |
| **Commonwealth Supported Places** | Previously known as HECS (Higher Education Contribution Scheme), a Commonwealth supported place is a higher education place for which the Commonwealth makes a contribution towards the cost of a student’s education. |
| **Current Tax Year** | The financial year ending on 30 June of the calendar year for which payment is claimed. |
| **De facto partner** | A person is the de facto partner of another person if the person is in a de facto relationship with the other person |
| **De Facto Relationship** | Meaning of de facto relationship  A person is in a de facto relationship with another person (different or same-sex) if:   * the persons are not legally married to each other; and * the persons are not related by family; and * having regard to all the circumstances of their relationship, they have a relationship as members of a couple living together on a genuine domestic basis.   Please see the definition of Partnered. |
| **Designated Trial Sites** | The four Cape York communities designated as trial sites are;   * Aurukun * Coen * Hope Vale * Mossman Gorge. |
| **DEEWR** | Australian Government Department of Education, Employment and Workplace Relations |
| **DEST** | Former Australian Government Department of Education Science and Training |
| **DEWR** | Former Australian Government Department of Employment and Workplace Relations |
| **DFISA** | Defence Force Income Support Allowance |
| **Domestic and/or family violence**  **This definition applies to Crisis payment**  *Family Law Reform Act 1995 Section 60D (1)* | domestic and family violence occurs when someone tries to control their partner or other family members in ways that intimidate or oppress them. Controlling behaviours can include threats, humiliation (‘put-downs'), emotional abuse, physical assault, sexual abuse, financial exploitation and social isolations, such as not allowing contact with family or friends; AND/OR  family violence means conduct, whether actual or threatened, by a person towards, or towards the property of, a member of the person's family that causes that or any other member of the person's family to fear for, or to be apprehensive about, his or her personal well being or safety. |
| **DVA** | Australian Government Department of Veteran Affairs |
| **Employment income nil rate period** | The term “employment income nil rate period” is used to describe a period where a person is considered to be in receipt of a social security pension or benefit under the Social Security Act 1991 if this pension or benefit is not payable due to the person’s income from employment. Qualification for an “employment income nil rate period” is determined by the Social Security Act 1991 and only applies in respect of pensions or benefits made under this Act. |
| **Enabling courses** | A course of instruction that enables a person to undertake a course leading to a higher education award. Enabling courses do not include a course leading to a higher education award or any course that the Minister determines is not an enabling course under the Act Higher Education Support Act (HESA) Schedule 1. |
| **Establishing a new home as a result of ‘extreme circumstance’** | The person must have established a new home or they must be intending to establish a new home, as a result of being forced from their home due to an extreme circumstance.  The person may be required to establish a new home while their home undergoes substantial repairs.  Providing there is verification that the home is uninhabitable without the repairs and that the person has established a new home in the interim. |
| **FAHCSIA** | Department of Families, Housing, Community Services and Indigenous Affairs |
| **Family member**  *Social Security Act 1991 General Definitions, Chapter 1, Part 1.2, Section 23.* | Family member is defined as:   * the partner, father or mother of the relevant person * a sister, brother or child of the relevant person * any other person who, in the opinion of the Secretary, should be treated for the purposes of this definition as one of the relevant person's relations (for example, a grandparent of the person, ex-partner of the person). |
| **First available bereavement adjustment payday** *Social Security Act 1991 Chapter 1, Part 1.2, Section 21 (2) c* | The first payday for the surviving person after the bereavement notification day for which it is practicable to terminate or adjust payments and take into account the partner’s death. |
| **Foster Care** | Foster care is where a student or Australian Apprenticehas been placed in substitute care through a State or Territory Department of Welfare or though legal processes. |
| **Guardian** | For the purposes of the ABSTUDY Scheme, a guardian is a person who has assumed the financial and custodial responsibilities of a parent for a student or Australian Apprentice. |
| **Income Support** | means a payment of:   * a social security benefit; or * a job search allowance; or * a social security pension; or * a youth training allowance; or * a service pension; or * income support supplement, where income support supplement means income support supplement under Part IIIA of the *Veterans' Entitlement Act*. |
| **ITAS** | Indigenous Tutorial Assistance Scheme |
| **Job Capacity Assessment (JCA)** | A Job Capacity Assessment (JCA) will be conducted by assessment organisations contracted to the Department of Human Services.  JCAs are a holistic, comprehensive assessment and identification of an individual's:   * barriers to finding and maintaining employment (this may relate to the impact of a person's disability, medical condition and/or other disadvantage/s they have) * current and future work capacity (in hour bandwidths); * the interventions/assistance that are appropriate to help a jobseeker to improve/maximise their current work capacity. |
| **Lump Sum Bereavement Payment** *Social Security Act 1991 Chapter 1, Part 1.2, Section 21 (2) e* | A one-off payment which is the difference between the single rate of ABSTUDY Living Allowance and the previous combined partnered rate of ABSTUDY Living Allowance over the 14 week bereavement period which is paid as a lump sum bereavement payment. |
| **Member of a couple** *Social Security Act 1991 Chapter 1, Part 1.2, Section 4 (1)* | See Partnered definition. |
| **Mobility Provisions** | Provisions included in the Australian Government supported Welfare Reform Project to support greater student mobility. |
| **Mixed Mode** | Mixed-mode is a term used to describe courses delivered through a combination of distance education and face-to-face teaching for students who are based in their home communities and need regular on-campus tuition to complement the distance education component of the course. |
| **NEIS** | New Enterprise Incentive Scheme |
| **Ordinary payment** *Income Tax Assessment Act 1997 Chapter 2, Part 2-10, Division 40, Subdivision 52A (IE)* | Ordinary payment means a payment other than a payment made because of a person’s death. |
| **Overpayment** | An overpayment occurs when payments which have been made in respect of a student or Australian Apprentice exceed the amount to which s/he is entitled. |
| **Parent** | For the purposes of assessing qualification for the Independent (Unreasonable to Live at Home) Homeless rate, a student’s or Australian Apprentice's parent is taken to be:   * a natural parent of the young person; or * in relation to an adopted child-an adoptive parent of the young person; or * relationship parent of the young person.   For all other purposes, a student’s or Australian Apprentice's parent is taken to be:   * a natural or adoptive parent of the student or Australian Apprentice with whom the student or Australian Apprentice normally lives; or * a relationship parent of the student or Australian Apprentice with whom the student or Australian Apprentice normally lives; or * if the natural, adoptive or relationship parent of the student or Australian Apprentice with whom the student or Australian Apprentice normally lives is a member of a couple and normally lives with the other member of the couple -the other member of the couple; or * any other person (other than the relevant person's partner) on whom the relevant person is wholly or substantially dependent; or * if none of the preceding paragraphs applies-the natural or adoptive parent of the relevant person with whom the relevant person last lived.   In shared care situations, and when parents are separated under the same roof, the parent for ABSTUDY purposes is taken to be the parent with primary care responsibility. |
| **Partial Capacity to work** | A person has a *partial capacity to work* if:   * the person has a physical, intellectual or psychiatric impairment; and * the Secretary is satisfied that:   + the impairment of itself prevents the person form doing 30 hours per week of work independently of a program of support within the next 2 years; and   + no training activity is likely (because of impairment) to enable the person to do 30 hours per week of work independently of a program of support within the next 2 years. |
| **Partner** | A partner in relation to a person is the person's current partner, whether legally married, in a registered relationship, or in a de facto relationship. This excludes former partners, whether legally married, in a registered relationship, or formerly in a de facto relationship, from whom the person has separated. The relationship can be between people of the different or same-sex. |
| **Partnered** | A person is considered to be ***partnered*** if the person is:   * legally married to another person; or * in a registered relationship with a person (different or same-sex); * in a de facto relationship (different or same-sex) and both the person and the partner are over the age of consent applicable in the State or Territory in which they live; and * the person and the partner are not within a prohibited relationship for the purposes of section 23B of the *Marriage Act 1961*.   **Note**: a prohibited relationship for the purposes of section 23B of the *Marriage Act 1961* is a relationship between a person and:   * an ancestor of the person; or * a descendant of the person; or * a brother or sister of the person.   In forming an opinion about the relationship between two people for the purposes of determining if they are partnered, all the circumstances of the relationship are to be considered, including, in particular, the following matters:  The financial aspects of the relationship, including:   * any joint ownership of real estate or other major assets and any joint liabilities; and * any significant pooling of financial resources especially in relation to major financial commitments; and * any legal obligations owed by one person in respect of the other person; and * the basis of any sharing of day-to-day household expenses; * the nature of the household, including:   + any joint responsibility for providing care or support of children; and   + the living arrangements of the people; and   + the basis on which responsibility for housework is distributed; * the social aspects of the relationship, including:   + whether the people hold themselves out as members of a couple; and   + the assessment of friends and regular associates of the people about the nature of their relationship; and   + the basis on which the people make plans for, or engage in, joint social activities; * any sexual relationship between the people; * the nature of the people's commitment to each other, including:   + the length of the relationship; and   + the nature of any companionship and emotional support that the people provide to each other; and   + whether the people consider that the relationship is likely to continue indefinitely; and   + whether the people see their relationship as a member of a couple relationship.   where the person is living separately and apart from the partner on a permanent or indefinite basis, the relationship between a person and his or her partner cannot be considered a member of a couple relationship. |
| **Permanent Home** | **Dependent student**  For a dependent student or Australian Apprentice, the permanent home is the place where the student’s or Australian Apprentice's parent (see definition of parent) normally resides.  **Exception**: For the sole purpose of assessing entitlement to Fares Allowance, if a dependent student does not normally live with their parent (See definition of parent), then the student’s permanent home is considered to be the place where the student lived immediately prior to commencing study.  **Student or Australian Apprentice in State Care**  For a student in State Care who has foster carer/s, the permanent home is the place where the foster carer/s normally reside.  For a student in State Care who does not have foster carer/s, the permanent home is the place where s/he normally resides.  **Independent** **student or Australian Apprentice** (and other students or Australian Apprentices who are not dependent or in State Care)  For all purposes except the assessment of Fares Allowance qualification, the permanent home of an independent student or Australian Apprentice is the place where s/he normally resides.  For the purposes of assessing qualification for Fares Allowance for an independent student or Australian Apprentice (or other students who are not dependent and not in State Care), the permanent home is considered to be the place where the student lived immediately prior to commencing study.  For the purposes of assessing Fares Allowance, an independent student’s or Australian Apprentice's  permanent home address can, in the following circumstances, vary from the place where the student lived immediately prior to commencing study:   * if the student has a partner and/or dependent children who remained at the permanent home whilst the student moved to the study location, and the partner/children relocate permanently to a new location, then the new location is considered to be the student’s permanent home address * if the student is only accessing Fares Allowance through the provisions of Away from Base activity travel, and the student relocates permanently to a new location, then the new location is considered to be the student’s permanent home address * if the student has applied for and/or obtained rental accommodation at the study location through the local State/Territory Housing Authority, then the study location is considered to be the student’s permanent home address * if the student has purchased housing at the study location, then the study location is considered to be the student’s permanent home address * if the student who is completing or discontinuing his/her course does not undertake a return journey to the home location within three months of ceasing study, then the study location is considered to be the student’s permanent home address, unless exceptional circumstances prevented the student from undertaking the return journey * if the student is a continuing student and does not undertake a return journey to the home location at the end of the study year under the provisions of 89.2 Travel at Commencement and End of Study Period, then the study location is considered to be the student’s permanent home address, unless exceptional circumstances prevented the student from undertaking the return journey * if the student has received Relocation Allowance (see 97.4) under the Masters and Doctorate Award in order to relocate his/her home to the study location, then the study location is considered to be the student’s permanent home address. |
| **Pension age** *Social Security Act 1991 Chapter 1, Part 1.2, Section 23 (5A,B,C,D)* | A man reaches ***pension age*** when he turns 65. A woman born before 1 July 1935 reaches ***pension age*** when she turns 60. A woman born within the period specified in column 2 of an item in the following Table reaches ***pension age*** when she turns the age specified in column 3 of that item.  **Table - Pension age for women**   | **Column 1**  **Item no.** | **Column 2**  **Period within which woman was born (both dates inclusive)** | **Column 3**  **Pension age** | | --- | --- | --- | | 1. | From 1 July 1935 to  31 December 1936 | 60 years and 6 months | | 2. | From 1 January 1937 to 30 June 1938 | 61 years | | 3. | From 1 July 1938 to  31 December 1939 | 61 years and 6 months | | 4. | From 1 January 1940 to 30 June 1941 | 62 years | | 5. | From 1 July 1941 to  31 December 1942 | 62 years and 6 months | | 6. | From 1 January 1943 to 30 June 1944 | 63 years | | 7. | From 1 July 1944 to  31 December 1945 | 63 years and 6 months | | 8. | From 1 January 1946 to 30 June 1947 | 64 years | | 9. | From 1 July 1947 to  31 December 1948 | 64 years and 6 months |   A woman born on or after 1 January 1949 reaches ***pension age*** when she turns 65. |
| **Prescribed Event** | Event/s which a person who is receiving, or entitled to receive, an amount under a financial supplement contact or a current special educational assistance scheme must notify to Centrelink within 14 days. A comprehensive list of prescribed events is provided in the Student Assistance Regulations 2003. |
| **Prison or psychiatric confinement** | Prison is defined as:   * the person is being lawfully detained (in prison or elsewhere) while under sentence for conviction of an offence and not on release on parole or licence; or * the person is undergoing a period of custody pending trial or sentencing for an offence.   Psychiatric confinement is defined as a person includes confinement in:  (a) a psychiatric section of a hospital; and (b) any other place where persons with psychiatric disabilities are, from time to time, confined.  Note: The confinement of a person in a psychiatric institution during a period when the person is undertaking a course of rehabilitation is not to be taken to be psychiatric confinement. |
| **Registered Relationship** | A registered relationship exists if both of the following conditions are met:   * a relationship between the person and another person (whether of the same sex or a different sex) is registered under a law of a State or Territory prescribed for the purposes of section 22B of the Acts Interpretation Act 1901 as a kind of relationship prescribed for the purposes of that section; * the person is not, in the Secretary’s opinion, living separately and apart from the other person on a permanent or indefinite basis. |
| **Registered Training Organisation (RTO)** | Under [Student Assistance (Education Institutions and Courses) Determination](http://web.archive.org/web/20110317155131/http:/www.deewr.gov.au/Indigenous/Schooling/Programs/ABSTUDY/2011/Appendices/Pages/determinationNo2002-01.aspx), TAFES are now included in the definition of “a registered training organisation”. |
| **Relationship Parent** | If the young person is a child of the person (with the meaning given by subsection 5 (25)(a) of the Social Security Act 1991), and the person is not a natural or adoptive parent of the young person, the person is the relationship parent of the child. |
| **Responsible Debtor** | A responsible debtor is the person responsible for repaying any overpaid amount received under the ABSTUDY scheme. This is usually the person who received the ABSTUDY payment – also known as ABSTUDY payee. |
| **School Year** | The school year is the period in a calendar year which starts on the first day on which the school requires a student to attend her/his course and ends on the last day of the required attendance for that course. The last day of the school year for a Year 12 student is the day of her/his final examination. |
| **Severe financial hardship** | When assessing hardship all cash and readily realisable assets should be taken into account, including money in the bank and earnings due.  For the purposes of Crisis Payment, an applicant who is:     * not a member of a couple is in severe financial hardship if the value of the applicant's liquid assets is less than the fortnightly amount at the maximum payment rate of the ABSTUDY Living Allowance that is payable to the person, or * a member of a couple is in severe financial hardship if the value of the applicant's liquid assets is less than twice the fortnightly amount at the maximum payment rate of the ABSTUDY Living Allowance that is payable to the person. |
| **Social Security Benefit** *Social Security Act 1991 Chapter 1, Part 1.2, Section 23 (1)* | **"social security benefit"** means:  widow allowance; or  youth allowance; or  austudy payment; or  newstart allowance; or  sickness allowance; or  special benefit; or  partner allowance; or  a mature age allowance;or  benefit PP (partnered); or  [parenting allowance](http://web.archive.org/web/20110317155131/http:/www.facsia.gov.au/guides_acts/sslaw/ssa/2110d390/764e8d44/396dfadd.html#ssa-Section_23_(1)-'parenting_allowance') (other than non-benefit allowance). |
| **Student** | Means a person to whom an amount under a current special educational assistance scheme relates. |
| **Student Assistance Act** | The *Student Assistance Act 1973* is the legislation covering, among other things, ABSTUDY overpayment and recovery matters. |
| **Supplementary amount of payment** *Income Tax Assessment Act 1997 Chapter 2, Part 2-10, Division 40, Subdivision 52-132* | The supplementary amount of a payment is the total of:  a)   so much of the payment as is included to assist you with, or to reimburse you for, the costs of any one or more of the following:  i) rent;  ii) living in a remote area;  iii) commencing employment;  i) travel to, or participation in, courses, interviews, education or training;  ii) a child or children wholly or substantially dependent on you;  iii) telephone bills;  iv) living away from your usual residence;  v) maintaining your usual residence while living away from that residence;  vi) accommodation, books or equipment;  vii) discharging a HEC assessment debt (within the meaning of Chapter 4 of the Higher Education Funding Act 1988);  viii) discharging a compulsory repayment amount (within the meaning of the Higher Education Support Act 2003);  ix)    transport in travelling to undertake education or training, or to visit your usual residence when undertaking education or training away from that residence;  x) if you are disabled—acquiring any special equipment, services or transport as a result of the disability;  xi) anything that would otherwise prevent you from beginning, continuing or completing any education or training; and  b)   so much of the payment as is included by way of pharmaceutical allowance. |
| **The Veterans’ Children Education Scheme (VCES)** | A programme that provides financial and other benefits to student children (up to the age of 25) of veterans or members of the Armed Forces who meet certain specific disability conditions such as qualifying for disability pensions at the special rate (T&PI). Students who choose to take up the VCES benefits become ineligible for assistance under ABSTUDY. |
| **TILA** | The Commonwealth Government's 'Transition to Independent Living Allowance' (TILA) is available to assist with some of the needs that a young person leaving state care may face in establishing independent life. |
| **Total net investment loss** | For the purpose of ABSTUDY, a total net investment loss has the same meaning as in the Income Tax Assessment Act 1997. It is the sum of the total net investment losses of each parent of the claimant/recipient in the appropriate tax year.  The value of such total net investment loss is added to the combined parental income for the purposes of the ABSTUDY parental income test, and is also added to the family’s actual means for the purposes of the family actual means test.  Note: in 2010, ‘total net investment losses’ applied as a component of parental income for all current tax year assessments. ‘Net passive business losses’ continued to be included as a component of parental income for all base tax year assessments until 2011. From 2011, ‘total net investment losses’ form part of the parental income test for both current and base tax year assessments. |
| **Traineeship** | A traineeship is where a person is combining work and a form of structured training to obtain skills and knowledge of a particular industry. In a traineeship, the learning usually occurs on the job and is not usually required to attend specific classes. |
| **Transitional DSP Applicant** | A *transitional DSP applicant* means a person:  who made a claim for a disability support pension on or after 11 May 2005 and before 1 July 2006; and   1. to whom, on or after 1 July 2006, a notice under subsection [63(2)](http://web.archive.org/web/20110317155131/http:/www.facsia.gov.au/guides_acts/sslaw/ssa/b819822a/bb94e90c/4ca9e9f2/cc3d0231/df1000c2.html#ssa-section_1061PJ_(2)) or [64(2)](http://web.archive.org/web/20110317155131/http:/www.facsia.gov.au/guides_acts/sslaw/ssa/b819822a/bb94e90c/4ca9e9f2/cc3d0231/df1000c2.html#ssa-section_1061PJ_(2))  of the Social Security Administration Act 1999 is given; and 2. who is required under the notice to undertake a specified activity for the purpose of reviewing his or her capacity to perform work. |
| **Unapproved Absence** | An unapproved absence is any absence from compulsory schooling that the education institution has recorded as: an unexplained absence, unapproved absence or unjustified absence on a student’s record. |
| **VTE** | Vocational and Technical Education |