SENATE STANDING COMMITTEE ON
EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS

QUESTIONS ON NOTICE
BUDGET ESTIMATES 2009-10

Outcome 4

DEEWR Question No. EW0357_10

Senator Cash asked on 4 June 2009, EEWR Hansard page 34.

Question

Consequences for YA recipients who undertake further study, such as a second degree

Senator Cash—Under the proposed budget changes to the independence test for youth allowance, students currently receiving youth allowance as a result of the current workforce participation criteria will be grandfathered and will therefore retain their youth allowance eligibility throughout their course. Is it proposed that they would then lose their youth allowance if they go on to pursue further study, such as a second degree, or if they transfer the university at which they are studying part-way through their course?

Senator Nash—That's a good question.

Dr Morehead—I will take that on notice.

Answer

Youth Allowance is administered under the *Social Security Act 1991.* Section 1067A (10) states that "a person is independent if the person has supported himself or herself through paid work" and then stipulates the elements for establishing independence through this criterion.

Once a student has established their independence for the purposes of qualifying for the independent rate of Youth Allowance, the student will retain their qualification as an independent Youth Allowee through the period of their studies, including if they pursue a second degree or transfer to a different university.