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## Student Assistance Amendment Bill 2002

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Student Assistance Amendment Bill 2002

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# Student Assistance Amendment Bill 2002

**Date Introduced:** 14 February 2002

**House:** House of Representatives

**Portfolio:** Education, Science and Training

**Commencement:** On Royal Assent

## Purpose

The Bill is intended to ensure greater consistency in arrangements between the Student Assistance Act and the Social Security Act in the area of the recovery of overpayments and notification periods for Abstudy and Assistance for Isolated Children (AIC).

## Background

From 1 January 2000, changes to Abstudy were introduced which were intended to:

- Increase the targeting of Abstudy to those students most in need of assistance
- Make available benefits under Youth Allowance (YA) not then available under Abstudy, and
- Retain Abstudy as a separate scheme.

The main changes to Abstudy were:

- Living Allowance payments were aligned with those payable under YA for 16-20 year old students
- Abstudy students aged 21 years and over became eligible for the higher Newstart rate
- Abstudy students aged over 21 years became subject to a more generous partner income test than is applied for Newstart recipients
- The Pensioner Education Supplement was aligned with that payable under the *Social Security Act 1991*, and

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- eligible Abstudy students were given access to Rent Assistance, Remote Area Allowance and Pharmaceutical Allowance.

ABSTUDY recipients remained eligible for a range of supplementary benefits targeted to address particular disadvantages faced by Indigenous students that were not available to recipients of YA or Austudy payment.

The present Bill provides for some further minor adjustments to the *Student Assistance Act 1973* to facilitate greater consistency between that Act and the Social Security Act in the area of overpayment recovery and notification periods. These changes mainly affect Abstudy but also apply to the Assistance for Isolated Children Scheme.

## Main Provisions

**Items 4 to 8 and 10 of Schedule 1** change the length of notification periods for students to advise that certain prescribed events have occurred from 7 days to 14 days. This brings them into line with other notification periods in the Act and in other programs administered by Centrelink.

**Item 9 of Schedule 1** deals with debt recovery. **Proposed Section 39AA** allows the recovery of overpayments of Social Security payments from entitlements to special educational assistance schemes, such as Abstudy or the Assistance for Isolated Children Scheme.

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