

EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2003-2004 BUDGET ESTIMATES HEARING

Outcome: 2

Output Group: 2.4 – Funding for higher education

DEST Question No. E276_04

Senator Stephens asked on 5 June 2003

Question:

- a) Will the proposed Commonwealth Education Costs Scholarships valued at \$2,000 per annum, and the proposed Commonwealth Accommodation Scholarships of \$4,000 per annum, be counted as income when assessing a student's eligibility for Youth Allowance?
- b) Will the proposed Commonwealth Education Costs Scholarships valued at \$2,000 per annum, and the proposed Commonwealth Accommodation Scholarships of \$4,000 per annum, be counted as income when assessing a student's eligibility for being declared Independent of their parents when applying for Youth Allowance?
- c) If the answer to Question 1 is Yes and the answer to Question 2 is No, what is the explanation for this apparent inconsistency?

Answer:

Impact of Commonwealth Learning Scholarships on Social Security payments

- a) Yes, the Commonwealth Learning Scholarships (Commonwealth Education Costs Scholarships and Commonwealth Accommodation Scholarships) will be counted as income for income support purposes, according to well-established policy under the *Social Security Act*.
- b) There is a range of criteria which, if met, may result in a person being considered independent for Youth Allowance purposes. Only one of these criteria concerns income. The income taken into account is only earned income. In broad terms, the person may be considered independent because they have been supporting themselves through paid work.
- c) The Department of Family and Community Services is responsible for these policies.