



Social Security Amendment (Extension of Youth Allowance and Austudy Eligibility to New Apprentices) Act 2005

No. 66, 2005

**An Act to amend the law relating to social security,
and for other purposes**

Note: An electronic version of this Act is available in SCALEplus
(<http://scaleplus.law.gov.au/html/comact/browse/TOCN.htm>)

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**An Act to amend the law relating to social security,
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[Assented to 26 June 2005]

The Parliament of Australia enacts:

1 Short title

This Act may be cited as the *Social Security Amendment (Extension of Youth Allowance and Austudy Eligibility to New Apprentices) Act 2005*.

2 Commencement

- (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provision(s)	Commencement	Date/Details
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day on which this Act receives the Royal Assent.	26 June 2005
2. Schedules 1 and 2	1 July 2005.	1 July 2005
3. Schedule 3	At the same time as item 68 of Schedule 1 to the <i>Social Security (Administration and International Agreements) (Consequential Amendments) Act 1999</i> commenced.	20 March 2000

Note: This table relates only to the provisions of this Act as originally passed by the Parliament and assented to. It will not be expanded to deal with provisions inserted in this Act after assent.

- (2) Column 3 of the table contains additional information that is not part of this Act. Information in this column may be added to or edited in any published version of this Act.

3 Schedule(s)

Each Act that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

Schedule 1—Extending payments to new apprentices

Part 1—Amendments relating to youth allowance

Social Security Act 1991

1 Subsection 23(1)

Insert:

new 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 New Apprenticeships, but does not include a person whose registration number is suspended.

2 After section 540A

Insert:

540AA Qualification for youth allowance—new apprentices

Subject to this Subdivision, a person is qualified for a youth allowance in respect of a period if, throughout the period:

- (a) the person is a new apprentice; and
- (b) the person is of youth allowance age (see Subdivision D); and
- (c) the person:
 - (i) is an Australian resident; or
 - (ii) is exempt from the residence requirement within the meaning of subsection 7(7).

Note 1: Subdivision G provides for prospective qualification for youth allowance.

Note 2: Division 2 sets out situations in which youth allowance is not payable even if the person qualifies for it.

3 Paragraph 541(3)(a)

Repeal the paragraph, substitute:

- (a) the person is a new apprentice; or

4 Subsection 541(4)

Repeal the subsection.

5 At the end of subsection 543A(2)

Add:
; or (d) is a new apprentice.

6 At the end of subsection 543B(1)

Add:
; or (d) the person is not a new apprentice and is at least 21 years old;
or
(e) the person is a new apprentice and is at least 25 years old.

7 Paragraph 543B(2)(b)

Repeal the paragraph, substitute:

- (b) is either:
- (i) undertaking full-time study in respect of a course of education that the person had commenced before turning 25; or
 - (ii) a new apprentice and became a new apprentice before turning 25.

8 At the end of subsection 552A(1)

Add:
; and (f) the scheme to provide an allowance known as the Living Away from Home Allowance.

8A Paragraph 1061ZK(5)(a)

After “on that day”, insert “(otherwise than because of section 540AA)”.

9 At the end of paragraph 1067D(1)(c)

Add:
; or (iii) the person needs to live away from home because the person is a new apprentice.

10 Paragraph 1067F(1)(c)

Repeal the paragraph, substitute:

(c) is either:

- (i) undertaking full-time study in respect of a course of education that the person had commenced after turning 21; or
- (ii) a new apprentice and became a new apprentice after turning 21; and

11 Paragraph 1067F(1)(d)

Omit “referred to in paragraph (c)”, substitute “or became a new apprentice”.

12 After paragraph 1067G-H29(a)

Insert:

- (aa) if the person is a new apprentice at any time in the fortnight in respect of which a youth allowance may be payable—\$236; or

13 Point 1067G-J2

After “(see section 541B)”, insert “or is a new apprentice (see subsection 23(1))”.

14 Point 1067G-J3 (method statement, paragraph (a) of step 3)

After “under point 1067G-J4”, insert “and the person is not a new apprentice”.

15 Point 1067G-J3 (method statement, after paragraph (a) of step 3)

Insert:

- | |
|---|
| <ul style="list-style-type: none">(aa) if the person has an income credit for that fortnight under point 1067G-J4 and the person is a new apprentice—add it to the balance of the person’s income bank credit in respect of all the previous fortnights, but not so as to increase the balance beyond \$1,000; or |
|---|

16 Subparagraph 1067G-J8(c)(i)

After “full-time study”, insert “or becomes a new apprentice”.

17 Section 1067G (at the end of Module J)

Add:

Opening balance following commencement as a new apprentice by youth allowance recipient

1067G-J11 If:

- (a) a person is receiving youth allowance and is not a new apprentice; and
- (b) the person becomes a new apprentice; and
- (c) either because of a determination made as a result of the commencement or, if no determination is necessary, because of the commencement itself, the person, on a day (the ***module application day***):
 - (i) ceases to be a working credit participant; and
 - (ii) becomes a person to whom this Module applies; and
- (d) the person had a working credit balance greater than nil immediately before the module application day;

the working credit balance mentioned in paragraph (d) becomes the opening balance of the income bank credit applicable to the person on the module application day.

18 After subsection 1073E(5)

Insert:

Opening balance following cessation as a new apprentice by youth allowance recipient

(5A) If:

- (a) a person is receiving youth allowance and is a new apprentice; and
- (b) the person ceases to be a new apprentice; and
- (c) either because of a determination made as a result of that cessation or, if no determination is necessary, because of the cessation itself, the person, on a day (the ***participation day***):
 - (i) ceases to be a person to whom the student income bank set out in Module J of the Youth Allowance Rate Calculator applies; and
 - (ii) becomes a working credit participant; and

(d) the person had a student income bank balance greater than nil immediately before the participation day;
the student income bank balance mentioned in paragraph (d), to the extent that it does not exceed \$1,000, becomes the opening balance of the working credit applicable to the person on the participation day.

Part 2—Amendments relating to austudy payment

Social Security Act 1991

19 After section 568

Insert:

568AA Qualification for austudy payment—new apprentices

Subject to this Subdivision, a person is qualified for an austudy payment in respect of a period if, throughout the period:

- (a) the person is a new apprentice; and
- (b) the person is of austudy age (see Subdivision C); and
- (c) the person is an Australian resident.

Note: Division 2 sets out situations in which an austudy payment is not payable even if the person qualifies for it.

20 Paragraph 569(2)(a)

Repeal the paragraph, substitute:

- (a) is a new apprentice; or

21 Subsection 569(3)

Repeal the subsection.

22 At the end of subsection 578A(1)

Add:

- ; and (f) the scheme to provide an allowance known as the Living Away from Home Allowance.

23 Paragraph 1067K(1)(c)

Repeal the paragraph, substitute:

- (c) is either:
 - (i) undertaking study (whether as a full-time student or as a concessional study-load student) in respect of a course of education that the person has commenced after turning 21; or

- (ii) a new apprentice and became a new apprentice after turning 21; and

24 Paragraph 1067K(1)(d)

Omit “referred to in paragraph (c)”, substitute “or became a new apprentice”.

25 Point 1067L-E2 (method statement, paragraph (a) of step 3)

After “under point 1067L-E3”, insert “and the person is not a new apprentice”.

26 Point 1067L-E2 (method statement, after paragraph (a) of step 3)

Insert:

- | |
|--|
| <p>(aa) if the person has an income credit for that fortnight under point 1067L-E3 and the person is a new apprentice—add it to the balance of the person’s income bank credit in respect of all the previous fortnights, but not so as to increase the balance beyond \$1,000; or</p> |
|--|

Schedule 2—Commonwealth Trade Learning Scholarships and Tools for Your Trade initiative

Income Tax Assessment Act 1997

1 Section 11-15 (table item headed “education”)

After:

bursary, educational allowance etc. 51-10 and 51-35

insert:

Commonwealth Trade Learning Scholarship, recipient
of 51-10

2 Section 51-10 (at the end of the table)

Add:

2.3 a recipient of a the scholarship none
scholarship known as
a Commonwealth
Trade Learning
Scholarship

3 Application of amendments

The amendments made by items 1 and 2 of this Schedule apply in relation to the 2005-2006 income year and to later income years.

Social Security Act 1991

4 After paragraph 8(8)(zi)

Insert:

(zia) the amount or value of a scholarship known as a
Commonwealth Trade Learning Scholarship;

5 At the end of subsection 8(8)

Add:

; (zs) the value of the benefit provided under the initiative known
as the Tools for Your Trade initiative.

Veterans' Entitlements Act 1986

6 After paragraph 5H(8)(ha)

Insert:

(haa) the amount or value of a scholarship known as a
Commonwealth Trade Learning Scholarship;

7 At the end of subsection 5H(8)

Add:

; (zzb) the value of the benefit provided under the initiative known
as the Tools for Your Trade initiative.

Schedule 3—Technical correction

Social Security Act 1991

1 Subsection 578A(1)

Omit “578(b)”, substitute “578(2)(b)”.

*[Minister’s second reading speech made in—
House of Representatives on 17 March 2005
Senate on 12 May 2005]*

(32/05)
