



Social Services Legislation Amendment (Student Reform) Act 2018

No. 111, 2018

**An Act to amend the law relating to social security
and student assistance, and for related purposes**

Note: An electronic version of this Act is available on the Federal Register of Legislation
(<https://www.legislation.gov.au/>)

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No. 111, 2018

**An Act to amend the law relating to social security
and student assistance, and for related purposes**

[Assented to 21 September 2018]

The Parliament of Australia enacts:

1 Short title

This Act is the *Social Services Legislation Amendment (Student Reform) Act 2018*.

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
Provisions	Commencement	Date/Details
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day this Act receives the Royal Assent.	21 September 2018
2. Schedule 1, items 1 to 5	As follows: (a) if this Act receives the Royal Assent before 1 January 2019—1 January 2019; (b) if this Act receives the Royal Assent on or after 1 January 2019—the first 1 January or 1 July to occur after the day this Act receives the Royal Assent.	1 January 2019 (paragraph (a) applies)
3. Schedule 1, items 6 and 7	The day after this Act receives the Royal Assent.	22 September 2018
4. Schedule 1, items 8 and 9	As follows: (a) if this Act receives the Royal Assent before 1 January 2019—1 January 2019; (b) if this Act receives the Royal Assent on or after 1 January 2019—the first 1 January, 1 April, 1 July or 1 October to occur after the day this Act receives the Royal Assent.	1 January 2019 (paragraph (a) applies)
5. Schedule 2	The 28th day after this Act receives the Royal Assent.	19 October 2018

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

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- (2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

3 Schedules

Legislation that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.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

Social Security Act 1991

1 Subsection 5(1) (paragraphs (a) and (b) of the definition of *parent*)

After “section 592L”, insert “, subsection 1067A(10L)”.

2 Subsection 1067A(10A)

Repeal the subsection, substitute:

(10A) For the purposes of determining whether a person is to be regarded as independent for the purposes of Part 2.11 or 2.11B, this Part or section 1070G:

- (a) paragraph (10)(b) does not apply unless subsection (10E) applies to the person because of paragraph (10E)(d); and
- (b) paragraph (10)(d) does not apply unless subsection (10E) applies to the person because of paragraph (10E)(e).

3 Paragraph 1067A(10E)(d)

Repeal the paragraph, substitute:

- (d) in relation to paragraph (10)(b)—the person’s combined parental income (as defined in point 1067G-F10) for:
 - (i) the last tax year that ended before the start of the 2 years referred to in that paragraph; or
 - (ii) the appropriate tax year worked out under Submodule 3 of Module F of the Youth Allowance Rate Calculator in section 1067G;is less than the threshold amount (see subsection (10K)) for the person for that tax year; and
- (e) in relation to paragraph (10)(d)—the person’s combined parental income (as defined in point 1067G-F10) for:
 - (i) the last tax year that ended before the start of the 14-month period referred to in that paragraph; or
 - (ii) the appropriate tax year worked out under Submodule 3 of Module F of the Youth Allowance Rate Calculator in section 1067G;

is less than the threshold amount (see subsection (10K)) for the person for that tax year.

4 After subsection 1067A(10J)

Insert:

- (10K) For the purposes of paragraphs (10E)(d) and (e), the **threshold amount** for the person (the **primary person**) for a tax year is the sum of the following:
- (a) \$160,000;
 - (b) \$10,000 for each person who is a related person (see subsection (10L)) of the primary person on:
 - (i) subject to subparagraph (ii)—30 June of that tax year; or
 - (ii) if that tax year is the tax year following the base tax year because of point 1067G-F7 or 1067G-F8—the day the request was made.
- (10L) For the purposes of paragraph (10K)(b), a person (the **first person**) is a **related person** of the primary person on a day if on that day:
- (a) the first person is aged under 22; and
 - (b) a parent of the first person is also a parent of the primary person; and
 - (c) none of the following applies to the first person:
 - (i) the first person is living away from the home of each parent covered by paragraph (b) and the first person is a member of a YA couple under subsection 1067C(1);
 - (ii) the first person is living away from the home of each parent covered by paragraph (b) and the first person has a natural child, adoptive child or relationship child who is wholly or substantially dependent on the first person or the first person's partner (if any);
 - (iii) the first person is receiving youth allowance or disability support pension and the first person is independent under subsection (9);
 - (iv) the first person is in State care.

Note: For **parent**, see paragraph (b) of the definition of **parent** in subsection 5(1).

5 Application provision

The amendments of section 1067A of the *Social Security Act 1991* made by this Schedule apply in relation to:

- (a) working out qualification for, or the rate of, youth allowance in relation to days occurring on or after the commencement of this item; and
- (b) working out whether a person is qualified for a relocation scholarship payment at a time on or after the commencement of this item.

6 Point 1067G-E1 (step 1 of the method statement)

Repeal the step, substitute:

Step 1. Work out the *MIT reducible amount* by subtracting the base FTB child rate in point 1067G-E2 from the maximum FTB child rate in point 1067G-E3 and then multiplying the result by:

$$\frac{14}{365}$$

7 Application provision

The amendment of point 1067G-E1 of the *Social Security Act 1991* made by this Schedule applies in relation to working out the rate of youth allowance in relation to days occurring on or after the commencement of this item.

Social Security (Administration) Act 1999

8 Subsection 123AB(1) (steps 3 to 5 of the method statement)

Repeal the steps, substitute:

Step 3. Work out the *annual amount of estimated maintenance income* for the parent under section 123AD.

Step 4. Go to subsection (2) if the actual maintenance income is equal to or more than the annual amount of estimated maintenance income and either:

- (a) the actual maintenance income is less than 125% of the annualised maintenance income free area; or
- (b) the actual maintenance income is equal to or more than 125% of the annualised maintenance income free area and the actual maintenance income is less than 125% of the annual amount of estimated maintenance income.

Step 5. Go to subsection (3) in any other case.

9 Application provision

The amendment of subsection 123AB(1) of the *Social Security (Administration) Act 1999* made by this Schedule applies in relation to a requirement that arises under section 126A of that Act on or after the commencement of this item to review a decision, whether the decision was made before, on or after that commencement.

Schedule 2—Other amendments

Student Assistance Act 1973

1 After subsection 5D(2)

Insert:

- (2A) A determination under subsection (1) may make provision for and in relation to a specified course, that ceases to be a secondary course or a tertiary course, continuing to be a secondary course or a tertiary course in relation to specified persons in specified circumstances.

Note: For specification by class, see subsection 13(3) of the *Legislation Act 2003*.

*[Minister's second reading speech made in—
House of Representatives on 15 August 2018
Senate on 23 August 2018]*

(144/18)
