

ABSTUDY Policy Manual

Study and Compliance Branch

Department of Social Services

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The purpose of the ABSTUDY scheme is to address the particular educational disadvantages faced by Aboriginal and Torres Strait Islander people by improving educational outcomes to a level equivalent to that of the Australian population in general. ABSTUDY policy aims to encourage Indigenous students and apprentices to take full advantage of available educational opportunities and improve their employment opportunities.

Means tested benefits available as part of the ABSTUDY scheme are targeted to those most in need.

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The ABSTUDY Scheme

The purpose of the ABSTUDY scheme is to address the particular educational disadvantages faced by Aboriginal and Torres Strait Islander people by improving educational outcomes to a level equivalent to that of the Australian population in general. ABSTUDY policy aims to encourage Indigenous students and apprentices to take full advantage of available educational opportunities and improve their employment opportunities.

Means tested benefits available as part of the ABSTUDY scheme are targeted to those most in need.

History of ABSTUDY

The Aboriginal Study Grants Scheme (ABSTUDY), the precursor to the current ABSTUDY scheme, was introduced in 1969 as part of the then Commonwealth Government's commitment to implement special measures to assist Australian Aboriginal and Torres Strait Islander people to achieve their educational, social and economic objectives through financial assistance to study.

ABSTUDY became available to Indigenous students in tertiary studies from the beginning of the 1969 academic year in response to the lack of participation of Indigenous peoples in higher education. Eligible full-time students received a Living Allowance, with higher rates applying to partnered students and where there were dependent children. Compulsory course fees were also paid, as well as a book and equipment allowance. Travel costs were paid for students who needed to study away from home.

Initially, the Australian Government clearly identified that primary and secondary education was the responsibility of the States and Territories. However, it became evident during 1969 that many Indigenous students were not eligible for entry to tertiary education, and hence for ABSTUDY assistance, because of the gap between the cessation of compulsory schooling and normal commencement of post-secondary education. Because of the low numbers of Indigenous students staying at school past the compulsory period, the scheme was extended to mature age secondary students to enable them to advance to matriculation studies and to gain entry into a tertiary course.

To promote the participation of Aboriginal and Torres Strait Islanders in secondary education so that they were able to continue on to tertiary studies, the Aboriginal Secondary Grants Scheme (ABSEG) was introduced at the beginning of 1970. In 1973, ABSEG was extended by Government decision to include all Indigenous students attending secondary school. This decision recognised that these Indigenous students needed additional assistance and encouragement prior to leaving school to realise their educational potential, as it was evident that many did not undertake senior secondary studies.

Further developments were mainly in the post-secondary area with extension of entitlements to Indigenous students undertaking short courses, assistance with tutoring and eligibility for students undertaking studies by correspondence.

It became apparent that many Indigenous students wishing to undertake post-secondary courses often lacked the necessary educational preparation to undertake post-secondary studies in formal institutions. Family commitments also prevented many others from leaving isolated communities to pursue studies. The schemes were therefore broadened to provide a wider range of opportunities, both in education institutions and through specially arranged courses provided for groups of Indigenous students.

In 1975 and 1976, ABSTUDY was extended to enable special courses to be established for Aboriginal and Torres Strait Islanders in remote areas who did not have access to the usual range of education and training opportunities. Where local experts were not available to run these courses, specialist instructors were brought in to the local communities.

In 1988, the two schemes were amalgamated into the current Aboriginal and Torres Strait Islander Study Assistance Scheme (ABSTUDY), which has two components, ABSTUDY Tertiary and ABSTUDY Schooling. A major revamp of the ABSTUDY scheme was undertaken in 1989 and 1990 following the introduction of the National Aboriginal and Torres Strait Islander Education Policy.

In December 1998, the Government announced changes to ABSTUDY to take effect from 1 January 2000, which intended to help target ABSTUDY benefits to those students most in need of assistance, and to address particular educational disadvantages faced by these Indigenous students. The decisions reflected many of the concerns raised by the Indigenous community that ABSTUDY be retained as a separate scheme and that the additional benefits available under the Youth Allowance were not available under ABSTUDY.

The changes brought ABSTUDY Living Allowance payments in alignment with those payable under the Youth Allowance for 16-20 year old students. Indigenous students aged 21 years and over became eligible for the Newstart rate that is a higher rate of payment than students in receipt of the YA or Austudy payment. Students over 21 years of age became subject to a more generous partner income test than applied for Newstart recipients. The Pensioner Education Supplement (PES) was aligned with that payable under the [Social Security Act 1991](#).

In July 2005, following an election commitment to extend the eligibility for Youth Allowance, Austudy and ABSTUDY payment to full-time Australian Apprentices, a means-tested living allowance for eligible Australian Apprentices under ABSTUDY was introduced. The intent of the extension of assistance to Australian Apprentices is to provide extra help during the initial years of training while wages are generally at their lowest.

The amendments to the ABSTUDY policy also exempted from assessment of income the value of Commonwealth Trade Learning Scholarships and Tools for your Trade initiative.

Objectives of ABSTUDY

ABSTUDY is an important symbol of the Australian Government's commitment to Indigenous education; more generally, it signals the Australian Government's recognition that education will be a key to the Government's objective of reconciliation with the Indigenous community, and a prime measure by which its overall performance in this area will be measured.

The main objectives of the ABSTUDY Scheme are to:

- encourage Aboriginal and Torres Strait Islander people to take full advantage of the educational opportunities available;
- promote equity of educational opportunity; and
- improve educational outcomes.

Supporting programs

ABSTUDY is supported in its aims and objectives by the National Aboriginal and Torres Strait Islander Education Policy programs that are administered by the Department of Social Services (DSS) and the National Indigenous Australians Agency (NIAA).

Interpretation of ABSTUDY Policy

Interpretation of the ABSTUDY policy involves consideration of the fact that it is a scheme aimed at removing some of the barriers to Indigenous Australians accessing education. The ABSTUDY scheme provides allowances to people in recognition of their educational and social disadvantage. As such, if there is an ambiguity in a piece of policy which is most beneficial in character, then the ambiguity should be resolved in a way that is MOST favourable to the people the policy is intended to assist.

Policy Approval

The policy intent of ABSTUDY, set out in this manual known as the ABSTUDY Policy Manual, has the approval of the Minister for Families and Social Services.

Part I Administration of ABSTUDY

Chapter 1: Administrative Framework for ABSTUDY

This chapter provides information on the administrative framework for the ABSTUDY scheme.

In this chapter:

- [1.1 Administrative Framework for ABSTUDY](#)
- [1.2 Financial Administration](#)
- [1.3 Freedom of information](#)
- [1.4 Privacy and Data-Matching](#)
- [1.5 Collection of Information](#)
- [1.6 Payment and correspondence nominees - overview](#)

1.1 Administrative Framework for ABSTUDY

1.1.1 Portfolio responsibility

ABSTUDY policy is the portfolio responsibility of the Minister for Families and Social Services.

1.1.2 Policy interpretation and application

The Department of Social Services (DSS) provides advice on the application of the ABSTUDY policy.

1.1.3 Who Administers ABSTUDY?

ABSTUDY is administered and delivered by [Centrelink](#) on behalf of DSS.

Act Reference: SAAct Section 5B: Secretary to have general administration

1.2 Financial Administration

1.2.1 Financial controls

Payment procedures and practices for ABSTUDY benefits, unless otherwise specified, are to be carried out in accordance with the [Public Governance, Performance and Accountability Act 2013](#).

1.2.2 Overpayments and recovery

Provisions relating to overpayments and recovery matters, including delegations to waive or recover student assistance debts, are authorised under the [Student Assistance Act 1973](#).

1.3 Freedom of information

All documents created or held by the Department with regard to ABSTUDY are subject to the [Freedom of Information Act 1982](#). Unless a document falls under an exemption provision, it will be made available to the public if requested under the *Freedom of Information Act 1982*.

1.4 Privacy and Data-Matching

DSS and [Centrelink](#) are bound by the provisions of the [Privacy Act 1988](#). Section 14 of the [Privacy Act 1988](#) contains the Australian Privacy Principles that prescribe the rules for handling personal information. Persons, bodies and organisations involved in the ABSTUDY programme must also abide by the Australian Privacy Principles and the [Privacy Act 1988](#) when handling personal information collected for the purposes of that programme.

It is an offence under Part 10, Division 3 of the [Student Assistance Act 1973](#), for persons to use or disclose protected information collected by Centrelink or DSS for purposes of this Act for purposes not authorised under the [Student Assistance Act 1973](#).

Centrelink collects personal information from [Australian Apprentices](#), students, their parents/guardians and their partners, where relevant. Centrelink may only collect this personal information necessary for, or directly related to, the ABSTUDY scheme. Relevant purposes are those identified in the [Student Assistance Act 1973](#), the [Student Assistance Regulations 2021](#) and this ABSTUDY Policy Manual, or information that is directly related to those purposes.

Centrelink and DSS may also disclose personal information where required or authorised by other legislation. For example, DSS and Centrelink may disclose personal information to the Australian Taxation Office (ATO) in accordance with the [Data-Matching Programme \(Assistance and Tax\) Act 1990](#).

Centrelink and DSS should otherwise only disclose personal information with the consent of the individual concerned or where permitted or authorised by law.

Note: More information is available at the Office of the Australian Information Commissioner website at www.oaic.gov.au or call 1300 363 992.

Act Reference: SAA Act Section 11B: Verification of tax file numbers, Part 10 Division 3: Confidentiality

1.4.1 Privacy (Tax File Number Rule) 2015

The Privacy (Tax File Number) Rule 2015 ('TFN Rule'), made under section 17 of the Privacy Act, regulates the collection, storage, use, disclosure, security and disposal of individuals' Tax File Number (TFN) information.

A breach of the TFN Rule is an interference with privacy under the Privacy Act. If a person considers their TFN information has been mishandled, they can make a complaint to the Information Commissioner.

As well as being a breach of the TFN Rule, unauthorised use or disclosure of TFNs can be an offence under the [Taxation Administration Act 1953](#) and attract penalties including imprisonment and monetary fines.

Centrelink is an authorised recipient of TFN information for the purposes set out in the [Social Security Act 1991](#) and [Social Security \(Administration\) Act 1999](#).

More detailed information about privacy and the TFN Rule is available at the Office of the Australian Information Commissioner website at www.oaic.gov.au.

1.5 Collection of Information

[Centrelink](#) may require a person to give information or produce a document that is in the person's possession or under the person's control, or attend a meeting with a Centrelink Officer or agent where Centrelink considers that the information or document or the meeting may be relevant to:

- whether a person who has made a claim for an ABSTUDY benefit is or was qualified to receive the benefit; or
- whether an ABSTUDY benefit is payable to the person receiving it; or
- the application of income management under Part 3B of the [Social Security \(Administration\) Act 1999](#) to the person.

Where an applicant has not provided Centrelink with information to support their claim or continuing entitlement for ABSTUDY, or has failed to attend a meeting with a Centrelink Officer or agent, Centrelink may suspend an applicant's ABSTUDY payment pending the provision of this information from the applicant or attendance at a meeting with a Centrelink Officer or agent.

If an [applicant](#) refuses or is unable to provide the additional information required by Centrelink, to make a correct determination in relation to their eligibility for ABSTUDY within the required timeframe of 14 days, their payment may be cancelled and an [Overpayment](#) raised against the applicant (refer [Student Assistance Act 1973](#)).

1.6 Payment and correspondence nominees - overview

For the purposes of clarity in this section, a person who has a payment nominee or a correspondence nominee appointed in accordance with this Chapter will be referred to as the principal.

If an ABSTUDY applicant would prefer to have someone else deal with Services Australia – Centrelink (hereafter referred to as '[Centrelink](#)') on their behalf about the ABSTUDY Scheme, they can authorise another person or an organisation to do so.

The types of arrangements they can authorise are:

- Correspondence nominee – another person or organisation authorised to do most of the ABSTUDY related business, such as receiving copies of mail, making enquiries, and acting on the principal's behalf; and
- Payment nominee – another person or organisation authorised to receive the ABSTUDY payments on the principal's behalf.

The principal can choose to have only one type of nominee or both. They can authorise different people for each role or the same person for both.

Correspondence nominee:

A correspondence nominee is another person or organisation who the principal authorises to act on their behalf when dealing with Centrelink about ABSTUDY. A correspondence nominee can do most of the principal's business related to ABSTUDY, including:

- advising of changes to circumstances
- making enquiries
- completing and signing forms and statements
- attending appointments with the principal or, if appropriate, on the principal's behalf
- receiving a copy of the principal's mail from Centrelink.

Payment nominee:

A payment nominee is another person or organisation the principal authorises to receive the principal's ABSTUDY payments. A payment nominee:

- can only use the payments for the principal's benefit; and
- must keep records of the payments they received on the principal's behalf and how they spent the money for the principal's benefit.

Important information about nominees:

Authorising a person or organisation to be a nominee does not prevent the principal from conducting their own business with Centrelink. Nominee arrangements are usually voluntary and can be cancelled at any time, unless the Delegate determines that it is appropriate in all the circumstances to appoint a nominee, for example where a nominee arrangement is legally enforced, such as a court appointed arrangement.

1.6.2 Types of nominee arrangements

Nominee arrangements include the appointment of:

- a correspondence nominee;
- a payment nominee; or
- a person appointed as both the correspondence nominee and payment nominee of the same person.

A principal can request to have a different person appointed as the correspondence nominee and the payment nominee.

1.6.3 Appointment of nominees

The Delegate may, in writing, appoint a person (including a body corporate):

- to be the payment nominee of a principal for the purposes of an ABSTUDY entitlement and may direct that the whole or a specified part of a specified relevant payment that is payable to the principal, be paid to the payment nominee; and/or
- to be the correspondence nominee of a principal for the purposes of an ABSTUDY entitlement,
- either upon the written request of the proposed principal or where the Delegate determines that it is appropriate in all the circumstances to appoint a nominee, for example where a nominee arrangement is legally enforced (such as in a court appointed arrangement, or in instances where there is evidence of the inability to consent is required (e.g. medical report)).

A person can be appointed as the payment nominee and the correspondence nominee for the same principal.

The Delegate must not appoint a nominee for a person (the proposed principal) without:

- the written consent of the person to be appointed; and
- taking into consideration the wishes (if any) of the proposed principal regarding the making of such an appointment.

A copy of the appointment must be given to the nominee and the principal.

The Delegate must not appoint a payment nominee for a principal who is the holder of a concession card but is not receiving an ABSTUDY payment.

1.6.4 Suspension and revocation of nominee appointments

If an appointed nominee informs the Delegate in writing that they no longer wish to be a nominee under that appointment, the Delegate must, as soon as practicable, revoke the appointment.

If a payment nominee becomes subject to the income management regime under section 123UC (Persons subject to the income management regime - child protection) of the *Social Security (Administration) Act 1999*, the Delegate must as soon as practicable, reconsider the appointment as per the Income Management provisions for nominees as set out in the [Social Security \(Administration\) Act 1999](#).

The Delegate may suspend or revoke the appointment of the nominee, if the Delegate gives a nominee a notice under [1.6.5](#) and the nominee informs Centrelink that an event or change of circumstances has occurred or is likely to occur and the event or change of circumstances is likely to have an effect on:

- the nominee's ability to act as a correspondence nominee or payment nominee; or
- the ability of the Delegate to provide notices to the nominee; or
- the nominee's ability to comply with notices provided to them by the Delegate.

The Delegate may suspend or revoke the appointment of a nominee if the nominee does not comply with the requirement of a notice directing them to:

- inform Centrelink if an event or change of circumstances has occurred or is likely to occur (see [1.6.5](#) below); or
- provide Centrelink with a statement of the disposal of money paid to them on behalf of a principal (see [1.6.10](#) below).

The suspension or revocation of an appointment, and the cancellation of such a suspension, must be in writing.

While an appointment is suspended, the appointment has no effect.

Where an appointment is revoked, the date of effect must be later than the date of the revocation and must be specified in the revocation notice.

The Delegate may, at any time, cancel the suspension of an appointment.

The Delegate must provide the nominee and the principal with a copy of:

- a suspension of an appointment; or
- a revocation of an appointment; or
- a cancellation of a suspension of an appointment.

1.6.5 Notification by nominee

The Delegate may give the nominee a notice which requires the nominee to inform Centrelink if an event or change of circumstances occurs or is likely to occur and where that is likely to affect:

- the nominee's ability to act as a correspondence nominee or payment nominee; or
- the ability of the Delegate to provide notices to the nominee; or
- the nominee's ability to comply with notices provided to them by the Delegate.

The notice must be in writing and may be given personally, by post or any other means approved by the Delegate. The notice should specify how the nominee is to give information to Centrelink and the timeframe.

Unless the notice requires the nominee to inform Centrelink of a proposal by the nominee to leave Australia, the timeframe in which the nominee must give information must not end earlier than 14 days after:

- the day on which the event or change of circumstances occurs; or
- the day on which the nominee becomes aware that the event or change of circumstances is likely to occur.

This notification section is inclusive of:

- all acts, omissions, matters and things outside Australia, whether or not in a foreign country; and
- all persons irrespective of their nationality or citizenship.

1.6.6 Correspondence nominee responsibilities

Subject to section [1.6.14](#), the correspondence nominee may do any act that may be done by the principal in respect to the principal's ABSTUDY entitlement except for:

- an act for the purposes of [1.6.3](#);
- an act for the purposes of [1.6.9](#);
- where the principal is notified that action is required.

Without limiting the above paragraph, an application or claim that can be made by a principal, may be made by their correspondence nominee on behalf of the principal, and an application or claim so made is taken to be made by the principal.

1.6.7 Notices to correspondence nominee

Any notices that are required or authorised to be given to the principal for the purposes of the ABSTUDY scheme, may be given by the Delegate to the correspondence nominee.

A notice given to a correspondence nominee must be in the same form and in the same terms as if it were being given to the principal. A notice given to a correspondence nominee may be given personally, by post or any other manner approved by the Delegate.

If the principal and the correspondence nominee are both given a notice with the same requirement then the correspondence nominee's obligations at [1.6.8](#) do not apply in relation to that notice.

1.6.8 Obligations of correspondence nominees

If a notice is given to a correspondence nominee, the notice is taken to have been given to the principal on the day it was given to the correspondence nominee.

Any requirements made of a principal as stated in a notice can be met by the correspondence nominee.

Any act done by a correspondence nominee in satisfying a requirement on behalf of a principal is considered to have been done by the principal.

If the correspondence nominee fails to complete a requirement set out in a notice, it is considered that the principal failed to comply with the requirement.

For the purposes of determining whether anything done by the correspondence nominee constitutes compliance with the notice, if a notice has a reference to the principal becoming aware that a specified event or change in circumstances is likely to occur this is considered to be a reference to the correspondence nominee becoming so aware.

1.6.9 Statement by payment nominee regarding disposal of money

The Delegate may give the payment nominee a notice which requires the payment nominee to give Centrelink a statement providing details of the disposal of the money paid to the payment nominee on behalf of the principal.

The notice must be in writing and may be given personally, by post or any other means approved by the Delegate. The notice should specify how the payment nominee is to give information to Centrelink and the timeframe.

The timeframe in which the payment nominee must provide a statement in response to the notice must not end earlier than 14 days after the day on which the notice is given.

A statement given in response to a notice must be in writing and in accordance with a form approved by the Delegate.

Unless a payment nominee is incapable of complying with the notice or has a reasonable excuse for not complying with the notice, the payment nominee must not refuse or fail to comply with a notice requiring them to give a statement.

Failure to provide a notice may result in the suspension or revocation of the nominee arrangement under section [1.6.4](#).

This section [1.6.9](#) is inclusive of:

- all acts, omissions, matters and things outside Australia, whether or not in a foreign country; and
- all persons irrespective of their nationality or citizenship.

1.6.10 Protection of principal against liability for actions of nominee

Nothing in this Chapter has the effect of rendering a principal guilty of an offence under the [Student Assistance Act 1973](#) in respect of any act or omission of the principal's correspondence and/or payment nominee.

Notwithstanding section [1.6.8](#) principals remain responsible for advising Centrelink of prescribed events as per the [Student Assistance Regulations 2021](#).

1.6.11 Protection of nominee against criminal liability

A nominee is not subject to any criminal liability under *the* [Student Assistance Act 1973](#) in respect of:

- any act or omission of the principal; or
- anything done, in good faith, by the nominee in their capacity as nominee.

1.6.12 Duty of nominee to principal

It is the duty of the payment nominee or correspondence nominee to act in the best interests of the principal at all times.

A nominee is not considered to have committed a breach of their duty by doing an act if, when the act is done, there are reasonable grounds for believing that it is in the best interests of the principal that the act be done.

A nominee is not considered to have committed a breach of their duty by not doing an act if, at the time, there are reasonable grounds for believing that it is in the best interests of the principal not to do the act.

1.6.13 Notification of nominee where notice given to principal

If the Delegate gives a notice to a principal who has a correspondence nominee, the Delegate may inform the correspondence nominee of the giving of the notice and of the terms of the notice.

1.6.14 Right of nominee to attend with principal

If the Delegate gives a notice to a principal who has a correspondence nominee, and the notice requires the principal:

- to attend Centrelink; or
- to attend a particular place; and the Delegate informs the correspondence nominee of the giving of the notice, the correspondence nominee may attend Centrelink or a place, as the case may be, with the principal if the principal so wishes.

If the Delegate gives a notice to a principal who has a correspondence nominee, and the notice requires the principal to undergo a medical, psychiatric or psychological examination, the correspondence nominee may accompany the principal while the examination is being conducted:

- if the principal so wishes; and
- to the extent to which the person conducting the examination consents.

If a principal's correspondence nominee is a body corporate, the correspondence nominee who may attend with the principal is to be read as a reference to an officer or employee of the correspondence nominee.

1.6.15 Saving of Delegate's powers to give notices to principal

Nothing in this Chapter is intended in any way to limit or affect the Secretary of the Department of Social Services or the Delegate's powers under other provisions of the Policy Manual or under the [Student Assistance Act 1973](#) to give notices to, or make requirements of, a principal.

1.6.16 Delegate's powers of revocation

Any right to appoint a nominee under this Chapter includes the right to repeal, rescind, revoke, amend, or vary any such appointment.

Chapter 2: Recipient Obligations - Change in Circumstances

This chapter discusses a recipient's change in circumstances, and how those changes affect ABSTUDY eligibility and entitlements. The recipient is responsible for notifying these changes to [Centrelink](#).

In this chapter:

- [2.1 Obligation to notify happening of certain events](#)
- [2.2 Failure to advise Centrelink of prescribed events](#)
- [2.3 False or misleading information](#)
- [2.4 Suspension and cancellation of ABSTUDY payments](#)
- [2.5 Change of Circumstance](#)

2.1 Obligation to notify happening of certain events

Under Section 48 of the [Student Assistance Act 1973](#), a person who is receiving, or entitled to receive, an amount under the ABSTUDY Scheme must notify [Centrelink](#) within 14 days of a "[prescribed event](#)" happening. An occurrence of a "prescribed event" is sometimes referred to as a "[change in circumstances](#)".

This chapter details the prescribed events for the purposes of subsection 48(1) of the [Student Assistance Act 1973](#) and as listed in Section 11 to Section 21 of the [Student Assistance Regulations 2021](#). The prescribed events are in respect of a person (the ABSTUDY payee) who is receiving, or is entitled to receive, an amount under the ABSTUDY Scheme in respect of a student or an Australian Apprentice, and in relation to a course at an education institution. The prescribed events relate to such matters as:

- attendance at courses; and
- parents, partners and dependent children; and
- living arrangements; and
- entitlement to other income support payments; and
- income and assets.

Act Reference: SAAct Section 48: Obligation to notify happening of certain events; SAREgs Section 11: Simplified outline, Section 12: Prescribed events

2.1.1 [Deleted Section]

2.1.2 [Deleted Section]

2.1.3 [Deleted Section]

2.1.4 Events relating to courses

There are events relating to courses that must be notified to Centrelink — these events are prescribed under Section 13 of the [Student Assistance Regulations 2021](#).

2.1.5 Events relating to personal relationships

There are events relating to personal relationships that must be notified to Centrelink — these events are prescribed under Section 14 of the [Student Assistance Regulations 2021](#).

2.1.6 Events relating to place of residence etc.

There are events relating to place of residence etc. that must be notified to Centrelink — these events are prescribed under Section 16 of the [Student Assistance Regulations 2021](#).

2.1.7 Events relating to benefits etc.

There are events relating to benefits etc. that must be notified to Centrelink — these events are prescribed under Section 17 of the [Student Assistance Regulations 2021](#).

2.1.8 Events relating to income for entitlement periods

There are events relating to income for entitlement periods that must be notified to Centrelink — these events are prescribed under Section 18 of the [Student Assistance Regulations 2021](#). This sets out the circumstances under which a person's income or income estimate would be reportable to determine the person's ABSTUDY entitlement for a period.

2.1.9 Events relating to income for income years

There are events relating to income (estimated or stated) for income years that must be notified to Centrelink — these events are prescribed under Section 19 of the [Student Assistance Regulations 2021](#).

2.1.10 Events relating to assets

There are events relating to assets, where the student has independent status, which must be notified to Centrelink — these events are prescribed under Section 20 of the [Student Assistance Regulations 2021](#).

A person's assets are anything that, under [Section 63.1](#), are the person's assets for the purposes of the personal assets test.

2.1.11 Other events

There are other events that must be notified to Centrelink — these events are prescribed under Section 21 of the [Student Assistance Regulations 2021](#).

2.2 Failure to advise Centrelink of prescribed events

Persons who fail to advise [Centrelink](#) of the occurrence of a [prescribed event](#) may be prosecuted under the Criminal Code. Failure to notify Centrelink of the occurrence of a prescribed event as listed above will be an offence under section 49 of the [Student Assistance Act 1973](#), punishable by a maximum penalty of twelve months imprisonment.

Act Reference: SAAct Section 5E: Application of the Criminal Code, SAAct Section 49: Offences

2.3 False or misleading information

People who give false or misleading information in connection with a claim for ABSTUDY can, under the provisions of the [Student Assistance Act 1973](#), incur penalties of up to a \$6,000 fine or twelve months imprisonment.

2.4 Suspension and cancellation of ABSTUDY payments

Where an applicant has not notified [Centrelink](#) of a [prescribed event](#) or provided information Centrelink has requested to enable continuing assessment of the ABSTUDY payee's entitlement, (as outlined under [Chapter 1.5 Collection of Information](#)), Centrelink may suspend an applicant's ABSTUDY payment pending the provision of additional information from the recipient.

If an [applicant](#) refuses or is unable to provide the additional information required by Centrelink to make a correct determination in relation to their eligibility to ABSTUDY, their payment may be cancelled and an [overpayment](#) raised against the applicant (refer [Student Assistance Act 1973](#)).

2.5 Change of Circumstance

Where a change of circumstance occurs, the student's or [Australian Apprentice's](#) eligibility and/or entitlement are reassessed from the date of the change in circumstance.

Chapter 3: Overpayment and Recovery of Allowances

This chapter details the definition of an overpayment for ABSTUDY purposes, the authority under which an ABSTUDY debt is raised and recovered, and the identification of the appropriate debtor.

In this chapter:

- [3.1 Definition of an Overpayment](#)
- [3.2 Authority to Raise and Recover a Debt or make a Departure Prohibition Order](#)
- [3.3 Responsibility for Overpayments](#)
- [3.4 Recovery of debt where the Parent / guardian is the responsible debtor](#)
- [3.5 Recovery of debt where the Student is the responsible debtor](#)
- [3.6 Recovery of debt where the Boarding institution is the responsible debtor](#)
- [3.7 Recovery of debt where the School is the responsible debtor](#)
- [3.8 Recovery of debt where the tertiary education institution is the responsible debtor](#)
- [3.9 Recovery of debt where the Australian Apprentice is the Responsible Debtor](#)

3.1 Definition of an Overpayment

An overpayment occurs when payments which have been made in respect of a student or [Australian Apprentice](#) exceed the amount to which they are entitled.

Act Reference: SAAct Section 38: Definitions

3.2 Authority to Raise and Recover a Debt

3.2.1 Raising a debt

Section 39 of the [Student Assistance Act 1973](#) gives [Centrelink](#) the authority to raise and recover a debt where an overpayment of ABSTUDY has occurred.

3.2.2 Recovery of debts

Provisions relating to debt recovery matters, including the conditions under which an ABSTUDY debt can be waived, are contained in the [Student Assistance Act 1973](#).

3.2.3 Departure Prohibition Order

Section 43 of the [Student Assistance Act 1973](#) gives Centrelink the authority to prevent a person with a student assistance debt from leaving Australia.

3.3 Responsibility for Overpayments

The person responsible for repaying any overpaid amount (known as the responsible debtor) is usually the person who received the ABSTUDY payment. For ABSTUDY purposes, the person who has received the payment is known as the 'ABSTUDY Payee'.

3.3.1 Exceptions

Exceptions are:

- where a private board provider receives an ABSTUDY payment for an approved boarding student, the parent/guardian who redirected the payment remains responsible for repaying any overpaid amount; or
- where payments are obtained fraudulently, the person who applied for ABSTUDY assistance is responsible for repaying any overpaid amount whether paid to themselves, to another person or to an institution.

3.4 Recovery of debt where the Parent / guardian is the responsible debtor

For ABSTUDY Schooling students, a [parent/guardian](#) will be responsible for overpayments of:

- [School Term Allowance](#) paid to the parent/guardian;
- [School Fees Allowance](#) paid to the parent/guardian;
- [Living Allowance](#) paid to the parent/guardian;
- in the case of an approved boarding student, Living Allowance paid on behalf of the parent/guardian to a private board provider;
- [Fares Allowance](#) paid for under 16-year-old boarding students; and
- [Additional Assistance](#) paid for an under 16-year-old student.

3.5 Recovery of debt where the Student is the responsible debtor

A Student will be responsible for the overpayments if the following allowances are paid to the student:

- [Living Allowance](#)
- [Pensioner Education Supplement](#)
- [Incidentals Allowance](#)
- [Additional Incidentals Allowance](#)
- [Masters and Doctorate Allowances](#)
- [Away from Base assistance paid as travel allowance](#)
- [Fares Allowance](#)
- [Pharmaceutical Allowance](#)
- [Remote Area Allowance](#)
- [Rent Assistance](#)
- [Additional Assistance](#)
- [Relocation Scholarship](#)
- [Student Start-up Loan](#)
- [Energy Supplement](#)

3.6 Recovery of debt where the Boarding institution is the responsible debtor

A boarding institution will be responsible for overpayments of:

- [Pharmaceutical Allowance](#), [Rent Assistance](#), [Remote Area Allowance](#), [Living Allowance](#) paid to the boarding school, hostel or residential college;
- [Additional Assistance](#) paid to the boarding institution; and
- [Energy Supplement](#)

3.7 Recovery of debt where the School is the responsible debtor

A school will be responsible for overpayments of:

- [School Fees Allowance](#); and
- [Additional Assistance](#) paid to the school.

3.8 Recovery of debt where the tertiary education institution is the responsible debtor

A tertiary education institution will be responsible for overpayments of:

- [Away from Base assistance](#) paid as residential costs and fares to the tertiary education institution;
- [Additional Assistance](#) paid to the tertiary education institution;
- [Lawful Custody Allowance](#) where paid to the tertiary education institution;
- Payments made to the institution under the Residential Costs Option in respect of board and lodgings if the student is not eligible for the Residential Costs Option; and
- [Commonwealth supported places](#) or course fees where paid to the tertiary education institution.

3.9 Recovery of debt where the Australian Apprentice is the Responsible Debtor

An [Australian Apprentice](#) will be responsible for the overpayments if the following allowances are paid to the Australian Apprentice:

- [Living Allowance](#)
- [Incidentals Allowance](#)
- [Pharmaceutical Allowance](#)
- [Remote Area Allowance](#)
- [Rent Assistance](#)
- [Additional Assistance](#)

Chapter 4 Reviews and Appeals

This chapter details the review and appeal rights of ABSTUDY recipients.

In this chapter:

- [4.1 Requesting a Review of Decision for ABSTUDY](#)
- [4.2 Review and Appeal of ABSTUDY Eligibility or Entitlement Decisions](#)
- [4.3 Review and Appeal of ABSTUDY Debt Recovery Decisions](#)

4.1 Requesting a Review of Decision for ABSTUDY

If an applicant, [Australian Apprentice](#) or student on whose behalf a claim has been made, disagrees with a decision about their assessment, they may ask [Centrelink](#) to review any decision affecting their eligibility or entitlement for ABSTUDY benefits, and/or any decision regarding debt recovery. A third party can undertake the same review and appeal process where it is the [applicant](#) for the ABSTUDY entitlement, or it is the [responsible debtor](#).

Act Reference: SAAct Section 303: Secretary may review decisions

4.1.1 Rights of review

Decisions regarding a person's eligibility and entitlement to ABSTUDY are made in accordance with the ABSTUDY Policy Manual. However, decisions regarding debt recovery matters are made under the [Student Assistance Act 1973](#).

As a result, an applicant's rights of review regarding an assessment decision differ to those relating to matters of debt recovery. Rights of review regarding assessment decisions are set out in 4.2 and those for debt recovery decisions are set out in 4.3.

Act Reference: SAAct Section 302(1)(c): all decisions of an officer under this Act...

4.2 Review and Appeal of ABSTUDY Eligibility or Entitlement Decisions

Where [Centrelink](#) has been asked to review a decision regarding ABSTUDY eligibility and entitlement under ABSTUDY Policy, an officer who was not involved in the original decision will undertake the review.

There is no time limit for requesting reviews of ABSTUDY eligibility or entitlement.

4.2.2 Appeals to the Minister

If a student, [Australian Apprentice](#), applicant or third party acting as an agent is not satisfied with a review decision made by a Centrelink Authorised Review Officer that affects their ABSTUDY eligibility or entitlements, the person or an agent acting on their behalf may appeal in writing to the Minister for a review of the decision.

A decision by a Centrelink Authorised Review Officer can be appealed only once, unless there is significant new information available that is directly related to the facts and circumstances considered.

In general, the grounds for appeal are that:

- the decision being appealed against was contrary to ABSTUDY provisions; or
- the circumstances of the case meet the intention but not the letter of the ABSTUDY Policy Manual.

The Minister or a person authorised by the Minister must consider all relevant circumstances of the appeal, including any new matters raised by the applicant or agent acting on their behalf.

The Minister has authorised the Secretary, Department of Social Services (DSS) to make decisions relating to the review of entitlement or eligibility. A copy of the Instrument of Authorisation can be found at Appendix D.

The power to undertake reviews of decisions regarding ABSTUDY eligibility and entitlement under ABSTUDY policy has been sub-authorised by the Secretary to the DSS Group Manager and Branch Manager with responsibility for ABSTUDY.

Requests for a review of an ABSTUDY decision can be made by writing to:

Branch Manager
Study and Compliance
Department of Social Services
GPO Box 9820
Canberra ACT 2601

or email to: ABSTUDY@dss.gov.au

Note: This provision relates only to a Centrelink decision about an individual's ABSTUDY eligibility or entitlement.

It does not apply where the Centrelink decision is about a decision under Part 3B of the [Social Security \(Administration\) Act 1999](#) in relation to a person who is subject to the income management regime under section 123UB of the same Act.

4.3 Review and Appeal of ABSTUDY Debt Recovery Decisions

4.3.1 Review of debt recovery decision

ABSTUDY debt recovery decisions are made under the provisions of the [Student Assistance Act 1973](#). Recipients who are dissatisfied with a debt recovery decision may apply for a review of the decision by [Centrelink](#).

There is a 3-month time limit for requesting reviews under the [Student Assistance Act 1973](#). This 3 month limit can be extended in exceptional circumstances.

Act Reference: SAAct Section 302(1)(c): all decisions of an officer under this Act...

4.3.1.1 Types of debt recovery decisions

Decisions about recovering a debt, include:

- the setting of rates for withholding from current entitlement;
- garnisheeing bank accounts and wages;
- calculation of debts;
- writing off or waiving a debt; and
- imposing an interest charge on debts.

4.3.1.2 Legislation

The relevant legislation is contained in the [Student Assistance Act 1973](#).

The following sections are relevant to debt recovery:

- s.40 - Notice in respect of relevant debt;
- s.41 - Interest charge—no repayment arrangement in effect;
- s.41A-41G – regarding interest charge;
- s.42 - regarding debt and garnishee;
- s.43 - regarding writing off debts;
- s.43A-43F - regarding waiver of debts; and
- s.343-345 - regarding obtaining information.

For review of decisions see Part 9 (sections 302 to 334 inclusive) of the Act.

Act Reference: SAAct Section 302(1)(c): all decisions of an officer under this Act...

4.3.2 Appeals to the Administrative Appeals Tribunal (AAT)

Recipients who are dissatisfied with the outcome of a Centrelink review of a debt recovery decision can apply to the Administrative Appeals Tribunal (AAT).

The applicant has three months after the day on which the review decision was made to lodge an appeal with the AAT (if there are special circumstances, Centrelink may extend the deadline).

Forms on which an AAT appeal may be lodged are available from the AAT Registry in each State by writing to GPO Box 9955 in each capital city, phoning **1800 228 333** or from the Administrative Appeals Tribunal website at www.aat.gov.au. Appeals to the AAT are lodged directly with the Tribunal.

4.3.4 Jurisdiction of the AAT

The AAT may review a decision to recover a debt under the ABSTUDY Scheme (under the [Student Assistance Act 1973](#)) and also to review the decision to raise and recover the debt, and the quantum of the debt. The AAT may not review the decision by the Secretary (under subsection 42(3) of the Act) to issue a garnishee order against a third party in order to recover the debt.

Chapter 5: Taxation

This chapter contains information on the tax status of ABSTUDY payments and allowances.

In this chapter:

- [5.1 Tax status of ABSTUDY payments and allowances](#)
- [5.2 Tax Deductions](#)
- [5.3 Payment summaries](#)

5.1 Tax status of ABSTUDY payments and allowances

Payments intended to support the day-to-day living costs of students or [Australian Apprentices](#) are assessable forms of income for tax purposes. The exception to this is under the [Income Tax Assessment Act 1936](#), when student assistance payments and allowances paid on behalf of, or directly to, students aged less than 16 years are not regarded as taxable income. This is not affected by whether the student is [dependent](#) or [independent](#) for ABSTUDY purposes.

The taxable status of a payment or allowance is not affected by whether the payment is made to the [student](#), Australian Apprentice, [parent/guardian](#) or other third party.

5.1.1 Taxable ABSTUDY Payments and Allowances

ABSTUDY payments and allowances that are considered taxable (*see the definition of taxable income in [Social Security Act 1991](#) subsection 23(1)*) where the Student or Australian Apprentice is aged 16 years or over are:

- [Living Allowance](#);
- Living Allowance for Australian Apprentices;
- the reduced Living Allowance component of the [Residential Costs Option](#);
- unused [Group 2 School Fees Allowance](#) that has been transferred to pay excess boarding costs;
- [Additional Assistance](#), where it is paid as a fortnightly allowance;
- the [Coronavirus Supplement](#).

Payments and allowances received on or after the child turns 16 years are considered taxable. This includes arrears payments that have been received on or after the child turns 16 years.

5.1.2 Non-taxable ABSTUDY Payments, Allowances and Benefits

ABSTUDY payments, allowances and benefits that are considered non-taxable are:

- Living Allowance for students aged less than 16 years;
- Living Allowance for Australian Apprentices aged less than 16 years;
- [Rent Assistance](#);
- [Remote Area Allowance](#) (non-taxable but affects tax rebate);
- [Pharmaceutical Allowance](#);
- [Incidentals Allowance](#);

- [Additional Incidentals Allowance](#);
- Residential Costs component of the [Residential Costs Option](#);
- [School Term Allowance](#);
- [Group 1 School Fees Allowance](#);
- [Group 2 School Fees Allowance](#) (except where unused component of Group 2 School Fees Allowance has been transferred to pay excess boarding costs);
- [Fares Allowance](#);
- [Away From Base entitlements](#);
- [Pensioner Education Supplement](#);
- [Relocation Allowance](#);
- Assistance to pay [Commonwealth supported places](#) or [Course Fees for Masters and Doctorate students](#);
- [Thesis Allowance](#);
- [Lawful Custody Allowance](#);
- [Additional Assistance](#) paid as a lump sum;
- [Crisis Payment](#);
- Commonwealth [Scholarship](#);
- [Relocation Scholarship](#);
- [Student Start-up Loan](#);
- [Economic Support Payment](#).

5.2 Tax Deductions

Tax deductions can be requested from Students and Australian Apprentices who are aged 16 years or over and receiving taxable ABSTUDY payments and allowances.

5.3 PAYG Payment Summaries

[Centrelink](#) is responsible for calculating and making a PAYG Payment Summary (payment summary) available to Students or Australian Apprentices within a specific timeframe. Centrelink is also responsible for reporting the payment summary information to the Australian Taxation Office (ATO) and to the Child Support Agency.

The payment summary will display the taxable, tax exempt, tax withheld and allowance amounts of the payment the Students or Australian Apprentices has received within the financial year, where Centrelink is required to do so.

5.3.1 Provision of part year payment summaries

Students or Australian Apprentices who have received reportable payments irrespective of whether tax has been deducted may request the provision of a payment summary covering a year to date period. The request must be received no later than 21 days before the end of the financial year.

Year to date payment summaries will be provided to recipients within 14 days of their request.

Part II Applying for ABSTUDY

Chapter 6: Applying for ABSTUDY

This chapter discusses who can apply for ABSTUDY, and how those claims are made.

In this chapter:

- [6.1 Who can apply for ABSTUDY?](#)
- [6.2 Lodging a claim for ABSTUDY](#)
- [6.3 Lodgement dates](#)
- [6.4 Closing date for additional information](#)

6.1 Who can apply for ABSTUDY?

There are five types of acceptable applicants for ABSTUDY. They are:

- students;
- full-time [Australian Apprentices](#);
- parents or guardians;
- institutions;
- interim applicants.

6.1.1 Students

The student may apply for ABSTUDY assistance if they are:

- 16 years of age or over; or
- meet one of the [independent status](#) criteria; or
- enrolled in or intending to enrol for tertiary or postgraduate study; or
- receiving an Australian Government pension.

6.1.2 Parent/Guardian Applicant

For students other than those specified in [6.1.1](#), an ABSTUDY claim is to be lodged by the person who has the responsibility for care and maintenance of the student and with whom the student normally lives. The applicant will be:

- either of the student's [parents](#), where the student lives with them;
- the parent with whom the student lives, where the student's parents are separated and the student lives with one of them;
- a guardian, where responsibility for the student's care has been assumed by a guardian with whom the student normally lives;
- the foster parent, guardian or parent(s) as appropriate (see the three dot points above), where the student is in State care but placed in the care of foster parent, guardian or parent(s);

- an officer authorised by the relevant State/Territory authority, where the student is in government care; or
- where the student would, but for reasons of age, qualify as an orphan or as a homeless student and is in the care of a person or institution, that person or an officer authorised by that institution.

6.1.3 Institutions

Institutions may be considered applicants for the purposes of:

- [Away from base](#) submissions; and
- interim claims for boarding school students.

6.1.4 Interim applicant

A claim lodged by an interim applicant can be accepted where:

- the student, or person who would normally apply on behalf of the student, is not able to submit a claim because of exceptional circumstances; and
- the person who submits the claim as an interim applicant has temporary care of the student, is able to make an informed declaration about the student's [Aboriginality](#) and is prepared to accept ABSTUDY conditions; and
- [Centrelink](#) has no reason to believe that by accepting a claim from an interim applicant it is not following the wishes of the student or parent/long-term guardian in respect of the student's schooling.

Note: For information regarding the lodgement of interim claims by a boarding school, see [6.2.1](#).

6.1.5 Full-time Australian Apprentices

A full-time [Australian Apprentices](#) may apply for ABSTUDY assistance if they:

- are undertaking a full-time apprenticeship, traineeship or trainee apprenticeship under the Australian Apprenticeships scheme; and
- meet the ABSTUDY primary eligibility criteria; and
- have a current [registration](#); and
- have either:
 - reached the minimum school leaving age as defined by the relevant State/Territory education authority; or
 - provided evidence that they have been granted an exemption from the State/Territory education authority in order to complete a full-time apprenticeship or trainee apprenticeship.

The terms Australian Apprenticeships and Australian Apprentices cover all apprenticeships and traineeship arrangements – both new and traditional. Australian Apprenticeships can cover full or part-time work. However, only full-time Australian Apprentices are those whose training contract is considered full-time by DSS.

6.1.5.1 Part-time Australian Apprentices

Part-time Australian Apprentices are those whose ordinary hours of employment, incorporating both work and training components are LESS than that which is regarded as full-time for a new apprentice in that industry, trade, occupation or kind of work.

Part-time Australian Apprentices are not entitled to ABSTUDY under the Australian Apprentice provisions. Australian Apprentices must be considered full-time Australian Apprentices to be eligible for assistance under ABSTUDY.

Part-time Australian Apprentices undertaking a full-time training or study block are considered full-time students for that period they are undertaking the full-time training or study block.

6.2 Lodging a claim for ABSTUDY

A completed ABSTUDY claim is the instrument by which ABSTUDY benefits may be approved. All documents specified in the claim that are regarded as being within the claimant's control must be submitted to [Centrelink](#) before the closing date specified in [6.3.2](#), before Centrelink will start to process a claim. However, Centrelink may determine on a case by case basis that a document is not within the claimant's control following discussion with the claimant. Assistance may be provided by Centrelink where the claimant has genuine difficulty with obtaining documentation from a third party.

There may be occasions when a claimant in vulnerable circumstances may not be able to lodge a claim or provide the required documentation in a timely manner. Vulnerable claimants may be given an additional 14 days to submit their claim, which can be extended to 13 weeks in some circumstances. In these instances, the claimant is taken to have made a claim for ABSTUDY on the day that Centrelink was contacted.

An ABSTUDY applicant must lodge an ABSTUDY claim in accordance with Centrelink's determination of:

- what constitutes a claim; and
- how a claim may be made.

Where a claim is lodged on or before the applicable closing date, the [ABSTUDY Payee](#) may receive full benefits in accordance with their approved entitlements.

No benefits may be approved for an applicant:

- in respect of a period for which there has been no ABSTUDY claim; or
- before the claim has been approved by a delegated officer.

6.2.1 *Interim claims from boarding schools*

Interim claims can be accepted from boarding schools only in the following circumstances:

- the student or person who would normally apply on behalf of the student is not able to submit a claim because of exceptional circumstances, such as serious illness or remote locality; and
- the claim is lodged in the student's first term at the school; and

- the boarding school accepts responsibility for obtaining a full claim from the applicant; and
- the institution accepts responsibility for the student's boarding and tuition fees where a complete claim is not subsequently lodged by the applicant; and
- Centrelink has no reason to believe that by accepting an interim claim it is not following the wishes of the applicant in respect of the student's schooling.

6.2.1.1 Fares allowance for interim claims

Where the above circumstances are met, [Fares Allowance](#) for the student's first two terms at the school can be approved. Where a full claim from the applicant has not been received by the student's second term, no further Fares Allowance is to be approved.

6.3 Lodgement dates

6.3.1 *[Deleted Section]*

6.3.2 Closing dates for lodgement of claims

Table 1 lists the closing dates for lodgement of ABSTUDY claims with [Centrelink](#).

Table 1 - Lodgement of ABSTUDY claims

If the applicant is applying for...	then the closing date is...
a full-year course	by the end of the calendar year.
a course of less than one year	by the end of the course.

Table 2 lists the closing dates for lodgement of [Pensioner Education Supplement](#) (PES) claims with Centrelink.

Table 2 - Lodgement of ABSTUDY PES claims

If the applicant is applying for...	then the closing date is...
a full-year course	by 31 March
a second semester course	by 31 July
a course of less than one year	28 days from the date of qualification

In all cases, PES claims must be lodged prior to the student discontinuing study.

6.3.2.1 Lodgement dates for Away From Base submissions

For lodgement dates for Away From Base assistance claims, refer to [96.2 Away From Base submissions](#).

6.3.2.2 Lodgement dates for Lawful Custody Allowance claims

For lodgement dates for Lawful Custody Allowance claims, refer to [98.4 Payment of Lawful Custody Allowance](#).

6.3.3 Incorrect or inappropriate claim

Where a [Student](#) and/or [applicant](#) has lodged an incorrect or inappropriate claim for another payment (e.g. Youth Allowance, Austudy payment or Assistance for Isolated Children) by the closing dates stipulated in [6.3.2](#), the customer may be considered to have lodged an ABSTUDY claim on that date.

6.3.4 Late lodgement

Where Centrelink considers the ABSTUDY claim would, but for circumstances beyond the applicant's control, have been lodged by the applicable closing date, students may receive full benefits in accordance with their approved entitlements.

6.3.4.1 Explanation of late lodgement

The applicant must provide a written statement explaining the reason for late lodgement of the claim. Other evidence such as a medical certificate may also be requested.

6.4 Closing date for additional information

There is no closing date for acceptance of additional information.

Chapter 7: Evidence and Supporting Documentation

ABSTUDY claims generally require documentation to support details provided in the claim. This topic covers the types of acceptable documentation and when they must be presented.

In this chapter:

- [7.1 General Power to Request Information](#)
- [7.2 Forms of Supporting Documentation](#)
- [7.3 Proof of Aboriginality and Torres Strait Islander status](#)

7.1 General Power to Request Information

Section 343 of the [Student Assistance Act 1973](#) gives [Centrelink](#) the authority to request any information or documentation that is relevant to the determination of a customer's ABSTUDY eligibility or entitlement.

Refer to [Chapter 1](#) for details on the collection of information.

Act Reference: SAAct Part 10 Division 2: Information Gathering

7.2 Forms of Supporting Documentation

Examples of supporting documentation include, but are not limited to:

- proof of identity;
- proof of Australian citizenship;
- proof of enrolment; and
- current [registration](#).

7.2.1 Proof of Identity

Students and [Australian Apprentices](#) claiming ABSTUDY will need to provide suitable proof of identity as specified by [Centrelink](#).

7.2.2 Proof of Australian Citizenship

Students and Australian Apprentices claiming ABSTUDY are required to provide proof of Australian citizenship where they are born outside of Australia and its external territories AND they have not previously provided such proof to Centrelink.

7.2.3 Proof of Enrolment

ABSTUDY students will need to provide suitable proof of enrolment as specified by Centrelink.

7.2.4 Australian Apprentices

To be paid as a full-time Australian Apprentice under ABSTUDY a person must

- be employed as a full-time apprentice; and
- have signed a training contract with an employer to undertake a full-time Australian Apprenticeship; and
- the training contract has been submitted for approval to a State Training Authority for the person to undertake a full-time apprenticeship under the scheme known as Australian Apprenticeships.

7.3 Proof of Aboriginality and Torres Strait Islander status

In some circumstances, proof of Aboriginality or Torres Strait Islander status may be required. See [Chapter 10](#) for details of acceptable proof.

Chapter 8: Tax File Number

This chapter discusses the requirement to provide a Tax File Number (TFN) when applying for ABSTUDY benefits if requested by [Centrelink](#).

In this chapter:

- [8.1 Requesting Tax File Numbers](#)
- [8.2 \[Deleted Section\]](#)
- [8.3 Persons not required to provide a TFN](#)
- [8.4 Regarded as having provided a TFN](#)

8.1 Requesting Tax File Numbers

The [Student Assistance Act 1973](#) specifies that a person who is making, or has made a claim, or is already receiving ABSTUDY benefits, may be requested to provide their TFN to [Centrelink](#). The consequences of not satisfying this request are detailed in [8.1.1](#). The applicant satisfies the request if, within 28 days of the request being made, they provide either:

- a statement of their TFN (either written or verbal); or
- both of the following:
 - a statement that they have a TFN but do not know what it is and have asked the Commissioner of Taxation, or the Australian Taxation Office (ATO) on behalf of the Commissioner of Taxation, to inform them of their TFN, or that an application for their TFN is pending; and
 - a document in which they authorise the ATO to tell Centrelink their TFN or state whether the application for a TFN is refused or withdrawn.

In respect of third parties, including parents and partners, information collected in a TFN declaration, such as TFNs, is something that Centrelink may require the Commissioner of Taxation, or the ATO on their behalf, to provide in order to assess a person's eligibility for, and rate of payment of, ABSTUDY benefits—see [8.1.2](#).

The handling of TFNs is covered under the Privacy Act at www.oaic.gov.au. For details, see [1.4.1 Privacy \(Tax File Number Rule\) 2015](#).

Act Reference: SAAct Section 45: Requesting tax file numbers, Section 46: How request for tax file number is satisfied, Section 47A: Use of tax file numbers

8.1.1 Consequences of not giving a Tax File Number

Where a person has been requested to provide their TFN and they are unable to do so, the following consequences apply (unless an exemption is in effect):

If the request was given to a person...	the consequence is...
who is making, but not yet completed a claim for ABSTUDY benefits	the benefit is not payable.
who has made a claim for ABSTUDY benefits that has not yet been determined	the benefit is not payable.
who is already receiving ABSTUDY benefits	28 days after the request was made, the benefit will be suspended or cancelled.

Where a person has provided a statement that they do not know their TFN or that their application is pending, and the ATO reveals the person has either not applied for a TFN or that their application has been refused or withdrawn, the following consequences apply (unless an exemption is in effect):

If the request was given to a person...	the consequence is...
who is making, but not yet completed a claim for ABSTUDY benefits	the benefit is not payable.
who has made a claim for ABSTUDY benefits that has not yet been determined	the benefit is not payable.
who is already receiving ABSTUDY benefits	the benefit ceases to be payable.

Centrelink reserves the discretionary power to exempt a person from the consequences of failing to comply with a request for their TFN. The exemption lasts until Centrelink issues a further request for a person's TFN. When such a request is made, and the person is receiving ABSTUDY benefits, the 28 day period will recommence.

Act Reference: SAAct Section 47: Consequences of not giving tax file number

8.1.2 Use of Tax File Numbers

Centrelink may require the Commissioner of Taxation, or the ATO on their behalf, to provide information about people, including TFNs, that was contained in a TFN declaration. This provision will only be used to collect information in certain circumstances, for example, with respect to third parties whose income and assets are relevant to a person's eligibility for, and rate of payment of, ABSTUDY benefits. Personal information can be used for the following purposes:

- to detect cases in which amounts of ABSTUDY benefits have been paid when they should not have been paid; or
- to verify, in respect of persons who have made claims for ABSTUDY benefits, the qualification of those persons for those benefits; or
- to establish whether the rates or amounts of ABSTUDY benefits that are being paid, or have been paid, are correct.

Act Reference: SAAct Section 47A: Use of tax file numbers

8.2 [Deleted Section]

8.3 Persons not required to provide a TFN

[Centrelink](#) will not request the following categories of persons to provide a TFN when making a claim for ABSTUDY benefits:

- customers who have previously supplied their TFN to Centrelink;
- students under 16 years of age;
- students, parents or partners who are exempt from providing their TFN if they receive a Social Security or Department of Veterans' Affairs (DVA) income support pension or benefit;
- students, Australian Apprentices, parents or partners who are at risk from another person and whose physical safety could be at increased risk from the disclosure of their TFN;
- Aboriginal or Torres Strait Islander clients who are attending a traditional ceremony at the time of claim lodgement – if requested, the date of effect of this request is the date of their return from participation in that ceremony;
- students, Australian Apprentices, parents or partners who have lost all records of their TFN because of fire or flood damage to their home within the six months preceding the claim for ABSTUDY - ceases to take effect six months after the damage occurred;
- customers who have lodged a claim for a TFN through Centrelink but have not yet received advice from ATO;
- parents who live permanently outside Australia and who do not earn income in Australia;
- parents or partners who are temporarily overseas – if requested, the date of effect of this request is the date of their return to Australia;
- aged person 80+ (no review required);
- persons living in a Natural Disaster Zone (review required, review period is 90 days);
- homeless person (review required, review period is 90 days);
- profoundly disabled persons;
- person in Nursing Home;
- person in Psychiatric Institution; and
- partner uncontactable (review required, review period is 90 days).

8.4 Regarded as having provided a TFN

A student or [Australian Apprentice](#) will be regarded as having supplied a TFN if:

- they have provided their TFN to [Centrelink](#) for a previous claim and agreed for Centrelink to use their TFN for future claims where necessary; or
- they have provided their TFN for the current claim; or
- they have lodged a TFN claim/enquiry form and authorised the Commissioner of Taxation, or the ATO on behalf of the Commissioner of Taxation, to provide their TFN to Centrelink.

Part III Primary Eligibility Criteria for ABSTUDY

Chapter 9: Primary Eligibility for ABSTUDY

This chapter outlines the primary eligibility criteria for ABSTUDY. It also discusses the effect of absences from Australia upon eligibility for ABSTUDY.

In this chapter:

- [9.1 Primary Eligibility Criteria for ABSTUDY](#)
- [9.2 Portability of ABSTUDY](#)

9.1 Primary Eligibility Criteria for ABSTUDY

To be eligible for any ABSTUDY assistance, a student or [Australian Apprentice](#) must meet the primary eligibility criteria for ABSTUDY. The primary ABSTUDY eligibility criteria are:

- the student or Australian Apprentice is an Australian citizen; and
- the student or Australian Apprentice is an Australian Aboriginal or Torres Strait Islander person; and
 - the student is either:
 - enrolled in an approved course; or
 - undertaking an approved Testing and Assessment activity to determine their suitability to undertake an approved course; or
 - undertaking a Testing and Assessment activity to determine their suitability for the Indigenous Youth Mobility Programme (IYMP); and
 - the Australian Apprentice has a current [registration](#) in relation to a full-time apprenticeship or traineeship or trainee apprenticeship under the Australian Apprenticeships Scheme;
- the student or Australian Apprentice is not receiving or will not receive any other government assistance or other relevant financial assistance (see [Chapter 12](#)) to study or complete their apprenticeship, traineeship or trainee apprenticeship; and
- the student or Australian Apprentice normally lives in Australia.

9.1.1 Normally lives in Australia

A student or Australian Apprentices is considered to normally live in Australia if they maintain a [permanent home](#) here, even if they are temporarily living or travelling overseas. A student or Australian Apprentice should be regarded as not normally living in Australia if they maintain a permanent home outside of Australia and its external territories.

9.2 Portability of ABSTUDY

9.2.1 Temporary Absences from Australia

ABSTUDY remains payable where a student or [Australian Apprentice](#) temporarily lives or travels overseas in the following circumstances:

- the student or Australian Apprentice continues to meet the primary eligibility criteria; and
- the student or Australian Apprentice is overseas for the purposes of receiving [eligible medical treatment](#) or to attend an [acute family crisis](#), ABSTUDY is payable for up to six weeks; or
- the student or Australian Apprentice is attending an overseas training camp with the Australian Defence Force Reserves; or
- the student or [Australian Apprentice](#) meets the requirements for Overseas Studies set out in [Chapter 55](#).

9.2.2 Returning to Australia

If a student or Australian Apprentices returns to Australia for a period of six weeks or less, the return is taken not to affect the continuity of the period of absence. This means that a new period cannot start unless the person has returned for greater than six weeks.

9.2.2.1 Absences greater than six weeks due to circumstances beyond the students control

Where a student or Australian Apprentices is unable to return to Australia due to circumstances beyond their control, such as illness, ABSTUDY can be extended at the delegate's discretion. Evidence supporting the extended stay will need to be provided by the student or Australian Apprentice.

In such cases the Australian Apprentice would still need to meet the eligibility criteria. That is, they must continue to meet the eligibility criteria set out in [9.1](#).

9.2.3 Permanent departures

ABSTUDY is not payable where a student departs Australia and commences to reside in a permanent home outside Australia and its external territories.

Eligibility for ABSTUDY will cease on the date of departure.

9.2.4 Payment of Fares Allowance

[Fares Allowance](#) is not payable for travel to or from an overseas destination.

Chapter 10: Aboriginality or Torres Strait Islander Status

To be considered as eligible for ABSTUDY assistance, applicants must first establish Aboriginality or Torres Strait Islander status. This chapter covers the establishment of Aboriginality or Torres Strait Islander status.

In this chapter:

- [10.1 Definition of Aboriginality or Torres Strait Islander status](#)
- [10.2 Evidence Requirements](#)
- [10.3 When to initiate a query](#)

10.1 Definition of Aboriginality or Torres Strait Islander status

An Australian Aboriginal or Torres Strait Islander person for ABSTUDY purposes, is one who:

- is of Aboriginal or Torres Strait Islander descent; **and**
- identifies as an Australian Aboriginal or Torres Strait Islander person; **and**
- is accepted as such by the community in which they live or have lived.

10.2 Evidence Requirements

10.2.1 Aboriginality on application

[Centrelink](#) will normally accept a student's or Australian Apprentice's declaration during the ABSTUDY claiming process as sufficient evidence of their Aboriginality or Torres Strait Islander status.

10.2.2 Evidence of Aboriginality or Torres Strait Islander status

Where uncertainty exists as to the Aboriginality or Torres Strait Islander status of the student or Australian Apprentice, evidence will be required to establish that they are an Australian Aboriginal or Torres Strait Islander. This evidence must be in accordance with **all three parts** of the definition of Aboriginality and Torres Strait Islander status.

Note: The onus is on the applicant to establish Aboriginality or Torres Strait Islander status.

10.2.2.1 Evidence of Aboriginal or Torres Strait Islander descent

Aboriginal or Torres Strait Islander **descent** may be proved by:

- birth records or genealogies verified by a suitable authority as applicable to the student or [Australian Apprentices](#); or
- a letter signed by the Chairperson of an Aboriginal and/or Torres Strait Islander incorporated organisation (where records are not available).

10.2.2.2 Evidence of self-identification as an Aboriginal or Torres Strait Islander

To demonstrate **self-identification**, the applicant should sign an affirmation that they identify as an Australian Aboriginal or Torres Strait Islander.

10.2.2.3 Evidence of acceptance as an Aboriginal or Torres Strait Islander by the community

Acceptance as an Aboriginal or Torres Strait Islander should be confirmed in writing from the Chairperson of an Aboriginal or Torres Strait Islander incorporated organisation in a community in which the applicant lives or has previously lived.

10.3 When to initiate a query

An ABSTUDY Unit Manager may initiate an Aboriginality query if a person contacts [Centrelink](#) claiming that there is doubt about the Aboriginality of a person who has applied for ABSTUDY, and indicating why one or more Aboriginality criteria has not been met; or a preliminary investigation, instituted as a result of information or substantial suspicion, confirms that there is doubt about a claim.

Chapter 11: Approved Courses of Study

To be eligible for ABSTUDY allowances, students and [Australian Apprentices](#) must undertake an approved course for ABSTUDY purposes. This chapter covers approved and non-approved courses of study and education institutions.

In this chapter:

- [11.1 Approved study](#)
- [11.2 Approved education institutions for secondary level studies](#)
- [11.3 Approved education providers for tertiary level studies](#)
- [11.4 Excluded education institutions](#)
- [11.5 Approved Courses](#)
- [11.6 Excluded courses](#)
- [11.7 Full-time and part-time courses](#)
- [11.8 Secondary and tertiary level courses](#)
- [11.9 Length of courses](#)

11.1 Approved study

To be eligible for ABSTUDY assistance, a student or [Australian Apprentice](#) must be:

- studying;
 - at an approved education institution ([secondary](#) or [tertiary](#)); and
 - in an [approved course](#); or
- undertaking an approved Testing and Assessment activity to determine their suitability to undertake an approved course; or
- have a current [registration](#) in respect of a full-time apprenticeship, traineeship or trainee apprenticeship under the scheme known as Australian Apprenticeships.

With the exception of Indigenous Special Courses provided by a correctional services authority or approved under [11.5.2](#), the Student Assistance (Education Institutions and Courses) Determination (see [Appendix B](#)), provides the legal basis for determining which education institutions and courses are approved under ABSTUDY policy.

For students to be eligible for the full range of ABSTUDY Awards, the course must also be approved as a [full-time course](#). Where a course can only be approved as a [part-time course](#), Part-time Award is payable.

11.1.1 Mode of study

An approved course may be studied by:

- attendance at classes;
- distance education/correspondence;
- external studies;
- open learning;
- flexible delivery; or
- a mode of study featuring a combination of the above.

11.2 Approved education institutions for secondary level studies

Approved education institutions for secondary level studies awards under [Schooling A](#), [Schooling B](#), [Part-time Award](#) and [Lawful Custody Award](#) are:

- government schools including those offering distance education/correspondence courses;
- non-government education institutions offering primary, ungraded, secondary or special courses accredited by the relevant State or Territory education authority;
- senior secondary colleges;
- TAFE institutions;
- Higher Education Providers; and
- Correctional services authorities providing secondary level Indigenous Special Course/s for students in Lawful Custody.

11.2.1 Secondary school

A secondary school is a school in Australia or on Christmas Island or the Cocos (Keeling) Islands that is:

- a government secondary school, or
- a non-government school that is not conducted for profit and is recognised as a secondary school under State or Territory law:
 - i. for the payment of government capital or recurrent grants; or
 - ii. for the payment of government grants or bursaries to the students.

11.2.2 Special schools

To be approved for ABSTUDY allowances, students at special schools are required to:

- study at an approved special school, i.e. a school conducted primarily for students having a significant physical, intellectual behavioural or psychiatric disability that is:
 - a government school; or
 - a non-government school that is recognised as a school under the law of a State or Territory; or
 - i. for the payment of government capital or recurrent grants; or
 - ii. for the payment of government bursaries or allowances to its students; and
- undertake study that the State/Territory education authority, non-government education authority or school Principal has stated, in writing, to be at secondary level.

11.2.2.1 Secondary course at a special school

A special school programme is accepted as a "secondary course" for ABSTUDY purposes where an education authority determines the course to be secondary. The assessment of the level of study undertaken by individual students attending special schools appropriately rests with an education authority, usually the relevant State/Territory or non-government education authority, as appropriate or, in some cases, the school Principal.

11.3 Approved education providers for tertiary level studies

Approved education providers for tertiary level studies are:

- higher education providers that attract Australian Government funding;
- TAFE institutions;
- Independent Indigenous Vocational Education and Training Providers (IIVET);
- Private education providers provided:
 - their primary focus is education; and
 - they are registered as a tertiary education provider by the relevant authority; and
 - their courses are accredited by the relevant State/Territory education authority;
- Correctional services authorities providing tertiary level Indigenous Special Course/s for students in Lawful Custody;
- Bond University; and
- [Open Universities Australia](#).

11.4 Excluded education institutions

The following education institutions are not approved institutions for the purposes of ABSTUDY assistance:

- the International Institute of Business and Technology (WA);
- the Australian Institute of Sport and the State based equivalents; and
- any education institution not defined in the Student Assistance (Education Institutions and Courses) Determination (see [Appendix B](#)).

11.5 Approved Courses

11.5.1 Mainstream courses

A mainstream course is a course available to all members of the Australian community.

All mainstream courses approved under the Student Assistance (Education Institutions and Courses) Determination (see [Appendix B](#)), are also approved for ABSTUDY. The Determination does not specify full or part-time courses.

For the approval of Masters and Doctorate level courses please refer to ABSTUDY Policy Manual section [20.1.1](#).

11.5.2 Indigenous special courses of study

Indigenous special courses of study are courses developed with course content designed specifically for Australian Aboriginal and Torres Strait Islander students. An Indigenous special course of study may be an approved course for ABSTUDY if it meets the following requirements:

- the course is not otherwise identified in [11.6](#) as an excluded course; and
- the course has a vocational education focus or is a preparatory or pathway course for entry to higher education studies; and
- the course is either:
 - a course accredited by an education institution or relevant State/Territory authority; or
 - a study program approved by a correctional services authority for a student in lawful custody.

11.5.2.1 Indigenous special courses of study where there is an equivalent mainstream course

Where there is an equivalent mainstream course, Indigenous special courses of study are to be approved in the same way as the mainstream course.

11.6 Excluded courses

The following courses are not approved for ABSTUDY (with the exception of [Lawful Custody Award](#) and Indigenous special courses approved under [11.5.2](#)):

- courses conducted through a non-registered education institution;
- non-accredited higher education or TAFE-equivalent courses conducted by private providers or providers not approved for HELP; or
- any course not defined as an approved course in the Student Assistance (Education Institutions and Courses) Determination (see [Appendix B](#)), unless it is an Indigenous special course approved under [11.5.2](#).

Also excluded (including for a course that might otherwise be approved as an Indigenous special course under [11.5.2](#)) are:

- the following Australian Government funded programs:
 - mainstream or Indigenous-specific labour market programs; or
 - courses undertaken as a mandatory activity under the Community Development Program (CDP); or
 - courses conducted through government departments/agencies and available only to their employees;
- courses conducted through state or territory government departments/agencies available only to their employees;
- courses comprised wholly or substantially of [Away from Base activities](#); and
- courses that are not available to all members of the Australian community, except where the course is specifically designed for Indigenous students and it satisfies the requirements of an Indigenous special course of study under [11.5.2](#).

11.6.1 Courses that are wholly or substantially Away from Base activities

A course is considered to be comprised wholly of Away from Base activities where there are no course work requirements in addition to the Away from Base activities.

A course is considered to be comprised substantially of Away from Base activities where there are minimal course work requirements in addition to the Away from Base activities.

Courses are not considered to be comprised substantially of Away from Base activities where there is an ongoing requirement for students to undertake course work throughout their study period, both during and between the Away from Base activities.

11.7 Full-time and part-time courses

11.7.1 Full-time courses

For the purposes of ABSTUDY, the **normal amount of full-time study** in respect of a course is:

- a.) if:
- the course is a course of study within the meaning of the [Higher Education Support Act 2003](#); and
 - there are Commonwealth supported students (within the meaning of that Act) enrolled in the course;

the full-time student load for the course; **or**

- b.) if the course is not such a course but the student undertakes a study amount as defined by the institution as a full-time course of study that a full-time student should typically undertake in respect of the course; or
- c.) otherwise an amount of full-time study equivalent to the average amount of full-time study that a person would have to undertake for the duration of the course in order to complete the course in the minimum amount of time needed to complete it.

Without limiting the above, the **normal amount of full-time study** in respect of a course is an average, taken over the duration of the period for which the person in question is enrolled in the course, of 20 contact hours per week.

Students undertaking courses that may be classified as full-time courses may be assessed for entitlements under all ABSTUDY Awards, subject to their study-load and eligibility for study-load concessions.

11.7.1.1 Full-time Australian Apprenticeships

For the purposes of ABSTUDY, eligible [Australian Apprentices](#) undertaking an apprenticeship, traineeship or trainee apprenticeship are those whose training contract is considered full-time by DSS.

11.7.2 Part-time courses

A course must be regarded as a part-time course if:

- it does not meet one of the above criteria; or
- a full-time workload cannot be defined (courses without attendance requirements which cannot verify full-time study requirements).

Students undertaking such courses can be approved only for entitlements under the [Part-time Award](#) and [Lawful Custody Award](#). [Study-load concessions](#) cannot be applied to such courses.

11.7.3 Two part-time courses

Two part-time courses cannot be grouped to make one full-time course. The student is entitled to the benefits arising from each Part-time Award.

Exceptions to this are:

- articulated courses, where two or more courses are linked together to form an overall qualification; or
- two associated courses where one merges with or leads into the other course, e.g. a bridging course leading into a degree course, or a supplementary programme studied concurrently with a degree course; or
- composite courses, also known as nested courses, where units from two or more different accredited courses that have the same course title recognised under the Australian Qualification Framework (aqf.edu.au) are part of coherent study sequence and lead to, or form part of, an overall qualification.

11.8 Secondary and tertiary level courses

Most approved courses and their level are defined in the Student Assistance (Education Institutions and Courses) Determination (see [Appendix B](#)).

Act Reference: SAAct Section 5D: Minister may determine secondary and tertiary courses

11.8.1 Secondary courses

An accredited secondary course means a course accredited as a secondary course by the authority responsible for the accreditation of those courses in the State or Territory in which the course is conducted.

An accredited secondary course can include both accredited secondary subjects and accredited Vocational Education and Training (VET) subjects leading to a VET qualification. These courses undertaken at a secondary school are secondary courses.

Secondary courses may also be secondary level or preparatory courses provided at other education providers, e.g. TAFE colleges, senior secondary colleges, universities or non-government institutions.

Preparatory courses for tertiary study, also known as bridging, access or enabling courses, are secondary level courses. English as a Second Language and Language, Literacy and Numeracy Programs, and Certificate in General Education for Adults courses are also secondary level courses.

Indigenous special courses provided by a correctional services authority may also be secondary level. They are not required to be accredited to attract ABSTUDY under the [Lawful Custody Award](#).

11.8.2 Tertiary courses

An accredited higher education course means a course that is:

- accredited as a higher education course by the authority responsible for the accreditation of those courses in the State or Territory in which the course is conducted and is offered by a higher education provider approved for the Higher Education Loan Program (HELP); or
- if a higher education institution or a non-government institution, approved for HELP, is authorised by the law of the State or Territory in which the institution is located to accredit its own higher education courses, a course conducted and accredited as a higher education course by that institution.

An accredited vocational education and training course means a course approved for VET Student Loans (if applicable) and accredited as a vocational education and training course by the authority responsible for the accreditation of those courses in the State or Territory in which the course is conducted, and conducted by a Registered Training Organisation that is approved for VET Student Loans, which includes some non-governmental providers, Vocational Education and Training providers, and in some circumstances, a higher education institution.

Vocational education and training courses below Diploma level are not required to be approved for VET Student Loans.

Where a current ABSTUDY recipient is undertaking an approved tertiary course that becomes not approved for ABSTUDY purposes, the student will continue to receive their payments until they finish the course, provided there is no break in entitlement.

Indigenous special courses provided by a Registered Training Organisation not approved for VET Student Loans or provided by a correctional services authority may also be tertiary level courses for ABSTUDY purposes. Indigenous special courses are not required to be accredited to attract ABSTUDY under the [Lawful Custody Award](#). Indigenous special courses are not required to be approved for VET Student Loans to be an approved course for ABSTUDY.

11.8.3 Deciding whether courses are secondary or tertiary level

Institutions may not specify whether a course is secondary or tertiary level; this will particularly be the case in respect of non-government institutions offering vocational education and training courses. In order to assess whether a course should be classified as a secondary or a tertiary course, the course documentation, such as a course prospectus, should be referred to in addition to the Student Assistance (Education Institutions and Courses) Determination (see [Appendix B](#)).

11.8.4 Courses with secondary and tertiary subjects

Where a course includes both secondary and tertiary subjects, it should be determined to be either a secondary course or a tertiary course as referred to in [11.8.3](#).

11.9 Length of courses

11.9.1 Short courses

A short course is a course where the normal minimum duration for a full-time student to complete the course is not more than 30 weeks. This period includes any holidays and vacations.

11.9.2 Full year course

A full year course is a course where the normal minimum duration for a full-time student to complete the course is 30 weeks or more. Students studying in full year courses normally study for the whole academic year.

An articulated course is considered a full year course where two or more short courses are linked together to form the same award or accreditation, and the normal minimum duration for a full-time student to complete this overall course is 30 weeks or more.

11.9.3 Late starting courses

A late starting course is one that starts between 1 April and 30 June or between 1 August and 31 December in the year of study, inclusive.

Chapter 12: Government and other Financial Assistance

This chapter covers the effect upon ABSTUDY eligibility and entitlement for students and [Australian Apprentices](#) who receive government financial assistance or other relevant financial assistance.

In this chapter:

- [12.1 Income support](#)
- [12.2 Training assistance, wage subsidies and employer assistance](#)
- [12.3 Scholarships](#)
- [12.4 Date of commencement of other Government assistance](#)
- [12.5 Receiving Government assistance from two sources](#)

12.1 Income support

12.1.1 Receipt of Government income support to study

Students and [Australian Apprentices](#) are ineligible for ABSTUDY assistance for a course of study or training if they also receive another form of Australian Government assistance to study or complete their apprenticeship, traineeship or trainee apprenticeship. This includes, but is not limited to:

- Youth Allowance (YA) (where study in the course makes up part or all of the activity test requirements);
- Austudy;
- Assistance for Isolated Children (AIC);
- Language, Literacy and Numeracy Supplement;
- Pensioner Education Supplement (PES);
- Veterans' Children's Education Scheme (VCES);
- Military Rehabilitation and Compensation Act Education and Training Scheme (MRCAETS); and
- Living Away from Home Allowance.

The exception to the above is where an ABSTUDY payment is intended to supplement a primary payment (such as PES for a Parenting Payment recipient, including where the study is a compulsory activity for the primary payment).

12.1.2 Cannot receive income support and ABSTUDY Living Allowance

Student and Australian Apprentices may not receive ABSTUDY [Living Allowance](#) and [income support](#) from another government source at the same time.

12.1.3 Part-time award

Australian Government income support payment recipients may be eligible for entitlements other than Living Allowance under ABSTUDY, for example under the [Part-time Award](#), if they are studying, provided that this study does not make up part or all of their activity test requirements for the income support payment.

12.1.4 Disability Pension received from the Department of Veterans' Affairs and ABSTUDY

Students in receipt of Disability Pensions from the Department of Veterans' Affairs may receive ABSTUDY Living Allowance, but the Disability Pension is assessed as income for the purposes of the personal income test.

12.1.5 DFISA-like payments

Recipients of Defence Force Income Support Allowance(DFISA)-like payments under the [Veterans' Entitlements Act 1986](#) may be eligible for entitlements other than Living Allowance under ABSTUDY, for example under the [Part-time Award](#).

12.2 Training assistance, wage subsidies and employer assistance

Generally, students who are receiving training assistance for formal study, including assistance from an employer are not eligible for ABSTUDY. Training assistance from an employer includes paid study leave or payment of travel, meals and accommodation costs.

The exceptions are:

- [Australian Apprentices](#) who are receiving training assistance for formal study or who are assisted through an Australian Government or State/Territory government wage subsidy via an employer, provided they meet the criteria for Australian Apprentices under the [Tertiary Award](#).
- Persons undertaking a training program placement.
- Persons participating in a school based traineeship or apprenticeship.
- For employees of organisations that are registered by the Australian Charities and Not-for-profit Commission and/or the Office of the Registrar of Indigenous Corporations:
 - the value of fares, meals and accommodation is assessed on a dollar for dollar basis.
 - employment income is assessed under the personal income test
- Scholarships, cadetships or similar assistance received from an employer other than those government employees receiving scholarships covered in 12.3 are assessed under the personal income test.

For students receiving other types of scholarships see Chapters 12.3 and 59.

Students who are receiving training assistance for formal study from an employer that is not registered by Australian Charities and Not-for-profit Commission and/or the Office of the Registrar of Indigenous Corporations, or who are not exceptions shown above, are not eligible for ABSTUDY.

However, ABSTUDY assistance cannot duplicate assistance provided from other sources, such as from an employer.

12.2.1 Full-time apprentices or trainees

The criteria considered to determine a student's eligibility for ABSTUDY include:

- employed as a full-time apprentice or trainee under a training agreement, under the [Australian Apprenticeship Scheme](#); **and**
- engaged in the apprenticeship or traineeship on a full-time basis; **and**
- holder of a current [registration](#) in relation to a full-time apprenticeship, traineeship or trainee apprenticeship.

12.2.2 [Deleted section]

12.2.3 [Deleted section]

12.2.4 Green Army

Green Army participants in receipt of Green Army Allowance are excluded from receiving ABSTUDY Living Allowance. However, a Green Army Allowance recipient may apply for other ABSTUDY entitlements for a course they are undertaking provided they:

- meet the ABSTUDY primary eligibility criteria; and
- meet the specific eligibility criteria for those ABSTUDY entitlements.

12.3 Scholarships

In general, the receipt of a scholarship does not preclude ABSTUDY eligibility unless the student is an employee of a government agency and is awarded a scholarship by that agency to undertake secondary or tertiary studies.

Students receiving government scholarships can receive ABSTUDY provided they are not an employee of the government agency awarding the scholarship. This does not include periods for which the student is an employee for the purposes of work experience. The value of the scholarship however, may be counted as income when assessing the student's Living Allowance entitlement.

The treatment of scholarships under the personal income test, and the exemption of certain types of scholarships from this test, is discussed in [Chapter 59](#).

Note: A student is not considered an employee of a government agency where they are an employee for the purposes of work experience.

12.3.1 Indigenous Commonwealth Scholarships

A person is not qualified for a Student Start-up Loan for the same period for which they have received or will receive an Indigenous Commonwealth Education Costs Scholarship or equivalent scholarship payment. Similarly, a person is not qualified for a Relocation Scholarship for the same period for which they have received or will receive an Indigenous Commonwealth Accommodation Scholarship or equivalent scholarship payment.

Act Reference: SAAct Section 7C(1)(b): Qualification for ABSTUDY student start-up loan, SSAct Section 23: Dictionary ‘disqualifying education costs scholarship’

12.4 Date of commencement of other Government assistance

The assistance should be taken as commencing on the date the student or [Australian Apprentice](#) begins study under the programme or undertakes an apprenticeship, traineeship or trainee apprenticeship, or the date the agreement commences, whichever is the earlier.

12.5 Receiving Government assistance from two sources

With the exception of an ABSTUDY payment intended to supplement a primary payment (such as PES for a Parenting Payment recipient, including where the study is a compulsory activity for the primary payment), a student or [Australian Apprentice](#) may not receive Australian Government assistance from two sources for the same course of study or training. However, where a student or Australian Apprentice is receiving Government assistance for a particular course of study or training, ABSTUDY may be payable where the student or Australian Apprentices is undertaking an additional course for which the Government assistance is not paid.

Chapter 13: General Provisions Affecting ABSTUDY Eligibility and Entitlement

This chapter discusses the assessment of changes in circumstances, and the effect upon eligibility of certain changes.

In this chapter:

- [13.1 Change in Circumstances](#)
- [13.2 Student or Australian Apprentice Enters Lawful Custody](#)
- [13.3 Death of a Student or Australian Apprentice](#)
- [13.4 Australian Apprentices](#)
- [13.5 Loss of ABSTUDY payments on security grounds](#)

13.1 Change in Circumstances

Where a change of circumstance occurs, the student's and Australian Apprentice's eligibility and/or entitlement are reassessed from the date of the change in circumstance. This is not affected by the date on which the student or Australian Apprentices notifies of the change.

The changes in circumstances of which a customer must advise [Centrelink](#), and the penalties that may apply if such a change is not advised, are detailed in [Chapter 2: Recipient Obligations - Change in Circumstances](#).

13.2 Student or Australian Apprentice Enters Lawful Custody

When a person enters lawful custody, eligibility for all ABSTUDY Awards (with the exception of [Lawful Custody Award](#)) ceases for the duration of the custodial sentence.

13.3 Death of a Student or Australian Apprentice

If a student or Australian Apprentice dies, ABSTUDY eligibility will cease from the day on which the student or Australian Apprentice died.

13.4 Australian Apprentices

A full-time [Australian Apprentice](#) is not eligible to receive ABSTUDY unless they:

- are employed as a full-time apprentice; and
- have signed a training contract with an employer to undertake a full-time Australian Apprenticeship; and
- the training contract has been submitted for approval to a State Training Authority for the person to undertake a full-time apprenticeship under the scheme known as Australian Apprenticeships.

ABSTUDY eligibility will only continue where these conditions remain current.

13.5 Loss of ABSTUDY payments on security grounds

If the Minister for Families and Social Services has been given a security notice issued by the Attorney-General in relation to a person, and the issuing of the security notice is as result of:

- the Minister for Foreign Affairs giving the Attorney-General a notice under section 38P of the [Social Security Act 1991](#) in relation to the person; or
- the Minister for Immigration and Border Protection giving the Attorney-General a notice under section 38Q of the [Social Security Act 1991](#) in relation to the person;

then for any day while the notice is in force:

- ABSTUDY or any payment under this Policy Manual is not to be paid to the person; and
- the person is not qualified for ABSTUDY or any payment under this Policy Manual; and
- ABSTUDY or any payment under this Policy Manual is not payable to the person.

A security notice comes into force on the day it is given to the Minister for Families and Social Services, and remains in force until it is revoked. The person's eligibility for ABSTUDY may be restored where the Minister for Families and Social Services has been given written notice by the Attorney-General that the security notice in relation to the person has been revoked.

A decision to cancel a person's ABSTUDY payment as a result of a security notice being given to the Minister for Families and Social Services is taken not to be a decision of an officer under the ABSTUDY Policy Manual and is not a reviewable decision under this ABSTUDY Policy Manual or the [Student Assistance Act 1973](#). The decision to cancel a person's ABSTUDY payment as a result of a security notice is subject to judicial review under section 39B of the [Judiciary Act 1903](#) or section 75(v) of the Constitution.

Part IV Specific Eligibility Criteria for ABSTUDY Awards

Chapter 14: ABSTUDY Awards

The concept of ABSTUDY “Awards” is a way of organising the allowances available to particular groups of students or [Australian Apprentices](#). There are seven Awards available under the ABSTUDY scheme; the eligibility of a student or Australian Apprentice for a particular Award will depend upon their study, training and personal circumstances. The following chapters detail these seven Awards, and the specific eligibility criteria needed to qualify for each Award. They also list the benefits and allowances that the applicant may be entitled to under each Award.

In this chapter:

- [14.1 Specific Eligibility Criteria](#)
- [14.2 Awards payable](#)
- [14.3 Concurrent Awards](#)
- [14.4 Benefits and Allowances payable under an Award](#)

14.1 Specific Eligibility Criteria

Students and [Australian Apprentices](#) are eligible for an ABSTUDY Award if they meet:

- the [primary eligibility criteria](#); and
- the specific eligibility criteria for the type of Award for which they are applying.

14.2 Awards payable

Only one Award is payable in respect of a course of study, an apprenticeship, traineeship or trainee apprenticeship.

14.3 Concurrent Awards

Where a student is studying two or more courses, the student may hold one or more Awards concurrently providing that only one of the Awards pays [Living Allowance](#) or the Pensioner Education Supplement.

Where an Australian Apprentice is undertaking one or more courses of study in addition to undertaking the Australian Apprenticeship, the person may hold one or more Awards concurrently, providing that only one of the Awards pays Living Allowance .

The concurrent award does not affect benefits in respect of each Award.

14.4 Benefits and Allowances payable under an Award

While a student or [Australian Apprentice](#) may be eligible for an ABSTUDY Award, they are not automatically entitled to all benefits and allowances payable under the Award. Each benefit and allowance has specific qualification criteria and limits upon the assistance payable. Refer to the Chapters on the specific allowances and benefits for details of the qualification and limits for each.

Chapter 15: Schooling A Award

This chapter outlines the specific eligibility criteria for the Schooling A Award and the allowances that may be available under this Award.

In this chapter:

- [15.1 Specific Eligibility Criteria for Schooling A Award](#)
- [15.2 Allowances and Benefits available under the Schooling A Award](#)

15.1 Specific Eligibility Criteria for Schooling A Award

A student is eligible for the Schooling A Award if they meet the general ABSTUDY eligibility criteria and is:

- 15 years of age or younger; and
- studying a full-time secondary course; and either:
 - living at home; or
 - not approved for the living away from home or independent rates;

OR

- 14 or 15 years of age at 1 January in the year of study; and
- a full-time primary school student; and
- living at home.

15.2 Allowances and Benefits available under the Schooling A Award

A student approved for the Schooling A Award may be entitled to the following benefits:

- [School Term Allowance](#);
- [School Fees Allowance](#);
- [Away from Base assistance for distance education/correspondence students to attend residential schools](#); and
- [Fares Allowance](#) in order to attend approved Away from Base activities.

Chapter 16: Schooling B Award

This chapter outlines the specific eligibility criteria for the Schooling B Award and the allowances that may be available under this Award.

In this chapter:

- [16.1 Specific Eligibility Criteria for Schooling B Award](#)
- [16.2 Allowances and Benefits available under the Schooling B Award](#)

16.1 Specific Eligibility Criteria for Schooling B Award

A student is eligible for a Schooling B Award if they meet the general ABSTUDY eligibility criteria and is:

- either
 - 16 years of age or older, or
 - 15 years of age or older and in State Care or independent as a result of one of the following circumstances:
 - they are an orphan; or
 - they have, or have had, a ABSTUDY dependent child (refer to [38.3 Parenthood](#)); or
 - currently have the care or custody of another person's dependent child or student (refer to [39.2 Care or Custody of Child](#)); or
 - they have been in lawful custody for a cumulative period of six months or more (refer to [38.5 Previous Lawful Custody](#)); or
 - they are 15 years of age or older and has undergone and completed a traditional initiation ceremony (refer to [38.7 Special Adult Status](#)); or
 - it is unreasonable for them to live at home ([UTLAH](#)); or
 - their parents cannot exercise their responsibilities because they are in prison, missing, or are mentally incapacitated or living in a nursing home (refer to [39.3 Parents Cannot Exercise Parental Responsibilities](#)); or
 - they are 16 years of age or over and has returned to live in an Indigenous community after been adopted or fostered by a non-Indigenous family for more than two year (refer to [39.4 Returning to an Indigenous community](#));

AND

- either:
 - undertaking an approved course of full-time primary school studies; or
 - undertaking full-time secondary school studies;

OR

- any age, and
- undertaking full-time secondary non-school studies; and

- meets the ABSTUDY progress and duration of assistance rules; and
- either:
 - has reached the minimum school leaving age as defined by the relevant State/Territory education authority; or
 - has provided evidence that they have been granted an exemption by the State/Territory education authority in order to attend a TAFE or other non-school institution;

OR

- under 16 years of age; and
 - meets one of the conditions for approval to live away from home, and does live away from home; and
 - is undertaking full-time secondary school studies; or
 - has already completed the final year of primary school and has moved away from home to undertake secondary schooling but instead needs to repeat the final year of primary school at another location that offers both primary and secondary schooling.

16.2 Allowances and Benefits available under the Schooling B Award

A student approved for a Schooling B Award may be entitled to one or more of the following benefits:

- [Living Allowance](#) OR [Pensioner Education Supplement](#);
- [School Fees Allowance](#);
- [Fares Allowance](#);
- [Away from Base assistance](#);
- [Incidentals Allowance](#) (where student is 18 years or over at 1 January in the year of study);
- [Rent Assistance](#);
- [Remote Area Allowance](#);
- [Pharmaceutical Allowance](#);
- [Additional Assistance](#);
- [Relocation Scholarship](#); and
- [Student Start-up Loan](#).

Act Reference: SAAct Section 7C: Qualification for ABSTUDY student start-up loan

Chapter 17: Tertiary Award

This chapter outlines the specific eligibility criteria for the Tertiary Award and the allowances that may be available under this Award.

In this chapter:

- [17.1 Specific Eligibility Criteria for Tertiary Award](#)
- [17.2 Student Allowances and Benefits available under the Tertiary Award](#)
- [17.3 Australian Apprentice Allowances and Benefits Available Under the Tertiary Award](#)

17.1 Specific Eligibility Criteria for Tertiary Award

A student or [Australian Apprentice](#) is eligible for a Tertiary Award if they meet the primary ABSTUDY eligibility and:

- is studying a full-time post-secondary course or undertaking a full-time apprenticeship, traineeship or trainee apprenticeship under the Australian Apprenticeships scheme; and
 - has reached the minimum school leaving age as defined by the relevant State/Territory education authority; or
 - has been granted exemption from the State/Territory education authority in order to attend a TAFE or an Australian Apprenticeship or another tertiary institution; and
- if a student, is studying a full-time (including concessional) study-load and meets the ABSTUDY progress and duration of assistance rules; or
- if an Australian Apprentice, has a current [registration](#).

17.2 Student Allowances and Benefits available under the Tertiary Award

A student approved for a Tertiary Award may be entitled to one or more of the following benefits:

- [Living Allowance](#) OR [Pensioner Education Supplement](#);
- [Incidentals Allowance](#);
- [Additional Assistance](#);
- [Additional Incidentals Allowance](#);
- [Fares Allowance](#);
- [Rent Assistance](#);
- [Remote Area Allowance](#);
- [Pharmaceutical Allowance](#);
- [Away from Base assistance](#);
- [Relocation Scholarship](#);
- [Student Start-up Loan](#).

Act Reference: SAAct Section 7C: Qualification for ABSTUDY student start-up loan

17.3 Australian Apprentice Allowances and Benefits Available Under the Tertiary Award

An Australian Apprentice may be entitled to one or more of the following benefits:

- [Living Allowance](#);
- [Incidentals Allowance](#);
- [Rent Assistance](#);
- [Remote Area Allowance](#);
- [Pharmaceutical Allowance](#);
- [Additional Assistance](#).

Chapter 18: Part-time Award

This chapter outlines the specific eligibility criteria for the Part-time Award and the allowances that may be available under this Award.

In this chapter:

- [18.1 Specific Eligibility Criteria for Part-time Award](#)
- [18.2 Allowances and Benefits available under the Part-time Award](#)

18.1 Specific Eligibility Criteria for Part-time Award

A student is eligible for a Part-time Award if they meet the general ABSTUDY eligibility criteria and:

- is studying a post-secondary course; and
- is not studying a full-time workload;

OR

- is 18 years or older at 1 January in the year of study; and
- is studying a secondary course; and
- is not studying a full-time workload.

18.2 Allowances and Benefits available under the Part-time Award

A student approved for a Part-time Award may be entitled to the following benefits:

- [Incidentals Allowance](#) (not including Additional Incidentals Allowance);
- [Away from Base assistance](#);
- [Fares Allowance](#) to attend Away from Base activities.

Chapter 19: Testing and Assessment Award

This chapter outlines the specific eligibility criteria for the Testing and Assessment Award and the allowances that may be available under this Award.

In this chapter:

- [19.1 Specific Eligibility Criteria for Testing and Assessment Award](#)
- [19.2 Allowances and Benefits available under the Testing and Assessment Award](#)

19.1 Specific Eligibility Criteria for Testing and Assessment Award

A person is eligible for a Testing and Assessment Award if they meet the ABSTUDY general eligibility criteria and:

- is undertaking a Testing and Assessment activity to determine the participants suitability for the Indigenous Youth Mobility Programme (IYMP); and/or
- seeks to enrol in an approved tertiary course or a higher degree at the Masters or Doctorate level, and is required to travel away from their normal place of residence to attend a selection test or an interview to determine suitability for, and acceptance into, the course, where such a test/interview is a normal requirement for admission to the course; and
- is unable to be assessed from previous study; and
- is not receiving or will not receive any other significant form of financial assistance for the test/interview.

19.1.1 Limit of assistance

Applicants may be assisted to attend a maximum of two testing and assessment programs in a year.

19.2 Allowances and Benefits available under the Testing and Assessment Award

A student approved for Testing and Assessment Award may be entitled to the following benefits:

- [Fares Allowance](#); and
- [Away from Base assistance](#).

Chapter 20: Masters and Doctorate Award

This chapter outlines the specific eligibility criteria for the Masters and Doctorate Award and the allowances that may be available under this Award.

In this chapter:

- [20.1 Specific Eligibility Criteria for the Masters and Doctorate Award](#)
- [20.2 Allowances and Benefits available under the Masters and Doctorate Award](#)
- [20.3 Comparison of ABSTUDY Masters and Doctorate Award and the Australian Government Research Training Program](#)

20.1 Specific Eligibility Criteria for the Masters and Doctorate Award

A student is eligible for a Masters and Doctorate Award if they:

- meet the general ABSTUDY eligibility criteria; and
- are enrolled on a full-time or concessional study-load basis in an approved Masters degree or Doctorate course; and
- are not receiving, or will not receive, any other form of government assistance (refer [12.5](#)).
For example: a student cannot be in receipt of both the ABSTUDY Masters and Doctorate Award and a scholarship under the Australian Government Research Training Program (RTP).

20.1.1 Approved courses

An approved course is a [full-time course](#) for which a Masters or Doctorate degree is offered by an approved higher education institution.

20.1.2 Excluded courses

Other postgraduate courses, such as the following, do not qualify for this Award:

- Masters qualifying course;
- Postgraduate Diploma, e.g. Diploma of Education; and
- Postgraduate Bachelor Degree, e.g. Bachelor of Letters.

20.2 Allowances and Benefits available under the Masters and Doctorate Award

A student approved for an ABSTUDY Masters and Doctorate Award may be entitled to:

- [Living Allowance](#) OR [Pensioner Education Supplement](#);
- [Incidentals Allowance](#);
- [Additional Incidentals Allowance](#);
- [Thesis Allowance](#);
- [Assistance to pay Commonwealth Supported Places commitment](#) (previously known as HECS), OR compulsory course fees;
- [Relocation Allowance](#) OR [Fares Allowance](#);
- [Away from Base assistance](#);
- [Additional Assistance](#);
- [Relocation Scholarship](#); and
- [Student Start-up Loan](#).

Act Reference: SAACT Section 7C: Qualification for ABSTUDY student start-up loan

20.2.1 Commonwealth Supported Students (previously known as students receiving HECS)

Students in receipt of an ABSTUDY Masters and Doctorate living allowance or Pensioner Education Supplement, who are undertaking full-time postgraduate studies as a Commonwealth supported student, can apply to [Centrelink](#) for their student contributions to be paid under ABSTUDY. Such students must choose the up-front payment option and provide Centrelink with a copy of their confirmation of enrolment notice to ensure that Centrelink pays the amount owing on or before the census date or the date set by the provider, if earlier.

20.3 Comparison of ABSTUDY Masters and Doctorate Award and the Australian Government Research Training Program

Students cannot receive both payments. Where a student meets the eligibility provisions for both payments, they should choose the payment that will be most beneficial to their individual circumstances.

[Appendix E](#) provides a comparison of the two schemes.

Chapter 21: Lawful Custody Award

This chapter outlines the specific eligibility criteria for the Lawful Custody Award and the allowances that may be available under this Award.

In this chapter:

- [21.1 Student or Australian Apprentice in Lawful Custody Award](#)
- [21.2 Allowances and Benefits](#)

21.1 Student or Australian Apprentice in Lawful Custody Award

A student or [Australian Apprentice](#) is eligible for this award if they meet the general ABSTUDY eligibility criteria, and:

- is in lawful custody for a period of more than two weeks; and
- is studying a suitably approved course; or
- is undertaking a full-time apprenticeship, traineeship or trainee apprenticeship under the Australian Apprenticeship scheme at australianapprenticeships.gov.au.

21.1.1 Situations that are not lawful custody

For the purposes of the Lawful Custody Award, a person in any of the following situations is not regarded as being in lawful custody:

- parole;
- home detention programme;
- work release, or transfer release while living in the community.

21.2 Allowances and Benefits

A student or [Australian Apprentice](#) approved for the Students in Lawful Custody Award may be entitled to the following benefits:

- [Lawful Custody Allowance](#); and
- [Away from Base assistance](#).

Students approved for the Lawful Custody Award may also be entitled to Away from Base assistance (where permission has been given by correctional institution for the student to attend).

Chapter 22: Overview of allowances available under ABSTUDY awards

This chapter provides a summary of allowances available under each ABSTUDY award.

In this chapter:

- [22.1 Overview of student allowances available under each award](#)
- [22.2 Overview of allowances available to Australian Apprentices](#)

22.1 Overview of student allowances available under each award

Students approved for an ABSTUDY award may be entitled to one or more of the allowances listed at 22.1.1.

22.1.1 Student Allowances and Benefits available under Awards

ABSTUDY Allowance and Benefits	ABSTUDY Award Codes						
	A	B	T	P/t	TA	MD	LC
Additional Assistance		X	X			X	
Away from Base assistance	X	X	X	X	X	X	X
Incidentals Allowance		X	X	X		X	
Additional Incidentals Allowance			X			X	
Student contribution (HECS-HELP) or tuition fees						X	
Lawful Custody Allowance							X
Living Allowance		X	X			X	
Pensioner Education Supplement		X	X			X	
Relocation Allowance						X	
Relocation Scholarship		X	X			X	
Student Start-up Loan		X	X			X	
School Fees Allowance	X	X					
School Term Allowance	X						
Rent Assistance		X	X				
Thesis Allowance						X	
Fares Allowance	X	X	X	X	X	X	X
Energy Supplement		X	X			X	

¹ Award Codes: **A** - Schooling Award A, **B** - Schooling Award B, **T** - Tertiary Award, **P/t** - Part time Award, **TA** - Testing and Assessment Award, **MD** - Masters and Doctorate Award, **LC** - Lawful Custody Award

Note: * Relocation Scholarship and Student Start-up Loan are only available to eligible students under Schooling B Award for undertaking an [approved scholarship course](#).

Act Reference: SAAct 7C: Qualification for ABSTUDY student start-up loan

22.2 Overview of Allowances Available to Australian Apprentices

ABSTUDY Allowance	ABSTUDY Tertiary Award	Lawful Custody Allowance
Additional Assistance	X	
Away from Base assistance		
Incidentals Allowance	X	
Additional Incidentals Allowance		
Student contribution (HECS-HELP) or tuition fees		
Lawful Custody Allowance		X
Living Allowance	X	
Pensioner Education Supplement		
Relocation Allowance		
School Fees Allowance		
School Term Allowance		
Rent Assistance	X	
Thesis Allowance		
Fares Allowance		
Energy Supplement	X	

Part V Student and Australian Apprentice Status

Chapter 23: Student and Australian Apprentice Status

This chapter provides an overview of the different categories of student and [Australian Apprentice](#) status.

In this chapter:

- [23.1 Student and Australian Apprentice status categories](#)
- [23.2 What does student and Australian Apprentice status determine?](#)

23.1 Student and Australian Apprentice status categories

Students and [Australian Apprentices](#) are categorised as meeting either:

- [dependent status](#);
- [independent status](#); or
- [student or Australian Apprentice in State care](#).

Students and Australian Apprentices can belong to only one category at any one time.

23.1.1 Awards for which student and Australian Apprentice status is relevant

Student and Australian Apprentice status is relevant to determining entitlements under the following Awards:

- [Schooling A Award](#);
- [Schooling B Award](#);
- [Tertiary Award](#); and
- [Masters and Doctorate Award](#).

23.1.2 Awards for which student and Australian Apprentice status is not relevant

Student and Australian Apprentice status is not relevant to determining entitlements under the following Awards:

- [Part-time Award](#);
- [Lawful Custody Award](#); and
- [Testing and Assessment Award](#).

23.2 What does student and Australian Apprentice status determine?

The status of a student and [Australian Apprentice](#) is a factor that determines:

- the benefits to which a student or Australian Apprentice is entitled;
- the means tests to be applied; and/or
- the rate of entitlement for certain allowances.

Chapter 24: Introduction to Dependent Status

This chapter provides an overview of dependent status.

In this chapter:

- [24.1 Dependent Status](#)
- [24.2 Types of Dependent Status](#)

24.1 Dependent Status

A student or [Australian Apprentice](#) is considered to have a dependent status if they:

- do not meet any of the criteria for [independent status](#); and
- do not receive a pension under the [Social Security Act 1991](#) or the [Veterans' Entitlements Act 1986](#); and
- are not a [student or Australian Apprentice in State Care](#); and
- are not in [lawful custody](#).

24.2 Types of Dependent Status

There are two types of dependent students and [Australian Apprentices](#):

- students or Australian Apprentices who:
 - live at the permanent home to study or undertake an apprenticeship, traineeship or trainee apprenticeship; or
 - live away from the permanent home but do not qualify for assistance to live away from home; or
 - would qualify for assistance to live away from home, but choose not to live away from home to study or undertake an apprenticeship, traineeship or trainee apprenticeship; and
- students or Australian Apprentices who live away from home and qualify for assistance to live away from the permanent home to study or undertake an apprenticeship, traineeship or trainee apprenticeship. Refer to [Chapter 25: Eligibility for Away from Home Entitlements](#).

24.2.1 Rate of Living Allowance

Where a dependent student or Australian Apprentice lives away from the permanent home and qualifies for assistance to live away from home to study or undertake an apprenticeship, traineeship or trainee apprenticeship, they are entitled to receive the Away from Home rate of Living Allowance, subject to the relevant means tests.

A dependent student or Australian Apprentice who is not in the above category is entitled to receive the standard (at-home) rate of Living Allowance, subject to the relevant means tests.

Chapter 25: Eligibility for Away from Home Entitlements

This chapter outlines the eligibility criteria for Away from Home entitlements.

In this chapter:

- [25.1 Eligibility Criteria for Away from Home entitlements](#)
- [25.2 What is Reasonable Access?](#)
- [25.3 What is an Appropriate Education Institution?](#)
- [25.4 Cannot Study or undertake Australian Apprenticeship whilst Living at the Permanent Home](#)
- [25.5 Entitlement Period for Away from Home Rate of Living Allowance](#)
- [25.6 Change in Location of Permanent Home](#)

25.1 Eligibility Criteria for Away from Home entitlements

A student or [Australian Apprentice](#) is approved for Away from Home entitlements in the following circumstances:

- Either:
 - they do not have [reasonable access](#) to an [appropriate education institution](#) or work place whilst living in the permanent home; or
 - they cannot reasonably be expected to study or undertake a Australian Apprenticeship whilst [living in the permanent home](#);

AND

- they live away from the [permanent home](#).

OR:

- A secondary school aged student may be approved for Away from Home entitlements in the following circumstances:
 - they do not have [reasonable access](#) to an [appropriate secondary education institution](#);
 - or
 - they cannot reasonably be expected to undertake secondary schooling whilst living in the [permanent home](#); and
 - intends to undertake secondary studies, however in order to do so is required to repeat the final year of primary school in preparation for a successful transition to secondary studies; and
 - the school they have enrolled in offers this year of schooling; and
 - they have enrolled in the final year of primary schooling;

AND

- they live away from the [permanent home](#).

25.1.1 Evidence supporting claims for Away from Home entitlements

As determined by [Centrelink](#), evidence may be required to support a student's or Australian Apprentice's claim for Away from Home entitlements.

25.1.2 Australian Apprentices

Where a person who wishes to undertake a full-time apprenticeship, traineeship or trainee apprenticeship is required to live away from the permanent home in order to undertake their Australian Apprenticeship, Away from Home entitlements may be approved.

25.1.3 [Deleted Section]

25.2 What is Reasonable Access?

A student is considered to not have reasonable access to an [appropriate education institution](#) in the following circumstance:

- travelling time and/or physical access between the [permanent home](#) and the appropriate education institution/s make daily travel impossible or unreasonable, as set out in [Chapter 26](#).

Reasonable Access provisions may apply where an [Australian Apprentice](#) is undertaking an apprenticeship, traineeship, or trainee apprenticeship with an employer or training provider and the travelling time and/or access between the permanent home and the employer or training provider make daily travel impossible or unreasonable, as set out in Chapter 26.

25.3 What is an Appropriate Education Institution?

25.3.1 Appropriate Education Institution for Secondary School Students

For secondary school students, an appropriate education institution is any government school that offers tuition at the student's level, that is, the year or grade for which the student is qualified to enrol. However, the determination of what is an appropriate education institution for a secondary school student may vary in the following circumstances:

- the government school/s to which the student has [reasonable access](#) is considered a limited programme school, as set out in [Chapter 27](#); or
- the student wishes to undertake an approved special course, as set out in [Chapter 28](#); or
- the student has a disability for which the government school/s to which the student has reasonable access cannot cater, as set out in [Chapter 29](#); or
- the student has been excluded from attending the government school/s to which the student has reasonable access, as set out in [Chapter 30](#); or
- the student has been subjected to racial discrimination of a serious and continuing nature at the government school/s to which the student has reasonable access, as set out in [Chapter 31](#); or
- it would be unreasonable for the student to break continuity of study, as set out in [Chapter 32](#).

25.3.1.1 Away from Home entitlements not approved

Notwithstanding the provisions set out in 25.3.1, Away from Home entitlements **will not** be approved for a secondary student:

- to assist the student to bypass a school to which they have reasonable access to attend another school of their choice;

- simply because particular subjects which the student wishes to study are unavailable at the nearby school;
- where there is an appropriate education institution to which the student has reasonable access;
- if the State or Territory education authority objects to the bypassing of the particular school or type of school involved; or
- where the student will be undertaking distance education or correspondence studies;
- to enable the student to attend a special course if the student already has reasonable access to the applicable special course at an appropriate education whilst living at the permanent home; or
- specifically to attend an Aboriginal or Torres Strait Islander school (unless the provisions set out in [28.2](#) apply).

25.3.2 Appropriate Education Institution for secondary non-school students

For secondary non-school students, an appropriate education institution is any government TAFE college or senior matriculation college to which the student has reasonable access that offers the secondary non-school course that the student wishes to undertake.

25.3.3 Appropriate Education Institution for Tertiary Students

For tertiary students, an appropriate education institution is whichever institution the student chooses to attend.

25.4 Cannot Study or undertake Australian Apprenticeship whilst Living at the Permanent Home

It is considered that a student or [Australian Apprentice](#) cannot reasonably be expected to study whilst living at the [permanent home](#) in the following circumstances:

- conditions at the permanent home are a serious impediment to educational progress, as set out in [Chapter 33](#); or
- the student is from an itinerant family (secondary school students only) as set out in [Chapter 34](#); or
- the student has been awarded an approved Independent Boarding School scholarship (secondary school students only), as set out in [Chapter 35](#); or
- it is a compulsory requirement of the course to reside at the education institution whilst studying (tertiary students only) as set out in [Chapter 36](#).

25.5 Entitlement Period for Away from Home Rate of Living Allowance

25.5.1 Away from Home Rate for Secondary School Students

Where a secondary school student has been approved for Away from Home entitlements, the period of entitlement for the Away from Home Rate of Living Allowance will:

- start on either:
 - the start date of the entitlement period for that term as set out in [Chapter 73](#), where the student is approved for Away from Home entitlements and commences study at the relevant institution by the third Friday of term; or
 - the date from which the student is approved for Away from Home entitlements, where this occurs after the third Friday of term; and
- ceases on either:
 - the end date of the entitlement period for that term as set out in Chapter 73 where the student completes the full term's study; or
 - the date from which the student ceases to be approved for Away from Home entitlements.

25.5.1.1 Temporary return to the permanent home for vacation period

A secondary school student remains entitled to the Away from Home rate of Living Allowance throughout any vacation periods where they temporarily return to the [permanent home](#).

25.5.2 Away from Home Rate for secondary non-school or tertiary students or Australian Apprentices

Where a secondary non-school or tertiary student or [Australian Apprentice](#) has been approved for Away from Home entitlements in respect of a course, the period of entitlement for the Away from Home Rate of Living Allowance will:

- start from the course start date, unless one of the following apply:
 - the student or Australian Apprentice commences living away from the permanent home prior to the course or Australian Apprenticeship start date and can demonstrate a reasonable need to do so, e.g. to secure rental accommodation. In this situation, the Away from Home rate of Living Allowance will start from the date the student or Australian Apprentice commences living away from the permanent home; or
 - the student or Australian Apprentice intended to commence living away from the permanent home prior to the course or Australian Apprenticeship start date, and began to incur the costs of this term accommodation from this date, but was prevented from moving on this date as a result of circumstances beyond their control. In this situation, the Away from Home rate of Living Allowance will start from the date the student or Australian Apprentice intended to commence living away from the permanent home, provided that this date also meets the conditions set out in the previous dot point;
 - the student or Australian Apprentice commenced living away from the permanent home after the course or Australian Apprenticeship start date, and the conditions set out in the

previous dot point do not apply. In this situation, the Away from Home rate of Living Allowance will start from the date the student or Australian Apprentice commences living away from the permanent home; and

- cease on the earlier of:
 - the date that the student or Australian Apprentice returns, on a permanent basis, to live at the permanent home; or
 - the last day of study in the relevant course or Australian Apprenticeship; or
 - the date from which the student or Australian Apprentice ceases to be approved for Away from Home entitlements.

25.5.2.1 Temporary return to the permanent home for vacation period

A secondary non-school or tertiary student or Australian Apprentice remains entitled to the Away from Home rate of Living Allowance throughout any vacation periods where they temporarily return to the permanent home, provided that they maintain their residence at the study or Australian Apprenticeship location.

25.5.3 Temporary return to the permanent home for study

If students or Australian Apprentices who normally live away from home opt to return to the parental home on a temporary basis while studying an integral part of their course or undertaking their Australian Apprenticeship e.g. for a period of practical training, they remain entitled to the Away from Home rate unless that period is equal to or greater than one term or semester in length, depending on the structure of the course. If the period is longer, the student or Australian Apprentice will be regarded as residing permanently at home from the start of the period, including any vacations.

25.6 Change in Location of Permanent Home

25.6.1 Tertiary or secondary non-school students and Australian Apprentices

Approval of Away from Home entitlements ceases if a tertiary or secondary non-school student's or [Australian Apprentice's permanent home](#) changes to a location that is within [reasonable travelling time](#) or [distance](#) of an [appropriate education institution](#), employer or training provider. This is the case even if the student or Australian Apprentice does not return to live in the permanent home.

25.6.2 Secondary school students

Approval of Away from Home entitlements for a secondary school student ceases if:

- the permanent home changes to a location that is within reasonable travelling time or distance of an appropriate education institution; or
- the student returns to live on a permanent basis in the permanent home.

However, [continuity of study](#) provisions apply in certain circumstances.

Chapter 26: Travel Time and Access

In this chapter:

- [26.1 Reasonable Access](#)
- [26.2 Reasonable Travelling Time](#)
- [26.3 Reasonable Travelling Distance](#)

26.1 Reasonable Access

A secondary school student is considered to not have [reasonable access](#) to an [appropriate education institution](#) where the [permanent home](#) is not within a [reasonable travelling time](#) and/or a [reasonable travelling distance](#) of an appropriate education institution/s.

A tertiary or secondary non-school school student is considered to not have reasonable access to an appropriate education institution where the permanent home is not within a reasonable travelling time of an appropriate education institution/s.

An [Australian Apprentice](#) is considered not to have reasonable access to an employer and/or a training provider where the permanent home is not within a reasonable travelling time of the employer or training provider.

26.2 Reasonable Travelling Time

A student's or [Australian Apprentice's permanent home](#) is not within a reasonable travelling time of an [appropriate education institution](#) or Australian Apprentice's employer or training provider if:

- travel time taken for a single journey by the most convenient transport service available, including reasonable walking and waiting time, would, on average, exceed one and a half hours; or
- there are special circumstances which periodically affect access between the permanent home and the appropriate education institution/s or Australian Apprentice's employer or training provider for at least 20 days of the academic year, not necessarily consecutive, because of adverse travel conditions, e.g. impassable roads, flooding or unreliable transport.

26.2.1 Assessing Reasonable travelling time

When calculating reasonable travel time, all time spent undertaking the following is to be included:

- walking from home to a transport stop;
- waiting for (and between) transport;
- travelling on the actual mode of transport;
- walking from a transport stop to the Australian Apprentice's employer or training provider; and
- walking from a transport stop to the education institution.

If the total time for any one journey (in either direction) is 90 minutes or more, then the student's or Australian Apprentice's permanent home is not within a reasonable travelling time of an appropriate education institution or Australian Apprentice's employer or training provider.

26.2.2 Assessing special circumstances periodically affecting access

When determining whether access to an appropriate education institution is affected for at least 20 school days in the academic year, the assessment would normally be based on access in the previous years and the following is to be considered:

- historical weather or council records indicating regular years where access to school is interrupted on 20 days or more; particularly where the preceding year did not prevent access on 20 days or more due to unusual weather conditions for that particular year; or
- parents do not have access to a vehicle or are medically unfit or legally unable to drive a vehicle; or
- regular unavailability of public transport; or
- other unusual circumstances of isolation (e.g. student lives on an island which is not serviced by regular public transport, transport is regularly affected by weather and/or sea conditions or students must cross dangerous watercourses that do not have a secure bridge or similar structure).

26.3 Reasonable Travelling Distance

A student's [permanent home](#) is not within a reasonable travelling distance of an [appropriate education institution](#) if:

- **Rule 1:** the distance between the permanent home and the appropriate education institution (via the shortest practicable route) is at least 56 kilometres; or
- **Rule 2:** the distance between the permanent home and the appropriate education institution (via the shortest practicable route) is at least 16 kilometres, AND the distance between the permanent home and the nearest available transport service to the appropriate education institution is at least 4.5 kilometres via the shortest practicable route.

Note: Rule 2 also includes circumstances where the permanent home is at least 16 kilometres from the appropriate education institution, and no transport exists between the permanent home and the appropriate education institution.

26.3.1 Assessing reasonable travelling distance

To determine whether a student's permanent home is within reasonable travelling distance of an appropriate education institution, it is necessary to ascertain the actual distance in kilometres from the door of the permanent home to the nearest transport pick-up point and/or the appropriate education institution.

26.3.1.1 Assessing reasonable travelling distance where no transport service exists

Where no transport service exists to the appropriate education institution, the calculation of distance is to be based on the distance from the permanent home to the appropriate education institution by the most direct route in a private vehicle.

If the travelling distance meets the provisions of Rule 1 or 2, then it is determined that a student's permanent home is not within reasonable travelling distance of an appropriate education institution.

26.3.1.2 Assessing reasonable travelling distance where a transport service exists

Where a transport service exists (or would be available upon request) to appropriate education institution, the calculation of distance is to be based on the route from the permanent home to the nearest transport pick-up point, and then from the pick-up point to the appropriate education institution. This is the case even if a more direct route is available by private vehicle from home to the school.

If the combination of the distance from the permanent home to the transport pick-up point, and from the transport pick-up point to the appropriate education institution meets the requirements of Rule 1 or Rule 2, then it is determined that a student's home is not within reasonable travelling distance of an appropriate education institution. Therefore, the journey exceeds a reasonable travelling distance in any of the following circumstances:

- the combination of the distance from the permanent family home to the transport pick-up point, and from the transport pick-up point to the appropriate education institution is greater than 56 kilometres; or
- the distance from home to the appropriate education institution is less than 16 kilometres but the distance from home to the transport pick-up point is at least 4.5 kilometres, the combination of the distance from home to the transport pick-up point and from the transport pick-up point to the appropriate education institution exceeds 16 kilometres; or
- the distance from home to the appropriate education institution is at least 16 kilometres, and the distance from the student's permanent family home to the nearest transport pick-up point going to the appropriate education institution is at least **4.5 kilometres**, (irrespective of the distance from transport pick-up point to the appropriate education institution).

26.3.1.3 Table summarising assessment of reasonable travelling distance

Rule	Rule 1	Rule 1 variation	Rule 1 variation	Rule 2	Rule 2 variation
If distance from the permanent home to the appropriate education institution is...	at least 56km	at least 16km, and no transport is available.	at least 16km, and transport is available	at least 16km	less than 16km and at least 4.6km
Distance from permanent home to transport pick-up point (where transport goes to the appropriate education institution).	n/a	n/a	a	At least 4.5km	a
Distance from transport pick-up point to the appropriate education institution, via the route taken by the public transport service.	n/a	n/a	b	n/a	b
Does the journey exceed the reasonable travelling distance?	Yes	Yes	Yes if total distance of a + b is at least 56km	Yes	Yes if total distance of a + b is at least 16km

Chapter 27: Limited Local School Facilities/Programme

Students may not be able to study required subjects due to a local government school not being able to offer a full curriculum, and may be required to move away from home to study at a suitable school.

In this chapter:

- [27.1 Limited Programme School](#)

27.1 Limited Programme School

27.1.1 State/Territory education authority lists school as a limited programme school

Where the State/Territory education authority lists a school as a limited programme school, sometimes known as a bypass school, the school will not be considered an [appropriate education institution](#) for the purposes of assessing eligibility for Away from Home entitlements under the provisions set out in [Chapter 25](#).

27.1.2 “Limited Programme School” - individual assessment

Where a student’s local school has not been included on the State/Territory education authority’s list of bypassable schools, an individual assessment of whether the local school offers appropriate schooling for that student can be made by the education authority and confirmed in writing. Where the assessment determines that the school does not offer appropriate schooling for that student, the school will not be considered an appropriate education institution for the purposes of assessing eligibility for Away from Home entitlements under the provisions set out in [Chapter 25](#).

27.1.3 School’s ability to assess a “Limited Programme”

A secondary school that is not listed as a “Limited Programme School” by the State/Territory authority will, subject to the provisions of [Chapter 29](#), be regarded as an appropriate education institution irrespective of any claims about the adequacy of the programme.

27.1.4 South Australian Rural School or an Aboriginal/Anangu School

Where a student wishes to bypass a South Australian Rural School or an Aboriginal/Anangu School in order to attend a larger secondary school, the South Australian Rural School or Aboriginal/Anangu School will not be regarded as an appropriate education institution for the purposes of assessing eligibility for Away from Home entitlements under the provisions set out in [Chapter 25](#).

Chapter 28: Special Courses

Students may have specific educational needs that cannot be provided by local schools, necessitating movement to a school outside the local area that can provide the course requirement.

In this chapter:

- [28.1 Approval as a Special Course](#)
- [28.2 Indigenous studies](#)
- [28.3 Prerequisite to post-secondary course](#)
- [28.4 Formal specialising qualification](#)
- [28.5 Agricultural Courses](#)
- [28.6 Specialist courses in the arts, sport, technology](#)

28.1 Approval as a Special Course

For the purposes of assessing eligibility for Away from Home entitlements under the provisions set out in [Chapter 25](#), an institution offering the following types of special course is considered to be an [appropriate education institution](#) for a secondary school student:

- [Indigenous Studies](#);
- [Pre-requisite to post-secondary course](#);
- [Formal specialising qualification](#);
- [Agricultural Courses](#);
- [Specialist course in the arts, sport or technology](#).

Where a student will be attending a special course, any education institution that does not offer the applicable special course will not be considered an appropriate education institution.

Students may not be approved for Away from Home entitlements where an applicable special course is available to which the student has [reasonable access](#).

28.2 Indigenous studies

From 2017, Indigenous Studies courses are no longer approved as special courses for ABSTUDY. Indigenous Studies is now integrated within the Australian Curriculum and as such, it is available in all full-program government schools.

Students cannot bypass a government school (to which they have reasonable access) that provides Indigenous studies incorporated in the overall curriculum to attend a school where discrete subjects in Indigenous studies are offered.

28.2.1 [Deleted Section]

28.2.2 [Deleted Section]

28.3 Prerequisite to post-secondary course

A secondary course that is an essential criterion for entry to a specific post-secondary course can be considered a special course in the following circumstances:

- the student is in one of the final two years of secondary school; and
- the student has clearly decided to enter the chosen tertiary course if accepted; and
- there is no similar tertiary course that could be regarded as an available alternative; and
- the school that the student has been attending has provided satisfactory evidence that the student has the potential to gain admission to the nominated course.

28.4 Formal specialising qualification

A full-time secondary course on completion of which students receive a formal specialising qualification such as the International Baccalaureate Diploma can be considered a special course in the following circumstances:

- State or Territory education authorities recognise the course as a specialisation not generally available at secondary schools; and
- State or Territory education authorities recognise the completion certificate as a formal qualification.

28.4.1 Formal specialising qualification for mature age students

Approval may also be given to a student who will be undertaking secondary studies at a post-secondary Indigenous controlled specialist institution which caters specifically for Indigenous students, where the student:

- is 18 years or older; and
- is studying a course resulting in a completion certificate which is recognised as a formal qualification by the State/Territory education authority.

28.5 Agricultural Courses

Where a secondary course contains two agricultural subjects or, under special conditions, one agricultural subject, it can be considered a special course.

28.5.1 Attendance basis

To be considered a special course, the student must study an agricultural course:

- on a full-time basis at either a specialist agricultural school or at a normal secondary school; or
- on a part-time basis at an education institution such as a technical college, in addition to attending a normal secondary school for most of the school week.

28.5.2 Course components

To be considered a special course, the agricultural course must:

- have a substantial weekly time allocation, which is directly related to the theory and practice of farming (e.g. equivalent to four periods of approximately 40 minutes each); and
- be recognised by the State/Territory education authority; and
- be a subject which, if studied part-time, is assessed by the school to determine part of the student's overall performance.

28.5.3 One agricultural subject

Where a student is in either of the final two years of secondary schooling and is studying only one agricultural subject, the course may be considered a special course in the following circumstances:

- the student has studied at least two agriculture subjects in each of the junior secondary years after the first year; and
- the subject **agriculture** or its equivalent, which the student is at present studying, is not available at a school within reasonable distance from their home; and
- the school which the student is attending offers at least one agricultural subject in each secondary year, except the first year in some States.

28.6 Specialist courses in the arts, sport, technology

A specialist secondary course in drama, music, art, ballet, sport or technology can be considered a special course in the following circumstances:

- the school is a government school; and
- the specialist secondary course has been approved by the State/Territory education authority; and
- entry to the course requires the student to be assessed and selected (usually on the basis of exceptional ability in the specialist area) by the relevant authority with responsibility for approving enrolments in the course. The relevant authority may be the school or State/Territory education authority.

Chapter 29: Secondary school students with special needs

A student may have a special need that local schools cannot cater for, requiring the student to live away from the permanent home to attend an appropriate school.

In this chapter:

- [29.1 Appropriate education institution for a student with a special need](#)
- [29.2 Boarding at a special education institution or special assistance school](#)
- [29.3 Access to special facilities](#)
- [29.4 Access to regular medical treatment](#)
- [29.5 Access to a different climate](#)

29.1 Appropriate education institution for a student with a special need

Where a secondary student has a disability, health-related condition and/or special education need that require a special school program, an [appropriate education institution](#) is one that can meet the student's special needs by providing access to the required special program, facilities and/or environment.

The specific circumstances under which a student can be regarded as having a special need are:

- the student boards at a special education institution; or
- the student needs access to special facilities or a special environment; or
- the student cannot undertake daily travel to school; or
- the student requires access to regular medical treatment that is unavailable at the permanent home location; or
- the student needs access to a different climate.

29.1.1 Definition of disability or health-related condition

For the purposes of this chapter, disability or health-related condition is defined as:

- a physical or intellectual disability; or
- a psychological, emotional or behavioural problem; or
- a medical condition; or
- pregnancy.

29.2 Boarding at a special education institution or special assistance school

Away from Home entitlements may be approved for a student who needs to attend a special education institution because of a disability or health-related condition, even where the student has [reasonable access](#) to this institution from the student's permanent home.

A special education institution is an institution located in Australia that is:

- conducted specifically and primarily for students with disabilities, health-related conditions and/or learning difficulties; and
- a government school, or a non-government school that is recognised as a school under the law of the State or Territory in which that school is located.

Away from Home entitlements may be approved for a student who has special needs that are met by boarding at a special assistance school.

A special assistance school is an education institution located in Australia that meets the [Australian Education Act 2013](#) definition of a special assistance school and is determined by the relevant state/territory and Commonwealth authorities to be a special assistance school.

29.3 Access to special facilities

A student may be regarded as having a special need if they need access to special facilities that help manage or overcome a disability or health-related condition. Special facilities include:

- a special centre that caters for the child's condition and which they must attend in conjunction with their time at school; or
- special educational or physical facilities within a normal schools (e.g. visiting specialist teachers, wheelchair access/ramps).

29.4 Access to regular medical treatment

A student may be regarded as having a special need if, as a result of accessing required medical treatment, the student's schooling is disrupted for an amount equivalent to at least 20 school days a year, not necessarily consecutive. Away from Home entitlements can be approved to allow the student to board near the treatment centre.

29.5 Access to a different climate

A student may be regarded as having a special need in the following circumstances:

- if the student were to live at the permanent home during the school terms, the local climate or other circumstance would be likely to cause the student severe illness resulting in a total of at least four weeks absence during the school year; and
- it is essential for the student to attend school in another area; and
- in the area chosen for the student to attend school, the effects described above would be less likely to arise.

Chapter 30: Exclusion from Local Schooling

Circumstances may arise where a student has been excluded from all local schooling and may be required to live away from home to attend a suitable school.

In this chapter:

- [30.1 Exclusion from Local Schooling](#)

30.1 Exclusion from Local Schooling

Government school/s that offers tuition at the student's level may be disregarded for the purposes of assessing [reasonable access](#) to an [appropriate education institution](#) for a secondary school student if:

- the student has been excluded by school authorities from all available government schools to which the student has reasonable daily access; and
- distance education/correspondence studies are not appropriate.

Chapter 31: Racial Discrimination

Students may experience racial discrimination at a level that seriously impedes their ability to study, necessitating movement to a school outside the local area.

In this chapter:

- [31.1 Racial Discrimination](#)
- [31.2 Assessment of Racial Discrimination](#)

31.1 Racial Discrimination

Government school/s that offers tuition at the student's level may be disregarded for the purposes of assessing [reasonable access](#) to an [appropriate education institution](#) for a secondary school student where there is evidence that they have been subjected to racial discrimination of a serious and continuing nature at these school/s.

31.2 Assessment of Racial Discrimination

Approval of Away from Home entitlements on the basis of racial discrimination would only be given if and when all possible attempts to resolve the problem at the local level have proved to be unsuccessful.

31.2.1 Substantiation

A student's eligibility on the basis of racial discrimination cannot be established without supporting documentation from local school or education authorities.

Chapter 32: Continuity of Study

To limit the disruption to the schooling of students whose circumstances change during the school year, Away from Home entitlements may be approved in certain situations under the continuity of study provisions. This includes limiting the risk of disengagement from education as a result of a student's disrupted schooling.

In this chapter:

- [32.1 Continuity of Study Provisions](#)
- [32.2 Unreasonable to Break Continuity of Study](#)
- [32.3 Special Concessions for Year 12 Students](#)
- [32.4 Entitlements Payable Under Continuity of Study Provisions](#)

32.1 Continuity of Study Provisions

Where a student is approved for assistance under provisions in this chapter, there is no requirement to reassess the student's eligibility each year provided they continue to undertake studies at the same school.

32.1.1 Students previously approved for Away from Home entitlements

Government school/s that offers tuition at the student's level may be disregarded for the purposes of assessing [reasonable access](#) to an [appropriate education institution](#) for a secondary school student if:

- the student has been previously approved for Away from Home entitlements; and
- the student no longer meets the conditions for approval for Away from Home entitlements due to a change in circumstances; and
- the student continues attending at the same education institution (including where there has been a break due to the change in circumstances); and
- it would be unreasonable to break continuity of study.

Note:

Students who were eligible for Away from Home entitlements because they were receiving a scholarship under [35.1 Boarding School Scholarship](#) cannot continue to receive this assistance under the continuity of study provisions should they cease to hold the scholarship.

32.1.2 Students not previously approved for Away from Home entitlements

Government school/s that offers tuition at the student's level may be disregarded for the purposes of assessing reasonable access to an appropriate education institution for a secondary school student if:

- the student remains enrolled in the same course at the same institution; and
- it would be unreasonable to break continuity of study; and
- as a result of a change in their circumstances or in policy, the student will, in less than 12 months, be eligible for Away from Home entitlements.

Examples of situations where this provision may be used are:

- a family move to an isolated area; or
- the discontinuation of a school bus service.

32.2 Unreasonable to Break Continuity of Study

In relation to 32.1 Continuity of Study Provisions, it is considered unreasonable to break continuity of study:

- at any time during a school or academic year; or
- if the State/Territory authorities regard continuity of schooling between Years 9 and 12 to be at least highly desirable.

32.3 Special Concessions for Year 12 Students

Special continuity of study concessions apply to Year 12 students who were receiving Living Allowance at the Away from Home rate until the end of the previous year. These concessions are intended to ensure that these students are not adversely affected by a change in parental income.

The student may continue to receive Living Allowance at the Away from Home rate until the end of the year or until they discontinue study in that year, if the student:

- is undertaking Year 11 or 12; and
- was receiving Living Allowance at the Away from Home rate until the end of the previous year; and
- continues attending at the same school; and
- would become ineligible for Living Allowance due to the application of the Reduction for [Parental Income Test](#).

32.4 Entitlements Payable Under Continuity of Study Provisions

Where a student has been approved for Away from Home entitlements under the Continuity of Study provisions and accordingly remains a student at the same school, their entitlements are as follows:

- where the student now has [reasonable access](#) to this school, [Group 2 School Fees Allowance](#) may continue to be paid up to the limit of the entitlement previously approved;
- where the student does not have reasonable access to this school, both Living Allowance (plus [Rent Assistance](#) where applicable) and Group 2 School Fees Allowance may continue to be paid up to the limit of the entitlement previously approved;
- where the permanent home is not within reasonable travelling time/distance (as set out in Chapter 26.2 and 26.3) of the school, the student is entitled to Fares Allowances, including that for interstate travel, if required.

Chapter 33: Unreasonable Living Conditions

Students or [Australian Apprentices](#) may experience extreme conditions that prevent them from studying at the permanent home. These circumstances are grounds for approval of Away from Home entitlements.

In this chapter:

- [33.1 Unreasonable Living Conditions](#)

33.1: Unreasonable Living Conditions

Subject to the provisions of [Chapter 25](#), a student or [Australian Apprentice](#) may be approved for Away from Home entitlements if the conditions at the [permanent home](#), including conditions in the surrounding community environment, represent a serious impediment to the student's or Australian Apprentice's educational progress. Such conditions are those that:

- consistently deprive students or Australian Apprentices of basic necessities; or
- represent a serious threat to the student's or Australian Apprentice's health or well-being; or
- excessively disrupt or prevent the student's or Australian Apprentice's ability to study at home.

Circumstances outside the permanent home should be considered where these impact on the student's or Australian Apprentice's ability to study at home.

Note: The first two conditions may qualify students or Australian Apprentices as independent on the grounds of being homeless if they have reached minimum school leaving age for their home state/territory.

Chapter 34: Itinerant Family

Students whose parents are itinerant workers may experience disrupted education due to not having a fixed residence may qualify for Away from Home entitlements.

In this chapter:

- [34.1 Itinerant Family](#)
- [34.2 Family Movements](#)
- [34.3 Demonstration of Itinerancy](#)
- [34.4 Circumstances Where Family Not Considered Itinerant](#)

34.1 Itinerant Family

Subject to the provisions of [Chapter 25](#), a student may be approved for Away from Home entitlements where:

- the parent/s' occupations require them to spend a significant amount of time travelling long distances, with the result that the children have no fixed residence; or
- the occupation of the parent/s involves frequent, lengthy travel and the student is denied access to appropriate schooling because the parent/s is/are not normally resident at a fixed location during the school week, e.g. a sole parent is an interstate transport driver.

Note: In a two parent family, both parents need to be itinerant for the student to be eligible. If one parent is stable in location, the family is not considered itinerant.

34.1.1 Significant amount of time

A significant amount of time would be 40 weeknights during the calendar year.

34.1.2 Impact of family movements during school year

Eligibility is determined in the light of family movements during the course of the school year.

34.2 Family Movements

34.2.1 Constant movement

Where a parent's occupation necessitates constant movement and the family's home environment is in effect 'mobile' (e.g. a railway construction camp) and is constantly changing, Away from Home entitlements may be approved if:

- the student boards away from home; and
- for at least half the year, on a monthly, weekly or daily basis, the location of the student's permanent home is such that the student would not have [reasonable access](#) to that school.

34.2.2 Temporary movement for employment

Where families are not normally itinerant, but they have temporarily moved in their employment or must move several times in the course of a year to widely scattered localities in search of employment, Away from Home entitlements may be approved to enable the student to avoid frequent changes of school.

34.2.3 Temporary residence in locality

If a family temporarily resides in the locality in which any of its eligible students are boarding or spends some time in this locality as part of its regular movements, the following principles apply:

- where it would be reasonable to expect a student to cease boarding and rejoin their family, whether on an extended basis or for short periods on a regular basis, boarding benefits are not payable for those periods; and
- where the student cannot attend the school except as a boarder, or the school would charge full boarding fees anyway, the student remains eligible for the away from home rate.

34.2.4 Permanent residence during a school year

Where a family has been accepted as itinerant for a year but takes up permanent residence during the course of that year at a fixed address which provides access to suitable schooling, any student in the family who has been eligible for Away from Home entitlements up to that point remains eligible for the remainder of the year, providing [continuity of study](#) rules are met.

34.3 Demonstration of Itinerancy

34.3.1 Two moves in first term

Where the family undertakes two moves of the type specified above during first term, the family should be accepted as itinerant for that period.

34.3.2 Accepted as itinerant for the first term

Once a family has been accepted as itinerant for the first term on the basis of two moves during that period, assessment of eligibility for Away from Home entitlements in the remaining terms is based on the following guidelines:

- if at least one move occurs during any of the remaining terms, the family should be accepted as itinerant for the full year; or
- if no move occurs during any of the remaining terms, the student is ineligible for Away from Home entitlements after first term.

34.3.3 Three or more moves in first term

Where the family undertakes three or more moves during the first term, each of which would require a change of school for the student, the family should be regarded as itinerant for the full year.

34.3.4 Four moves over two terms

Where the family undertakes four moves in the year spread over at least two terms, the family should be accepted as itinerant for the full year.

34.4 Circumstances Where Family Not Considered Itinerant

A family is not considered itinerant if:

- the family could be reasonably expected to maintain a fixed address because the movement required by working is over a limited area e.g. within the metropolitan area or at no time more than 56 km from one centre offering adequate schooling; or
- the parent/s occupation requires a transfer every two or three years and the family could normally expect to spend at least one full year in a location but happens to be moved more than once in a school year.

Chapter 35: Scholarships and Mobility Provisions for Secondary Students to Board Away from Home

Where a student has been awarded a scholarship to participate in a program listed at 35.1, 35.2, or 35.4 or meets the qualifications for Mobility provisions at 35.3, they may be eligible for the Away from Home entitlements. The purpose of ABSTUDY assistance for students who meet one of the criteria is to substantially extend the educational access and outcomes of Indigenous students.

In this chapter:

- [35.1 Boarding School Scholarship](#)
- [35.2 Third-party Indigenous Scholarships](#)
- [35.3 Mobility Provisions for Welfare Reform in the four participating communities](#)
- [35.4 Transition School Scholarship](#)

35.1 Boarding School Scholarship

A secondary school student may be approved for Away from Home entitlements on the basis of being offered a scholarship by a boarding school in the following circumstances:

- the school is an approved secondary school offering an approved course of secondary studies; and
- the boarding arrangement is an integral part of the school; and
- the school contributes a minimum scholarship value of \$6,096 in 2020 (indexed to Consumer Price Index), or a minimum 25 per cent of the school's annual boarding and tuition fees (including public school voluntary contributions), whichever is greater.

Once granted, ongoing eligibility will require the school to continue to contribute to the scholarship through whichever criteria they were granted under. A student's continued eligibility for a Boarding School Scholarship is also to be assessed for each year.

Students approved for ABSTUDY on the basis of accepting a Boarding Scholarship prior to 2019 would be grandfathered as long as they continue to meet the criteria, except the Indigenous Education Consultative Body criteria, under section 35.1 of the 1 July 2018 ABSTUDY Policy Manual. If these students have a break in study, in exceptional circumstances grandfathering arrangements will apply for up to two years. Grandfathering arrangements do not apply if a student has been expelled.

35.1.1 Boarding arrangements

Where the boarding arrangements are in private homes (such as a homestay program), to be regarded as a boarding school for the purpose of 35.1, the school must select the families and the boarding fees must be set by the school and payable to the school.

Where the boarding arrangements are in a local hostel, to be regarded as a boarding school for the purpose of 35.1, the school must have responsibility for all aspects of the boarding and support arrangements for the student/s through a formal partnership agreement with the hostel. Boarding fees must be set by the school and payable to the school.

35.2 Third-party Indigenous Scholarships

A secondary student may be approved for Away from Home entitlements on the basis of being offered a scholarship in the following circumstances:

- the school is an approved secondary school offering an approved course of secondary studies; and
- the scholarship is supported by the Australian Government as approved by the Minister for Families and Social Services:
 - Indigenous Youth Leadership Programme or equivalent scholarships funded under the Australian Government's Indigenous Advancement Strategy, including
 - Madalah SOAR scholarship,
 - MADEC Indigenous Young People's Program,
 - Presbyterian Ladies' College (Peppermint Grove, WA) Indigenous Scholarship Program,
 - Yalari Education Pathways Program; or
 - Cape York Institute's Academic Leaders – Secondary (ALS); or
 - Higher Expectations Programme (Northern Territory); or
 - Rosemary Bishop Indigenous Education Scholarship (RBS); or
 - Sporting Chance Programme or equivalent projects funded under the Australian Government's Indigenous Advancement Strategy, including at former Sporting Chance Academies; or
 - Kajji Foundation Scholarship; or
 - Australian Indigenous Education Foundation Scholarship Program (AIEF) or
 - Woomera Education Scholarship Trust (WEST), or
 - Kimberley Education Excellence Program (KEEP), or
 - Northern Territory Government's Indigenous Education Excellence Scholarship, or
 - Ngurra Jirrama Foundation Scholarship.

Further scholarships may be added, as approved by the Department of Social Services. Guidelines for the approval of third-party Indigenous scholarship programs for secondary students are linked at [Appendix G](#) of this Manual.

35.2.1 Pre-approved travel arrangements for supervised groups

A recipient of a scholarship listed as approved under [35.2](#) may be exempt from the Fares Allowance restrictions in [90.2.2 Indirect route or broken journey](#) where :

- a variation in the usual travel route is required for students to join a supervised group to travel to their school at the beginning of a school term, and
- the travel route and arrangements are pre-approved by Services Australia–[Centrelink](#) as a reasonable variation from the usual travel route.

35.3 Mobility Provisions for Welfare Reform in the four participating communities

The Cape York Welfare Reform is a partnership between the four communities of Aurukun, Coen, Hope Vale, and Mossman Gorge, the Australian Government, the Queensland Government and the Cape York Institute for Policy and Leadership. The Mobility Provisions enable eligible students in the four communities to receive the ABSTUDY away from home entitlements to attend a secondary school outside their community. Mobility Provisions will apply in the four communities until 31 December 2021.

35.3.1 Qualification for Mobility

Secondary school students may be approved for the ABSTUDY Away from Home provisions to enable the student to live away from the community and attend a school at another location. To be eligible for this provision, the student must permanently reside in one of four designated Cape York sites. These sites are Aurukun, Coen, Hope Vale, and Mossman Gorge. Students must also meet all other ABSTUDY eligibility criteria.

35.3.2 Change in Location of Permanent Home

Approval of Away from Home entitlements on the basis of Mobility Provisions, ceases if:

- the student's permanent home changes to a location that is outside of a designated site; or
- the student returns from the boarding school to live on a permanent basis in the permanent home; unless
- continuity of study provisions, as set out at [Chapter 32](#), apply.

35.4 Transition School Scholarship

A secondary student may be approved for Away from Home benefits on the basis of being offered a scholarship at Melbourne Indigenous Transition School (MITS) to assist in the successful transition into a scholarship opportunity at a high performing school, or on the basis of being offered a scholarship at a MITS partner school as a result of completing the MITS program.

Chapter 36: Compulsory Residence

Some tertiary courses have a compulsory residential element.

In this chapter:

- [36.1 Compulsory Residence](#)

36.1 Compulsory Residence

Tertiary students may be approved for Away from Home entitlements for any period that they must, as a compulsory requirement of the approved tertiary course, reside at the education institution while studying.

Chapter 37: Overview of Independent Status

Students or [Australian Apprentices](#) are considered to be independent for the purposes of ABSTUDY if they meet one or more of the provisions for independence outlined in this chapter.

In this chapter:

- [37.1 Independent Status](#)
- [37.2 Types of Independent Status](#)

37.1 Independent Status

A student or [Australian Apprentice](#) is considered to have independent status if they:

- meet one of the criteria below for independent status;
- do not receive a pension under the [Social Security Act 1991](#) or the [Veterans' Entitlements Act 1986](#); and
- are not a [student or Australian Apprentice in State Care](#); and
- are not in lawful custody.

37.2 Types of Independent Status

There are two types of independent status:

- permanent independent status; and
- reviewable independent status.

37.2.1 Permanent independent status

Permanent independent status is granted on the basis of a condition that **cannot** change. Students or [Australian Apprentices](#) who are granted permanent independent status retain their status under ABSTUDY without reassessment, whether or not they continue in unbroken study.

To meet criteria for permanent independent status the student or Australian Apprentice must:

- meet the age criteria; or
- be a member of a couple, including being:
 - married or have been married; or
 - in or have been in a [registered relationship](#); or
 - married under Aboriginal or Torres Strait Islander Law;
- have or have had a [dependent child](#); or
- meet certain [workforce criteria](#); or
- have been in [lawful custody](#) for a cumulative period of six months or more; or
- be an [orphan](#); or

- [be 15 years of age or older and has undergone and completed a traditional initiation ceremony](#).
The student or Australian Apprentice must be living in the traditional community independently of family.

37.2.2 Reviewable independent status

Reviewable independent status is granted on the basis of a condition that **can** change.

Students or Australian Apprentices who are granted reviewable independent status cease to have independent status if they cease to meet the conditions for reviewable independence.

To meet the criteria of reviewable independent status the student or Australian Apprentice must:

- be in a de facto relationship and both the student/Australian Apprentice and the partner are over the age of consent in the State or Territory in which they live, which is of at least six months in duration or has the care or custody of another person's dependent child/student; or
- currently have the care or custody of another person's dependent child or student; or
- be 15 years of age or over and have parent(s) who cannot exercise parental responsibilities; or
- be 16 years of age or over and living in an Aboriginal community after previously being adopted or fostered by a non-Aboriginal family for more than two years; or
- be of school leaving age in the particular state or territory or at least 16 years of age, and meet the Unreasonable to Live At Home criteria.

Chapter 38: Permanent Independent Status

This topic covers the provisions for approval of permanent independent status.

In this chapter:

- [38.1 Age](#)
- [38.2 Current or Previous Marriage or Registered Relationship](#)
- [38.3 Parenthood](#)
- [38.4 Workforce Participation](#)
- [38.5 Previous Lawful Custody](#)
- [38.6 Orphanhood](#)
- [38.7 Special Adult Status](#)

38.1 Age

Where a student or [Australian Apprentice](#) does not already qualify for independent status under another provision from 1 January 2012, they are considered to have permanent independent status once they turn 22.

38.2 Current or Previous Marriage or Registered Relationship

A student or [Australian Apprentice](#) is considered to have independent status if they are:

- legally married or married under Aboriginal/Torres Strait Islander law; or
- in a [registered relationship](#);
- divorced or separated from their partner to whom they were previously legally married or in a registered relationship.

38.3 Parenthood

Students or [Australian Apprentices](#) are considered to have independent status if they have or previously had a [dependent child](#) of their own (see definition of child in [Student Assistance Act 1973](#)).

For the purposes of this provision a dependent child is a child of the applicant where the child:

- is wholly or substantially dependant on the person or person's partner; or
- was previously wholly or substantially dependant on the person or person's partner, assuming the child was in the care of the partner at the same time that the relationship existed.

A child who is adopted or dies immediately after birth is a dependent child for ABSTUDY independence purposes, as is a stillborn child for whom eligible payments may be paid.

For ABSTUDY independence purposes, a non-custodial parent can demonstrate that their child is substantially dependant through circumstances including:

- providing material support towards the care of the child; and/or
- having regular or periodic care of the child; and/or
- having ongoing involvement in decision making affecting the child; and/or
- paying court ordered or voluntary child maintenance in respect of the child.

38.4 Workforce Participation

Independent status can be established through either of two categories of workforce participation.

38.4.1 Workforce Participation - Self Supporting through paid employment category (effective from 1 January 2012)

Students or [Australian Apprentices](#) may be considered independent for ABSTUDY purposes if:

- they have supported themselves through paid work consisting of employment of full-time employment averaging at least 30 hours per week, in one or more jobs, for 18 months or more during any period of two years (Refer [38.4.1.1](#)); or
- they qualify under the paid employment criterion for students from Inner Regional, Outer Regional, Remote or Very Remote locations. (Refer [38.4.1.3](#)); or
- they qualify under the Incentives to Encourage Australians to Undertake Seasonal Work (Refer [38.4.1.4](#)); or
- the three out of four years (156 out of 208 weeks) rule remains in force.

38.4.1.1 Full-time employment averaging at least 30 hours per week

From 1 July 2010 a young person may be considered independent for ABSTUDY purposes if they have supported themselves through paid work consisting of full-time employment averaging at least 30 hours per week, in one or more jobs, for at least 18 months during any period of two years.

The assessment under this criterion may be made in respect of one or more jobs, whether consecutive and/or concurrent.

Where a young person has been working in a job that has not consistently provided them with 30 hours per week work, their hours of work can be averaged over periods of a maximum of 13 weeks, provided that the young person can reasonably be considered to have been engaged in full-time employment over the duration of the period.

This means, for example, that a young person can be considered to meet this criterion where they have undertaken:

- At least 120 hours of work in each of 19 periods of four weeks; or they can reasonably be considered to have been engaged in full-time employment over the duration of the period;
- At least 390 hours of work in each of 6 periods of 13 weeks; or
- At least 30 hours of work in each of 78 weeks (i.e. 30 hours or more for 78 weeks).

Supporting financial independence during COVID-19

From 1 January 2021, the six-month period between 25 March 2020 and 24 September 2020, (the COVID-19 concession period), will automatically be recognised as contributing to existing workforce independence criteria for ABSTUDY. When being assessed for independence under the self-supporting through paid employment criteria, young people will be deemed to have worked 30 hours per week for the COVID-19 concession period.

Allowable claim period: The COVID-19 concession period will only apply to ABSTUDY claims made between 1 January 2021 and 24 September 2022, or claims lodged prior to 1 January 2021 that have not been determined before 1 January 2021.

For examples of how the COVID-19 concession period applies to the independence criteria refer to Social Security Guide page [3.2.5.80 YA & DSP - self-supporting through paid employment](#).

38.4.1.2 [Deleted section]

38.4.1.3 Inner Regional, Outer Regional, Remote and Very Remote Students

From 1 January 2018, a young person whose family home is in a location categorised under the Australian Statistical Geography Standard as inner regional Australia, outer regional Australia, remote Australia, very remote Australia or on Norfolk Island, may be considered independent for ABSTUDY purposes if they have supported themselves through paid work consisting of:

- part time employment of at least 15 hours per week for at least 2 years since the person last left secondary school (see Note 1 below); OR
- a period or periods of employment over a 14 month period since the person last left secondary school, with cumulative earnings totalling at least 75 per cent of the [Wage Level A of the National Training Wage Schedule](#) included in a modern award or that maximum rate as varied or replaced by Fair Work Australia (see Note 2 below).

Note 1: In relation to the 15 hours work over 2 years criterion:

- the person must have worked 15 hours every week over consecutive weeks for a continuous 2-year period,
- periods of paid leave in relation to employment may be counted as paid work hours for the purpose of this criterion, and
- the 2-year period can commence any time after the person last left secondary school.

Note 2: In relation to the paid work in a 14-month period with cumulative earnings criterion:

- the appropriate rate of [Wage Level A of the National Training Wage Schedule](#) included in a modern award is the rate that applied when the period/s of employment began,
- a period of 14 months must have elapsed since the young person last left secondary school,
- the employment period/s must have occurred since the person last left school, and
- a person does not need to be in employment for the whole 14-month period. Rather they are required to have engaged in employment at one or more times during the 14-month period, and to have accumulated the required amount of 'cumulative earnings' from this employment.

The person can be considered independent under one of these criteria if

- the person is required to live away from home (Refer [Chapter 25](#)); and
- the person is undertaking full-time study (Refer [Chapter 47](#)); and
- the person's combined parental income for the appropriate tax year is less than the parental income threshold (see below).

Note: Information on the geographical location of a place can be found on the health.gov.au website.

Parental income threshold

A young person is only eligible to qualify as independent under this section '38.4.1.3 Workforce Participation - Self Supporting through paid employment category for Inner Regional, Outer Regional, Remote and Very Remote Students' if their combined parental income is under the parental income threshold.

The parental income threshold is \$160,000 plus \$10,000 for each additional child. This means the threshold is:

- \$170,000 for families with two children;
- \$180,000 for families with three children;
- \$190,000 for families with four children; and so on

For the purpose of calculating the parental income threshold any person aged under 22 with a 'parent' in common with the ABSTUDY claimant/recipient is counted as an 'additional child', unless they are:

- in state care
- receiving ABSTUDY, Youth Allowance or Disability Support Pension (DSP) as independent because it is unreasonable for them to live at home
- living away from the family home and are a member of a couple (married or in a registered relationship, or in a de facto relationship for a continuous period of 12 months)
- living away from the family home and have their own child (a natural child, adoptive child or relationship child who is wholly or substantially dependent on them or their partner).

All other children in the family aged under 22 are counted. This is regardless of whether the child is employed, unemployed, studying, or whether they live at home, away from home or are overseas.

For the purpose of determining who is an 'additional child' both the child and the ABSTUDY claimant/recipient must have a 'parent' in common. That 'parent' must be a parent whose income would be assessed for the parental income test. For a definition of whose income is assessed under the parental income test see [58.2 Whose income is assessed under the Parental Income Test](#).

Determining the year in which parental income is assessed

The year in which parental income is assessed for the purpose of the threshold is either:

- The tax year that ended immediately before the 14-month (or 2-year) self-supporting period began; OR
- the financial year ending on 30 June of the year before the calendar year in which the date of application for independence is made, referred to as the [base tax year](#); OR
- the tax year following the base tax year.

The tax year to be used is that which will be most beneficial to the ABSTUDY applicant, taking into account any changes in their parental income and family size.

Note – restriction on use of base tax year: In circumstances where the date of application for independence is made on or after 1 October of a year, and the parental income for the tax year following the base tax year exceeds 125 per cent of base tax year parental income, then the base tax year cannot be used .

Census date for counting children in the family

The census date for counting how many children there are in the family is usually 30 June of the tax year being used for parental income assessment.

However in particular circumstances, a young person’s date of application for independence may be used as the census date. When this is done the year for assessing parental income is the tax year following the base tax year. Using the young person’s date of application as the census date is only done when this is more beneficial for the young person.

Change of parents during or prior to the self-supporting period

In some circumstances the people who are considered to be the parents of an ABSTUDY applicant may have changed during or prior to the self-supporting period, or between the self-supporting period and the date of application. When assessing combined parental income for the purpose of the parental income threshold, the person(s) who are considered to be the parents of the ABSTUDY applicant are determined with reference to the census date. That is: the people whose income is assessed are the people who were the young person’s parents on the census date that is being used. This may be different for each of the relevant tax years if the parents have changed.

Tax year used	Census date
The last tax year that ended immediately before the 14-month (or 2-year) self-supporting period began	30 June of that tax year
Base tax year	30 June of the base tax year
Year after base tax year (when used because it is more beneficial to the YA applicant)	Date of application for YA independence
Year after base tax year (when used because the parental income has increased)	30 June of the tax year after the base tax year

For examples that explain how the Parental Income Threshold works refer to the [Social Security Guide](#) page 3.2.5.85 YA concessional workforce independence criteria for regional students.

Supporting financial independence during COVID-19

From 1 January 2021, the six-month period between 25 March 2020 and 24 September 2020, (the COVID-19 concession period), will automatically be recognised as contributing to existing workforce independence criteria for ABSTUDY under [38.4.1.3](#).

When being assessed for independence under [38.4.1.3 Workforce Participation - Self Supporting through paid employment category for Inner Regional, Outer Regional, Remote and Very Remote Students](#), young people will be deemed to have:

- worked 15 hours per week for the COVID-19 concession period; or
- earned 75% of [Wage Level A of the National Training Wage Schedule](#) weekly rate included in a modern award during the COVID-19 concession period (which for the COVID-19 period was \$507.75 per week (being 75% of \$677.00)), unless in receipt of a higher income for the purpose of determining cumulative earnings across a 14-month period.

Allowable claim period: The COVID-19 concession period will only apply to ABSTUDY claims made between 1 January 2021 and 24 September 2022, or claims lodged prior to 1 January 2021 that have not been determined before 1 January 2021.

For examples of how the COVID-19 concession period applies to the independence criteria for regional students refer to Social Security Guide page [3.2.5.85 YA concessional workforce independence criteria for regional students](#)

38.4.1.4 Incentives to Encourage Australians to Undertake Seasonal Work

A young person claiming ABSTUDY between 1 March 2021 and 1 March 2023 can be considered independent where they:

- are undertaking full-time studies, AND
- have a combined parental income for either the 2019–2020 tax year or 2018-2019 tax year that is less than \$160,000 plus \$10,000 for each 'additional child', AND
- undertook qualifying agricultural work between 30 November 2020 and 31 December 2021, AND
- have gross earnings for the qualifying agricultural work of at least \$15,000.

For examples of how the Incentives to Encourage Australians to Undertake Seasonal Work apply to the independence criteria refer to Social Security Guide page: [3.2.5.80 YA & DSP - self-supporting through paid employment](#).

38.4.2 Workforce Participation - other

Students or Australian Apprentices are considered to have independent status if they have been in some form of workforce participation for periods totalling at least 156 weeks during the previous 208 weeks. This can be any combination of the activities listed below. These are:

- engaged full-time paid employment or self-employment; or
- undertaking an apprenticeship or full-time training agreement; or
- in receipt of an income support payment such as Youth Allowance (Other), JobSeeker Payment, youth training or formal training allowance, special benefit or support under the New Enterprise Incentive Scheme; or
- unemployed and registered with [Centrelink](#), but waiting to receive a benefit under Social Security Law; or
- on sick, maternity or recreation leave (but not paid study leave); or

- receiving an income support pension under the [Veterans' Entitlements Act 1986](#) or sickness allowance or carer payment or disability support or sole parent pension (parenting payment - single) or similar pension or benefit under Social Security Law; or
- available for full-time employment but supporting medical evidence indicates that illness or incapacity prevented employment; or
- a member of a religious order where it can be demonstrated that the student was supported by the order (e.g. board and lodgings); or
- in lawful custody.

Note: Overseas employment: From 6 July 2000, periods of employment overseas can be regarded for the purposes of this category.

38.4.2.2 Periods excluded from workforce participation

Periods that cannot be counted towards the required 156 weeks are those where the student or Australian Apprentice was:

- registered with Centrelink but not available for full-time employment in Australia; or
- undertaking full-time primary or secondary study, including vacations between study periods; or
- undertaking full-time post-secondary study, unless the student can demonstrate that while studying, they were also a full-time member of the workforce; or
- receiving education assistance, such as Youth Allowance (Student) (not wages) for a course approved for ABSTUDY; or
- on paid study leave.

38.4.2.3 Registration with Centrelink while at school

No account is to be taken of registration with Centrelink during periods in which the student or Australian Apprentice undertook full-time primary or secondary study. Registration during school vacations is not to be taken into account.

Also, no account is taken of periods of registration between the end of the school year and 31 December, even in respect of the student's last year of schooling, if the student or Australian Apprentice was entitled to receive ABSTUDY (or other education assistance) for that end-of-year period. Students or Australian Apprentices who were not eligible to receive education assistance for the period from the end of schooling to 31 December can count periods of Centrelink registration during that time.

38.4.2.4 Waiting period for income support by school leavers

The waiting period for Youth Allowance as a school leaver may be included, if the school leaver was registered with Centrelink for this period. However, the period from the end of the school year to 31 December cannot be counted if the student or Australian Apprentice was entitled to receive Youth Allowance/Austudy Payment as a full-time student for that time.

38.4.2.5 Registration with Centrelink while qualified to get ABSTUDY Living Allowance

No account is to be taken of periods that a student or Australian Apprentice was registered for full-time employment with Centrelink, if the student or Australian Apprentice was also eligible and qualified to receive ABSTUDY [Living Allowance](#).

38.4.2.6 Periods of full time post-secondary education

Periods during which a student or Australian Apprentice was undertaking full-time post-secondary study are not generally counted towards workforce requirements unless the student or Australian Apprentice can demonstrate that, while studying, they were also a full-time member of the workforce.

Periods of paid study leave or periods during which a student or Australian Apprentice was under a training agreement or in receipt of educational assistance (such as teacher scholarships or ABSTUDY Living Allowance) will not usually be included in the workforce requirement period.

Periods during which a student or Australian Apprentice undertook academic studies at the Australian Defence Force Academy in Canberra cannot be counted. However, periods of military training in the academic vacations may be counted.

Periods of industrial experience forming part of a student's or Australian Apprentice's course may be counted if normal wages are paid (but periods of industrial training for which ABSTUDY Living Allowance is paid are not).

38.4.2.7 Sporting activities

Periods spent training for and playing sport are not counted, even though the person may have received some remuneration from a sporting club, unless:

- the student or Australian Apprentice was a professional sportsperson; and
- the sporting activity was their occupation.

The sporting activity must be the person's primary occupation. Someone who plays for a local club, trains during the week and receives match fees for a game cannot be said to be a professional sportsperson.

38.4.2.8 Unemployment while overseas

Periods while a student or Australian Apprentice was overseas but not in full-time employment are not counted.

38.4.2.9 Periods in self-development and adventure programs

Periods that a student or Australian Apprentice spent as a participant in a youth self-development programme (such as the Duke of Edinburgh's Award Scheme or Operation Rally) are not counted for independent status purposes. This applies even if:

- all upkeep is provided by the programme involved; and
- some community services are performed.

38.5 Previous Lawful Custody

38.5.1 Previous Lawful Custody

Students or [Australian Apprentices](#) are considered to have independent status if they are either secondary students aged 18 years or older or tertiary students, and were previously, for a six month cumulative period or more, in lawful custody at:

- a corrective institution; or
- a remand centre; and/or
- a youth training centre.

38.6 Orphanhood

A student or [Australian Apprentice](#) is considered to have independent status if they are 15 years of age or older and an orphan.

A student or Australian Apprentice is considered to be an orphan where of their natural, or, adoptive, or relationship parents are either:

- dead; or
- missing and presumed dead.

Note: If a student's or Australian Apprentice's parent has been missing (whose whereabouts is unknown) for not less than seven years, under common law the parent may be presumed dead. State or Territory laws may vary the length of time and/or conditions under which a person may be presumed dead.

38.7 Special Adult Status

A student or Australian Apprentice is considered to have independent status if the student is 15 years or older and has special adult status in an Aboriginal/Torres Strait Islander community that follows a lifestyle based on adherence to traditional coming-of-age ceremonies. Such ceremony is to have been sanctioned by recognised Aboriginal or Torres Strait Islander elders of that community.

Communities that follow this lifestyle will only be recognised for ABSTUDY purposes in the Northern Territory, Queensland, South Australia and Western Australia.

To be eligible, the student's or Australian Apprentice's:

- permanent home must be in the traditional community;
- must be required to live independently of family once they have achieved special adult status; and
- must be living independent of the family home at the time of assessment for ABSTUDY.

Chapter 39: Reviewable Independent Status

This topic covers the provisions for approval of reviewable independent status.

In this chapter:

- [39.1 Student or Australian Apprentice has a De Facto Partner](#)
- [39.2 Care or Custody of Child](#)
- [39.3 Parents Cannot Exercise Parental Responsibilities](#)
- [39.4 Returning to an Indigenous community](#)
- [39.5 Unreasonable to Live at Home](#)

39.1 Student or Australian Apprentice has a De Facto Partner

A student or [Australian Apprentice](#) is considered to have reviewable independent status if they and their partner have reached the age of consent within their State/Territory and is currently living in a de facto relationship that is of at least six months' duration.

39.2 Care or Custody of Child

A student or [Australian Apprentice](#) is considered to have independent status if they currently have the care or custody of another person's [dependent child](#).

39.3 Parents Cannot Exercise Parental Responsibilities

A student or [Australian Apprentice](#) is considered to have reviewable independent status where:

- they are 15 years of age or older, and
- their parent/s are (or if the student or Australian Apprentice has only one parent, that parent is):
 - serving a prison sentence; or
 - mentally incapacitated and likely to be so for a minimum of 14 days; or
 - living in a nursing home or similar institution and likely to be there for a minimum of 14 days; or
 - missing (and all reasonable attempts to locate or contact them have failed).

39.4 Returning to an Indigenous community

A student or [Australian Apprentice](#) is considered to have reviewable independent status if they are 16 years of age or over and has returned to live in an Indigenous community after having been adopted or fostered by a non-Indigenous family for more than two years. Independent status approved on the basis of returning to the home community may be withdrawn if the student or Australian Apprentice reverts to adoptive, foster or another form of State Care.

39.5 Unreasonable to Live at Home

See [Chapter 40](#) for the approval criteria for reviewable independent status on the basis that it is unreasonable for the student or [Australian Apprentice](#) to live at home.

39.6 [Deleted section]

Chapter 40: Unreasonable to Live at Home

This chapter details the eligibility criteria for independent status on the basis that it is unreasonable for the student or [Australian Apprentice](#) to live at home.

In this chapter:

- [40.1 Overview of Unreasonable to Live at Home Provisions](#)
- [40.2 Eligibility for Independent Status – Unreasonable to Live at Home](#)
- [40.3 Financial or Other Support from Parent or Long-term Guardian](#)
- [40.4 Income support from the Commonwealth, State or Territory](#)
- [40.5 Situations Not Considered Unreasonable to Live at Home](#)

40.1 Overview of Unreasonable to Live at Home Provisions

The Unreasonable to Live at Home (UTLAH) (also known as Homeless Rate) provisions are intended to assist students or [Australian Apprentices](#) who may be at risk of giving up their studies or apprenticeship, traineeship or trainee apprenticeship because of traumatic family circumstances. This provision recognises that there are situations where students or Australian Apprentices face serious physical or mental harm in the family home. It gives such students or Australian Apprentices the opportunity to continue in their studies or Australian Apprenticeship after they have moved to a safer, more stable environment. The provision is for students or Australian Apprentices who cannot reasonably remain at home and therefore must live independently for the sake of their wellbeing.

The provision is not intended to encourage students or Australian Apprentices to leave home nor to encourage parents to cease contributing towards their children's education. It is not a means for students or Australian Apprentices to choose to leave home so that they can get a higher rate of ABSTUDY.

40.2 Eligibility for Independent Status – Unreasonable to Live at Home

A student or [Australian Apprentice](#) may qualify for reviewable [independent status](#) on the basis that it is unreasonable that they live at home, if:

- they are of school leaving age in the particular State or Territory or at least 16 years of age; and
- they cannot live at the home of their natural, adoptive, or relationship parents, either:
 - because of [extreme family breakdown or other similar exceptional circumstances](#); or
 - because to do so would cause [serious risk to](#) their physical or mental well-being due to violence, sexual abuse or other similar unreasonable circumstance; or
 - because the parents are unable to provide the student or Australian Apprentice with a suitable home owing to a lack of stable accommodation;

AND

- they are not receiving continuous financial or other support, directly or indirectly, from either:
 - a parent of the student or Australian Apprentice; or

- another person who is acting as the student's, or Australian Apprentice's guardian on a long-term basis;

AND

- they are not receiving a regular government payment of welfare or student assistance (other than ABSTUDY or a social security payment); or
- they are NOT considered to be in State care (see [Section 45.1.2](#))

40.2.1 Natural, adoptive or relationship parents

Eligibility for independent (UTLAH) status is determined in relation to the student's or Australian Apprentice's natural (i.e. birth) parent/s, legally/traditionally adoptive parent/s, or relationship parent/s.

Where the student's or Australian Apprentice's natural, legally/traditionally adoptive, or relationship parent/s live in separate households, the student or Australian Apprentice must satisfy the UTLAH criteria in relation to each household.

40.2.2 Approval of Independent (UTLAH) status

Approval of independent (UTLAH) status may be backdated to the date the student or Australian Apprentice started living away from the parental home, provided that the student or Australian Apprentice had reached minimum school leaving age and was otherwise eligible for ABSTUDY.

40.3 Financial or Other Support from Parent or Long-term Guardian

40.3.1 Continuous support from a parent

A student or [Australian Apprentice](#) cannot be approved for independent (UTLAH) status if they are receiving continuous support from a natural, adoptive or relationship parent.

40.3.2 What is continuous support?

'Continuous' is not tied to any specific period of time, nor to a specified amount or type of support. Continuous support must have a regularity or stability that enables the student or Australian Apprentice to have a reasonable expectation that it will be received. Consideration should be given to the nature and intention of the support, that is, whether it is continuous rather than emergency in nature and intent, and whether it shows on-going concern for the student or Australian Apprentice.

40.3.2.1 Examples of continuous support

Examples of continuous support include:

- regular payments (e.g. weekly, fortnightly, monthly, annually) intended to support the student (amounts of money that are clearly inadequate to support a student's basic needs can be disregarded); and/or
- payments made in advance for, e.g. school fees, HECS or rent; and/or
- regular payments for certain items, e.g. car registration/maintenance, mobile phone upkeep, text books, student and sporting fees; and/or
- regular provision of food, meals, services such as laundry, use of a family car; and/or
- use of accommodation owned, leased or rented by a parent, or where a parent holds the lease and/or has paid the bond for the student's or Australian Apprentice's accommodation.

40.3.3 Indirect support from a parent

Independent (UTLAH) status cannot be approved where a parent provides continuous support for the student or Australian Apprentice on an indirect basis. This includes where parents arrange for assistance to be provided through a third party or organisation.

40.3.3.1 Examples of indirect support

Indirect support includes:

- employing the student or Australian Apprentice in a family business; and/or
- leasing or subsidising accommodation for the student's or Australian Apprentice's use; and/or
- accepting education or other subsidies from the parent's employer on behalf of the student or Australian Apprentice.

40.3.4 Court-ordered maintenance

Court-ordered child support of less than \$50 per week from a parent is not treated as continuous support.

40.4 Income support from the Commonwealth, State or Territory

A student or [Australian Apprentice](#) cannot be approved for independent (UTLAH) status if they are receiving income support (other than ABSTUDY or a social security benefit) on a continuous basis from an Australian Government Department or an instrumentality of a State or Territory.

40.4.1 What is continuing income support?

Income support is defined as payments received directly or indirectly by the student or Australian Apprentice that are intended to meet, or to assist in meeting, his or her general living costs regardless of whether they are adequate for this purpose. Such payments can be considered to be continuing where they are received on a regular basis and the student or Australian Apprentice has a reasonable expectation that they will be available for a reasonable period of time. Support provided on an emergency or temporary basis is not considered to be continuing income support.

40.5 Situations Not Considered Unreasonable to Live at Home

The following situations, in themselves, do not allow independent status to be approved on the basis that it is unreasonable for the student or [Australian Apprentice](#) to live at home:

- the parents have divorced or separated, unless 41.1.2 applies; or
- the young person chooses to live independently; or
- the family consider the young person to be independent, even when this is due to deeply held cultural or religious beliefs OR they claim they cannot afford to support the young person; or
- the parents move to a new location, including overseas.

Chapter 41: Extreme Family Breakdown and Similar Exceptional Circumstances

This chapter details the assessment of independent (UTLAH) status on the basis of extreme family breakdown and other similar exceptional circumstances.

In this chapter:

- [41.1 What is Extreme Family Breakdown?](#)
- [41.2 What Are Other Similar Exceptional Circumstances?](#)

41.1 What is Extreme Family Breakdown?

For the purposes of independent (UTLAH) status, family breakdown may be due to various causes but must be extreme. Family breakdown must be considered in the context of the whole family situation, and must establish circumstances where it is unreasonable to expect the person to remain in that family environment. The existence of ongoing conflict alone is insufficient grounds to grant independence under this criterion.

Factors that may indicate extreme family breakdown include:

- one or more members of the family are experiencing documented behavioural and/or health problems which can be attributed to the breakdown of the family relationship; or
- the young person's substance abuse and/or anti-social behaviour is so extreme that specialised intervention has been unsuccessful and it is beyond reasonable expectations for the parent(s) to have the capacity to resolve the situation; or
- evidence that the emotional or physical well-being of the young person or another family member would be jeopardised if the young person were to live at home; or
- unsuccessful attempts have been made to resolve the issue(s), for example through counselling or mediation.

41.1.1 Parents refuse to allow young person to live at home

If [parents](#) refuse to allow the student or Australian Apprentice to live at home, this does not constitute 'extreme family breakdown' unless there is evidence of extreme and enduring family conflict. This applies particularly if the young person has provoked the response from parents by unwillingness to meet reasonable expectations.

41.1.2 Situations where parents have separated

Where a young person's parents are separated and an assessment has found it is unreasonable for the young person to live at the home of the parent they have normally lived with, an assessment should be made if it is reasonable for the young person to live with their other parent. In exceptional circumstances, it may be unreasonable for the young person to live with the other parent. Such exceptional circumstances may include situations where:

- the other parent does not meet the definition of a parent for the purposes of the parental income test, and
- either: –
 - the young person has had no contact and no emotional support from the other parent in the past 2 years, or
 - the young person would be considered as qualifying for the 'away from home' rate of payment based on the home circumstances of the other parent.

In such exceptional circumstances the young person would be considered independent.

41.2 What Are Other Similar Exceptional Circumstances?

Situations that constitute 'other similar exceptional circumstances', or that are similar to extreme family breakdown and cannot be defined. The following list provides some examples:

- criminal activity or substance abuse by the parents; or
- severe neglect, where adequate food, clothing, shelter, hygiene, medical attention and supervision is not being provided; or
- extreme and abnormal demands placed on the young person.

Chapter 42: Serious Risk

This chapter details the assessment of Independent (UTLAH) status on the basis of serious risk to the student or [Australian Apprentice](#).

In this chapter:

- [42.1 What is Serious Risk?](#)

42.1 What is Serious Risk?

Independent (UTLAH) status may be approved where the student or [Australian Apprentice](#) cannot live at home because to do so would cause serious risk to the student's or Australian Apprentice's physical or mental wellbeing.

Indicators of serious risk to the student's or Australian Apprentice's physical or mental wellbeing include sexual, physical or psychological abuse.

The claimant need not be the victim of the abuse. It would usually be accepted as unreasonable to expect the claimant to live in a home where other household members have been or are being subject to such abuse.

Where the threat to the person comes from someone outside the family home, such as from a neighbour, serious risk is established after all attempts to avoid the abuse have been made, without success, and the young person has been forced to move.

Chapter 43: Parents Unable to Provide a Home

This chapter details the assessment of Independent (UTLAH) status on the basis that the student's or [Australian Apprentice's](#) parents are unable to provide a home.

In this chapter:

- [43.1 When Parents Cannot Provide a Home](#)

43.1 When Parents Cannot Provide a Home

Independent (UTLAH) status may be approved where parents are unable to provide a suitable home because they lack stable accommodation themselves.

If the lack of stable accommodation is a temporary situation resulting from choices made by the parent, then this would NOT meet the 'unable to provide a home' provision. Parents are assumed to have some choice about their accommodation, and this includes taking responsibility for ensuring their children can live with them.

Example: Inadequate housing, unsuitable locations, moving to another town and travelling are all areas in which parents would have some choice about accommodation.

Chapter 44: Assessment of Unreasonable to Live at Home

This chapter outlines the assessment of cases where independent status is sought on the basis that it is unreasonable for the student or [Australian Apprentice](#) to live at home.

In this chapter:

- [44.1 Mandatory Procedures in Assessment of UTLAH](#)
- [44.2 Assessment for Under-18 Year Olds](#)
- [44.3 Assessment for Over-18 Year Olds](#)
- [44.4 Release of Information under the Student Assistance Act](#)

44.1 Mandatory Procedures in Assessment of UTLAH

All assessments for independent status on the basis that it is unreasonable for the student or [Australian Apprentice](#) to live at home must follow a number of mandatory procedures.

The mandatory procedures are as follows:

- personal contact with customers;
- contact with parents unless:
 - the young person refuses permission; or
 - if contact with the parent presents a severe risk to the young person or others such as siblings; or
 - it has been verified that there has been no parental concern for at least the past 2 years;
- independent third party verification of the circumstances claimed (e.g. grandparents, school counsellors, religious leaders); AND
- privacy provisions governing the release of information about homeless customers where this is in the public interest.

There are additional mandatory procedures for students or Australian Apprentices under 18 years of age:

- referral under the Youth Protocol as set out in the Commonwealth/State/Territory Youth Protocol requirements; and
- referral to a Reconnect Service where available and appropriate; and
- intensive follow up of all UTLAH customers identified through the social work assessment as being at high risk.

44.2 Assessment for Under-18 Year Olds

All assessments of eligibility for independent status based on UTLAH provisions for students or [Australian Apprentices](#) aged less than 18 years will always be conducted by a [Centrelink](#) social worker. This assessment must include the following:

- referral for appropriate support, including to relevant government and community facilities;
- assessment of whether the young person can be regarded as independent under ABSTUDY Policy; AND
- ongoing social worker contact with severely disadvantaged or vulnerable people, especially those aged under 16 years.

44.3 Assessment for Over-18 Year Olds

Assessment of independent status based on UTLAH provisions for students or [Australian Apprentices](#) aged 18 years or older will generally be conducted by a [Centrelink](#) social worker.

44.4 Release of Information under the Student Assistance Act

The [Student Assistance Act 1973](#) allows for the release of student or [Australian Apprentice](#) information in certain circumstances. The most relevant of these to assessment of independent (UTLAH) status are that information may be released:

- if authorised by the student or Australian Apprentice (paragraph 355(1)(d)); or
- in the public interest and certified by a delegate that the release is in accordance with Ministerial Guidelines (paragraph 355(1)(a)); or
- where the Secretary has authorised the release to other Australian Government Departments for their administrative purposes (paragraph 355(1)(b)).

Act Reference: SAAct Part 10 Division 3: Confidentiality

Chapter 45: Students or Australian Apprentices in State Care

In this chapter:

- [45.1 Student or Australian Apprentice in State Care](#)
- [45.2 Allowances and Benefits](#)
- [45.3 Rate of Living Allowance](#)
- [45.4 Payees](#)

45.1 Student or Australian Apprentice in State Care

A student or [Australian Apprentice](#) is considered to be in State Care if:

- they are not living with a parent; and
- they are in the guardianship, care or custody of a court, a Minister, or a Department of either the Australian, State or Territory Government; or
- there is a current direction from a court, Minister or Department placing the student or Australian Apprentice in the guardianship, care or custody of someone who is NOT the student's or Australian Apprentice's parent; or
- the student or Australian Apprentice stopped being in one of the above situations only because of their age.

A student or Australian Apprentice under a court, Ministerial or Departmental order or direction is considered to be in state care regardless of their legal guardianship status.

A student or Australian Apprentice who ceased to be in State Care due to age may be eligible for independence if they meet the criteria for independent status under 37.2.

Note: In general, States and Territories provide for the upkeep of children in their care until the child is 16 years old. State and Territory Governments retain a welfare responsibility for young people in state care.

45.1.1 Not considered to be in State Care

Where a student or Australian Apprentice has left the carer's home to live in a government funded or subsidised refuge or residential care facility and the State/Territory Welfare Department has not accepted ongoing responsibility for the student or Australian Apprentice, the student or Australian Apprentice is not considered to be in State Care.

45.1.2 Independent rate

The independent (homeless) rate of Living Allowance may be paid if the student, who was formerly in State Care, has reached the minimum school leaving age, has left the carer's home to live in a government funded or subsidised refuge or residential care facility and the State/Territory Welfare Department has not accepted ongoing responsibility for the student or Australian Apprentice.

45.2 Allowances and Benefits

A student in State Care may be eligible for:

[Tertiary Award](#) or [Masters and Doctorate Award](#), including ABSTUDY [Living Allowance](#), if they are studying a full-time post-secondary course or concessional study load, and either:

- they have reached the minimum school leaving age for the State or Territory in which the person is living; or
- they are under the minimum school leaving age but meets the criteria for Away from Home entitlements;

OR

- [Schooling B Award](#) if they have reached 15 years of age or they are under the minimum school leaving age but meets the criteria for Away from Home entitlements (refer to 16.1 Specific Eligibility Criteria for Schooling B Award);

OR

- [Schooling A Award](#), including School Term Allowance and School Fees Allowance, if they are:
 - studying a full-time secondary course, and 15 years of age or younger; and
 - either living at home; or
 - not approved for the living away from home or independent rates;

OR

- a full-time primary school student, and 14 years of age or more at 1 January in the year of study; and
- living at home.

An [Australian Apprentice](#) in State Care may be eligible for ABSTUDY Tertiary Award, if they have a current [registration](#), and either:

- they have reached the minimum school leaving age; or
- they are under the minimum school leaving age but meets the criteria for Away from Home entitlements.

45.2.1 Exemption from Parental Income Test and Maintenance Income Test

Where a student or [Australian Apprentice](#) is in State Care, they are exempt from the ABSTUDY [Parental Income Test and Maintenance Income Test \(MIT\)](#).

45.3 Rate of Living Allowance

Where a student or [Australian Apprentice](#) in State Care is entitled to receive Living Allowance, it is paid at the following rates:

- if the carer receives a regular foster care allowance for the student's or Australian Apprentice's upkeep, the standard rate of Living Allowance is payable; or
- if the carer does not receive a regular foster care allowance, the Away from Home rate of Living Allowance is payable.

The above applies even where a student or Australian Apprentice meets the criteria for Away from Home entitlements set out in [Chapter 25](#).

45.3.1 Does the carer receive a regular foster care allowance?

The carer will be considered to be receiving a regular foster care allowance where they receive either:

- a regular foster care allowance; or
- an allowance which is intended directly for the student's or Australian Apprentice's upkeep or personal use (e.g. regular Adolescent Community Placement or Placement Provider Reimbursement payments made directly or indirectly by the Victorian Government).

However, where the authority pays the carer directly to compensate for extra costs involved in caring for the student or Australian Apprentice, e.g. setting up a bedroom or repairing damage done by the student or Australian Apprentice, the carer is not considered to be receiving a regular foster care allowance.

45.3.2 Fifteen-year-old students or Australian Apprentices

Where a fifteen-year-old student or Australian Apprentice in State Care is entitled to Living Allowance, they are paid at the aged 16-17 year old rate of Living Allowance. See [A guide to Australian Government payments](#) for details.

45.4 Payees

In general, students or [Australian Apprentices](#) who qualify for ABSTUDY under this provision receive their allowances direct, or where a student attends a boarding school, some or all of the payments are made to the institution. The carer does not receive payments on the student's or Australian Apprentice's behalf.

However, the authority may request that payment be made direct to the care giver or a person nominated by the student or Australian Apprentice, if:

- the relevant government authority or an organisation approved by that authority believes that payment of allowances direct to younger students or Australian Apprentices could jeopardise the student-carer or Australian Apprentice-carer relationship; or
- it is determined that the student or Australian Apprentice is unable to manage their own finances, e.g. a student in a special school.

Part VI Study Requirement

Chapter 46: Introduction to Study Requirements

This chapter provides an outline of the study requirements for ABSTUDY entitlements.

In this chapter:

- [46.1 General Study Requirements for ABSTUDY Assistance](#)
- [46.2 Specific Study Requirements for ABSTUDY Awards](#)

46.1 General Study Requirements for ABSTUDY Assistance

To be eligible for ABSTUDY assistance, a student or [Australian Apprentice](#) must be either:

- enrolled in an [approved course](#) at an [approved education institution](#); or
- undertaking an approved Testing and Assessment activity to determine their suitability to undertake an approved course ; or
- undertaking a full-time apprenticeship, traineeship or trainee apprenticeship under the Australian Apprenticeships Scheme.

For students to be eligible for the full range of ABSTUDY Awards, the course must also be approved as a [full-time course](#). Where a course can only be approved as a [part-time course](#), the [Part-time Award](#) is payable.

Australian Apprentices must be employed under a training contract as a full-time apprentice, trainee or trainee apprentice, as set out in [13.4 Australian Apprentices](#).

The policy regarding approved education institutions, approved courses, full-time courses, and the determination of whether a course is secondary or tertiary is addressed in [Chapter 11: Approved Courses of Study](#).

The provisions where a student or Australian Apprentice may be entitled to ABSTUDY Living Allowance prior to or following a period of enrolment in an approved course or while undertaking their apprenticeship, traineeship or trainee apprenticeship, i.e. during vacation periods, are set out in [Chapter 73: Living Allowance entitlement periods](#).

46.2 Specific Study Requirements for ABSTUDY Awards

There are further specific study requirements depending on, firstly, the ABSTUDY Award for which the customer is applying, and secondly, the level of study being undertaken.

46.2.1 Schooling A and Schooling B Awards

The specific study requirements for the Schooling A and Schooling B Awards are dependent upon the level of study being undertaken.

To qualify for the [Schooling A Award](#), a primary or secondary school student must either:

- study a [full-time study-load](#); or
- qualify for a [study-load concession](#).

To qualify for the [Schooling B Award](#), a primary or secondary school student must either:

- study a full-time study-load; or
- qualify for a study-load concession; and
- meet the [attendance requirements for secondary school students](#).

To qualify for the Schooling A or Schooling B Awards, a secondary non-school student must either:

- be enrolled in a full-time study-load; or
- qualify for a study-load concession; and
- be considered to be undertaking the course by the institution; and
- complete the course within a [reasonable time](#).

46.2.2 Tertiary and Masters & Doctorate Awards

To qualify for the [Tertiary](#) or [Masters and Doctorate Awards](#), a tertiary student (including those studying at Masters or Doctorate level) must:

- either:
 - be enrolled in a full-time study-load; or
 - qualify for a study-load concession; and
- be considered to be undertaking the course by the institution; and
- complete the course within a reasonable time.

In addition, a student undertaking study at a Bachelor, Masters or Doctorate level, must not have exceeded the limits of assistance for degree courses.

46.2.2.1 Australian Apprentices under the Tertiary Award

To qualify for the Tertiary Award [Australian Apprentices](#) must:

- be undertaking a full-time apprenticeship, traineeship or trainee apprenticeship; and
- have a current [registration](#).

46.2.3 Part-time Award

In order to qualify for the [Part-time Award](#), a student must be enrolled in and undertaking a part-time study load. There is no minimum study-load requirement for the Part-time Award.

Tertiary and secondary non-school students must also meet the [progress rules](#) to qualify for the Part-time Award.

Australian Apprentices are not eligible to access entitlements under the ABSTUDY Part-time Award where the claim for entitlement relates to their Australian Apprenticeship. Australian Apprentices may only be entitled to assistance under ABSTUDY if they are undertaking their apprenticeship, traineeship or trainee apprenticeship on a [full-time basis](#).

46.2.4 Lawful Custody Award

In order to qualify for the [Lawful Custody Award](#), a student can be studying either a full-time or part-time study-load. There is no minimum study-load requirement for the Lawful Custody Award.

Australian Apprentices must be undertaking a full-time apprenticeship, traineeship or trainee apprenticeship to qualify for the Lawful Custody Award.

Tertiary and secondary non-school students must also complete the course within a [reasonable time](#) to qualify for Lawful Custody Award.

46.2.5 Testing and Assessment Award

In order to qualify for the [Testing and Assessment Award](#), customers must be undertaking an approved Testing and Assessment activity to determine their suitability to study an approved course.

There are limits on the number of Testing and Assessment programs a customer can be assisted to attend each year. See [94.3](#) for details.

An Australian Apprentice may be eligible to access ABSTUDY entitlements under the Testing and Assessment Award to undertake an approved Testing and Assessment activity to determine their suitability to study a course in the future that is not related to their Australian Apprenticeship.

Chapter 47: Study-load Requirements

This chapter provides information about the ABSTUDY study-load requirements and the assessment of study-load.

In this chapter:

- [47.1 Study-load Requirements](#)
- [47.2 Full-time Study-load for a Secondary School Student](#)
- [47.3 Full-time Study-load for a secondary non-school students and students studying Vocation and Technical Education courses](#)
- [47.4 Full-time Study-load for a Tertiary Student at a Higher Education Institution](#)
- [47.5 Full-time study-load for Masters and Doctorate level study](#)
- [47.6 Enrolment in more than one course at one or more institutions](#)
- [47.7 Australian Apprenticeships](#)
- [47.8 Not counted for study-load purposes](#)

47.1 Study-load Requirements

In order to qualify for the [Schooling A](#), [Schooling B](#), [Tertiary](#) or [Masters and Doctorate Awards](#), a student must either:

- study a full-time study-load; or
- qualify for a study-load concession.

The provisions for approving a study-load concession are set out in [Chapter 48 Study-load Concessions](#).

The definition of what it means to study a full-time study-load depends on whether the student is undertaking:

- secondary school studies (or Primary school studies for students aged 14 years or over at 1 January of the study year);
- secondary non-school or Tertiary level studies; or
- Masters and Doctorate studies.

47.2 Full-time Study-load for a Secondary School Student

Secondary school students are considered to be studying a full-time study-load if they:

- attend school daily;
- do not attend school daily but the school advises that the student is studying a full-time study-load; or
- do not attend school daily but undertake home-based schooling where:
 - the student has been approved by the relevant State/Territory education authority to study course work at home; and
 - the authority confirms that the study is full-time and conforms with, and will be accredited towards, the secondary qualification accredited by that authority; or

- do not attend school daily but study course work at home where:
 - the student is formally registered at a secondary school; and
 - the course work is set by the school; and
 - the student is undertaking a workload deemed to be full-time by the school; and
 - the student is supervised regularly by the school; and
 - the study mode is approved by the school. This study mode will only be approved because of injury, illness or other circumstances beyond the student's control; or
- do not attend school daily but meet the requirements of their school programme as determined by the secondary school, e.g. modified school programme aimed at high-risk students or students with a disability or health-related condition.

The above study-load requirements also apply to primary school students aged 14 years or over at 1 January of the school year.

47.2.1 Secondary school studies at more than one institution

A secondary school student may study at more than one institution, providing their total study-load is full-time.

47.2.2 School students who are also undertaking Vocation and Technical Education studies

Secondary school students who attend a Vocation and Technical Education (VTE) institution for one or more days a week as part of their secondary school requirements, including students participating in a school-based apprenticeship/traineeship, are considered to be undertaking full-time secondary school studies for ABSTUDY purposes.

47.3 Full-time Study-load for a secondary non-school students and students studying Vocation and Technical Education courses

The normal study-load for secondary non-school courses and Vocation and Technical Education courses is the normal study programme as set down in course documentation. Students who are enrolled in at least three-quarters (75%) of the normal full-time study-load for any given enrolment period are regarded as full-time students for that enrolment period.

47.4 Full-time Study-load for a Tertiary Student at a Higher Education Institution

A higher education student is to be considered to be undertaking a full-time study load over a particular study period if they meet at least one of the following criteria:

1. The student has an aggregated Equivalent Full Time Study Load (EFTSL) of at least 0.375 allocated to a particular half-year period. The half-year periods are 1 January to 30 June and 1 July to 31 December.
 - Where the student is undertaking a subject/unit that begins and ends in the same half-year period, the EFTSL weighting is allocated to that half-year period.

- Where the person is undertaking a subject/unit that begins and ends in different half-year periods, the EFTSL weighting may be allocated to either half-year period, depending upon which alternative provides the most beneficial outcome for the student.

OR

2. The student is undertaking at least $\frac{3}{4}$ (three-quarters) of the normal full-time study load for a shorter period of enrolment (e.g. summer school), where the institution can define a full-time study load for that period.

OR

3. The student has an aggregated EFTSL of at least 0.750 over the calendar year where either:
 - the institution's normal period of enrolment is a year; or
 - the student is undertaking a year-long subject/unit within their course of study.

Where a student is undertaking a subject/unit that begins and ends in different half-year periods, or different calendar years, or in separate shorter periods of enrolment, the EFTSL weighting may be allocated to whichever half-year period or calendar year or shorter period of enrolment provides the most beneficial outcome for the student.

Provided that the student meets **any one** of these criteria at any given point in time, they should be considered to be a full-time student for the length of the course (and through the period of study break if they meet the criteria for remaining a full-time continuing student). It is possible for an individual student to meet more than one of these definitions of full-time study load at any one point in time.

In all three scenarios, the “particular study period” is taken to start from the earliest commencement of the first subject/unit that is included in the study load and ends at the conclusion of the latest subject/unit that is included in the study load.

The “additional period” for allowable/reasonable time purposes is also taken to start from the earliest commencement of the subject/unit that is included in the study load and ends at the conclusion of the latest subject/unit that is included in the study load.

47.4.1 Withdrawal from study before or after the census date

A student who withdraws from or ceases studying in a unit of study after the census date for that unit of study decreases their study-load by that unit of study's EFTSL value from the date of withdrawal or cessation, irrespective of whether the student remains liable for the student contribution amount or HECS-HELP debt associated with that unit of study.

A student who withdraws from a unit of study before the unit of study census date and who undertook, and was enrolled in, the unit of study is considered to be undertaking that unit of study until the date of withdrawal.

Note: A student becomes liable to pay student contributions on the census date for each unit of study in which the student is enrolled.

47.5 Full-time study-load for Masters and Doctorate level study

Students studying a Masters or Doctorate course are considered to be studying a full-time study-load if they meet the requirements of the university for studying full-time in the particular Masters or Doctorate course being undertaken, or the workload provisions at 47.4 are met.

47.6 Enrolment in more than one course at one or more institutions

A student may be eligible for ABSTUDY to study more than one course at one or more institutions in certain circumstances. Where the student is undertaking a full-time or [study-load concession](#) in at least one of those courses, ABSTUDY is payable under normal study-load provisions. ABSTUDY is also payable under the normal study-load provisions for students undertaking a single course at different campuses of the same institution.

However, if the study-load in the additional course(s) needs to be considered in order for the student to meet a full-time or concessional study-load, then studies in the other course(s) can be counted for study-load purposes only where:

- the institution(s) and course(s) are approved for ABSTUDY; and
- either:
 - the subjects are recorded as part of the enrolment in the first course; or
 - the student provides evidence that the subjects will be counted towards the approved course on completion (e.g. a statement from the main institution that the results will be recognised towards the student's main course).

A student cannot add together workloads in subjects that do not form part of an approved course, unless the above dot points apply.

47.7 Australian Apprenticeships

47.7.1 *Full-time study-load for Australian Apprenticeships*

Australian Apprenticeships combine practical work with structured training to give a nationally recognised qualification and work experience.

Australian Apprenticeships are covered by formal agreements known as either "Training Agreements" or "Contracts of Training". These agreements set out the training and supervision an employer must provide for the [Australian Apprentice](#) as well as their obligations as an Australian Apprentice. The agreements are registered with the relevant State/Territory Training Authority.

Training can be delivered on-the-job, off-the-job, or a combination of both. Off-the-job training must be conducted with TAFE colleges, business colleges or other approved training providers.

For Australian Apprentices to qualify for ABSTUDY entitlements they must be undertaking their apprenticeship, traineeship or trainee apprenticeship on a full-time basis as determined by DSS.

47.7.2 *[Deleted section]*

47.8 Not counted for study-load purposes

The following are not counted for the purposes of assessing study-load:

- subjects, units or points credited for work done previously;
- subjects in which the student is not currently enrolled; and
- tutorial assistance sessions funded under the Commonwealth Government's Indigenous Student Success Program.

Chapter 48: Study-load Concessions

In certain circumstances, a study-load concession can be approved so that student can meet the study-load requirements for ABSTUDY where studying less than a full-time study-load. This chapter discusses these study-load concessions.

In this chapter:

- [48.1 Study-load concessions](#)
- [48.2 Two-thirds \(66 per cent\) concessional study-load students](#)
- [48.3 Disability \(25 per cent\) concessional study-load students](#)
- [48.4 25 per cent Concessional study-load students for the purposes of ABSTUDY PES](#)

48.1 Study-load concessions

A primary or secondary school, secondary non-school, tertiary, or Masters and Doctorate level student can be considered a concessional study-load student in the following circumstances.

- [disability \(25%\) concessional study-load](#); and
- [25% concessional study-load for the purposes of ABSTUDY PES](#).

A secondary non-school, tertiary, or Masters and Doctorate level student can be considered a concessional study-load student in the following circumstance:

- [two-thirds \(66%\) concessional study-load](#).

Where a study-load concession has been approved, a student's concessional study-load will be assessed against the normal full-time study-load for their course, as set out in [Chapter 47: Study-load Requirements](#)

48.1.1 Evidence supporting claims for study-load concession

As determined by [Centrelink](#), evidence may be required to support a student's claim for a study-load concession.

48.2 Two-thirds (66 per cent) concessional study-load students

A secondary non-school, tertiary or Masters and Doctorate level student may be considered a two-thirds concessional study-load student if:

- they are enrolled in at least two-thirds of the normal full-time workload for that course; and
- it is not possible to study 75per cent of the normal study-load because of one of the following:
 - the institution's normal requirements for the course; or
 - a specific direction in writing from the academic registrar or an equivalent officer; or
 - a recommendation in writing from the academic registrar or equivalent officer, for academic or vocational reasons. The institution does not have to specify the reasons on which the recommendation is based.

Study-load requirements cannot be reduced for academic or vocational reasons for more than one semester or half of the academic year.

48.3 Disability (25 per cent) concessional study-load students

A student may be considered a disability concessional study-load student if:

- they are enrolled in at least 25 per cent of the normal full-time study-load for that course; and
- they are unable to study under normal study-load requirements because of substantial physical, psychiatric or intellectual disability.

This concession is intended to be used beneficially in circumstances where a student is incapable of, or would face additional educational barriers or disadvantage through studying under normal ABSTUDY study-load requirements because of substantial physical, psychiatric or intellectual disability.

48.3.2 Disability Support pensioner ceases to receive the pension

Where a recipient of Disability Support Pension ceases to receive this pension, they are considered to be eligible for the 25% disability concessional study-load for the remainder of the enrolment period, for the purposes of assessing eligibility for [Living Allowance](#).

48.4 25 per cent Concessional study-load students for the purposes of ABSTUDY PES

A student may be considered a concessional study-load student for the purposes of the ABSTUDY [Pensioner Education Supplement](#) (PES) if:

- they are enrolled in at least 25% of the normal full-time study-load for that course; and
- they are in receipt of one of the following income support payments as detailed below:
- One of the following [Centrelink](#) benefits:
 - Parenting Payment (Single);
 - Disability Support Pension;
 - Carer Payment;
 - Special Benefit (as a sole parent, if they have a [dependent child](#) under 16 years of age);
 - Widow B Pension (if they have a dependent child under 16 years of age);
 - Widow Allowance (if they have a dependent child under 16 years of age); or
- One of the following benefits from the Department of Veterans' Affairs:
 - Invalidity Service Pension;
 - Carer Service Pension;
 - Defence Widow/er Pension (if they have a dependent child under 16 years of age);
 - War Widow/er Pension (if they have a dependent child under 16 years of age).

A student who is qualified for ABSTUDY PES, but whose circumstances are not listed above, may qualify for a two-thirds concessional study-load or a disability concessional study-load if they meet the provisions set out in 48.2 or 48.3.

48.4.1 Pension ceases during the course of study

An ABSTUDY PES customer who ceases to be in receipt of one of the payments listed in 48.4 during an enrolment period can retain the 25% study-load concession until the end of that enrolment period for the purposes of assessing eligibility for [Living Allowance](#).

An ABSTUDY PES customer who ceases to be in receipt of one of the payments listed in 48.4 outside an enrolment period, that is, during a mid-year or long vacation, will need to meet normal study-load requirements from the start of the next enrolment period for the purposes of assessing eligibility for Living Allowance.

See also [48.3.2](#) for policy when a Disability Support pensioner ceases to be in receipt of that pension.

Chapter 49: Attendance requirements for secondary school students

This chapter discusses the attendance requirements for secondary school students, and the consequences if attendance requirements are not met.

In this chapter:

- [49.1 Attendance requirements](#)
- [49.2 Activity Test](#)
- [49.3 Absences](#)
- [49.4 Extended Period of Absence](#)
- [49.5 Absence due to Suspension or Expulsion](#)
- [49.6 Penalties for Failure to Meet the Activity Test Requirements](#)
- [49.7 Activity Agreement](#)

49.1 Attendance requirements

In order to qualify for the [Schooling B Award](#), a secondary school student must participate in [full-time study](#).

The student must also meet the requirements of the Activity Test for secondary school students.

49.2 Activity Test

A secondary school student is considered to meet the Activity Test for ABSTUDY if they:

- either:
 - attend school on a daily basis; or
 - do not attend school daily but meets the relevant State/Territory education authority's requirements for home-based schooling; or
 - do not attend school daily but meets the school's requirements for study of course work at home; or
 - do not attend school daily but meets the attendance requirements of their school programme as determined by the school e.g. modified school programme for high risk students; and
- do not accumulate a total of more than five unapproved absences in a school term.

49.2.1 Activity Test not applicable

The following secondary school students are not subject to an Activity Test:

- [Schooling A Award](#) students;
- students aged less than 16 years and in receipt of ABSTUDY Living Allowance; and
- students of any age who are approved for [Away from Home entitlements](#) who reside at a boarding school or hostel.

49.3 Absences

A secondary school student is considered to have an absence from school where they do not attend school on a day where attendance was required. There are two types of absences for secondary school students:

- approved absence; and
- unapproved absence.

49.3.1 Approved absence

An approved absence is a period of absence that results from circumstances beyond the student or applicant's control, and is approved by the school as such.

49.3.1.1 Absence due to transfer between schools

An absence of up to 10 days may be disregarded where it results from a transfer between schools.

49.3.2 Unapproved Absences

Unapproved absences include full days of absence from classes in respect of which:

- either:
 - the Principal or delegate of the approved education institution certifies that the secondary school student has not been in attendance at the school for the day; or
 - the applicant informs [Centrelink](#) that the secondary school student has not been in attendance at the school for the day; and
- the secondary school student's absence was not approved by the education institution.

49.3.2.1 Retrospective approval of absence

Where retrospective approval of an absence has been granted by the school, the secondary school student will be considered to have had an approved absence.

49.4 Extended Period of Absence

49.4.1 Extended period of unapproved absence

If an education institution advises that a secondary school student has continuously failed to meet compulsory attendance requirements for a period in excess of two weeks without an acceptable reason, the secondary school student will be deemed to have discontinued full-time study. Refer to [73.3](#) to determine the date from which payments should be cancelled.

49.4.2 Extended period of approved absence

Full-time secondary school students will retain their entitlement to ABSTUDY during extended periods of approved absence, unless they discontinue study.

49.4.3 Subsequent resumption of study

If a secondary school student subsequently resumes after an extended period of unapproved absence, the provisions in [Chapter 73: Living Allowance entitlement periods](#) will apply unless the education institution retrospectively approves the period of absence.

49.4.4 Retrospective approval of extended absence

Where retrospective approval for an absence has been granted the secondary school student will not be considered to have discontinued full-time study.

49.5 Absence due to Suspension or Expulsion

A secondary school student has no entitlement to [Living Allowance](#), [Rent Assistance](#), [Remote Area Allowance](#) or [Pharmaceutical Allowance](#) for a period during which they are expelled, suspended or excluded from school.

49.5.1 [Deleted section]

49.6 Penalties for Failure to Meet the Activity Test Requirements

49.6.1 Breaches

Where a student fails to meet the requirements of the Activity Test, a breach may be applied.

49.6.1.1 First breach in a year

The first breach of the Activity Test occurs where a student has accumulated a total of more than five days of unapproved absences in a school term. Where this has occurred, the secondary school student **will be required** to enter into an ABSTUDY [Activity Agreement](#) in order to remain eligible for ABSTUDY.

49.6.1.2 Second breach in a year

The second breach of the Activity Test occurs where a student has not complied with the terms of the Activity Agreement. Where a second breach has occurred, a penalty of 18% reduction of Maximum basic rate (Living Allowance) is applied for a period of 26 weeks.

49.6.1.3 Third breach in a year

The third breach of the Activity Test occurs where a student has again not complied with the terms of the Activity Agreement. Where a third breach has occurred, a penalty of 24% reduction of Maximum basic rate (Living Allowance) is applied for a period of 26 weeks.

49.6.1.4 Fourth and subsequent breaches in a year

The fourth breach of the Activity Test occurs where a student has still not complied with the terms of the Activity Agreement. Where a fourth (or subsequent) breach has occurred, a penalty of 100% reduction of Maximum basic rate ([Living Allowance](#)) plus add-ons (i.e. [Rent Assistance](#), [Remote Area Allowance](#) and [Pharmaceutical Allowance](#)) is applied for a period of 8 weeks.

49.6.2 Concurrent Breach Penalties

If, at the time of the application of one of the breach penalties detailed in [49.4.1](#), the secondary school student is already subject to one or more pre-existing breach penalties, these penalties are served concurrently, with the greater penalty being applied. That is, subsequent penalties replace pre-existing penalties.

49.7 Activity Agreement

Where a secondary school student incurs the [first breach in a year](#) by accumulating unapproved absences totalling more than 5 days in a term, they must enter into an ABSTUDY Activity Agreement in order to retain eligibility for payments.

An Activity Agreement is a written commitment by the student to undertake agreed activities in order to retain their entitlement to ABSTUDY. These activities are formulated as an outcome of negotiations between the secondary school student and [Centrelink](#). The activity agreement is designed to reaffirm the student's commitment to full-time study, and as such will take into account the student's individual circumstances and will be based on reasonable and achievable activities that will lead to educational outcomes. This will include a requirement that the student must participate in full-time study, including attendance at school where required.

49.7.1 Exemptions from requirement to enter Activity Agreement

A secondary school student may be exempt from the requirement to enter an Activity Agreement where:

- there are circumstances that make it unreasonable for the student to meet normal attendance requirements, for example, major personal crisis, homelessness, caring responsibilities, bereavement or confinement; and
- the school approves the student's exemption from normal attendance requirements.

Chapter 50: Requirement to Undertake the Course for Secondary (non-school), Tertiary and Masters and Doctorate students

This chapter discusses the requirement that secondary non-school, tertiary and Masters & Doctorate students undertake the course/s in which they are enrolled, and the circumstances in which payment can continue during periods of extended absence.

In this chapter:

- [50.1 Requirement to be undertaking the course](#)
- [50.2 Extended periods of absence](#)

50.1 Requirement to be undertaking the course

There are no specific attendance requirements for students under the Secondary (non-school), Tertiary and Masters & Doctorate Awards, however, to qualify for these Awards, a secondary non-school, tertiary, and Masters and Doctorate level student must undertake the course in which they are enrolled.

A student is considered to be undertaking the course where they meet the institution's requirements in relation to attendance and submission of coursework. A student will be considered to be not undertaking the course where the institution advises that the student is not meeting the institution's requirements in relation to attendance and submission of coursework.

50.1.1 Australian Apprentices

An [Australian Apprentice](#) under the tertiary award must be undertaking an apprenticeship, traineeship, trainee apprenticeship on a [full-time basis](#) under the [Australian Apprenticeship Scheme](#). A "Training Agreement" or "Contract of Training" will be registered with the relevant State/Territory Training Authority and based on the information contained in the document, DSS will determine whether the Australian Apprentice is full-time. For an Australian Apprentice to be considered to be undertaking an apprenticeship, traineeship or trainee apprenticeship, they must also have a current [registration](#).

50.2 Extended periods of absence

A secondary non-school, tertiary, and Masters and Doctorate level student will continue to be regarded as a full-time (or [concessional study-load](#)) student during an extended period of absence of up to eight weeks provided they:

- remain enrolled by the education institution; and
- provide evidence, such as (but not limited to) a medical certificate, police report or insurance claim that:
 - states the nature of the circumstances/condition leading to absence and confirms that the circumstances/condition prevents the student from studying full-time; and
 - confirms that the circumstances/condition is of a temporary nature and states the date on which the period of incapacity commenced and the date on which the student is expected to be able to resume full-time study.

Students will be considered to have discontinued study at the end of the period as specified in the medical certificate unless they resume study or receive an additional extension as detailed below.

50.2.1 Additional extended period of absence

An additional period of extension of entitlement may be granted if:

- the student continues to remain enrolled in the course; and
- a further medical certificate is provided containing the information indicated under extended period above; and
- a statement is received from the institution's Academic Registrar, or equivalent officer, which states that, at the end of the expected period of incapacity, the student will be allowed to resume full-time study in the course.

Students will be considered to have discontinued study on the last day of the period specified in the second medical certificate if they do not resume full-time study on the following day. No further extension to the period of absence may be approved.

50.2.2 Australian Apprentice absences

An [Australian Apprentice](#) will continue to be regarded as a [full-time Australian Apprentice](#) during any periods of absence, as long as they are considered to:

- be undertaking an apprenticeship, traineeship or trainee apprenticeship under the [Australian Apprenticeship Scheme](#); and
- have a current [registration](#) but does not include a person whose registration is suspended.

As absences will normally be advised or negotiated with employers, Australian Apprentices will be considered to have continuing entitlement to ABSTUDY as long as they continue to meet all other relevant criteria. It is the responsibility of the Australian Apprentice to provide the employer with notification and any evidence regarding absences due to a medical condition or other requirements under their employment conditions. These requirements would normally be contained within the Australian Apprentices Training Agreement.

Chapter 51: Progress Rules

There are limits on the amount of study for which ABSTUDY is payable. This chapter outlines the progress rules that apply to ABSTUDY entitlements.

For progress rules prior to 1 July 2007, please refer to archived versions of the ABSTUDY Policy Manual.

In this chapter:

- [51.1 ABSTUDY Progress Rules](#)
- [51.2 Reasonable Time](#)
- [51.3 Limits of Assistance](#)

51.1 ABSTUDY Progress Rules

There are two aspects to ABSTUDY progress rules:

- [Reasonable time](#); and
- [Limits on the duration of assistance for certificate I and II and degree level courses](#).

51.1.2 ABSTUDY Awards subject to Progress Rules

Progress rules apply to students studying secondary non-school courses and tertiary level courses. The following ABSTUDY Awards are subject to progress rules:

- [Schooling A Award](#);
- [Schooling B Award](#);
- [Tertiary Award](#);
- [Masters and Doctorate Award](#);
- [Part-time Award](#); and
- [Lawful Custody Award](#)

ABSTUDY progress rules do not apply to Australian Apprenticeships.

51.2 Reasonable Time

The ABSTUDY reasonable time rules limit the length of time a student may receive ABSTUDY to study in a particular course. Unless 51.2.4 applies, where a student has reached or exceeded the reasonable time for study in a course, ABSTUDY is no longer payable.

51.2.1 Reasonable time for different courses

The table below defines what constitutes a reasonable time for different secondary non-school (including enabling/bridging courses) and tertiary courses (including Certificate courses).

If the course is...	then a reasonable time to complete the course is...
two years' duration or less	twice the normal course duration.
a course of more than two years' duration	the normal course duration plus two years.

51.2.2 Calculating reasonable time

The assessment of whether a student has reached or exceeded the reasonable time for study in a particular course involves a comparison of the reasonable time for that course with the length of time the student has studied in that particular course. All time (except where 51.2.3 applies) spent in that course is taken into equal account, regardless of the study-load.

51.2.3 Study to be disregarded when calculating reasonable time

When calculating reasonable time, the following are disregarded:

- periods of study for which [Living Allowance](#) or [Pensioner Education Supplement](#) (PES) was not paid, regardless of the reason why these were not paid;
- periods of study in courses other than the one for which reasonable time is being calculated are not taken into account; and
- studies undertaken more than 10 years before the year for which assistance is being claimed.

51.2.4 When is reasonable time measured?

A student's eligibility under reasonable time rules is measured at the start of the academic year for which assistance is being sought, and at that time, the student must have studied less than the maximum time allowed.

Where a student is eligible under reasonable time rules at the start of the academic year, they remain eligible under reasonable time rules until the end of the academic year, even where reasonable time would have been met or exceeded during that year.

51.2.5 Approval of an extension to reasonable time

A student's eligibility under the reasonable time rules may be extended by up to one year beyond the reasonable time duration specified in [51.2.1](#) if:

- the student's progress has been impeded by physical, psychiatric or intellectual disability or other circumstance beyond their control; and
- the education institution recommends in writing that the student continues the course and indicates that the student is expected to complete the course in this year.

51.3 Limits of Assistance

The ABSTUDY limits of assistance rules limit the length of time a student may receive ABSTUDY to study Certificate I and II level courses, degree and Masters and Doctorate courses. When a student has met or exceeded the limits, ABSTUDY is no longer payable.

51.3.1 Limits of assistance for courses

ABSTUDY assistance is limited to:

- four years of study for *any combination* of Statement of Attainment, Certificate I or II level courses; and
- one undergraduate Bachelor degree (including Honours, Masters qualifying year/s, combined degrees and/or prerequisite studies); and
- one of the following three options:
 - one degree at Master level and one degree at Doctorate level; or
 - two degrees at Masters level; or
 - two degrees at Doctorate level.

Limits of assistance rules do not apply to studies other than Statement of Attainment, Certificate levels I and II, Bachelor, Masters or Doctorate level courses.

51.3.2 Calculating limits of assistance for Certificate I and II courses

Students undertaking Certificates I and/or II can receive ABSTUDY Living Allowance and/or PES for a maximum of four years in total, for any combination of Certificate I or II courses.

If, at the commencement of the course or the start of subsequent academic years in the course, the length of time that the student has received ABSTUDY Living Allowance or PES for study at the Certificate I or II level is greater than or equal to four years, then the student is not eligible for further assistance.

51.3.3 Calculating limits of assistance for Bachelor, Masters and Doctorate Courses

The assessment of whether a student has met or exceeded the limits of assistance is to include a comparison of the [reasonable time](#) for the course (plus any extension approved under 51.2.5) with the length of time for which the student has received ABSTUDY [Living Allowance](#) or [Pensioner Education Supplement](#) for study at that study level.

If, at the commencement of the course or the start of subsequent academic years during the course, the length of time that the student has received ABSTUDY Living Allowance or PES for study at that level is greater than or equal to the [reasonable time](#) for the course or the limit of assistance allowed, then the student is not eligible for further assistance.

51.3.4 Study taken into account when calculating limits of assistance

When calculating the limit of assistance, all time spent in a course of the same study level for which ABSTUDY Living Allowance and/or PES was received must be declared and counted, regardless of the study-load

Whether any time spent studying at the same level can be discounted will be determined as part of the relevant calculation process, as outlined in [51.3.2](#) for Statement of Attainment and Certificate I and II courses or [51.3.3](#) for Bachelor, Masters and Doctorate courses.

Chapter 52: [Deleted chapter]

Chapter 53: [Deleted chapter]

Chapter 54: Study through Open Universities Australia

This chapter discusses the assessment of study through Open Universities Australia (OUA) for ABSTUDY purposes.

In this chapter:

- [54.1 Study-load of Open Universities Australia units](#)
- [54.2 Closing date for claims for OUA students](#)
- [54.3 Break in study rule](#)

54.1 Study-load of Open Universities Australia units

54.1.1 University Level Units through OUA

University level units through OUA are either:

- single units with a credit weighting of 1/8 or 0.125, generally run over one study period of 13 weeks and identified by a 2 number unit code (e.g. PSY11); or
- double units with a credit weighting of 1/4 or 0.25, generally run over two or more consecutive study periods and identified by a 3 number unit code, (e.g. FRE112).

For ABSTUDY purposes, the normal full-time (100%) workload for an OUA student undertaking university level units is 1/4 or 0.25 over a single study period of 13 weeks.

54.1.2 Vocational and Technical Education modules through OUA

For ABSTUDY purposes the normal full time study-load for an OUA student undertaking VTE modules is 214 hours in a single study period. Therefore, students who undertake OUA VTE modules equivalent to 160 hours per study period are considered to be enrolled in 75% of the normal full-time study-load.

For VTE courses, the unit registration of students over two or more study periods is not averaged across the study periods.

54.2 Closing date for claims for OUA students

With the exception of the closing dates, the provisions relating to lodgement of ABSTUDY claims set out in [6.3](#) apply to OUA students.

The closing date for lodgement of ABSTUDY claims for OUA students is the last day of the study period for which the student is seeking ABSTUDY.

54.3 Break in study rule

For the purposes of determining the start date of Living Allowance entitlement set out in [73.2](#), OUA students who have had a break of more than two study periods are considered to have had a break in full-time or [concessional study-load](#) study of more than one semester.

Chapter 55: Overseas Study

Students and Australian Apprentices may be eligible for ABSTUDY allowances when studying overseas if they meet the guidelines outlined in this chapter. This chapter covers these circumstances and criteria in detail.

In this chapter:

- [55.1 Secondary school students studying overseas](#)
- [55.2 Secondary non-school, tertiary, and Masters & Doctorate Level students studying overseas](#)
- [55.3 Entitlements for students studying overseas](#)

55.1 Secondary school students studying overseas

55.1.1 Eligibility for secondary school student studying overseas

A secondary school student who is studying and residing overseas is eligible for ABSTUDY assistance where:

- the education institution at which the student is studying is equivalent to an approved education institution in Australia; and
- the course the student is studying is at secondary level and meets the [study-load provisions set down for secondary school students](#).

55.1.1.1 Documentation

As determined by [Centrelink](#), evidence may be required to support the claim for assistance for a secondary school student studying overseas.

55.1.2 Period of assistance for secondary school students studying overseas

The table below lists the periods for which overseas ABSTUDY assistance may be approved under certain circumstances.

If the student is...	then assistance is approved for...
participating in an international educational exchange programme recognised by the relevant State or Territory education authority	the period of the study at an overseas education institution.
accompanying parent(s)/guardian(s) who are employed by the Australian Government (e.g. members of the Australian Defence Force)	the period of the overseas posting.
studying overseas for any other reason	a period of 12 months from the first date of attendance at the overseas education institution, i.e. where a student does not return to Australia, ABSTUDY assistance ceases from the end of the payment period that includes the anniversary of the first date of attendance.

55.1.3 Travelling time

The period of assistance for secondary school students approved to study overseas according to 55.1.2 may include additional time to travel to and from the overseas education institution. This additional time may be included before and/or after the course, but may not exceed ten days in total.

55.1.4 Attendance

The attendance provisions applying to secondary school students studying in Australia also apply to secondary school students studying overseas.

55.2 Secondary non-school, tertiary, and Masters & Doctorate Level students studying overseas

55.2.1 Eligibility for secondary non-school, tertiary, and Masters & Doctorate Level students studying overseas

A secondary non-school, tertiary or Masters & Doctorate level student who is studying overseas is eligible for ABSTUDY assistance where:

- the student is enrolled on a full-time or [concessional study-load](#) basis in an approved course at an Australian higher education institution which approves the overseas study and is prepared to credit the results of study at the overseas education institution toward the approved course; and
- the student meets the normal [study-load requirements](#) in respect of the approved Australian course.

The student must also ensure they remain enrolled in an approved course at an Australian higher education institution. Where a student defers their enrolment from the Australian higher education institution and is still enrolled at an overseas institution, they will no longer be eligible for ABSTUDY assistance.

The period of study overseas need not be compulsory for all students.

[Australian Apprentices](#) studying/training overseas must:

- be undertaking a full-time apprenticeship, traineeship or trainee apprenticeship; and
- have a current [registration](#).

55.2.1.1 Documentation

As determined by [Centrelink](#), evidence may be required to support the claim for assistance for a secondary non-school, tertiary or Masters and Doctorate level student studying overseas.

55.2.2 Period of assistance for secondary non-school, tertiary, and Masters & Doctorate Level students studying overseas

There is no limit to the period of assistance for secondary non-school, tertiary or Masters and Doctorate students who are undertaking overseas study, provided other eligibility and reasonable time conditions are met.

55.2.3 Travelling time

The period of assistance for secondary non-school, tertiary and Masters & Doctorate Level students approved to study overseas according to 55.2.2 may include additional time to travel to and from the overseas education institution. This additional time may be included before and/or after the course, but may not exceed ten days in total.

55.3 Entitlements for students or Australian Apprentices studying or training overseas

55.3.1 Entitlements

Subject to the [Living Allowance](#) and [Fares Allowance](#) (if eligible) provisions, students and Australian Apprentices approved to study/train overseas do not receive any additional entitlements over and above their entitlements if studying at an approved Australian institution or undertaking their Australian Apprenticeship in Australia.

55.3.1.1 Rate of Living Allowance

Secondary school students may qualify for [Living Allowance at the Away From Home](#) rate or independent rate if their circumstances overseas would meet the requirements for these rates were the student in Australia.

A secondary non-school, tertiary (including Australian Apprentices), or Masters and Doctorate student approved for ABSTUDY while studying/training overseas is entitled to the Away From Home rate of Living Allowance.

55.3.1.2 Fares allowance

Students approved to study overseas may receive Fares Allowance entitlements, for travel within the overseas country, if their circumstances overseas would entitle them to Fares Allowance if these conditions were experienced in Australia, e.g. the student's family is posted to a remote area overseas.

Fares allowance is not available for Australian Apprentices.

Fares allowance to travel between Australia and the overseas country is not available.

Part VII Means Tests

Chapter 56: Means Testing

Certain ABSTUDY allowances are subject to means tests to determine the level of entitlement payable.

In this chapter:

- [56.1 Allowances subject to means testing](#)
- [56.2 Allowances and benefits not subject to means testing](#)
- [56.3 Means tests for dependent ABSTUDY students](#)
- [56.4 Means tests for independent ABSTUDY students](#)
- [56.5 Means tests for ABSTUDY students in State Care](#)

56.1 Allowances subject to means testing

The following allowances are subject to means tests to determine the level of entitlement payable:

- [Living Allowance](#), including [Rent Assistance](#), [Remote Area Allowance](#), [Pharmaceutical Allowance](#);
- Group 2 [School Fees Allowance](#) greater than the non-income tested amount.

56.1.1 Allowances subject to indirect means testing

The following allowances are not subject to the means tests covered in Part VII, however applicants are required to be in receipt of certain means-tested payments to qualify for these allowances:

- School Term Allowance;
- Group 1 School Fees Allowance; and
- [Pensioner Education Supplement](#).

Refer to the chapters on specific allowances for details.

56.2 Allowances and benefits not subject to means testing

The following allowances and benefits are not subject to means tests to determine the level of entitlement payable:

- Group 2 [School Fees Allowance](#) (non-income-tested amount)
- [Incidentals Allowance](#)
- [Additional Incidentals Allowance](#)
- [Fares Allowance](#)
- [Lawful Custody Allowance](#)
- [Additional Assistance](#)
- [Away from Base entitlements](#)
- [Relocation Allowance](#)

- [Thesis Allowance](#)
- Indigenous [Commonwealth Scholarship](#)
- [Student Start-up Loan](#)
- [Merit or equity-based scholarship](#) up to the person's threshold (indexed annually and published in [A guide to Australian Government payments](#)).
- [Payment of student contributions \(previously known as HECS\) or tuition fees](#).

56.3 Means tests for dependent ABSTUDY students and Australian Apprentices

Dependent students and Australian Apprentices applying for Living Allowance (plus Rent Assistance, Remote Area Allowance and Pharmaceutical Allowance) and/or Group 2 School Fees Allowance are subject to the following tests:

- [Parental Income Test](#); and
- [Maintenance Income Test](#); and
- [Personal Income Test](#).

Dependent students aged under 16 years are not subject to the Personal Income Test.

56.4 Means tests for independent ABSTUDY students and Australian Apprentices

Independent students and Australian Apprentices applying for [Living Allowance](#) (plus Rent Assistance, Remote Area Allowance and Pharmaceutical Allowance) are subject to the following tests:

- [Personal Assets Test](#) (if the student is partnered, this test includes the assets of the person's partner);
- [Partner Income Test](#); and
- [Personal Income Test](#).

Independent students aged under 16 years are not subject to the Personal Income Test.

56.5 Means tests for ABSTUDY students and Australian Apprentices in State Care

Students and Australian Apprentices in [State Care](#) who are applying for [Living Allowance](#) are subject to the following test:

- Personal Income Test (with the exception of students in State Care aged under 16 years, who are exempted from the Personal Income Test).

Chapter 57: Calculating ABSTUDY Rates

This chapter describes the calculation of rates of ABSTUDY Living Allowance (plus Rent Assistance, Remote Area Allowance and Pharmaceutical Allowance) and Group 2 School Fees Allowance, and the effect of the Parental, Maintenance, Partner and Personal Income Tests.

In this chapter:

- [57.1 Overall Living Allowance rate calculation process](#)
- [57.2 Overall Group 2 School Fees Allowance rate calculation process](#)

57.1 Overall Living Allowance rate calculation process

57.1.1 Method of calculating rate of Living Allowance (plus Youth Disability Supplement, Rent Assistance, Remote Area Allowance and Pharmaceutical Allowance)

Payments of Living Allowance will also incorporate the recipient's entitlement, if any, to Rent Assistance and Pharmaceutical Allowance. The income test/s are applied to the combined total of these allowances. Where a recipient is also entitled to Remote Area Allowance or Youth Disability Supplement, this also forms part of the payment. The rate of allowance is a daily rate. That rate is worked out by dividing the individual's maximum fortnightly rate, as calculated according to the Rate Calculator in [57.1.2.1](#) by 14.

57.1.2 Steps to calculate rate of Living Allowance (plus Rent Assistance, Remote Area Allowance and Pharmaceutical Allowance)

57.1.2.1 Determine the individual's maximum fortnightly payment rate

Step	Action
1	Determine the person's maximum basic rate by referring to Chapter 72: ABSTUDY Living Allowance Rates and A guide to Australian Government payments
2	Determine the fortnightly rate (if any) of Youth Disability Supplement by referring to Chapter 72: ABSTUDY Living Allowance Rates and A guide to Australian Government payments .
3	Determine the fortnightly rate (if any) of Pharmaceutical Allowance by referring to Chapter 80: Pharmaceutical Allowance and A guide to Australian Government payments .
4	Determine the applicable fortnightly rate (if any) for Rent Assistance by referring to Chapter 76: Overview of Rent Assistance and A guide to Australian Government payments .
5	Add up the amounts obtained in Steps 1 to 4 : the result is the <i>maximum payment rate</i> .

57.1.2.2 Calculate the personal income test reduction amount

Step	Action
1	Refer to Chapter 61: Personal Income Test, Limits and Student or Australian Apprentice Income Bank to determine the person's income reduction.
2	Does the personal income test reduction amount equal or exceed the maximum fortnightly payment rate? <ul style="list-style-type: none"> • If YES, ABSTUDY Living Allowance is not payable. • If NO, and if <ul style="list-style-type: none"> ○ the person is not independent, go to 57.1.2.3. ○ the person is independent and has a partner, go to 57.1.2.4.

57.1.2.3 Calculate the Reduction for Parental Income

Step	Action
1	If the person is not independent refer to Chapter 58: Parental Income Test and Reduction for Parental Income to determine the Reduction for Parental Income (58.0.2).

57.1.2.4 Calculate the partner income test reduction amount

Step	Action
1	If the person is independent and has a partner refer to Chapter 60: Partner Income Test and Limits to determine and calculate the reduction for partner income.

57.1.2.5 Calculate the rate of ABSTUDY Living Allowance entitled

Step	Action
1	If the person is not independent . The parental income test applies, the rate of payment entitled is the maximum payment rate (from Step 5 in 57.1.2.1) minus the greater of <ol style="list-style-type: none"> 1. the personal income test reduction amount (from Step 1 in 57.1.2.2); or 2. the Reduction for Parental Income amount (from Step 1 in 57.1.2.3). <p>Note: If the person is not independent and:</p> <ul style="list-style-type: none"> • the personal income test reduction amount (from Step 1 in 57.1.2.2) is nil; and • the Reduction for Parental Income amount (from Step 1 in 57.1.2.3) is nil, then the rate of payment is the maximum payment rate (from Step 5 in 57.1.2.1).
2	If the person is independent : <ul style="list-style-type: none"> • if Step 1 in 57.1.2.4 applies, the rate of payment entitled is the maximum payment rate (from Step 5 in 57.1.2.1) minus the sum of: <ul style="list-style-type: none"> • the partner income test reduction amount (from Step 1 in 57.1.2.4), plus • the personal income test reduction amount (from Step 1 in 57.1.2.2). <p>OR</p>

Step	Action
	<p>if Step 1 in 57.1.2.4 does not apply, the rate of payment is the maximum payment rate (from Step 5 in 57.1.2.1) minus the personal income test reduction amount (from Step 1 in 57.1.2.2).</p> <p>Note: If the person's</p> <ul style="list-style-type: none"> personal income test reduction amount (from Step 1 in 57.1.2.2) is nil; and partner income test reduction amount (from Step 1 in 57.1.2.4), is nil, <p>then the rate of payment is the maximum payment rate (from Step 5 in 57.1.2.1).</p>

57.1.2.6 Calculate the rate of ABSTUDY Living Allowance payable

Step	Action
1	<p>The <i>rate of allowance</i> payable is the amount obtained by:</p> <p>subtracting from the fortnightly payment rate any advance payment deduction (see 75.4 Repayment of Advance Payments); and</p> <p>adding any amount payable by way of Remote Area Allowance (see Chapter 79: Remote Area Allowance (RAA)).</p>

57.2 Overall Group 2 School Fees Allowance rate calculation process

Group 2 School Fees Allowance consists of annual income-test-free component and the amount subject to income testing. Refer to [Chapter 85: School Fees Allowance](#).

57.2.1 Method of calculating rate of Group 2 School Fees Allowance

The rate of Group 2 School Fees Allowance is a daily rate. That rate is worked out by dividing the annual rate calculated according to this Rate Calculator by the number of days in the calendar year.

57.2.2 Steps to calculate rate of Group 2 School Fees Allowance

Step	Action
1	<p>Determine the reduction to the income-tested component of <i>Group 2 School Fees Allowance</i>:</p> <ul style="list-style-type: none"> a) Calculate the parental income test result (58.6) using Chapter 58: Parental Income Test and Reduction for Parental Income; then. b) Multiply the parental income test result by 26 to get an annual amount of the parental income test result, then c) Take the annual amount of the parental income test result away from the full amount of means-tested component of <i>Group 2 School Fees Allowance</i>.
2	<p>Add this amount from Step 1c to the annual income-test free component of <i>Group 2 School Fees Allowance</i>. The total is the potentially available annual <i>Group 2 School Fees Allowance Entitlement</i>.</p>
3	<p>The annual <i>rate of Group 2 School Fees Allowance</i> payable for the student is whichever is the lower of the</p> <ul style="list-style-type: none"> • annual tuition fees charged by the school; or • potentially available annual <i>Group 2 School Fees Allowance entitlement</i>. <p>If the annual tuition fees charged by the school are less than the student's potentially available annual <i>Group 2 School Fees Allowance entitlement</i>, go to Step 4.</p>
4	<p>The unused amount from the potential <i>Group 2 School Fees Allowance entitlement</i> may be transferred to meet outstanding boarding fees where the boarding fees charged by the boarding school/hostel exceed the student's combined annual entitlement of Living Allowance, Rent Assistance, Remote Area Allowance and Pharmaceutical Allowance (refer to Chapter 85 - School Fees Allowance).</p> <p>If there are no outstanding boarding fees, the unused amount from the potentially available <i>Group 2 School Fees Allowance entitlement</i> is disregarded.</p>

Chapter 58: Parental Income Test and Reduction for Parental Income

This chapter describes the Parental Income Test and the Reduction for Parental Income which are applied when determining the level of entitlement payable of certain ABSTUDY allowances.

The rate of dependent ABSTUDY Living Allowance (as determined under 57.1) may be reduced by the Reduction for Parental Income (58.0) (which includes both the Parental Income Test and the Maintenance Income Test).

The rate of dependent ABSTUDY Group 2 School Fees Allowance (as determined under 57.2) may be reduced by the Parental Income Test (58.1).

The Parental Income Test Results ([58.6](#)) for a student's Living Allowance and Group 2 School Fees Allowance will be different, therefore they will have to be calculated separately.

From 1 January 2019 the Maintenance Income Test will only to be applied to the Living Allowance component of a dependent student's ABSTUDY payment, who is not an FTB child.

In this chapter:

- [58.0 Reduction for Parental Income](#)
- [58.1 Parental Income Test](#)
- [58.2 Whose income is assessed under the Parental Income Test?](#)
- [58.3 Income for the purposes of the Parental Income Test](#)
- [58.4 Income assessed under the Parental Income Test](#)
- [58.5 \[Deleted section\]](#)
- [58.6 Parental Income Test Result](#)
- [58.7 Parental Income Free Area](#)
- [58.8 Maintenance Income Test](#)

58.0 Reduction for Parental Income – Living Allowance

The Reduction for Parental Income applies to Living Allowance if an ABSTUDY claimant's/recipient's parental income exceeds the [Parental Income Free Area](#) and/or if a parent receives maintenance for the ABSTUDY claimant/recipient in excess of the [maintenance income free area \(MIFA\)](#). The Maintenance Income Test (MIT) does not count maintenance received for other children in the family.

The MIT commenced on 1 January 2017. It cannot affect a person's rate of ABSTUDY prior to this date.

The MIT will only reduce a claimant's/recipient's ABSTUDY Living Allowance rate by a maximum of the MIT Reducible Amount. The MIT Reducible Amount is updated each July when the Family Tax Benefit (FTB) rates are indexed. It represents the difference between the Base FTB Part A (FTB A) child rate* and the Maximum FTB A child rate* (as calculated on a fortnightly equivalent basis).

If parental income is high enough so that the reduction in the ABSTUDY Living Allowance payment rate exceeds the cap of the MIT Reducible Amount, then maintenance income cannot reduce the rate of ABSTUDY any further.

***Note:** The Base FTB A child rate is the amount that would be the Base FTB child rate within the meaning of the [A New Tax System \(Family Assistance\) Act 1999](#), if the person were an FTB child of a parent of the person. The Maximum FTB A child rate is the amount specified for item 2 in column 2 of the table in clause 7 of Schedule 1 to the *A New Tax System (Family Assistance) Act 1999*. The amount is indexed under Schedule 4 of the *A New Tax System (Family Assistance) Act 1999*. The fortnightly equivalent value of each component is the annual value of each, divided by 365 then multiplied by 14.

58.0.1 Applying the Reduction for Parental Income and the Personal Income Test to Living Allowance

The following table shows the steps involved in applying the Reduction for Parental Income and the Personal Income Test to Living allowance.

Step	Action
1	Determine the individual's maximum fortnightly Living Allowance.
2	Calculate the personal income test reduction amount (Chapter 61: Personal Income Test, Limits and Student or Australian Apprentice Income Bank).
3	Does the personal income test reduction amount equal or exceed the maximum fortnightly Living Allowance payment rate? <ul style="list-style-type: none"> • If YES, ABSTUDY Living Allowance is not payable. • If NO, go to Step 4.
4	Calculate the Reduction for Parental Income amount (from section 58.0.2).
5	Reduce the maximum fortnightly Living Allowance payment rate (from Step 1) by the greater of: <ul style="list-style-type: none"> • any personal income test reduction amount (from Step 2); • the Reduction for Parental Income amount (from Step 4).

The manner in which the ABSTUDY [Living Allowance](#) (plus [Rent Assistance](#), [Remote Area Allowance](#) and [Pharmaceutical Allowance](#)) is affected is set out in [Chapter 57: Calculating ABSTUDY Rates](#).

58.0.2 Calculating the Reduction for Parental Income for Living Allowance

If an ABSTUDY Living Allowance claimant/recipient is [dependent](#), the fortnightly rate of their Living Allowance payment may be reduced by parental income.

To calculate the claimant's/recipient's Reduction for Parental Income do the following:

Step	Action
1	Calculate the Parental Income Test Result (58.6) for the claimant/recipient.
2	Is the claimant/recipient an FTB child? If YES the claimant/recipient's Reduction for Parental Income is the Parental Income Test Result. If NO go to step 3.
3	Is any maintenance income* received for the claimant/recipient? If NO the claimant/recipient's Reduction for Parental Income is the Parental Income Test Result. If YES go to step 4.
4	Work out the Maintenance Income Test (MIT) Reducible Amount (MITRA) by subtracting the fortnightly equivalent value of the Base FTB child rate* from the Maximum FTB child rate*.
5	Is the Parental Income Test Result equal to or more than the MIT Reducible Amount? If YES, the claimant/recipient's Reduction for Parental Income is the Parental Income Test Result. If NO go to step 6.
6	If the Parental Income Test Result is less than the claimant/recipient's MIT Reducible Amount, apply the Maintenance Income Test (58.8) to work out the Maintenance Income Test Result (58.8.4) for the claimant/recipient.
7	Add the Parental Income Test Result to the Maintenance Income Test Result to get the claimant/recipient's Notional Reduction.
8	If the Notional Reduction is less than or equal to the MIT Reducible Amount (MITRA), then claimant/recipient's Reduction for Parental Income is the Notional Reduction.
9	If the Notional Reduction is more than the MIT Reducible Amount (MITRA), then claimant/recipient's Reduction for Parental Income is the MIT Reducible Amount.

***Note:** Maintenance income means all maintenance income received in relation to the student including voluntary periodic maintenance paid in cash or in kind (for example the payment of school fees). In working out whether maintenance income is received in relation to the student, have regard to the considerations that would apply under the [A New Tax System \(Family Assistance\) Act 1999](#). For further detail see [58.8.2](#).

***Note:** The Base FTB A child rate is the amount that would be the Base FTB child rate within the meaning of the [A New Tax System \(Family Assistance\) Act 1999](#), if the person were an FTB child of a parent of the person. The Maximum FTB A child rate is the amount specified in item 2 in column 2 of the table in clause 7 of Schedule 1 to the *A New Tax System (Family Assistance) Act 1999*. The amount is indexed under Schedule 4 of the *A New Tax System (Family Assistance) Act 1999*. The fortnightly equivalent value of each component is the annual value of each, divided by 365 then multiplied by 14, see [A guide to Australian Government payments](#) for annual rates.

Example: *Jeanie, 18, is a dependent ABSTUDY Living Allowance recipient who has no personal income. Jeanie's parents are separated. Jeanie lives with her mother who has an income of \$60,000, her father pays her mother \$5,000 in maintenance each year to support Jeanie.*

Jeanie's maximum fortnightly ABSTUDY rate is \$288.10.

The Maintenance Income Test Reducible Amount (MITRA) that applies to Jeanie is the Maximum FTB A child rate (\$265.72 per fortnight) minus the Base FTB child rate (\$86.52 per fortnight) = \$179.20.

Jeanie's Parental Income Test Result is:

Parental income (\$60,000) minus the Parental Income Free Area (\$51,903) = the parental income excess (\$8,097).

The parental income excess (\$8,097) x 0.20 = \$1,619.40 (Annual reduction for parental income) divided by 26

= \$62.30 (rounded to the nearest 10 cents) this is the Parental Income Test Result (PITR).

As the PITR (\$62.30) is less than the MITRA (\$179.20) the Maintenance Income Test (MIT) applies.

As Jeanie is an only child her Maintenance Income Free Area (MIFA) is 'the first child MIFA' (\$1565.85).

Jeanie's Maintenance Income Test Result is:

Maintenance income (\$5,000) minus the applicable MIFA (\$1565.85) = maintenance income excess (\$3,434)

The maintenance income excess (\$3,434) x 0.50 = \$1,717 (Annual reduction for maintenance income) divided by 26

= \$66.04 this is the Maintenance Income Test Result (MITR).

Jeanie's Notional Reduction for parental income is PITR (\$62.30) + MITR (\$66.04) = \$128.34

As the Notional Reduction (\$128.34) is less than the MITRA (\$179.20), Jeanie's Reduction for Parental Income is \$128.34.

Therefore Jeanie's ABSTUDY Living Allowance rate will be:

ABSTUDY Living Allowance maximum rate (\$288.10) minus Reduction for Parental Income (\$128.34)

= \$159.76 per fortnight.

58.1 The Parental Income Test

The Parental Income Test Results for a student's Living Allowance and Group 2 School Fees Allowance will be different therefore the Living Allowance and Group 2 School Fees Allowance need to be calculated separately. To calculate the Reduction for Parental Income ([58.0.2](#)) dependent ABSTUDY claimants/recipients must have a Parental Income Test Result determined.

58.1.0 Exemptions from the Parental Income Test

If the ABSTUDY claimant/recipient is exempt from the parental income test then the [Parental Income Test Result](#) for the ABSTUDY claimant/recipient is **nil**.

The Parental Income Test does NOT apply where one or both [parents](#) are:

- in receipt of an [income support](#) payment; or
- in receipt of [Farm Household Allowance](#); or
- holders of a current Health Care Card (HCC), including a HCC issued on the basis of receipt of maximum rate Family Tax Benefit Part A; or
- in receipt of ABSTUDY [Living Allowance](#).

However, the special assessment concession does not apply:

- for a period after the expiry date on the card; or
- where a **Parent** holds a HCC because they receive a social security Mobility Allowance or Carer Allowance (in respect of a disabled child); or
- if the applicant or the applicant's Partner holds only a Pensioner Concession Card or a Commonwealth Seniors Health Card; or
- a Low Income Health Card.

58.1.1 Farm Household Allowance ceases

A parent receiving payment under the Farm Household Allowance is not subject to the Parental Income Test from the commencement of the period of receipt until the end of the year in which the Farm Household Allowance payments cease.

58.2 Whose income is assessed under the Parental Income Test?

The Parental Income Test is based on the combined income of the student's or [Australian Apprentice's](#) parent/s.

Where there is a change in parent, the ABSTUDY is income tested in respect of the most recent parent from the date of change.

58.3 Income for the purposes of the Parental Income Test

For the purposes of the Parental Income Test, the components of parental income are:

- taxable income;
 - adjusted employer provided benefits (commonly known as fringe benefits) for the relevant tax year;
 - reportable superannuation contributions;
 - target foreign income based on the relevant Australian tax year;
- tax free pensions and benefits; and
- total net investment losses

LESS

- Maintenance paid.

NOTE: Prior to 1 July 2017, tax free pensions and benefits were not included for the parental income test.

Ordinary income is NOT used for the ABSTUDY parental income tests. Ordinary income means income that is not maintenance income or an exempt lump sum. This definition of ordinary income is NOT the same as the ATO definition of income for tax purposes. The definition of ordinary income is far wider than the definition of taxable income.

58.3.1 Taxable income

Taxable income has the same meaning as in the [Income Tax Assessment Act 1997](#).

58.3.2 Adjusted employer provided benefits

For the purposes of the ABSTUDY Parental Income Test, an employer provided benefit is a benefit an employer provides to, or on behalf of, an employee for the employee's, or in some cases their family's, private use. An employer provided benefit is commonly known as a fringe benefit.

For the purposes of the ABSTUDY Parental Income Test, an employer provided benefit is treated in the same manner that it would be under the Youth Allowance Parental Income Test. This includes different treatment of benefits provided by Fringe Benefits Tax (FBT) 'exempt' employers (such as some charities) and FBT 'non-exempt' employers (such as for profit businesses). For details refer to the Social Security Guide, page [4.2.8.10 Dependent YA - Parental Income Test](#) under the heading "*Treatment of employer provided benefits under the parental income test*".

58.3.3 Reportable superannuation contributions

For the purposes of ABSTUDY, the reportable superannuation contributions, including amounts of salary voluntarily sacrificed into superannuation, are the parent's total reportable superannuation contributions within the meaning of the [Income Tax Assessment Act 1997](#) for the appropriate tax year. The reportable superannuation contributions are added to the combined parental income for the purposes of the ABSTUDY Parental Income Test.

58.3.4 Foreign income

For the purposes of the ABSTUDY Parental Income Test, foreign income includes:

- any taxable or non-taxable income amount paid from sources outside Australia;

AND

periodical payments or benefits by the way of gifts or allowances from a source outside Australia, except if the gift is from an immediate family member.

58.3.5 Total net investment losses

For the purposes of ABSTUDY, total net investment loss means the sum of the total net investment losses of each of the parents of the claimant/recipient in the appropriate tax year.

The value of such total net investment losses is added to the combined parental income for the purposes of the ABSTUDY Parental Income Test.

58.3.6 Maintenance

Maintenance payments received are not taken into account when assessing combined parental income for the Parental Income Test. However, maintenance payments received to support the ABSTUDY recipient are taken into account under the Maintenance Income Test ([58.8](#)).

Maintenance includes payments made or received directly, and payments made or received indirectly, such as payments via the Child Support Agency, or payments via a third party e.g. school fees, payment of utility charges.

A parent's combined parental income for a tax year is reduced by an amount equal to any maintenance paid during the tax year by the parent:

- for the upkeep of a child of the parent if the parent does not have care of the child; or
- to a former partner of the parent. Maintenance amounts paid out are deducted from parental income.

58.3.7 Tax free pensions and benefits

The following payments are tax free pensions or benefits that are included for the parental income test:

- Disability Support Pension where the individual is under age pension age,
- Wife Pension where both the individual and partner are below age pension age,
- Carer Payment where both the carer and the person being cared for are under age pension age,
- Department of Veterans' Affairs invalidity service pension where the individual is below age pension age,
- Department of Veterans' Affairs disability pension, war widow's and war widower's pension,
- Department of Veterans' Affairs service pension and partner service pension where both partners are under age pension age and the veteran receives an invalidity service pension at the time of death,
- Department of Veterans' Affairs income support supplement paid on the grounds of invalidity if the person is under age pension age,
- Department of Veterans' Affairs DFISA, where DFISA is exempt from income tax,
- Special Rate Disability Pension safety net payment paid by the Military Rehabilitation and Compensation Commission,
- compensation for permanent impairment paid by the Military Rehabilitation and Compensation Commission,
- additional compensation for impairment from another service injury or disease paid by the Military Rehabilitation and Compensation Commission,
- interim compensation paid by the Military Rehabilitation and Compensation Commission while waiting for compensation payment for permanent impairment or additional compensation payment for impairment from another service injury or disease, and
- compensation for eligible widowed partner paid by the Military Rehabilitation and Compensation Commission.

Note: The payments made by the Military Rehabilitation and Compensation Commission can be fortnightly instalments or a lump sum. Lump sums are deemed to be income only in the tax year they are received.

Tax-free pensions or benefits do not include bereavement payment, Pharmaceutical Allowance, Rent Assistance, Language, Literacy and Numeracy Supplement or Remote Area Allowance.

Payments not included in this section are not tax free pensions or benefits for the purposes of calculating Adjusted Taxable Income.

58.4 Income assessed under the Parental Income Test

Income assessed under the Parental Income Test is combined parental income in either:

- the financial year ending on 30 June of the year before the calendar year for which payment is claimed, referred to as the base tax year; or
- the financial year ending on 30 June of the calendar year for which payment is claimed, referred to as the current tax year.

Under the Parental Income Test, it is not possible to consider a financial year other than the [base tax year](#) or the [current tax year](#).

Normally, the parental income test would be applied against the base tax year income unless:

- the [applicant](#) and/or parent/s request the Parental Income Test be applied against the current tax year parental income due to a reduction in this income; or
- the parental income for the tax year following the base tax year exceeds 125 per cent of base tax year parental income and of the student's/apprentice's [parental income free area](#). In this case, from 1 October the Parental Income Test would be applied against the current tax year parental income.

58.4.1 Current tax year assessment

Current year assessments can be used when:

- the parental income is substantially less in the current tax year than in the base tax year; and
- the decrease in parental income is likely to apply for AT LEAST 2 years from the date on which the event that led to the decrease occurred or first became apparent.

A broad interpretation of what constitutes “substantially less income” should be applied. If the parental income has, or will, decrease enough for the student to get ABSTUDY, the decrease may be accepted as substantial.

58.5 [Deleted section]

Refer to Reduction for Parental Income at the start of this Chapter.

58.6 Calculating the Parental Income Test Result (using the family pool)

If the ABSTUDY claimant/recipient is [exempt from the parental income test](#) then the Parental Income Test Result for the ABSTUDY claimant/recipient is nil.

If combined parental income exceeds the parental income free area and the parents are not exempt from the parental income test then the Parental Income Test Result must be calculated.

The Parental Income Test Result is used at:

- [57.2.2](#) to calculate rate of Group 2 School Fees Allowance, and
- [58.0.2](#) to calculate the Reduction for Parental Income for Living Allowance.

The Parental Income Test Result for Living Allowance and Group 2 School Fees Allowance will be different and will need to be calculated separately.

58.6.1 How the family pool operates

The family pool takes into account of all the Commonwealth parental income tested payments that are supporting all children in a family to ensure that any reduction due to parental income testing is shared proportionally between the payments.

The taper rate used to calculate the ABSTUDY Parental Income Test Result is \$0.20 for every \$1.00 over the parental income test free area.

Where a student is claiming/receiving both Living Allowance and Group 2 School Fees Allowance the overall 20 cents in the dollar taper rate is shared proportionally between the payments. This means a larger percentage fraction of the 20 cents comes from the larger payment.

However, this overall \$0.20 taper rate may be further reduced where claimant/recipient:

- is themselves an Family Tax Benefit child and/or
- has parental income in common with another dependent young person aged under 22.

The process for reducing the overall \$0.20 taper rate, and sharing the taper rate proportionally between payments is known as the family pool. The principle behind the family pool is to ensure that the parental income test is evenly distributed where the same parental income is being used to support several young people.

The family pool also takes into account if a students who also have their FTB payment reduced by parental income testing. Students who receive ABSTUDY Living Allowance/ Group 2 School Fees Allowance and FTB simultaneously, may already have their FTB reduced by 20 cents in the parental income testing. The family pool process identifies the 20 cent reduction in FTB due to parental income testing, and therefore applies therefore rather than applying a further full 20 cent reduction to ABSTUDY, the reduction to ABSTUDY will be a smaller proportion of 20 cents in the dollar to the ABSTUDY Living Allowance/Group 2 payments.

For example where a student is an FTB Child who receives both ABSTUDY Living Allowance and Group 2 School Fees Allowance, their Living Allowance will be subject to a parental income test taper rate of around 11.6 cents in the dollar and their Group 2 School Fees Allowance (means tested component) will be subject to a taper rate of around 2.4 cents in the dollar.

A student does not have to be actually receiving FTB at the time when the family pool calculation is made. Where a student is deemed to be an FTB child and it is assumed (for the purpose of the calculation) that the child is receiving the maximum rate of FTB-A.

The family pool will be applied whenever parental income is subject to several 'parental income tests' on Commonwealth payments that support:

- the same child, where
 - the same child is an 'FTB child', and/or
 - receives ABSTUDY Living Allowance, and/or
 - receives ABSTUDY Group 2 School Fees Allowance (means tested component); and/or
- other children/dependent young people are in the family who are aged under 22 (see below).

A claimant/recipient has parental income in common with another person where a parent of the recipient is also a parent of the other person/s and the ABSTUDY, Youth Allowance, or Assistance for Isolated Children Scheme (AIC) parental income test applies to the other person/s.

A claimant/recipient can have parental income in common with a person who:

- Is a claimant/recipient of dependent Youth Allowance, or
- Is being paid dependent ABSTUDY living allowance, or
- Is being paid dependent ABSTUDY Group 2 school fees allowance (means-tested component), or
- Is being paid additional boarding allowance under AIC.

An ABSTUDY claimant/recipient also has parental income in common with a relevant sibling, i.e. an FTB child* or regular care child* as defined in section 3 of the [A New Tax System \(Family Assistance\) Act 1999](#) where a parent of the child is also a parent of the ABSTUDY claimant/recipient.

***Note:** The definitions of FTB child and regular care child relate to the qualifying circumstances of the child and do not require a parent to actually have received or be receiving FTB for the child to meet either definition.

58.6.2 Steps to calculate the Parental Income Test Result (using the family pool)

The following table shows the steps involved in calculating the Parental Income Test Result for an ABSTUDY claimant/recipient (using the family pool).

Note 1: The Parental Income Test Result is rounded to the nearest 10 cents.

Note 2: Where a student receives both Living Allowance and Group 2 School Fees Allowance the Parental Income Test Result for each of these allowances will be different and will need to be calculated separately. Meaning the steps in this table will need to be completed to calculate the Parental Income Test Result for Living Allowance, and then complete the steps again to calculate the Parental Income Test Result for Group 2 School Fees Allowance.

Step	Action
1	Determine the appropriate tax year.
2	Determine the combined parental income for that year.
3	Does the combined parental income exceed the annual parental income free area ? <ul style="list-style-type: none"> • If NO, the Parental Income Test Result for the ABSTUDY claimant/recipient is nil. • If YES, subtract the parental income free area from the combined parental income (from step 2) and go to step 4.
4	Divide the result from step 3 by 130 (20% of the step 3 amount, converted to a fortnightly amount). This is the total fortnightly parental income test reduction amount.
5	Does the claimant/recipient have parental income in common with another dependent young person/child?

Step	Action
	<p>OR</p> <p>Is the claimant/recipient also an FTB child?</p> <p>OR</p> <p>Is the claimant/recipient claiming/receiving both Living Allowance and Group 2 School Fees Allowance?</p> <ul style="list-style-type: none"> • If NO to all of the above, then the amount at step 4 is the Parental Income Test Result. • If YES to any of the above, then go to step 6.
6	<p>Identify all dependent young people in the family with parental income in common with the claimant/recipient where they are:</p> <ul style="list-style-type: none"> • a dependent Youth Allowance claimant or recipient , • being paid dependent ABSTUDY living allowance, • being paid dependent ABSTUDY Group 2 school fees allowance (means-tested component), or • being paid additional boarding allowance under AIC <p>Work out the maximum fortnightly payment rate of each claimant/recipient of dependent Youth Allowance and each person being paid dependent ABSTUDY living allowance. The maximum fortnightly payment rate is the sum of the following components (where applicable to the person):</p> <ul style="list-style-type: none"> • maximum basic rate • Energy Supplement • Pharmaceutical Allowance • Youth Disability Supplement • Rent Assistance <p>Work out the maximum payment rate of each person being paid dependent ABSTUDY Group 2 school fees allowance (means-tested component) or additional boarding allowance under AIC. The maximum payment rate is the rate payable prior to the operation of the income test expressed as a fortnightly amount.</p> <p>Add together the maximum fortnightly payment rates for claimants/recipients of the specified payments identified as having parental income in common with the claimant.</p>

Step	Action
7	<p>Identify FTB children in the family with parental income in common with the claimant/recipient (including the claimant/recipient if they are themselves an FTB child).</p> <p>Work out the <i>maximum rate of FTB A (Family Tax Benefit Part A)</i> available to a parent in respect of relevant siblings of the claimant/recipient (including the claimant/recipient if they are themselves an FTB child). (Note: this only needs to be calculated for a one parent in a couple as the same total rate is produced for both parents).</p> <p>For most families the <i>maximum rate of FTB A</i> is the sum of the following components of FTB A available to the family, taking into account the shared care rate provisions, and before the operation of the maximum rate family income test.</p> <ul style="list-style-type: none"> • the standard rate of FTB A for each child; • FTB A supplement for each child (if parental income is under \$80,000); • the annual amount of Energy Supplement for each child; • the Newborn supplement for each eligible child; • Multiple birth allowance; • Rent Assistance. <p>Where the only relevant sibling is a regular care child the only component of FTB-A included in the <i>maximum rate of FTB A</i> is the rate of Rent Assistance available to the family prior to the operation of the income test.</p> <p>Multiply the <i>maximum rate of FTB A</i> by 14/365. This is the <i>maximum fortnightly payment rate of FTB A</i> [Note: It is calculated once, regardless of how many relevant siblings there are, and then applied when working out the Parental Income Test Result for each ABSTUDY claimant/recipient with parental income in common with those siblings.]</p>
8	<p>Add together the maximum fortnightly payment rates of the claimant/recipient (including both their Living Allowance and Group 2 School Fees Allowance [means tested component] where both these are being claimed/received) and the amounts at step 6 and step 7.</p> <p>This is the total maximum fortnightly payment rate for all people who have parental income in common (the family pool).</p>
9	<p>Divide the claimant/recipient's maximum fortnightly payment rate (for either Living Allowance and Group 2 School Fees Allowance) by the pooled total maximum fortnightly payment rate for all people who have parental income in common (from step 8).</p>
10	<p>Multiply the total fortnightly parental income test reduction amount (from step 4) by the amount calculated in step 9.</p> <p>This is the Parental Income Test Result to be used in step 2 in the earlier table.</p>

The Parental Income Test Result is used at:

- [57.2.2 to calculate rate of Group 2 School Fees Allowance](#), and
- [58.0.2 to calculate the Reduction for Parental Income for Living Allowance](#).

The Parental Income Test Result for Living Allowance and Group 2 School Fees Allowance will be different and will need to be calculated separately.

For an example of how the family pool works see the *Guide to Social Security Law* [4.2.8.10 Dependent YA - Parental Income Test](#).

58.7 Parental Income Free Area

The Parental Income Free Area is the amount of income the parent/s can have without affecting the ABSTUDY student/apprentice's rate. If the parental income is above this amount, the ABSTUDY student/apprentice's rate is reduced.

Every \$1 of parental income above the parental income free area reduces the rate of ABSTUDY by \$0.20. Where there is more than one dependent young person eligible for ABSTUDY Living Allowance (or Youth Allowance or Assistance for Isolated Children (AIC) - Additional Boarding Allowance), in the family, and/or if there is also a Family Tax Benefit child /children in the family, the reduction in rate is apportioned between the dependent young people according to their share of the total pool of parentally income tested payments in the family. The relevant parental income tested payments are ABSTUDY Living Allowance, ABSTUDY Group 2 School Fees Allowance (means-tested component), AIC - Additional Boarding Allowance, Family Tax Benefit and Youth Allowance.

The Parental Income Free Area for the base tax year and current tax year is set annually on 1 January and linked to CPI. The current Parental Income Free Area amount is consistent with that of FTB A. The actual amount can be found in [A guide to Australian Government payments](#).

58.8 Maintenance Income Test

The Maintenance Income Test does not apply to ABSTUDY Group 2 School Fees Allowance (means-tested component).

The Maintenance Income Test does not apply to a dependent ABSTUDY Living Allowance claimant/recipient who is deemed to be an FTB child. The definitions of an FTB child relate to the qualifying circumstances of the child and do not require a parent to actually have received or be receiving FTB for the child to meet the definition.

The Maintenance Income Test only applies when assessing the rate of ABSTUDY Living Allowance when it is paid in relation to a dependent student who is not an FTB child.

To calculate the [Reduction for Parental Income](#) a dependent ABSTUDY Living Allowance claimant/recipient (who is not an FTB child) must have a [Maintenance Income Test Result](#) determined. The Maintenance Income Test (MIT) only assesses maintenance income received by the ABSTUDY claimant's/recipient's parent for the purposes of supporting the individual ABSTUDY claimant/recipient. Other maintenance income received by the parent in respect of other dependent children is not counted in this test.

In situations where the ABSTUDY claimant/recipient is exempt from the [Maintenance Income Test Result](#) or where their parents' maintenance income does not exceed the maintenance income free area, then the [Maintenance Income Test Result](#) is determined to be **nil**.

58.8.1 Exemptions from the Maintenance Income Test

ABSTUDY claimants/recipients are exempt from the MIT if the claimant/recipient's parent or parent's partner is permanently blind and is receiving:

- an age pension,
- a disability support pension,
- a service pension, OR
- an income support supplement (under Part IIIA of the [Veterans' Entitlements Act 1986](#))

If the ABSTUDY claimant/recipient is exempt from the MIT then the [Maintenance Income Test Result](#) for the ABSTUDY claimant/recipient is **nil**.

58.8.2 Annual amount of maintenance income

To work out the annual amount of maintenance income for a parent of the claimant/recipient:

- assume that the ABSTUDY claimant/recipient is an FTB child of the parent; and
- only take into account maintenance income received in relation to the ABSTUDY claimant/recipient; and
- take into account all maintenance income received in relation to the ABSTUDY claimant/recipient including voluntary periodic maintenance paid in cash or in kind (for example the payment of school or university fees)
- in working out whether maintenance income is received in relation to the person, have regard to the considerations that would apply under the [A New Tax System \(Family Assistance\) Act 1999](#); and
- have regard to maintenance income for the financial year current at the point-in-time at which the ABSTUDY MIT is applied.

58.8.3 Maintenance income free area

The maintenance income free area (MIFA) is the amount of maintenance income the parent of an ABSTUDY claimant/recipient can receive in relation to the ABSTUDY recipient, before it affects the claimant/recipient's rate of ABSTUDY.

The MIFA for a parent of a ABSTUDY claimant/recipient draws on some of the principles and thresholds that are used to calculate the Family Tax Benefit (FTB) Part A maintenance income free area.

The value of the MIFA for each maintained ABSTUDY claimant/recipient may depend on whether the parent also receives maintenance income for other dependent ABSTUDY or Youth Allowance claimants/recipients, or FTB children.

As for the FTB Part A MIFA, the MIFA for ABSTUDY has two components:

1. A component for 'fixed costs' allocated in relation to a first 'maintained' child/young person (the 'first child MIFA amount'). The annual amount is indexed each year on 1 July. You can find the current value of annual amount by looking in the [Guide to Australian Government payments](#) under the heading Maintenance income free test for Family Tax Benefit Part A. The maintenance income free area for a 'single parent' listed there is what is used to determine the MIFA for ABSTUDY 'first child MIFA amount'.
2. A component allocated for each second and subsequent 'maintained' child/young person (the 'additional child MIFA amount'). The annual amount is indexed each year on 1 July. You can find the current value of annual amount by looking in the [Guide to Australian Government payments](#) under the heading Maintenance income free test for Family Tax Benefit Part A. The maintenance income free area for 'each additional child' listed there is what is used to determine the MIFA for ABSTUDY 'additional child MIFA amount'. In 2017-18 this amount is \$529.25 for each additional child.

The rules for extending a MIFA in respect of each 'maintained' child/young person under the Maintenance Income Test for ABSTUDY coordinate the allocation of the MIFA component for 'fixed costs' so that this is applied once only to a parent receiving maintenance. This includes checking whether recognition for 'fixed costs' of maintenance income received has been, or is likely to be, extended under the FTB Part A maintenance income test (where an individual has 'maintained' children across FTB, Youth Allowance and ABSTUDY).

This creates an 'order of precedence' in the extension of the MIFA component for 'fixed costs'.

The order of precedence is:

1. FTB Child
2. Youth Allowance (YA)/ABSTUDY recipient (YA and ABSTUDY are considered equivalent)
3. Student attracting a means tested Assistance for Isolated Children Scheme payment (AIC student) but none of the other payments listed above;

whereby:

- If there is a maintained ABSTUDY recipient and a maintained FTB Child, the FTB Child gets the 'first child MIFA amount', and the ABSTUDY recipient gets the 'additional child MIFA amount'.
- If there are no maintained FTB Children, but there is a maintained ABSTUDY recipient the ABSTUDY recipient gets the 'first child MIFA amount'.

If there is a maintained ABSTUDY recipient who is also an FTB Child, the 'first child MIFA amount' is applied to the FTB payment and the 'additional child MIFA amount' is applied to the ABSTUDY payment.

- If there are no maintained FTB Children, but there are several maintained ABSTUDY recipients then these recipients share the 'first child MIFA amount' and the 'additional child MIFA amounts'.

If there are no maintained FTB Children, but there is a maintained ABSTUDY recipient(s) and a maintained YA recipient(s), then the YA recipient(s) and the ABSTUDY recipient(s) share the 'first child MIFA amount' and the 'additional child MIFA amounts'.

If there is no maintained FTB Child, but there is a maintained ABSTUDY dependent student and a maintained AIC student, the AIC student is deemed to be an FTB child therefore the 'first child MIFA amount' amount applies to their FTB payment (regardless of whether or not an FTB payment is actually made) and the 'additional child MIFA amount' is applied to the AIC payment (and any YA or ABSTUDY siblings).

Calculating the MIFA

Step	Action
1	<p>If there are no other dependent ABSTUDY Living Allowance claimants/recipients, and no other dependent Y A claimants/recipients, or FTB children, for whom the parent receives maintenance then the MIFA is: \$1,587.75 (2017-18). (This is known as the FTB maintenance income free area Column 2 amount – referred to above as the 'first child MIFA amount').</p> <p>If there are other dependent ABSTUDY / YA claimants/recipients, or FTB children, for whom the parent receives maintenance, go to Step 2.</p>
2	<p>If the parent also receives maintenance for an FTB child, or for both an FTB child and another ABSTUDY/YA claimant/recipient, then the MIFA applied to ABSTUDY is: \$529.25 (2017-18). (This is known as the FTB maintenance income free area Column 3 amount - referred to above as the 'additional child MIFA amount').</p>
3	<p>If the ABSTUDY recipient is also an FTB child, then the MIFA is: \$529.25 (2017-18). (Column 3 amount / 'additional child MIFA amount').</p>
4	<p>If the parent also receives maintenance for another ABSTUDY claimant/recipient or YA claimant/recipient, but does not receive maintenance for any FTB child, then the MIFA is worked out using this formula:</p> $\frac{\text{Column 2 amount} + \text{Column 3 amount for each other ABSTUDY/YA recipient}}{1 + \text{Number of other ABSTUDY/YA recipients}}$ <p>See the example below.</p>

Example: Maggie is a dependent ABSTUDY recipient. She has two siblings, Andrew and Joe, who also receive dependent ABSTUDY. All three siblings live with their mother who receives maintenance for each of them from their father. The formula for calculating the MIFA for the purpose of Maggie's ABSTUDY Maintenance Income Test is:

$$\frac{\begin{array}{l} \$1,587.75 \\ \text{(Maggie: Column 2 amount)} \end{array} + \begin{array}{l} \$529.25 \\ \text{(Andrew: Column 3 amount)} \end{array} + \begin{array}{l} \$529.25 \\ \text{(Joe: Column 3 amount)} \end{array} \quad \begin{array}{l} \$2,646.25 \\ \\ \end{array}}{1 \text{ (Maggie)} + 2 \text{ (other recipients: Andrew and Joe)}} = \frac{\quad}{3} = \$882.08$$

Therefore for Maggie the MIFA is \$882.08.

The MIFA for Andrew and Joe will also be \$882.08 each.

Note: For the purposes of calculating an ABSTUDY claimant's/recipient's MIFA, only FTB children and other dependent ABSTUDY/Youth Allowance claimants/recipients for whom the parent receives maintenance income are taken into account. Dependents who are neither FTB children nor dependent ABSTUDY/Youth Allowance claimants/recipients are not taken into account.

58.8.4 Calculating the Maintenance Income Test Result

The ABSTUDY Maintenance Income Test Result is \$0.50 for every \$1.00 over the Maintenance Income Free Area.

Calculating the Maintenance Income Test Result

Step	Action
1	Work out whether the ABSTUDY claimant/recipient is exempt from the MIT (58.8.1). If the claimant/recipient is exempt , then the Maintenance Income Test Result for the claimant/recipient is nil .
2	If the ABSTUDY claimant/recipient is not exempt, work out the annual amount of the parent's maintenance income.
3	Work out the parent's Maintenance Income Free Area (MIFA) (table above).
4	Work out whether the parent's maintenance income (step 2) exceeds the parent's MIFA (step 3). If the parent's maintenance income does not exceed the parent's MIFA then the Maintenance Income Test Result for the ABSTUDY claimant/recipient is nil .
5	If the parent's maintenance income exceeds the parent's MIFA, multiply the excess by 0.5. The result, divided by 26, is the (fortnightly) Maintenance Income Test Result for the ABSTUDY claimant/recipient.

58.8.5 Reconciliation of Estimated Maintenance Income – end of financial year

After the end of the financial year estimated maintenance income for the financial year must be reconciled with actual maintenance income, if there is sufficient information to do so.

The aim of MIT reconciliation is to make positive or negative adjustments to payments retrospectively, whereby the student's rate of ABSTUDY (previously determined based on estimates of maintenance income) is recalculated based on actual maintenance income.

For example, a parent of an ABSTUDY student estimates that they will receive \$10,000 in maintenance for the year, then the student's rate of ABSTUDY will be reduced by \$161.77 per fortnight due to the MIT (using the 2018-19 MIFA). At the end of the financial year it is found that the parent actually received only \$5,000 in maintenance, the student's rate of ABSTUDY should have been reduced by \$65.62 per fortnight (not \$161.77), so arrears are payable totalling \$2,500 for the year.

See the table below for the steps involved:

58.8.5.1 Reconciling estimated and actual maintenance income

Step	Action
1	<p>In determining a student's rate of ABSTUDY was an estimate of maintenance income received by their parent used?</p> <ul style="list-style-type: none"> • If NO then there is no reconciliation to do. • If YES go to step 2.
2	<p>Is there sufficient information to work out the actual amount of maintenance income for the income year without regard to an estimate?</p> <ul style="list-style-type: none"> • If NO then there is no reconciliation to do. • If YES go to step 3.
3	Work out the <u>annualised MIFA</u> using the table at 58.8.5.2 (below).
4	Work out the <u>actual maintenance income</u> for the income year using the table at 58.8.5.3 (below).
5	Work out the <u>annual amount of estimated maintenance income</u> using the table at 58.8.5.4 (below).
6	<p>Is the <i>actual maintenance income</i> less than the <i>annual amount of estimated maintenance income</i>?</p> <ul style="list-style-type: none"> • If YES, then the student's rate of ABSTUDY must be recalculated in regard to actual maintenance income. <p>If NO go to step 7</p>
7	<p>Is the <i>actual maintenance income</i> less than 125% of the <i>annualised MIFA</i>?</p> <ul style="list-style-type: none"> • If YES, then the existing decision (which calculated the student's rate of ABSTUDY) is affirmed. <p>If NO go to step 8</p>
8	<p>Is the <i>actual maintenance income</i> less than 125% the <i>annual amount of estimated maintenance income</i>?</p> <ul style="list-style-type: none"> • If YES, then the existing decision (which calculated the student's rate of ABSTUDY) is affirmed. <p>If NO then the student's rate of ABSTUDY must be recalculated in regard to actual maintenance income.</p>

58.8.5.2 Calculating the *Annualised MIFA*

Step	Action
1	Using the table at 58.8.3.1 work out whether the MIFA for the student was the same on all days in the income year. If it was, then that MIFA is the annualised MIFA for the student for the income year.
2	If the MIFA for the student was not the same on all days in the income year, work out for how many days in the income year each MIFA applied.
3	Work out the MIFA share for each such period by using this formula: $\text{MIFA x } \frac{\text{Number of days in the period}}{\text{Number of days in the income year}}$
4	Add up the MIFA share for each such period in the income year. The result is the annualised MIFA for the income year.

58.8.5.3 Calculating the *actual maintenance income*

Step	Action
1	Is there sufficient information to work out the actual amount of maintenance income for the income year without regard to an estimate? <ul style="list-style-type: none"> • If NO then the actual maintenance income cannot be calculated. • If YES go to step 2
2	To work out the actual maintenance income for the income year: <ul style="list-style-type: none"> • Assume that the student is an FTB child of the parent for the year; and • Only take into account maintenance income received in relation to the student; and • In working out whether maintenance income is received in relation to the student, have regard to the considerations that would apply under the <i>Family Assistance Act</i> – see Family Assistance Guide 3.1.7 Maintenance Income Test. <p>This amount is the actual maintenance income for the income year.</p>

58.8.5.4 Calculating the annual amount of estimated maintenance

Step	Action
1	For each estimate of maintenance income that applied in relation to a period in the income year, work out the annualised estimate by multiplying the amount of the estimate by: $\frac{\text{Number of days in income year}}{\text{Number of days in income year for which estimate applied}}$
2	For each annualised estimate worked out in step 1 for the income year, work out the period estimate by multiplying the annualised estimate by: $\frac{\text{Number of days in income year for which estimate applied}}{\text{Number of days in income year}}$
3	Add up all the period estimates for periods that occurred in the income year. This is the annual amount of estimated maintenance income for the income year.

Example:

Django lives with dad and mum pays dad maintenance for Django.

On 1 July Django told Centrelink that he estimated that his mum would pay annual maintenance of \$10,000 for the whole of the financial year. Consequently, for the period 1 July to 31 December Django's ABSTUDY was reduced based on an annualised estimate of maintenance income of \$10,000.

On 1 January Django told Centrelink that his mum had got a higher paying job, and was going to pay more maintenance than expected, he estimated that his mum would pay annual maintenance of \$15,000 for the whole of the financial year. Consequently, for the period 1 January to 31 March Django's ABSTUDY was reduced based on an annualised estimate of maintenance income of \$15,000.

On 1 April Django told Centrelink that his mum had become unemployed and was unable to pay any more maintenance that financial year. Consequently, for the period 1 April to 30 June Django's ABSTUDY was not reduced due to the maintenance income test, as his annualised estimate of maintenance income for this period was zero.

Django has 3 periods where different estimates of maintenance income applied:

- *Period One is (July-December) is for 184 days*
- *Period Two (January-March) is for 90 days*
- *Period Three (April – June) is for 91 days*

We already know the **annualised estimate** for each of these three periods:

- Period One (July-December) has an annualised estimate of \$10,000
- Period Two (January-March) has an annualised estimate of \$15,000
- Period Three (April – June) has an annualised estimate of \$0

The **period estimates** are worked out by multiplying each **annualised estimate** by:

$$\frac{\text{Number of days in income year for which estimate applied}}{\text{Number of days in income year}}$$

Therefore the **period estimate** for:

- Period One (July-December) is \$10,000 (annualised estimate) x 184/365 = \$5,041.09
- Period Two (January-March) is \$15,000 (annualised estimate) x 90/365 = \$3,698.63
- Period Three (April – June) is \$0 (annualised estimate) x 91/365 = \$0

Django's **annual amount of estimated maintenance income** for the year is worked out by adding all the period estimates for the year together. Therefore Django's **annual amount of estimated maintenance income** is:

$$\$5,041.09 + \$3,698.63 + \$0 = \$8,739.72$$

58.8.5.5 Date of effect for the re-calculation for a student's rate of ABSTUDY

Rate increase determination due to reconciliation

If:

- a student's rate of ABSTUDY has been recalculated due to the reconciliation of their parents' actual maintenance income (as required by the table at 58.8.5.1 - above); and
- this recalculation would result in an increase in the student's rate of ABSTUDY;

THEN:

The increase is to be backdated to the date when the student's rate of ABSTUDY was originally calculated based on estimated maintenance income. This is to give the same effect as if the actual maintenance income was known when the student's rate of ABSTUDY was originally calculated. However the increase to the student's rate of ABSTUDY cannot be backdated further than the first day of the financial year immediately preceding the financial year in which the determination to increase the rate of ABSTUDY (based on a re-calculation that counts actual maintenance income) was made.

Example: Ralph's rate of ABSTUDY was originally calculated in on 15 September 2017 using an estimate of his parent's maintenance income. Following reconciliation of his parent's actual maintenance income for 2017-18 with their estimated maintenance income for 2015-16 Centrelink determined (on 8 November 2018) that Ralph's rate of ABSTUDY must be recalculated resulting in an increase. The date of effect of this increase is taken to be 15 September 2017 and consequently arrears must be paid from this date.

Example: Heather's rate of ABSTUDY was originally calculated in on 20 April 2017 using an estimate of her parent's maintenance income. Following reconciliation of her parent's actual maintenance income for 2016-17 and 2017-18, with their estimated maintenance income for 2016-17 and 2017-18, Centrelink determined (on 10 November 2018) that Heather's rate of ABSTUDY must be recalculated resulting in an increase. The increase cannot be backdated further than the first day of the financial year immediately preceding the financial year in which the determination to increase the rate of payment was made. Therefore the date of effect of this increase is taken to be 1 July 2017 (not 20 April 2017) and consequently arrears can only be paid from 1 July 2017.

Rate decrease determination due to reconciliation

If:

- a student's rate of ABSTUDY has been recalculated due to the reconciliation of their parents' actual maintenance income (as required by the table at 58.8.5.1 - above); and
- this recalculation would result in a decrease in the student's rate of ABSTUDY;

THEN:

The decrease is to be backdated to the date when the student's rate of ABSTUDY was originally calculated based on estimated maintenance income. This is to give the same effect as if the actual maintenance income was known when the student's rate of ABSTUDY was originally calculated. There is no time limit as to how far back this backdating can go to take effect.

Example: Dion's rate of ABSTUDY was originally calculated in on 3 January 2017 using an estimate of his parent's maintenance income. Following reconciliation of his parent's actual maintenance income for 2016-17, 2017-18, and 2018-19 with their estimated maintenance income for these years Centrelink determined (on 19 October 2019) that Dion's rate of ABSTUDY must be recalculated resulting in a decrease. Consequently Dion's ABSTUDY was paid a lower rate from 19 October 2019 onwards. However the date of effect of the decrease is taken to be 3 January 2017 and therefore there is a debt owed to Centrelink due to overpayments from 3 January 2017 until 19 October 2019.

Chapter 59: Assessing Income for the Partner and Personal Income Tests

This chapter discusses what income is included for the purposes of the personal and partner income tests.

In this chapter:

- [59.1 Personal and Partner Income Tests – Ordinary Income](#)
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59.1 Personal and Partner Income Tests – Ordinary Income

Ordinary income means income that is not maintenance income or an exempt lump sum. This definition of ordinary income is NOT the same as the ATO definition of income for tax purposes. The definition of ordinary income is far wider than the definition of taxable income. Ordinary income is used for the ABSTUDY partner and personal income tests.

59.2 Employment Income

Employment Income, or income from employment, is ordinary income derived from remunerative work undertaken by an employee from an employer/employee relationship.

- It includes:
- commissions;
- salaries;
- wages;
- employment-related fringe benefits;
- profit sharing arrangements in certain industries.

It includes employment income paid in Australia or overseas.

It does not include:

- profits from having ownership or an interest in a business or other business income;
- superannuation pensions;
- personal injury compensation; or
- employment related insurance payouts.

To calculate income, the **gross** income paid is used, before taxation or any personal deductions.

59.2.1 Assignment of income

If a recipient assigns either all or part of their income to another person, the amount assigned is the recipient's income and **IS** treated as income for the purposes of the ABSTUDY Personal and Partner Income Tests.

59.2.2 Deductions for agency fees

In some situations recipients may have employment agency fees deducted from their after tax income or be required to pay an agency a percentage of their gross income. Agency fees should be treated like any other employment expense and included in the recipient's gross income used for social security purposes.

59.2.3 Back pay paid to a person for a period of employment

Arrears of pay are treated as income when it is paid to the employee, regardless if the income was earned over a previous entitlement period or periods. A lump sum payment of back pay is treated in the same way as other remunerative lump sums and is applied from the beginning of the entitlement period in which it is paid and attributed forward for up to 52 weeks (see [59.9.2](#))

59.2.4 Disputed wages

Where a recipient has performed work but there is a dispute about who is to pay the wages, the recipient may not be paid for the work performed. The amount not paid is NOT counted as Ordinary Income for that period.

59.2.5 Allowances paid by employers

Payment of an allowance from an employer for expenses is NOT included in any income assessment.

59.2.6 Fringe Benefits

A fringe benefit is any benefit received as part of employment conditions that is not a wage or salary. This includes benefits provided by an employer such as private use of a car or financial investments. Fringe benefits and any valuable consideration received by a recipient are treated as employment income.

The value of the non-grossed-up fringe benefits is assessed as employment income.

The 'grossed up' amount of a fringe benefit is the amount that would have been paid in cash salary if it were paid instead of the fringe benefit. The 'grossed up' value is determined by the employer by using a formula supplied by the Australian Taxation Office (ATO) and is calculated using the highest marginal rate of income tax plus the Medicare levy.

The 'non-grossed up' amount of a fringe benefit reflects the actual cost to the employer of the goods or services provided.

59.2.7 Gifts in lieu of money

If a recipient receives a gift IN LIEU of money for work performed, the value of the gift IS treated as income for the purposes of the ABSTUDY Partner and Personal Income tests. Such gifts must be capable of being given a monetary value under the principle of valuable consideration.

59.2.8 Ministers of religion

A minister of religion under a contract for service is neither an employee nor self-employed, but is a “holder of a religious office”. The gross income of the minister is counted as income for the purposes of the ABSTUDY Partner and Personal Income Tests; business deductions (such as the depreciation of assets) cannot be claimed. Fringe benefits that are for the minister’s own private benefit are valuable consideration and must be included.

59.2.9 Prisoner’s employment income paid to dependants

Employment income paid to a prisoner’s dependants, such as employment income while on work release that is handed over to the prisoner’s family, is regarded as employment income for the purpose of assessment under the ABSTUDY partner income test.

59.2.10 Treatment of income for professional sportspeople

Remuneration for professional sports is assessed as income in each relevant fortnight in which it is paid and attributed forward from first day of the instalment period in which it is paid, for a period of up to 52 weeks..

59.2.11 Industry based lump sum payments

An industry based lump sum payment MAY be conditional upon the recipient discontinuing any involvement in that industry. These lump sum amounts ARE treated as income for up to 52 weeks from the from first day of the instalment period in which it is paid.

59.2.12 Profit sharing arrangements

If a recipient receives a lump sum amount from a profit sharing arrangement, then the lump sum is treated as income for up to 52 weeks from the first day of the instalment period in which it is paid

59.2.13 Salary sacrifice to superannuation – recipient over age pension age

If a recipient has reached age pension age, and their employer makes contributions to a superannuation fund for their benefit, the amount that is paid as part of the employer’s Superannuation Guarantee Contribution obligations, award, collective workplace agreement or superannuation fund rules will be disregarded as income.

59.2.14 Salary sacrifice into superannuation - employees under age pension age

For employees under age pension age, the reportable superannuation contributions within the meaning of the [Income Tax Assessment Act 1997](#) for the income year, including amounts of salary voluntarily sacrificed into superannuation are income for the purposes of the ABSTUDY Personal or Partner Income tests.

Employer contributions to superannuation on behalf of an employee under age pension age, made under the superannuation Guarantee, award, collective workplace agreement or superannuation fund rules, are NOT assessed as income.

Note: In 2010, 'reportable superannuation contribution' will apply as components of parental income for all current tax year assessments until 2011. From 2011, 'reportable superannuation contributions' will form part of the parental income test for both current and base tax year assessments.

59.2.15 Salary sacrifice into fringe benefits

Fringe benefits are valuable consideration. An amount of salary sacrifice into a fringe benefit or set of fringe benefits IS income.

59.2.16 Valuable consideration

Valuable consideration is something received that is not in money form but is capable of being valued in money terms. Valuable consideration received by a recipient **IS** treated as income for the purposes of the ABSTUDY Partner and Personal Income Tests.

- **Giving an item:** If an item is given to a recipient, as valuable consideration, the normal cost of purchasing that item **IS** assessed as income for the 12 month period from the date the item is received; or
- **Hiring or leasing an item:** If an item is provided for a recipient's use, the lease or hire fee IS assessed as income for the duration of the lease or hire agreement.

59.3 Income from a Business

Income from a sole trader or partnership business is the net amount:

- AFTER deducting the following allowable expenses for the cost of running a business:
 - losses and deductions that relate to the business and are allowable under section 51 of the [Income Tax Assessment Act 1936](#) or section 8-1 of the [Income Tax Assessment Act 1997](#); and
 - depreciation that relates to the business and is allowable under subsection 54(1) of the [Income Tax Assessment Act 1936](#) or division 42 of the [Income Tax Assessment Act 1997](#); and
 - amounts that relate to the business and are allowable deductions under subsection 82AAC(1) of the [Income Tax Assessment Act 1936](#); AND
- BEFORE income tax and other personal deductions.

59.4 Other Ordinary Income

Other ordinary income is all ordinary income that is not employment income.

59.4.1 Gifts

Gifts are assessed for the purposes of the ABSTUDY Personal and Partner Income Tests in the following ways:

- if the gift is a one-off payment, then it is not treated as income;
- if the gift is received regularly from an immediate family member, then it is not treated as income;
- if the gift is received regularly from another source, then the gift is reduced to a fortnightly equivalent and treated as income.

NOTE: Prior to 1 July 2017, gifts received regularly from an immediate family member were reduced to a fortnightly equivalent and treated as income for ABSTUDY purposes.

59.4.2 Legacies

Money received by way of a legacy or inheritance is NOT treated as income whether received as a lump sum or by instalments.

59.4.3 Private companies & trusts

Trust and Company income that would have been attributed to the person or their partner if Part 3.18 of the SSA (means test treatment of private companies and private trusts) applied to ABSTUDY, as well as dividends and distributions received from private companies and trusts ARE included in the recipient's income. The gross amount of the dividend payment, including any imputation credit, is the amount to be assessed as income.

The assessed income includes the actual amount of any individual payments, AND any franking credits attached to them.

For ABSTUDY income tests, Special Disability Trusts are treated in the same manner as for income tests for social security payments.

59.4.4 Compensation

Certain forms of compensation are treated as income for ABSTUDY purposes. Refer to [Chapter 62 - Compensation](#).

59.4.5 Disability pensions paid by Department of Veterans' Affairs

Certain payments made by the Department of Veterans' Affairs, as a group referred to as adjusted disability pensions, are treated as income for the purposes of the ABSTUDY partner and personal income tests. These payments include:

- disability pensions paid under Parts II or IV of the [Veterans' Entitlements Act 1986](#);
- dependent pension (a small frozen amount paid to dependants of disability pensioners, not granted since 1986) ;
- temporary incapacity allowance;
- permanent impairment payments and special rate disability pension paid under the *Military Rehabilitation and Compensation Act 2004*.

Refer to [Chapter 12](#) for information about recipients whose ABSTUDY Living Allowance has been reduced to nil as a result of assessing the above income under the partner and personal income tests.

59.4.6 Parental Leave Pay and Dad and Partner Pay

Parental Leave Pay (PLP) and Dad and Partner Pay (DAPP) are counted as ordinary income for the purposes of the ABSTUDY personal and partner income tests where they are in respect of a child who was born on or after 1 October 2016 or a child who became entrusted to the care of the person on or after 1 October 2016.

The gross rates of PLP and DAPP are assessed as income for the period that the entitlement relates to. For example, if a person is entitled to PLP or DAPP for a period, then their PLP or DAPP is assessed as ordinary income for the purposes of the ABSTUDY personal and partner income tests at that rate for that period.

Because PLP and DAPP are assessed as income for the period that the entitlement relates to, overpayments of ABSTUDY may occur if PLP or DAPP are granted after the eligibility commencement date and arrears are paid. Where this has occurred, deductions may be made from PLP and DAPP arrears instalments equal to the amount of ABSTUDY that would have been overpaid.

Refer to [Chapter 12](#) for information about recipients whose ABSTUDY Living Allowance has been reduced to nil as a result of assessing the above income under the partner and personal income tests.

59.4.7 Interest earned from financial assets and income streams

Income from financial investments is counted as ordinary income for the purposes of ABSTUDY income tests. This type of income is assessed using the same deeming rules that apply for social security payments. Section 4.4 of the Guide to Social Security Law outlines the provisions for deeming.

59.5 Other Ordinary Income – Scholarships

59.5.1 What is a Scholarship?

A scholarship is an award made to a student or Australian Apprentice to assist with the costs associated with education. This may include general living expenses. Scholarships may also be called bursaries, stipends, awards or grants. They are generally provided to:

- assist recipients to complete an academic qualification
- obtain specialised training; or
- complete a special project.

Scholarships may be:

- paid to the scholarship recipient directly (in the form of money, or valuable consideration such as computers or airline flights); or
- indirectly, in the form of a financial obligation paid on behalf of the scholar (such as prepaid fees), that the student is liable to pay in order to enrol.

59.5.2 Employees of a Government agency who are awarded a scholarship

Where a student is an employee of a Government agency, and they are awarded a scholarship by that agency, their eligibility for ABSTUDY may be affected (see [12.3](#)).

59.5.3 Non-discretionary fee-waiver and fee-pay scholarships

Non-discretionary scholarships do not provide any choice to students or Australian Apprentices over how the scholarship can be used:

- a fee-waiver scholarship is one where an education provider reduces or waives part or all of the course charges or fees;
- a fee-pay scholarship is one provided by an external provider (e.g. a business, charity or government department) to pay for tuition fees.

Non-discretionary fee-waiver and fee-pay scholarships are not assessed as income under the ABSTUDY Partner and Personal Income Tests.

59.5.4 Scholarships paid directly to the student or Australian Apprentice

Scholarships or similar payments that are paid directly to the student or Australian Apprentice are assessed as income under the ABSTUDY Personal and Partner Income Tests unless otherwise excluded.

59.5.4.1 Commonwealth Scholarships

Indigenous Commonwealth Scholarships, as determined in the [Social Security \(Indigenous Student Assistance Scholarships - Excluded Amounts\) Instrument 2016](#), are NOT income for the purposes of the ABSTUDY Personal and Partner Income Tests.

The Relocation Scholarship is NOT income for the purposes of the ABSTUDY Personal and Partner Income Tests. It assists students who have to live away from home to study with the cost of establishing new accommodation in order to attend university.

The Relocation Scholarship became available to eligible ABSTUDY Living Allowance recipients from 1 April 2010.

The Relocation Scholarship is payable as a lump sum payment on commencement of the course and each year thereafter that the student continues to qualify while undertaking the course. The amount of the scholarship is indexed in line with Consumer Price Index (CPI) increases.

59.5.4.3 Deleted sub-section

59.5.4.4 Value of board & lodging

If a scholarship provides for either free (or a reduced charge for) board and lodging the value of the free (or a reduced charge for) board and lodging IS NOT counted as income.

Money paid to a student to pay for accommodation, other than through an Indigenous Commonwealth Accommodation Scholarship or equivalent Commonwealth scholarship or grant, IS counted as income.

59.5.4.5 Additional allowance

In addition to the scholarship amount, scholarships may provide recipients with reimbursement of specified 'out of pocket' expenses such as photocopying, postage, printing and similar expenses. To obtain this allowance, the participant is usually required to present an itemised claim for reimbursement, together with receipts. The reimbursement amount is NOT income.

59.5.4.6 Certain scholarships awarded outside Australia

Scholarships that have been awarded outside Australia and that are not intended to be used wholly or partly to assist recipients to meet living expenses are NOT income.

Examples:

- Rotary Foundation Ambassadorial Scholarship, provided that it does not contain any component for living expenses;
- Cambridge Commonwealth Trust Fees Scholarship;
- Scholarship awarded by Association of Mouth and Foot Painting Artists of the World, Liechtenstein.

59.5.5 Scholarships in the nature of a reward or prize

Scholarships that are paid as one-off sums in the nature of a reward or prize are not treated as income for the purposes of the ABSTUDY Partner and Personal Income Tests. These scholarships are defined by the following characteristics:

- the payment of the lump sum is unlikely to be repeated; and
- the scholarship/reward/prize could not reasonably have been expected to be received or necessarily anticipated; and
- the payment of the lump sum does not represent receipt of money for services rendered directly or indirectly.

59.5.6 [Deleted section]

59.5.7 [Deleted section]

59.5.8 Merit or equity-based scholarship

A merit or equity-based scholarship is a scholarship that is awarded to a student to:

- recognise the student's achievement in studying or in undertaking research at an educational institution; OR
- enable the student to study or undertake research at an educational institution.

Note: These do not include Indigenous Commonwealth Scholarships or Relocation Scholarship.

A scholarship granted to a student for either of these purposes is treated as exempt income from 1 April 2010 for the extent that the payment does not exceed the person's threshold in a calendar

year. The value of this threshold is indexed each year and is published in [A guide to Australian Government payments](#).

59.6 Exempt income

59.6.1 Income received to cover expenses

Income received to cover out of pocket expenses and payment/ reimbursement of work-related expenses are not assessed as income for the purposes of the ABSTUDY Partner and Personal Income Tests.

59.6.2 Income received as special financial assistance

Income received as special financial assistance, emergency relief, or like-assistance is not assessed for the purposes of the ABSTUDY Personal and Partner Income Tests.

Examples include, but are not limited to:

- State Government financial assistance for victims of bushfires
- Bali Emergency Relief
- payment of [Transition to Independent Living Allowance](#) up to \$1 000
- drought financial assistance
- flood financial assistance
- Tools for your Trade
- payments from medically acquired HIV trusts
- a [National Disability Insurance Scheme](#) (NDIS) amount.

59.6.3 Other exempt income

Other income that is exempt from assessment under the ABSTUDY personal and partner income tests:

- free or discounted accommodation or board and lodging;
- private health insurance rebate;
- payments made to, or for, dependent children such as Foster Care Allowance, superannuation or compensation;
- money passing between partners in a couple, i.e. housekeeping;
- legacies or inheritance;
- pay and allowances (other than in respect of continuous full-time service) to a member of the Naval Reserve, Army Reserve or Air Force Reserve;
- compensation and insurance payouts for damages to property and personal effects;
- Child Care Rebate scheme payments;
- personal care support scheme payments;
- payments made under the National Redress Scheme for Institutional Child Sexual Abuse;

- credits from approved exchange trading systems;
- bona fide recipient borrowings (loans) ;
- Apprenticeship Wage Top-Up payments made under the Australian Apprenticeships Incentives Programme;
- [Student Start-up Loan](#);
- Australian Government Trade Support Loans.

59.6.4 DFISA-like payments

DFISA-like payments made under the [Veterans' Entitlements Act 1986](#) are not assessed as income for ABSTUDY purposes.

59.7 Exempt Lump Sums

Some lump sums are not treated as income for the purposes of the ABSTUDY partner and personal income tests. An amount received by a person is an exempt lump sum if it is:

- unlikely to be repeated; and
- cannot be reasonably expected to be received or necessarily anticipated; and
- do not represent receipt of money for services rendered directly or indirectly.

They include items like:

- one-off gifts, irrespective of the source of the gifts, if they are not of a periodical nature or representing a form of continuous support;
- windfall gains such as lottery winnings, the distribution of capital from a legacy or inheritance, or prizes/awards;
- ex-gratia superannuation payments, for example, bona fide redundancy payments or the lump sum payment of a superannuation invalidity benefit;
- irregular superannuation amounts such as:
 - lump sum amount from the conversion; or
 - commutation of a superannuation pension; or
 - the payment of arrears at the time of commencing a superannuation pension.

Note: The initial exemption of a lump sum amount from the income test does NOT mean that any ongoing income generated by the lump sum is exempt, nor does it mean that the asset the lump sum turns into is exempt.

59.8 Maintenance

59.8.1 Child maintenance

Maintenance received from a former partner to support a child of the former relationship and paid to a custodial parent or grandparents or other person to whom the court has appointed custody of the child is **NOT** assessed as ordinary income under the ABSTUDY Personal and Partner Income Tests.

59.8.2 Spousal maintenance

Spousal maintenance is money (or in kind payment) made to a former partner following a divorce or separation. It does not include payments for [dependent children](#). For the person who receives spousal maintenance, the maintenance is **NOT** assessed as ordinary income under the ABSTUDY Partner and Personal Income Tests.

59.8.3 Legally enforceable agreements

Where the person's former partner has a legally enforceable right to the maintenance, the amount paid should not be treated as income of the person paying the maintenance.

59.8.4 Property settlement - capital component

Property settlements are NOT assessed as income, if they are received as:

- a one-time only payment; OR
- regular repayments of the capital component of the property settlement.

59.9 Determining the Rate of Ordinary Income

The rate of ordinary income is a required input to the rate calculation process under the Partner and Personal Income Tests for ABSTUDY Living Allowance. The rate of ordinary income is the sum of the rates of all components of ordinary income.

59.9.1 Income taken into account when it is earned, derived or received

Ordinary income is generally assessed in the entitlement period that it is first earned, derived or received.

Employment income is assessed when it is paid. Employment income paid for a period of up to 14 days is attributed evenly across the number of days in the assessment period for the purposes of assessment. Assessing employment income from the first day in the entitlement period in which the amount is paid ensures the payment is applied consistently to the period regardless of which day in the period the payment is received.

59.9.2 Income received for a period of greater than a fortnight

Income paid in respect of a period greater than a fortnight will be assessed from the first day in the entitlement period in which the amount is paid and attributed forward for the number of days to which it relates. Any income that is apportioned forward for part of an entitlement period will be attributed evenly across each day of the entitlement period.

59.9.3 Attributing lump sums

59.9.3.1 Attributing non-remunerative lump sums over 12 months

One-off, irregular or non-periodical lump sum amounts are attributed as income over a 12 month period in 52 weekly amounts, if they are NOT remuneration, periodic payments, or an exempt lump sum.

Examples:

- family trust distributions;
- certain 'loan' arrangements i.e. NOT a bona fide loan to recipient;
- scholarships (where not an exempt lump sum – see [59.5.5](#)); and
- dividend distributions from a private company; or

The date earned, derived or received is the date the recipient becomes entitled to receive the amount.

59.9.3.2 Attributing remunerative lump sums

Remunerative lump sums received AFTER start of the ABSTUDY claim period are applied as income from the first day in the entitlement period in which they are paid and attributed forward for the number of days of the associated earning period, up to a maximum of 52 weeks.

Where employment income is paid but is not paid in respect of a particular period this income will be attributed over a period not exceeding 52 weeks, as appropriate in the circumstances. In most situations, the basis of determining the length of apportionment will depend on the nature of the employment income. Examples:

- back pay of employment income;
- employment bonus;
- signing on fees or endorsements for professional sports people;
- an industry related payment such as a dairy cash bonus, or payments to leave the industry; and
- profit sharing.

59.9.4 Income from casual employment assessed in fortnight paid

Income from casual employment is assessed in the fortnight it is paid.

59.9.5 [Deleted section]

59.9.6 Assessment of deferred income - involuntary

If an employee had no choice over whether or not their income was deferred, income is NOT assessed until he or she received it.

Chapter 60: Partner Income Test and Limits

This chapter describes the Partner Income Test that is applied when determining the level of entitlement payable of ABSTUDY Living Allowance.

In this chapter:

- [60.1 Exemptions from the Partner Income Test](#)
- [60.2 Partner Income Test](#)
- [60.3 Partner Income Test Limits](#)

60.1 Exemptions from the Partner Income Test

The Partner Income Test is not applied where:

- a dependent ABSTUDY recipient (including dependent ABSTUDY recipients who have claimed but not yet been paid benefits) is a member of a couple; and/or
- an ABSTUDY recipient is a member of a couple with a dependent Youth Allowance or ABSTUDY recipient (including dependent Youth Allowance or ABSTUDY customers who have claimed but not yet been paid benefits).

Exemption from the Partner Income Test will not apply where a recipient has applied for Youth Allowance or ABSTUDY as a dependent person and that claim has been rejected.

60.2 Partner Income Test

The Partner Income Test applies where an [independent](#) ABSTUDY recipient is considered to be [Partnered](#) for ABSTUDY purposes.

60.2.1 Partner Income Test period

The Partner Income Test is applied for any period where an independent partnered student or [Australian Apprentice](#) is eligible to receive ABSTUDY assistance. Income is then assessed on a fortnightly basis.

60.3 Partner Income Test Limits

A student's or [Australian Apprentice's partner](#) can have income up to defined limits, known as the Partner Income Free Area (PtrIFA), without it affecting the student's or Australian Apprentice's ABSTUDY [Living Allowance](#). Where the partner's income exceeds the PtrIFA, the student's or Australian Apprentice's ABSTUDY will be reduced by a specified amount.

The manner in which the ABSTUDY maximum basic rate (Living Allowance) plus add-ons (i.e. [Rent Assistance](#), [Remote Area Allowance](#) and [Pharmaceutical Allowance](#)) is affected is set out in [Chapter 57](#), Calculating ABSTUDY Rates.

Where a student or Australian Apprentice's Living Allowance is reduced to nil, due to a partner's employment income, see [72.2](#) for the effect on their automatic Health Care Card.

60.3.1 Student or Australian Apprentice is under 22 years, partner is under 22 years and not in receipt of any income support

For an ABSTUDY recipient who is aged under 22 years old, where their partner is:

- aged under 22 years old; and
- not receiving an [income support](#) payment;

the PtrIFA (Partner Income Free Area) is the amount of the partner's income that would preclude payment of the maximum basic rate of Youth Allowance (YA) based on the personal income free area for a non-student.

The ABSTUDY is then reduced by an amount equal to (Partner's Income – PtrIFA) x 0.6.

60.3.2 Student or Australian Apprentice is under 22 years, partner is 22 years or over and not in receipt of any income support

For an ABSTUDY recipient who is aged under 22 years old, where their partner is:

- aged 22 years or over; and
- not receiving an income support payment.

The Partner Income Free Area is the amount of the partner's income that would preclude payment of the maximum basic rate of JobSeeker Payment (JSP).

The ABSTUDY is then reduced by an amount equal to (Partner's Income – PtrIFA) x 0.6.

60.3.3 Student or Australian Apprentice is under 22 years, partner is any age and not a student or Australian Apprentice and is in receipt of certain income support payments

For an ABSTUDY recipient who is aged under 22 years old, where their partner is:

- any age; and
- receiving one of the following income support payments:
 - JobSeeker Payment;
 - Youth Allowance (as a job seeker);
 - Sickness Allowance;
 - Special Benefit;
 - Parenting Payment (Partnered);
 - Mature Age Allowance; or
 - Mature Age Partner Allowance;

the Partner Income Free Area is the amount of the partner's income that would preclude payment of the maximum basic rate and add-ons (i.e. Rent Assistance, Remote Area Allowance, Pharmaceutical Allowance) for that benefit. The ABSTUDY is then reduced by an amount equal to (Partner's Income – PtrIFA) x 0.6.

60.3.4 Student or Australian Apprentice is under 22 years, partner is any age and is a student or Australian Apprentice and is in receipt of Youth Allowance, Austudy or ABSTUDY Living Allowance payments

For an ABSTUDY recipient who is aged under 22 years old, where their partner is:

- any age; and
- receiving one of the following income support payments as a student or Australian Apprentice:
 - Youth Allowance;
 - Austudy;
 - ABSTUDY Living Allowance;

the Partner Income Free Area is the amount of the partner's income that would preclude payment of the maximum basic rate and add-ons (i.e. Rent Assistance, Remote Area Allowance, Pharmaceutical Allowance) for that benefit.

The ABSTUDY is then reduced by an amount equal to (Partner's Income – PtrIFA) x 0.6.

60.3.5 Student or Australian Apprentice is 22 years or over, partner is any age and is not a student or Australian Apprentice and is either in receipt of certain income support payments OR is not on an income support payment

For an ABSTUDY recipient who is aged 22 years or over, where their partner is:

- any age; and
- either:
 - receiving one of the following income support payments:
 - JobSeeker Payment;
 - Youth Allowance (as a job seeker);
 - Sickness Allowance;
 - Special Benefit;
 - Parenting Payment (Partnered);
 - Mature Age Allowance; or
 - Mature Age Partner Allowance; OR
 - not in receipt of an income support payment.

There is a set Partner Income Free Area when assessing partner income.

The base Partner Income Free Area is set in [A guide to Australian Government payments](#). Adjustments to the PtrIFA are then made for any dependent children.

The ABSTUDY is then reduced by an amount equal to (Partner's Income – PtrIFA) x 0.5.

60.3.5.1 Adjustments to Partner Income Free Area for dependants

Additional amounts for other dependent children in the recipient /partner's care are added to the basic Partner Income Free Area. These are shown in dollars in the following table.

If the dependent child is...	the additional amount is...
the first child under 16;	1,230
the second or a subsequent child under 16;	2,562
either aged 16-21 and in full-time study; OR aged under 16 years; AND not independent for the purposes of ABSTUDY or Youth Allowance; AND qualifies for either: <ul style="list-style-type: none"> ○ Assistance for Isolated Children (AIC) Boarding Allowance or Second Home Allowance; or ○ Where the student has a full-time or concessional study-load, one of the following: <ul style="list-style-type: none"> ▪ ABSTUDY Schooling B Award; ▪ ABSTUDY Tertiary Award; ▪ ABSTUDY Masters and Doctorate Award; or ▪ School Term Allowance under the ABSTUDY Schooling A Award 	3,792

60.3.5.2 Calculation of Effect of Partner Income test for Student or Australian Apprentice 22 years or over

The following table shows the steps involved in applying the Partner Income test for students or [Australian Apprentices](#) aged 22 years or over.

Step	Action
1	Determine the Partner Income for the fortnight.
2	Determine the annual base Partner Income Free Area (PtrIFA). The base PtrIFA is set in <i>A guide to Australian Government payments</i> .
3	Determine the adjusted PtrIFA. This is the base PtrIFA plus any amounts for dependent children as per 60.3.5.1.
4	Does the Partner Income for the fortnight exceed the fortnightly adjusted PtrIFA? if NO, the test does not affect the recipient's maximum rate of ABSTUDY. if YES, go to Step 5.
5	Determine the Partner Income Excess for the fortnight: Partner income for the fortnight less the fortnightly adjusted PtrIFA RESULT: Partner Income Excess for the fortnight.
6	Determine the reduction for Partner Income: Partner Income Excess for the fortnight divided by 2 RESULT: the Reduction for Partner Income.

60.3.6 Student or Australian Apprentice is 22 years or over, partner is any age and is a student or Australian Apprentice and is in receipt of Youth Allowance, Austudy or ABSTUDY Living Allowance payments

For an ABSTUDY recipient who is aged 22 years or over, where their partner is:

- any age; and
- receiving one of the following income support payments as a student or Australian Apprentice:
 - Youth Allowance;
 - Austudy;
 - ABSTUDY Living Allowance;

there is a set Partner Income Free Area when assessing partner income.

The base Partner Income Free Area is set in *A guide to Australian Government payments*. Adjustments are then made for any dependent children, and for the partner's Student Income Bank balance (if applicable).

The ABSTUDY is then reduced by an amount equal to (Partner's Income – PtrIFA) x 0.5.

60.3.6.1 Adjustments to Partner Income Free Area for dependants

Additional amounts for other [dependent children](#) in the recipient /partner's care are added to the basic Partner Income Free Area. Refer to the amounts in the table in 60.3.5.1.

60.3.6.2 Calculation of Effect of Partner Income test for Student or Australian Apprentice 22 years or over

To calculate the effect of the Partner Income Test, refer to the table in [60.3.5.2](#), adding the partner's Income Bank Balance to the base Partner Income Free Area at **Step 2**.

60.3.7 Student or Australian Apprentice is any age, partner is any age and is in receipt of a pension

For an ABSTUDY recipient of any age, where their partner is:

- any age;

AND

- receiving one of the following Australian Government payments:
 - Age Pension;
 - Disability Support Pension;
 - Carer Payment;
 - Parenting Payment (Single);
 - Bereavement Allowance;

OR

- receiving one of the following Department of Veterans' Affairs (DVA) service pensions:
 - an age service pension under part III of the [Veterans' Entitlements Act 1986](#) (VEA); or
 - an invalidity service pension under Part III of the VEA; or
 - a partner service pension under Part III of the VEA; or
 - a carer service pension under Part III of the VEA;

OR

- receiving a Department of Veterans' Affairs (DVA) veterans payment.

there is no Partner Income Free Area. Instead, the total combined income of the ABSTUDY student or Australian Apprentice and pensioner partner is halved. The ABSTUDY student's or Australian Apprentice's half is then assessed under the ABSTUDY [Personal Income Test](#), taking into account any Income Bank Balance.

Chapter 61: Personal Income Test, Limits and Student or Australian Apprentice Income Bank

This chapter describes the Personal Income Test that is applied when determining the rate payable of ABSTUDY Living Allowance.

In this chapter:

- [61.1 Personal Income Test](#)
- [61.2 Personal Income Test limits](#)
- [61.3 Rules of the Student or Australian Apprentice Income Bank](#)
- [61.4 Operation of the Student or Australian Apprentice Income Bank](#)
- [61.5 Carryover of Working Credits to Student or Australian Apprentice Income Bank](#)

61.1 Personal Income Test

The Personal Income Test is applied for any period where the ABSTUDY student is 16 years of age or over and eligible to receive [Living Allowance](#). The Personal Income Test is applied to all Australian Apprentices. Income is assessed on a fortnightly basis.

ABSTUDY students and Australian Apprentices are required to report their income on a fortnightly basis. Where an ABSTUDY student or Australian Apprentice does not report their income their ABSTUDY entitlement may be stopped.

61.2 Personal Income Test limits

An ABSTUDY student or [Australian Apprentice](#) can have income up to the Income Free Area published in [A guide to Australian Government payments](#), plus the balance of their Student or Australian Apprentice Income Bank for the fortnight, without affecting Living Allowance entitlement.

61.2.1 Effect of Personal Income

A student's or Australian Apprentice's income affects their fortnightly entitlement to Living Allowance as follows:

- if the student or Australian Apprentice commences receiving ABSTUDY [Living Allowance](#), balance of Student or Australian Apprentice Income Bank commences at nil;
- in any fortnight where the student's or Australian Apprentice's income is less than the Income Free Area, the difference between the two is credited to the Income Bank;
- the maximum Student Income Bank balance that can be saved is published in [A guide to Australian Government payments](#);
- the maximum Australian Apprentice Income Bank balance that can be saved is published in [A guide to Australian Government payments](#);
- the Student or Australian Apprentice Income Bank is not reset unless a student or Australian Apprentice becomes ineligible for ABSTUDY Living Allowance;
- where a student or Australian Apprentice becomes ineligible for ABSTUDY Living Allowance, the Student or Australian Apprentice Income Bank balance is set to nil;
- where a student's or Australian Apprentice's eligibility for Living Allowance is subsequently restored on a continuous basis, the Student Income Bank Balance is reinstated.

Where a student or Australian Apprentice's Living Allowance is reduced to nil, due to their personal employment income, see [72.2](#) for the effect on their automatic Health Care Card.

61.3 Rules of the Student or Australian Apprentice Income Bank

The following rules apply to the Student or [Australian Apprentice](#) Income Bank:

- if the student or Australian Apprentice commences receiving ABSTUDY [Living Allowance](#), balance of Student or Australian Apprentice Income Bank commences at nil;
- in any fortnight where the student's or Australian Apprentice's income is less than the Income Free Area, the difference between the two is credited to the Income Bank;
- the maximum Student Income Bank balance that can be saved is published in [A guide to Australian Government payments](#);
- the maximum Australian Apprentice Income Bank balance that can be saved is published in [A guide to Australian Government payments](#);
- the Student or Australian Apprentice Income Bank is not reset unless a student or Australian Apprentice becomes ineligible for ABSTUDY Living Allowance;
- where a student or Australian Apprentice becomes ineligible for ABSTUDY Living Allowance, the Student or Australian Apprentice Income Bank balance is set to nil;
- where a student's or Australian Apprentice's eligibility for Living Allowance is subsequently restored on a continuous basis, the Student Income Bank Balance is reinstated.

61.4 Operation of the Student or Australian Apprentice Income Bank

The following table shows how the Student or Australian Apprentice Income Bank operates when a student or Australian Apprentice has ordinary income in a fortnight.

If the income is...	Then...	And...
LESS than the Income Free Area,	subtract the income from the income free area to determine the saved amount;	add the saved amount to the customer's Student or Australian Apprentice Income Bank credits. The Living Allowance payment is not affected.
EQUAL to the Income Free Area,	there is no effect on Living Allowance payment;	there is no effect on the Student or Australian Apprentice Income Bank.
GREATER than the Income Free Area, but less than or equal to the Student Income Bank credit,	subtract the Income Free Area from the income to determine the reduction for income;	subtract the reduction for income from BOTH the Student or Australian Apprentice Income Bank credit AND the ordinary income. The effect is that there is no ordinary income for the fortnight.
greater than BOTH the Income Free Area AND the Student Income Bank credit,	subtract the Student or Australian Apprentice Income Bank credit from the income to determine the Student or Australian Apprentice Income Bank debit;	reduce the Student or Australian Apprentice Income Bank credit to zero. Living Allowance is reduced in accordance with the personal income test tapers.

61.5 Carryover of Working Credits to Student or Australian Apprentice Income Bank

Customers transferring from an Australian Government payment eligible for Working Credit to ABSTUDY are able to transfer their Working Credit balance to their Student or Australian Apprentice Income Bank. The maximum Working Credit balance is \$1000.

1 Working credit = \$1 Student or Australian Apprentice Income Bank

The following table list all the possible carryover situations.

Customer Situation	Carryover
A customer transfers from a social security pension or benefit that has access to working credit to ABSTUDY Living Allowance.	Unused working credit becomes new Student or Australian Apprentice Income Bank opening balance.
A customer ceases a social security pension or benefit that has access to working credit and after a break of no more than 12 months commences ABSTUDY Living Allowance.	Unused working credit becomes new Student or Australian Apprentice Income Bank opening balance.

Note: there is no provision to carry over Student or Australian Apprentice Income Bank balance credits between Youth Allowance, Austudy and ABSTUDY. Customers transferring from ABSTUDY to a payment attracting Working Credit can carry over a balance of up to \$1000 of Income Bank credits to their Working Credit balance.

Chapter 62: Compensation

This chapter discusses the effect of compensation on ABSTUDY.

In this chapter:

- [62.1 Compensation not affecting ABSTUDY entitlements](#)
- [62.2 Compensation affecting ABSTUDY entitlements](#)

62.1 Compensation not affecting ABSTUDY entitlements

The following payments, ordinarily considered to be compensatory in nature, are not assessed as either income or assets for ABSTUDY purposes:

- compensation payments made for criminal injuries, discrimination or workplace harassment;
- compensation for non-economic loss;
- compensation paid on death; and
- compensation for war injuries.

Note: Indigenous people who were employed under the former Community Wages Scheme on Queensland settlements and reserves between 1975 and 1986, have been awarded compensation with a one off payment of \$7000. For ABSTUDY purposes this payment is not to be included for any ABSTUDY means tests.

62.2 Compensation affecting ABSTUDY entitlements

The following compensation payments affect ABSTUDY entitlements:

- lump sum personal injury compensation for economic loss; and
- periodic personal injury compensation for economic loss.

62.2.1 Treatment of lump sum compensation payments

Taxable lump sum compensation payments are regarded for ABSTUDY purposes as the assets of the person to whom the compensation payment was made.

Non-taxable lump sum compensation payments are not regarded as an asset for ABSTUDY purposes.

62.2.2 Treatment of ongoing compensation payments

Taxable compensation payments that are made on an ongoing and regular basis are regarded for ABSTUDY purposes as the income of the person to whom the compensation payments are made:

- ongoing taxable compensation payments made to the [parent](#) are included as a component of parental income under the [Parental Income Test](#).
- ongoing taxable compensation payments made to the student or [Partner](#) are included as a component of ordinary income under the [Personal Income Test](#) and [Partner Income Test](#).

Exception: Where a student or [Australian Apprentice](#) has a partner who is in receipt of an Australian Government payment where the rate of that payment has been calculated on the basis of the student or Australian Apprentice being in receipt of a compensation payment, the compensation payment should not affect the student's or Australian Apprentice's ABSTUDY. Where a student or Australian Apprentice has a partner who is serving a Compensation Preclusion Period and that preclusion period cannot be adjusted to take into account any effect on the student's or Australian Apprentice's ABSTUDY payments, the compensation payment should not affect the student's or Australian Apprentice's ABSTUDY.

Non-taxable compensation payments that are made on an ongoing and regular basis are disregarded for ABSTUDY purposes.

Chapter 63: Assets Tests

This chapter describes how to assess assets for the purposes of the Personal Assets Test.

In this chapter:

- [63.1 Definition of assets](#)
- [63.2 Assessing the value of assets](#)
- [63.3 Assessing compensation and insurance payments](#)
- [63.4 Assessing the principal home](#)
- [63.5 Disposal of an asset](#)
- [63.6 Assets hardship provisions](#)
- [63.7 Coronavirus pandemic temporary suspension of assets testing](#)

63.1 Definition of assets

For the purposes of the ABSTUDY Personal Assets Test, a person's assets include the following items.

- Personal effects and household contents such as:
 - clothing;
 - jewellery;
 - hobby collections;
 - furniture;
 - paintings and works of art;
 - soft furnishings; and
 - electrical appliances other than fixtures such as stoves and built in items;
- Motor vehicles, caravans and boats;
- Real estate including holiday homes;
- Businesses and farms;
- Surrender value of life insurance policies;
- Financial investments including:
 - cash;
 - bank, building society and credit union accounts;
 - term deposits;
 - bonds and debentures;
 - managed investments;
 - listed shares and securities;
 - loans to family trusts, family members or organisations;
 - trust and company assets that would have been attributed to the person or their partner if Part 3.18 of the SSA (means test treatment of private companies and private trusts) applied to ABSTUDY;
 - amounts disposed of without adequate financial return;

- gifts above \$10,000 in a single financial year, or gifts exceeding \$30,000 over a five financial year rolling period (on or after 1 July 2002);
- bullion;
- investments in superannuation funds, approved deposit funds and deferred annuities after age pension age);
- asset tested income stream (short term) products; and
- asset tested income stream (long term) products;
- Accommodation bonds for hostels;
- Entry Contributions to retirement villages IF less than the [extra allowable amount](#) at time of entry.

All assets other than those specified as exempt at 63.1.1 are assessable.

63.1.1 Exempt assets

The following assets are exempt from consideration under the Personal Assets Test:

- certain compensation and insurance payments;
- principal home;pre-paid funeral expenses and cemetery plots;
- up to two funeral bonds if:
 - if they have no pre-paid funeral expenses, and
 - the purchase amount does not exceed the [Indexed Funeral Bond Allowable Limit \(IFBAL\)](#);
- the value of any purchases or modifications (e.g. to care or home) to accommodate the disability of a member of the ABSTUDY customer's family;
- care provided under the Commonwealth gift car scheme;
- medals and decorations awarded for valour;
- the value of any Native Title right(s) or interests of the person, or of the community of which the customer is a member. This does not include any right or interest in a lease or licence, or in a freehold estate;
- superannuation and/or rollover investment(s) where the person has not yet attained age pension age;
- payments received under the Compensation (Japanese Internment) Act 2001;
- Entry Contributions to retirement villages IF more than the [extra allowable amount](#) at time of entry; and
- home equity conversion loan amount are NOT income and are exempt from income test, however, if the student/Australian Apprentice uses the funds to purchase shares or a caravan, these items should be assessed as assets.

63.1.1.1 Compensation and insurance payments

Compensation and insurance payments received by a customer for damage to buildings, plant or personal effects are exempt assets for 12 months from the date that the payment was received.

See [Chapter 62: Compensation](#) for more information about the treatment of assets.

63.2 Assessing the value of assets

Assets are generally assessed at their net market value. The net market value is the amount you would expect to receive if you sold the asset on the open market, less any valid debts or encumbrances.

63.2.1 Co-owned Assets

If the asset is owned with another person, the asset value for a customer is determined using their proportion of their interest in the asset.

63.2.2 Customer's estimate of asset value

The customer's estimate of the asset value is accepted as reasonable unless it appears that the value has been understated AND the value is likely to affect the customer's payment.

63.3 Assessing compensation and insurance payments

Lump sum compensation payments are assessed as assets in some circumstances.

63.3.1 Lump sum compensation for personal injury

A lump sum compensation payment paid to a customer for personal injury is included as an asset under the [Personal Assets Test](#).

63.3.2 Lump sum compensation for damage to buildings, plant or personal effects

Compensation and insurance payments received by a customer for damage to buildings, plant or personal effects are exempt assets for 12 months from the date that the payment was received.

63.3.2.1 Extension of exemption from assets test

The 12 months exemption can be extended if the customer can demonstrate:

- that they had a genuine intention to spend the payment within 12 months; BUT
- were unable to for reasons beyond their control.

63.4 Principal home

63.4.1 Defining the principal home

The principal home is generally the home in which a customer or couple lives for the greatest amount of time each year.

63.4.2 Assessing the principal home

The principal home, including adjacent land, is an exempt asset, regardless of its value. Adjacent land is the private land surrounding the principal home that is held under the same title document.

The maximum amount of land adjacent to the principal home that can be exempted under the private land use test is two hectares.

If the principal home is a dwelling-house, the land adjacent must be:

- held on the same title document; and
- must be used primarily for private or domestic purposes.

If the principal home is a flat or home units – a garage or storeroom, the land adjacent must be used primarily for private or domestic purposes in association with the flat or home unit.

The land is considered private if it is:

- not primarily used for commercial purposes; or
- overgrown, vacant or unused land; or
- land occasionally used for commercial purposes.

63.4.2.1 Customer operates a business from their principal home

If part of the property is used for both business and domestic purposes, then this part of the property is considered part of the principal home and is therefore exempt.

If there are distinct areas of the property used for business purposes, these areas are not part of the principal home and are therefore not exempt.

63.4.2.2 Defining the principal home – self-contained living areas (granny flats)

If a home contains a self-contained living area that is vacant or let to a near relative, then the area is considered part of the customer's principal home. If a home contains a self-contained living area that is let to a person other than a near relative, the area is not considered part of the customer's principal home.

63.4.2.3 Customer owns more than one home

If a customer or their [partner](#) has more than one home, their principal home is the one in which they spend the greatest amount of time, unless they spend the same amount of time in each of them, in which case the most expensive home is defined as the principal home.

The property that is not the principal home is assessed as an asset even when the customer or their partner are living in the property.

If a customer or their partner spends a considerable amount of time in a home they do not own, the home they own is the principal home.

63.4.2.4 Proceeds from selling the principal home

If a customer sells their principal home and is likely to use the proceeds within 12 months to purchase another home, the portion of the proceeds that will be used to acquire another home are exempt from the assets test for up to 12 months from the date of sale. The customer continues to be assessed as a homeowner during this period.

If the proceeds of the sale are used to purchase assets that will be used to construct a home, such as land and building materials, this is exempt from the assets test.

63.4.2.5 Exemption of principal home sale proceeds beyond 12 months

From 1 July 2007, if the recipient has not been able to purchase, build, rebuild, repair, or renovate a new principal home within 12 months, the principal home sale proceeds can be exempt from the assets test for up to 24 months, subject to the ABSTUDY recipient meeting certain criteria.

An ABSTUDY recipient can only gain a principal home sale proceeds exemption for up to 24 months from 1 July 2007. This includes the original 12 months and up to a further 12 months extended exemption.

To gain an extended principal home sale proceeds exemption for up to 24 months the recipient must have a continuing intention to apply the proceeds of the sale to purchase, build, rebuild, repair or renovate a new principal home and must have:

- made reasonable attempts to purchase, build, rebuild, repair or renovate their new principal home; and
- been making those attempts within a reasonable period after selling the principal home; and
- experienced delays beyond their control in purchasing, building, rebuilding, repairing or renovating their new principal home.

The recipient will be required to provide documentary evidence when the extended exemption period is being requested to satisfy they have been making reasonable attempts.

Exception: In special circumstances a recipient may be considered to be making reasonable attempts to purchase, build, rebuild, repair, or renovate their new principal home if they have been unable to enter some form of an agreement. These circumstances include where the income support recipient has:

- experienced delays relating to the purchase, construction, rebuilding, repair or renovation of the new principal home such as delays in gaining building approval from the local government authority; or
- been absent from the place they intend to purchase, build, rebuild, repair or renovate their new home due to reasons beyond their control; or
- had changes in health that have had a major bearing on the individual's circumstances, such as being hospitalised for a period of time; or
- been unable to gain a commitment/enter into an agreement with a builder because demands in the building industry are stretched in a particular area.

The recipient will be required to provide documentary evidence for special circumstances to apply. If a recipient has NOT made attempts within a reasonable period, i.e. six months from the date of sale, the extended exemption CANNOT apply.

The extended principal home sale proceeds exemption ends when either:

- the ABSTUDY recipient ceases to have an intention to apply the proceeds; or
- a new principal home is purchased, or the building, rebuilding, repair or renovation of the new principal home is complete; or
- the determined extended time period expires, whichever occurs first.

63.4.2.6 Existing recipients whose principal home sale proceeds assets test exemption expired prior to 1 July 2007

ABSTUDY recipients whose 12 month principal home sale proceeds exemption period expired prior to 1 July 2007 CANNOT gain an assets test exemption for the period between when their exemption ceased and the extended exemption came into effect (1 July 2007).

If, on 1 July 2007, the ABSTUDY recipient is still in the process of purchasing, building, repairing, rebuilding or renovating a new principal home they can request an extended assets test exemption. If the recipient meets the criterion the extended exemption can only apply from 1 July 2007 and when the new home is anticipated to be purchased, built, repaired, rebuilt or renovated.

63.5 Disposal of an asset

Where an asset has been disposed of, the value of that asset may still be considered under the [Personal Assets Test](#). For this provision to apply, it must be shown that a customer has destroyed or diminished the value of an asset.

A customer is considered to have disposed of an asset when they:

- engage in a course of conduct that destroys, disposes of or diminishes the value of their assets; and
- do not receive adequate financial consideration in exchange for that asset.

This provision does not apply where special or unusual circumstances necessitated the quick sale of an asset.

63.5.1 Allowable disposal free areas for assets

The allowable disposal free areas for assets for both single and [partnered](#) customers are:

- \$10,000 per financial year; and
- \$30,000 over any rolling 5 financial year period.

Only the amounts disposed of in excess of the disposal free areas are assessable under the assets tests.

63.6 Assets hardship provisions

For details of assets hardship provisions, see:

- [Personal Assets Test](#).

63.7 Coronavirus pandemic temporary suspension of assets testing

For a temporary period commencing 25 March 2020 and ending 24 September 2020, the Personal Assets Test does NOT apply in assessing applications for ABSTUDY and in determining a student's or Australian Apprentice's entitlement to ABSTUDY allowances. This is part of the Australian Government's response to the global coronavirus pandemic.

The Personal Assets Test will be reinstated from 25 September 2020.

Current Income Testing arrangements for ABSTUDY allowances continue to apply.

Chapter 64: [Deleted chapter]

Chapter 65: Personal Assets Test and Limits

This chapter describes the Personal Assets Test that is applied when determining an independent student's or [Australian Apprentice's](#) entitlement to certain ABSTUDY allowances.

In this chapter:

- [65.1 Exemptions from the Personal Assets Test](#)
- [65.2 The Personal Assets Test](#)
- [65.3 Assets hardship provisions](#)

65.1 Exemptions from the Personal Assets Test

The personal assets test does NOT apply to:

- [dependent students/apprentices](#); OR
- farm assets if the student/apprentice or their [partner](#) has a current drought relief exceptional circumstances certificate; OR
- where the [Coronavirus pandemic temporary suspension of assets testing](#) is applicable.

65.2 The Personal Assets Test

ABSTUDY [Living Allowance](#) is not payable if the combined assets of the student/apprentice and [partner](#), if the student/apprentice is partnered, exceed the personal assets test limits.

Different limits apply depending on whether the student/apprentice is single or [partnered](#), and whether the student/apprentice is a homeowner or non-homeowner—refer to the Assets test limits for allowances in [A guide to Australian Government payments](#).

65.2.1 Definition of a homeowner

A homeowner is a student/apprentice who has, or whose partner has:

- a right or interest in the place they occupy; AND
- the right or interest gives them reasonable security of tenure.

A student/apprentice who has sold their principal home is still a homeowner if:

- the principal home was sold in the last 12 months; AND
- the customer intends to use some or all of the proceeds to acquire another principal home within 12 months.

65.2.2 Definition of a non-homeowner

A student/apprentice is a non-homeowner if they cannot be defined as a homeowner. Students/apprentices who are non-homeowners can have a higher value of assets before considered ineligible for means-tested benefits.

65.3 Assets hardship provisions

Assets hardship provisions can apply where the student/apprentice is:

- in severe financial hardship; AND
- unable to sell or borrow against an asset.

In these circumstances, the student/apprentice and [Partner](#)'s assets can be disregarded for the purposes of the Personal Assets Test.

Chapter 66: [Deleted chapter]

Chapter 67: [Deleted chapter]

Chapter 68: [Deleted chapter]

Chapter 69: [Deleted chapter]

Chapter 70: [Deleted chapter]

Part VIII Allowances and Benefits

Chapter 71: Overview of Living Allowance

This chapter provides an overview of Living Allowance qualification and payments.

In this chapter:

- [71.1 Purpose of Living Allowance](#)
- [71.2 Qualification for Living Allowance](#)
- [71.3 Payment of Living Allowance for students at the secondary non-school, tertiary, or Masters & Doctorate level and Australian Apprentices at the Tertiary Level](#)
- [71.4 Payment of Living Allowance for secondary school students who are not approved to live away from home](#)
- [71.5 Payment of Living Allowance for secondary school students approved to live away from home](#)
- [71.6 Weekly Payments](#)
- [71.7 Payee for Living Allowance](#)
- [71.8 Taxation status](#)
- [71.9 Overpayments](#)

71.1 Purpose of Living Allowance

Living Allowance is for assistance in meeting the day-to-day living costs of the student or Australian Apprentice.

71.2 Qualification for Living Allowance

Students on the following ABSTUDY Awards may qualify for Living Allowance:

- [Schooling B Award](#);
- [Tertiary Award](#); or
- [Masters and Doctorate Award](#).

Australian Apprentices may qualify for Living Allowance under the Tertiary Award.

71.2.1 Other income support

A student or Australian Apprentice cannot receive ABSTUDY Living Allowance and other Australian Government [income support](#) at the same time. See [12.1 Income Support](#).

71.2.2 Away from Base assistance

Some students eligible for Away from Base assistance may also qualify for Living Allowance for a short period. Different rules apply to payment of Living Allowance for these students. See [Chapter 92: Away from Base Assistance](#).

71.3 Payment of Living Allowance for students at the secondary non-school, tertiary, or Masters & Doctorate level and Australian Apprentices at the Tertiary Level

71.3.1 Payment frequency

Payments of Living Allowance in respect of Australian Apprentices or students who are studying at the secondary non-school, tertiary, or Masters & Doctorate level are calculated on a daily rate, and made fortnightly in arrears. In certain circumstances as set out in [71.6](#), payments may be paid weekly.

71.3.1.1 Advance payments

Advance payments of Living Allowance may be made in accordance with the provisions set out in [Chapter 75](#).

71.3.1.2 Residential Costs Option

Where a student has opted for the [Residential Costs Option](#), the reduced Living Allowance payments are made fortnightly/weekly in arrears.

71.4 Payment of Living Allowance for secondary school students who are not approved to live away from home

71.4.1 Payment frequency

Payments of Living Allowance in respect of secondary school students who are not approved for away from home entitlements are calculated on a daily rate, and made fortnightly in arrears. In certain circumstances as set out in [71.6](#), payments may be paid weekly.

71.4.1.1 Advance payments

Advance payments of Living Allowance may be made in accordance with the provisions set out in [Chapter 75](#).

71.5 Payment of Living Allowance for secondary school students approved to live away from home

The payment method and frequency for Living Allowance for secondary school students approved to live away from home depends on whether the student is either:

- boarding at a boarding school; or
- boarding at a hostel that is a signatory to the Standard Hostels Agreement; or
- boarding at a hostel that is NOT a signatory to the Standard Hostels Agreement; or
- boarding in a private board arrangement.

ABSTUDY assistance cannot be provided for out-of term accommodation where a student is unable to return home during a term break as it is expected that schools and boarding providers will have contingency plans for such occasions.

71.5.1 Secondary school student boarding at a boarding school, or at a hostel that is a signatory to the Standard Hostels Agreement

The student's entitlement for the whole calendar year is used to help meet the annual amounts charged by the school and/or hostel for board, even though the entitlement may relate to periods prior to or after the school year.

These entitlements are calculated on a daily rate. Payments are made in a combination of instalments and fortnightly in arrears, depending on the student's entitlement and the board amount charged by the school/hostel.

71.5.1.1 Amounts paid as instalments

Payments are made, direct to the school/hostel, in two instalments for each school term period. As the actual start and end dates of school term periods vary each year, the following periods are used to standardise the school term periods for delivery of payments:

Term 1 01 January – 31 March;

Term 2 01 April – 30 June;

Term 3 01 July – 30 September;

Term 4 01 October – 31 December.

Payments are made as two instalments for each school term. The first instalment in a term comprises the daily entitlement for each of the first 50% of the days in the term period, and the second instalment comprises the daily entitlement for each of the latter 50% of days in the term period. For term periods with an uneven number of days, the second instalment contains the extra day of entitlement.

Where a student/boarder changes school/hostel partway through a term, each school/hostel will only be eligible for the daily entitlement for days they are a student/boarder at each school/hostel. It is the school/hostels responsibility to inform [Centrelink](#) as soon as possible that a student/boarder has left or not recommenced. If a school/hostel does not notify Centrelink as soon as possible, they will be responsible for any overpayments, see [Chapter 3](#).

These payments are made on a pro-rata basis for the lower of:

- the student's maximum combined annual entitlement of [Rent Assistance](#), [Remote Area Allowance](#), Living Allowance, and unused Group 2 School Fees Allowance that has been transferred to meet board costs under the provisions set out in [85.8](#), or
- the annual amount of Rent Assistance, Remote Area Allowance, Living Allowance, and unused Group 2 School Fees Allowance that has been transferred to meet board costs under the provisions set out in [85.8](#) determined in that order, that is required to meet the value of the board amount charged by the school/hostel.

71.5.1.2 Amounts paid fortnightly in arrears to student or parent

Payments are made to the payee identified in 71.7.1, fortnightly in arrears, only where the student's maximum combined annual entitlement of Rent Assistance, Remote Area Allowance, Living Allowance exceeds the board costs charged by the boarding school/hostel. In these circumstances, the difference between the maximum combined annual entitlement of Rent Assistance, Remote Area Allowance, Living Allowance and the annual board costs is paid.

In certain circumstances as set out in 71.6, payments may be paid weekly.

71.5.1.3 Disparity in boarding fees

Fees levied for ABSTUDY students must be at the same level as those set for non-ABSTUDY students at the same boarding school or hostel.

71.5.2 Secondary school student boarding at a hostel that is NOT a signatory to the Standard Hostels Agreement

The student's entitlement for the whole calendar year is used to help meet the annual amounts charged by the hostel for board, even though the entitlement may relate to periods prior to or after the school year.

These entitlements are calculated on a daily rate. Payments are made fortnightly in arrears to the hostel, and in some circumstances also to the payee identified in 71.7.1, depending on the student's entitlement and the board amount charged by the hostel.

71.5.2.1 Amounts paid fortnightly in arrears to hostel

Payments are made direct to the hostel, fortnightly in arrears, on a pro-rata basis for the lower of:

- the student's maximum combined annual entitlement of Rent Assistance, Remote Area Allowance and Living Allowance; or
- the annual amount of Rent Assistance, Remote Area Allowance and Living Allowance, determined in that order, that is required to meet the value of the board amount charged by the hostel.

71.5.2.2 Amounts paid fortnightly in arrears to the student or payee

Payments are made to the payee identified in 71.7.1, on a fortnightly in arrears basis, only where the student's maximum combined annual entitlement of Rent Assistance, Remote Area Allowance and Living Allowance exceeds the board costs charged by the hostel. In these circumstances, the difference between the maximum combined annual entitlement of Rent Assistance, Remote Area Allowance and Living Allowance and the annual board costs is paid.

71.5.2.3 Disparity in boarding fees

Fees levied for ABSTUDY students must be at the same level as those set for non-ABSTUDY students at the same hostel.

71.5.3 Secondary school student boarding in a private board arrangement

A student is considered to board in a private board arrangement if a provider other than a boarding school or hostel provides them with board and lodgings during the school term.

71.5.3.1 Payment frequency

Payments of Living Allowance in respect of secondary school students who are boarding in a private board arrangement are made fortnightly in arrears.

71.5.3.2 Advance payments

Advance payments of Living Allowance may be made in accordance with the provisions set out in [Chapter 75](#).

71.6 Weekly Payments

Where some or all of a student's Living Allowance entitlement is being paid fortnightly in arrears, the student may, in certain circumstances, be able to receive these payments on a weekly basis.

Receiving ABSTUDY Living Allowance on a weekly basis is voluntary. Weekly payments are specifically targeted to those recipients who are financially vulnerable and will only be offered to these people.

[Centrelink](#) will work with these people to assess their needs and offer weekly payments in conjunction with a suite of Centrelink support services including Centrepay and referrals to welfare providers, housing authorities, social workers and youth agencies.

71.6.1 Assessment of eligibility for weekly payment

Payments may be made weekly where the following conditions are met:

- the student is the payee; and
- special circumstances exist that would make it beneficial for the student to receive weekly payments. These include:
 - a person has considerable difficulty in managing their finances on a fortnightly basis and would benefit from receiving payments on a weekly basis;
 - a person is at risk of homelessness and has issues of vulnerability and significant disadvantage and would benefit from receiving payments on a weekly basis; and/or
 - a person is homeless.

When determining eligibility for weekly payment, all of the circumstances of the individual should be taken into account. To assist in making this determination, the decision maker should also take into account the following indicators which may identify that the person would benefit from receiving their Living Allowance on a weekly basis.

Not all indicators need to be present:

- Centrelink Homelessness indicator recorded;
- one of the following DSS Vulnerability Indicators recorded:
 - psychiatric problems or mental illness;
 - cognitive or neurological impairment;
 - drug/alcohol dependent, severe enough to impede compliance;
 - homelessness;
 - recent traumatic relationship breakdown, particularly if domestic violence was involved;
- evicted or facing eviction from place of residence including rental arrears;
- recent traumatic relationship breakdown, particularly if domestic and/or family violence was involved;
- the person, the person's partner, or a dependent child of the person has a diagnosed mental illness, acquired brain injury or acute cognitive impairment;
- the person or the person's partner has a gambling, substance or alcohol dependence that is severe enough to impede the person from managing their finances on a fortnightly basis;
- ongoing budgeting difficulty with fortnightly payment arrangements;
- sought advance, urgent or crisis payment in the past six months;
- unforeseen event that substantially reduces income or requires significant additional expenditure.

Note: Weekly payments are to be offered in conjunction with other services and referrals as appropriate (for example, services such as drug rehabilitation or domestic violence counselling).

71.6.2 Other eligibility issues

People who have their payments income managed are ineligible for weekly payments. People receiving weekly payments are ineligible for emergency payments. Rent Assistance is paid as part of the primary payment. As such, if the payment is able to be paid weekly, then the rent assistance component will also be paid weekly.

71.6.3 Review of weekly payment

Centrelink will conduct regular reviews of the person receiving weekly payments. The frequency of the review will depend on the person's circumstances. Twelve months will be the maximum period for a person to receive weekly payments without a review.

71.7 Payee for Living Allowance

71.7.1 Payee for fortnightly payments of Living Allowance

Where Living Allowance is being paid fortnightly, payments are to be made to the payee designated in the following table:

If...	then...
<p>the student or Australian Apprentice is in one or more of the following categories:</p> <p>studying at a secondary non-school, tertiary or Masters & Doctorate level; OR</p> <p>undertaking an Australian Apprenticeship; OR</p> <p>18 years old or over; OR</p> <p>has Independent status</p>	<p>the payee is the student or Australian Apprentice</p>
<p>the student is 16-17 years old AND a secondary school student AND has dependent status...</p>	<p>the payee is:</p> <p>the parent; OR</p> <p>the private board provider, if requested by the parent; OR</p> <p>the student, if requested by the parent; OR</p> <p>the student, if the student is not benefiting from the allowance because the parent uses it for other purposes e.g. gambling, alcohol.</p>
<p>the student is under 16 years old AND a secondary school student AND has dependent status.</p>	<p>the payee is:</p> <p>is the parent; or</p> <p>the boarding school, if requested by the parent; or</p> <p>the private board provider, if requested by the parent; or</p> <p>the boarding hostel that is a signatory to the Standard Hostels Agreement, if requested by the parent.</p>

71.7.1.1 Payee where student boarding at a hostel that is not a signatory to the Standard Hostels Agreement

Where the student is boarding at a hostel that is not a signatory to the [Standard Hostels Agreement](#), payments must be made on a fortnightly in arrears basis direct to the hostel for the amount determined at 71.5.2.1.

71.7.2 Payee for instalments of Living Allowance

Where Living Allowance is being paid on an instalment basis under the provisions of [71.5.1](#), payments must be made directly to the boarding school or hostel for the amount determined at 71.5.1.

71.7.3 Payee for Residential Costs Option

Where a student has opted for the [Residential Costs Option](#), payments of residential costs are to be made direct to the residential college or hostel. For fortnightly Living Allowance payments made under the Residential Costs Option, the provisions in 71.7.1 apply.

71.8 Taxation status

For details of the tax status of Living Allowance, refer to [Chapter 5: Taxation](#).

71.9 Overpayments

Where payments in excess of entitlement have occurred, refer to [Chapter 3: Overpayment and Recovery of Allowances](#) to determine what is a recoverable debt and from whom this amount should be recovered.

Chapter 72: ABSTUDY Living Allowance Rates

This chapter discusses the rates of Living Allowance and the circumstances that may affect these basic rates.

In this chapter:

- [72.1 Indexation of Living Allowance rates](#)
- [72.2 Circumstances affecting rate of Living Allowance](#)

72.1 Indexation of Living Allowance rates

[Living Allowance](#) rates are subject to Consumer Price Index (CPI) changes each year. Maximum rates for [students](#) and [Australian Apprentices](#) 22 years and over are indexed by the CPI on 20 March and 20 September. Maximum rates for students and Australian Apprentices under 22 years are indexed at 1 January each year.

For details of Living Allowance rates, see [A guide to Australian Government payments](#).

72.2 Circumstances affecting rate of Living Allowance

There are a number of different rates of ABSTUDY Living Allowance, depending on the following circumstances:

- [student's or Australian Apprentice's age](#);
- [dependent or independent status](#);
- [in State Care](#) (supported or unsupported);
- [living in the parental home](#);
- [partnered or single](#);
- [with or without dependent children](#);
- [qualification for the Masters and Doctorate Award](#);
- [qualification for the Maintained Rate of payment](#);
- [qualification for Youth Disability Supplement](#).

For details of Living Allowance rates, see *A guide to Australian Government payments*. *A guide to Australian Government payments* gives details of the payment rates and eligibility criteria for all payments made by Services Australia.

These basic rates may then be affected by the [income tests](#).

If a student or Australian Apprentice's Living Allowance reduces to a nil rate, because of income, made up entirely or partly of employment income (personal and partner), they will be considered to be receiving ABSTUDY and remain qualified for an [automatic Health Care Card \(HCC\)](#) for 12 weeks after the end of the instalment period in which the person ceases to receive their Living Allowance, unless the following temporary extension applies:

- If the 12 week nil rate period that applies to a student ends between 22 June 2020 and 16 November 2020, then that nil rate period is extended for that student until 16 November 2020. The student will continue to remain eligible for the HCC during this extended period.

Students lose qualification for the HCC if they cease studying during a nil rate period.

These arrangements align with section 1061ZMA of the [Social Security Act 1991](#) and the Social Security (Coronavirus Economic Response—2020 Measures No. 13) Determination 2020.

72.2.1 Age of student or Australian Apprentice

Different rates of Living Allowance apply depending upon the student's or Australian Apprentice's age. For the purposes of determining the rate of Living Allowance on a given day, the student's or Australian Apprentice's age is their age on that day.

72.2.2 Dependent and Independent status

Different rates of Living Allowance apply depending upon whether the student or Australian Apprentice is considered Dependent or Independent for ABSTUDY purposes. See [Chapter 24: Introduction to Dependent Status](#) and [Chapter 37: Overview of Independent Status](#).

72.2.3 In State Care (supported or unsupported)

Students or Australian Apprentices in State Care may qualify for Living Allowance at either the maximum standard (at home) rate or the away from home rate, depending on:

- whether the student or Australian Apprentice has reached the minimum school leaving age for their State or Territory;
- whether their carer receives a regular foster care allowance for the student's or Australian Apprentice's upkeep; and
- whether the student or Australian Apprentice meets the conditions for approval of the Away From Home rate of ABSTUDY.

For details, refer to [Chapter 45: Students or Australian Apprentices in State Care](#).

72.2.4 Living in the parental home

The rate of Living Allowance payable for both [dependent](#) and [independent](#) students and Australian Apprentices can be affected by whether or not the student or Australian Apprentice lives in the parental home.

72.2.4.1 Dependent students and Australian Apprentices aged less than 16 years

Dependent students and Australian Apprentices aged less than 16 years who live away from home and meet the conditions for approval of the Away from Home rate can qualify for Living Allowance under the [Schooling B Award](#) or the [Tertiary Award](#). See [Chapter 25: Eligibility for Away from Home Entitlements](#).

For dependent students aged less than 16 years who either live at home, or live away from home but do not meet the conditions for approval of the Away From Home rate, Living Allowance is not payable. See instead the [Schooling A Award](#).

For dependent Australian Apprentices aged less than 16 years who live at home, or live away from home but do not meet the conditions for approval of the Away From Home rate, Living Allowance at the standard (at home rate) is payable under the Tertiary Award.

72.2.4.2 Dependent students and Australian Apprentices aged 16 years or over

The basic rate of Living Allowance for a dependent student and Australian Apprentice aged 16 years or over is the standard (at home) rate. A higher rate of payment is available to those students and Australian Apprentices who meet the conditions for approval of the Away from Home rate. See [Chapter 25: Eligibility for Away from Home Entitlements](#).

72.2.4.3 Independent students or Australian Apprentices living in the parental home

Where an independent student or Australian Apprentice lives in the parental home and is considered an “accommodated independent person”, they are entitled to the lower at-home Independent rates of Living Allowance.

A student or Australian Apprentice is considered to be an accommodated independent person where they are:

- independent; and
- living at the home of either or both of their parents; and
- 21 years of age or under; and
- not a person who:
 - is or has been married or in a [registered relationship](#); or
 - has or has had a [dependent child](#); or
 - is in a de facto relationship and both the student/Australian Apprentice and the partner are over the age of consent in the State or Territory in which they live which is of at least six months duration; or
 - is 16 years of age or over and currently living in an Aboriginal community after previously being adopted or fostered by a non-Aboriginal family for more than two years; or
 - currently has the care or custody of another person’s dependent child or dependent student or Australian Apprentice.

Independent students or Australian Apprentices who are not considered an accommodated independent person qualify for the standard rate for their circumstances.

72.2.5 Partnered or single status

Different rates of Living Allowance apply depending upon whether the student or Australian Apprentice is considered partnered or single for ABSTUDY purposes.

72.2.5.1 Illness separated couple

A [partnered](#) ABSTUDY customer can receive a rate of Living Allowance equivalent to the single rate where they are a member of an illness separated couple. A person is a member of an illness separated couple if:

- they are unable to live together in a their home as a result of the illness or infirmity of either or both of them; and
- because of that inability to live together, their living expenses are, or are likely to be, greater than they would otherwise be; and
- that inability is likely to continue indefinitely.

72.2.5.2 Respite care couple

A partnered ABSTUDY customer can receive a rate of Living Allowance equivalent to the single rate where they are a member of a respite care couple. A person is a member of a respite care couple if:

- one of the members of the couple has entered respite care; and
- the member who has entered the approved respite care has remained, or is likely to remain, in that care for at least 14 consecutive days.

For ABSTUDY purposes, a person is in **approved respite care** on a particular day if the person is eligible for a respite care supplement in respect of that day under section 44-12 of the *Aged Care Act 1997*.

72.2.5.3 Partner in gaol

A partnered ABSTUDY customer can receive a rate of Living Allowance equivalent to the single rate where they have a partner in gaol. A person is considered to have a partner in gaol if the person's partner is:

- in gaol; or
- undergoing psychiatric confinement because the partner has been charged with committing an offence.

72.2.6 Dependent children rate

The rates of Living Allowance available to independent students or Australian Apprentices (sole parent or partnered) who have dependent children can be paid to a student or Australian Apprentice who:

- has a dependent child or dependent student/Australian Apprentice in their care; or
- shares custody and financial responsibility of a child, if the child lives with that parent for at least half the week.

72.2.7 Masters and Doctorate rate of Living Allowance

Full-time or [concessional study-load](#) students approved for the [Masters and Doctorate Award](#) receive a higher rate of Living Allowance that is aligned with the base stipend rate of the Australian Government Research Training Program (RTP). This rate is not affected by age, or whether the student has a partner and/or dependent children.

72.2.8 Maintained Rate for Students aged 21 years at 30 June 2012

An ABSTUDY Living Allowance recipient is entitled to maintain the higher pre-July 2012 21+ rate of ABSTUDY Living Allowance where they are aged 21 at 30 June 2012 and was in receipt of the ABSTUDY 21+ rate of Living Allowance on 30 June 2012.

Newstart Allowance recipients at 30 June 2012 who are 21 years of age at 30 June 2012 who transfer directly to ABSTUDY Living Allowance maintain the pre-July 2012 higher rate of ABSTUDY 21+ Living Allowance so as to not create a disincentive to undertake full-time study.

The amount of entitlement payable continues to be assessed against the income tests as applicable to the recipients circumstances.

72.2.9 Qualification for Youth Disability Supplement

The Youth Disability Supplement is an income supplement paid to young people with disabilities recognising additional costs associated with their physical, intellectual and psychiatric disabilities.

The Youth Disability Supplement is payable to ABSTUDY Living Allowance recipients aged under 22 years and assessed by a [Job Capacity Assessment](#) as having a [partial capacity to work](#).

The rate payable to a person on ABSTUDY who is under 22 years of age cannot exceed the rate payable to an ABSTUDY customer who is aged 21 years or over, therefore the rates payable to single customers living away from home, single customers with children and to partnered customers are limited to the equivalent common benefit rates (JobSeeker Payment rate). For details of Youth Disability Supplement rate see [A guide to Australian Government payments](#).

The Youth Disability Supplement is a fortnightly entitlement and is indexed annually in line with CPI increases.

Chapter 73: Living Allowance entitlement periods

This chapter describes the period for which ABSTUDY Living Allowance is paid, and the circumstances that may affect this.

In this chapter:

- [73.1 Period of entitlement](#)
- [73.2 Circumstances affecting commencement of entitlement](#)
- [73.3 Circumstances affecting cessation of entitlement](#)
- [73.4 Continuation of entitlement during vacation periods](#)
- [73.5 Entitlement during gaps between courses](#)

73.1 Period of entitlement

Where a student is undertaking approved study, unless one or more of the circumstances listed at [73.1.2](#) apply, the normal period of [Living Allowance](#) entitlement is:

- for secondary school students, from 1 January to 31 December of that year; or
- for tertiary and secondary non-school students, from the first day to the last day of the approved course.
 - for these purposes, the first day of the course is the earlier of the following:
 - the first day of attendance at classes in the course; or
 - for external students, the first day of the enrolment period.
 - for these purposes, the last day of the course will be the later of the following:
 - the last day of the academic year/study period for that course; or
 - for external students, the last day of the enrolment period; or
 - the date of the last examination.

For [Australian Apprentices](#) undertaking an apprenticeship, traineeship or trainee apprenticeship, the normal period of Living Allowance entitlement is from the latter of:

- the date the customer lodges a claim or intention to claim; or
- the start date of the Australian Apprenticeship;

to the last day of the apprenticeship, traineeship or trainee apprenticeship as specified in the training contract.

However, in order for an Australian Apprentice to commence receiving payment, [Centrelink](#) must be provided with the Australian Apprentice's [registration](#) and their start date.

73.1.1 Period of entitlement for secondary school student boarding at a boarding school, or at a hostel that is a signatory to the Standard Hostels Agreement.

Payments of Living Allowance are being made on an instalment basis to a school or hostel under the provisions set out in [71.5.1](#).

73.1.2 Circumstances affecting the normal period of entitlement

The following circumstances affect the commencement date and end date of entitlement:

- [late commencement](#);
- [resuming study after a break](#);
- [discontinuing full-time or concessional study-load study](#);
- discontinuing an apprenticeship, traineeship or trainee apprenticeship under the [Australian Apprenticeship Scheme](#);
- suspension or cancellation of an Australian Apprentice's [registration](#);
- [discontinuing boarding at a boarding school](#);
- [discontinuing boarding at a hostel](#);
- [continuation of entitlement during vacation periods](#); and
- [entitlement during gaps between courses](#).

The following circumstances also apply to Australian Apprentices:

the date the Australian Apprentice's registration in respect to the full-time Australian Apprenticeship commences.

73.2 Circumstances affecting commencement of entitlement

73.2.1 Late Commencement

A student will be entitled to Living Allowance from the normal entitlement period start date specified in [73.1](#) provided that they commence full-time or [concessional study-load](#) study in the approved course by the Friday of the third week of the relevant study period.

Where a student commences study in the course after the Friday of the third week, they are entitled to Living Allowance only from the day on which the student actually commences full-time or concessional study-load study in the approved course.

73.2.1.1 Late commencement due to circumstances beyond the student's control

If a student's late commencement was due to circumstances beyond the student's control, they are entitled to Living Allowance from the normal entitlement period start date specified in [73.1](#).

73.2.2 Resuming study after a break

A student is entitled to Living Allowance from 1 January if they have had a break in full-time or concessional study-load study of no greater than one semester and the first day of his or her course is between 1 January and 31 March of that year.

A student is entitled to Living Allowance from 1 July if they have had a break in full-time or concessional study-load study of no greater than one semester and the first day of his or her course is between 1 July and 31 July.

73.2.2.1 Break in study due to circumstances beyond the student's control

Where the break in full-time or concessional study-load study was greater than one semester, but the break in study was as a result of circumstances beyond the student's control, the student is entitled to Living Allowance from 1 January or 1 July as appropriate.

73.2.2.2 Intention to resume study after a break in study

If the student was paid from 1 January or 1 July on the basis of their intention to study a full-time or concessional study-load in the approved course in the next available study period, and the student subsequently becomes aware they will not be commencing the course, they are entitled to Living Allowance up to the date they became aware they would not commence the course.

This provision cannot be extended beyond the third Friday of the study period i.e. term or semester.

73.3 Circumstances affecting cessation of entitlement

73.3.1 Discontinuing full-time or concessional study-load study

Where a student has discontinued full-time or [concessional study-load](#) study, their entitlement to Living Allowance ceases. A student is considered to have discontinued full-time or concessional study-load study if:

- they inform [Centrelink](#) they have ceased full-time or concessional study-load study; or
- they cancel their enrolment or their enrolment is cancelled by the education institution; or
- the education institution advises Centrelink that the student has ceased full-time or concessional study-load study; or
- they are a secondary non-school, tertiary or Masters & Doctorate level student who ceases to meet the conditions for payment during a period of extended absence as set out in [50.2](#); or
- they are a secondary school student and the education institution advises that they has had a continuous period of unapproved absence in excess of two weeks, as set out in [49.4](#).

The date of discontinuation is whichever the earlier is of:

- the date on which the student ceases to study full-time; or
- the date on which the student ceases to meet the conditions for payment during a period of extended absence as set out in [50.2](#); or
- the date on which the student ceases to be enrolled.

73.3.2 Discontinued boarding at a boarding school/hostel

If a student discontinues at a boarding school/hostel part way through a term, the boarding school/hostel will be entitled to the amount of Living Allowance, for the period outlined in [71.5.1](#) up to and including the last day the student was attending the boarding school/hostel. Students are expected to return home at the earliest opportunity after discontinuing school. The boarding school/hostel is to advise Centrelink as soon as possible that a student has discontinued.

There is no entitlement to the school for a student who does not commence.

73.3.2.1 [Deleted section]

73.3.3 [Deleted section]

73.4 Continuation of entitlement during vacation periods

A student is entitled to Living Allowance during any vacation period where:

- they are receiving Living Allowance or another Australian Government payment on the basis of undertaking approved full-time or [concessional study-load](#) study immediately prior to the vacation period (including a vacation period that falls during the time a student is transitioning from secondary to tertiary level study. See also 73.5); and
- they are intending to undertake approved full-time or concessional study-load study in the study period immediately following the vacation period.

There is no entitlement to Living Allowance over the long vacation period where the approved course immediately prior to the vacation period ended earlier than 15 September and/or where the approved course immediately after the vacation period starts after 31 March.

73.4.1 Continuing student does not resume study after vacation period

Where such a student does not resume full-time or concessional study-load study after the vacation by the third Friday of the next study period, they are entitled to Living Allowance up to and including the day when became aware that they would not be resuming full-time or concessional study-load study.

This provision cannot be extended beyond the third Friday of the relevant term/semester.

73.4.2 Payments made to boarding school or hostel

There is no entitlement to payment to a boarding school or hostel for a term where the student does not commence in that term. This includes a continuing student who does not resume study after a vacation period.

In this situation, the provisions set out in [73.4.1](#) still apply in respect of fortnightly payments of Living Allowance directed to the payee identified in [71.7.1](#). This means that, although the boarding school or hostel is not entitled to any payments for a student where they do not commence in a term, the student is entitled to their normal fortnightly entitlement of Living Allowance up to and including the day they became aware that they would not be resuming study.

73.5 Entitlement during gaps between courses

Where a student discontinues and then subsequently commences full-time or [concessional study-load](#) study, in either the same course or a different course, they remain entitled to Living Allowance if the period between is no greater than 28 days.

Chapter 74: Residential Costs Option

This chapter describes the circumstances where a student may elect to receive the residential costs option in place of ABSTUDY Living Allowance.

In this chapter:

- [74.1 Purpose of the Residential Costs Option](#)
- [74.2 Eligibility for Residential Costs Options](#)
- [74.3 What is the Residential Costs Option?](#)
- [74.4 What are residential costs?](#)

74.1 Purpose of the Residential Costs Option

The Residential Costs Option allows students who live in a residential college or hostel the option of having their residential costs paid directly by ABSTUDY, in addition to receiving a reduced amount of [Living Allowance](#) or nil rate of [Pensioner Education Supplement](#) (PES). For the periods residential fees are not charged, eligible students receive their full Living Allowance or PES entitlement.

[Australian Apprentices](#) are unable to access this entitlement.

74.2 Eligibility for Residential Costs Options

To be eligible for the residential costs option students must be:

- eligible for one of the following Awards:
 - [Schooling B Award](#); or
 - [Tertiary Award](#); or
 - [Masters & Doctorate Award](#); and
- either:
 - a tertiary student; or
 - a secondary non-school student undertaking approved studies of at least 30 weeks duration (full year course) at a university; or
 - a student undertaking a university preparation course as a pathway into further substantive tertiary study; and
- receiving either:
 - an amount of [Living Allowance](#); or
 - [Pensioner Education Supplement](#) (PES); or
 - payments of Defence Force Income Support Allowance-like (DFISA-like) payments under the [Veterans' Entitlements Act 1986](#); and
- either:
 - a [dependent student](#) who has been approved for [Away From Home entitlements](#); or
 - an [independent student](#) or a PES recipient who would, if they are not independent or a PES recipient, meet one of the criteria for approval of Away from Home entitlements; and

- be residing at a residential college attached to an Australian education institution, or a hostel.

74.3 What is the Residential Costs Option?

Where a student meets the eligibility criteria set out in 74.2, they may elect to take up the Residential Costs Option. The Residential Costs Option involves the following:

- residential costs are paid by ABSTUDY directly to the college or hostel; and
- during periods for which residential fees are charged, the student forfeits their normal fortnightly amount of Living Allowance or [Pensioner Education Supplement](#) (PES):
 - Living Allowance recipients receive a reduced fortnightly rate of Living Allowance; and
 - PES recipients forfeit their fortnightly PES payments; and
- during periods for which residential fees are not charged, Living Allowance/PES payments return to the normal fortnightly amounts.

74.3.1 Reduced rate of Living Allowance

Eligible Living Allowance recipients who elect to take up the Residential Costs Option will receive a reduced rate of Living Allowance during periods for which residential fees are charged. The amount they will receive each fortnight is the lesser of:

- the prescribed Residential Costs Option fortnightly allowance (for details of this rate, see [A guide to Australian Government payments](#); or
- the student's normal Living Allowance entitlement.

A student who chooses the Residential Cost Option is ineligible for [Additional Assistance](#) or Meals Allowance to supplement the reduced rate of Living Allowance.

74.3.2 Relocation Scholarship

ABSTUDY Residential Costs Option will not be payable for any period where a person has received (or will receive) Relocation Scholarship or an equivalent scholarship (see [102.2.2 Similar scholarship payments](#)), unless an offer of a place in a residential college is received by the person after Relocation Scholarship has been paid.

74.4 What are residential costs?

For the purpose of the Residential Costs Option, residential costs include:

- accommodation fees; and
- meals provided; and
- laundry charges; and
- other compulsory fees.

Residential costs do not include bonds or other refundable fees.

74.4.1 Reasonable residential costs

There is no set upper limit on the residential costs payable by ABSTUDY for approved students who choose the Residential Costs Option; however, residential charges must be reasonable.

Chapter 75: Advance Payment

This chapter describes the rules around the payment of an Advance Payment of ABSTUDY [Living Allowance](#).

In this chapter:

- [75.1 Qualification for Advance Payment](#)
- [75.2 Formula for calculating Advance Payment](#)
- [75.3 Payment of Advance Payment](#)
- [75.4 Repayment of Advance Payments](#)

75.1 Qualification for Advance Payment

To qualify for an advance, a student or [Australian Apprentice](#) must meet the following criteria:

- have a payable ABSTUDY Living Allowance entitlement; and
- request, and be entitled to, between \$250 and \$500 in advance; and
- not have received an advance in the last 12 months, including an advance made under another social security benefit or allowance; and
- not owe any money to the Commonwealth that is being recovered, or may be recovered, by repayments from their social security or ABSTUDY payment; and
- not be currently repaying a previous advance, including an advance made under another social security benefit or allowance (excluding a Family Tax Benefit, Pharmaceutical Allowance or Mobility Allowance advance); and
- not be a secondary school boarding student where payments are being made as instalments to a boarding school or hostel;
- be able to repay the advance without suffering financial hardship.

Advance Payments for dependent secondary students aged less than 18 years cannot be made without the permission of the [parent](#).

Young people aged under 18 years receiving an independent rate of ABSTUDY (except if rurally isolated) are required to have a face-to-face contact before receiving the advance. They can, of course, enquire via the telephone. This will ensure that 'at risk' under 18 year old recipients are accessing advance payments only after having a thorough assessment of their individual circumstances and will ensure that they are fully made aware of the impacts of taking up the offer of an advance.

75.2 Formula for calculating Advance Payment

75.2.1 Minimum advance payable

The minimum amount of ABSTUDY [Living Allowance](#) payable as an advance payment is \$250.

75.2.2 Maximum advance payable

The maximum amount of ABSTUDY Living Allowance payable as an advance payment is the lowest of the following amounts:

- the amount requested; or
- 7 per cent of the gross amount of their fortnightly payment rate (including gross Living Allowance plus [Rent Assistance](#) plus [Pharmaceutical Allowance](#), but not including [Remote Area Allowance](#)) x 26; or
- \$500.

The fortnightly payment rate used in calculating the advance payment entitlement is the rate paid at the last full payment delivery day immediately before the person applied for the advance.

75.3 Payment of Advance Payment

Normally, advance payments are made by direct credit of the whole amount as an immediate payment, but customers have the option of payment by instalments.

75.3.1 Payment by instalments

The maximum number of instalments is two. There is no minimum instalment amount. The customer must nominate the instalment amounts and the date they require the second instalment to be automatically paid. The second instalment must be paid within six months of the first. When a customer elects to have instalments, the recovery rate is still calculated on the full amount to be advanced.

75.4 Repayment of Advance Payments

Advances are recovered through repayments from the student's or [Australian Apprentice's](#) fortnightly payments of ABSTUDY. A student or Australian Apprentice can, however, make a cash refund to repay any amount of an outstanding advance at any time.

75.4.1 Transfer between payments

Where a customer transfers from ABSTUDY Living Allowance to a social security [income support](#) payment, and there is a balance of an outstanding advance, this outstanding balance transfers to the income support payment and continues to be recovered as an advance.

75.4.2 No longer entitled to social security benefit, allowance or pension, or ABSTUDY

If a customer is no longer entitled to a social security benefit, allowance or pension, or ABSTUDY Living Allowance, and there is a balance of an outstanding advance, this outstanding balance becomes a debt to the Commonwealth.

75.4.3 Rate of repayment of advances

The first repayment of an advance will be made on the first payday after the advance payment is made. The rate of repayment is one-thirteenth of the full amount of the advance, even if the advance is made in instalments.

75.4.3.1 Variation in rate of repayment of advances: changes in circumstance

In some fortnights, the student's ABSTUDY Living Allowance entitlement may be reduced below the repayment rate as a result of the application of income tests. Where this happens, the full amount is deducted to cover the repayment rate. As the full repayment has not been made, the number of fortnights over which the advance is recovered will increase.

75.4.3.2 Variation in rate of repayment of advances: customer request

A request by the customer to decrease or temporarily cease the rate of repayment of an advance can be approved if:

- the person has experienced an unexpected change in circumstances that is special and unusual; and
- the person would suffer severe financial hardship if the repayment rate was not reduced.

Chapter 76: Overview of Rent Assistance

This chapter provides an overview of Rent Assistance qualification.

In this chapter:

- [76.1 Purpose of Rent Assistance](#)
- [76.2 Qualification for Rent Assistance](#)
- [76.3 Government Rent](#)
- [76.4 Ineligible Homeowner](#)
- [76.5 Temporary Accommodation](#)
- [76.6 Student living in parental home](#)
- [76.7 Absence from Australia](#)

76.1 Purpose of Rent Assistance

The purpose of Rent Assistance is to assist in meeting the board and lodging expenses of eligible [students](#) and [Australian Apprentices](#).

76.2 Qualification for Rent Assistance

To qualify for Rent Assistance, the following criteria must be met:

- the student or Australian Apprentice must qualify for one of the following ABSTUDY Awards:
 - [Schooling B Award](#); or
 - [Tertiary Award](#); and
- the student or Australian Apprentice must either:
 - have [dependent status](#) and be approved for [Away from Home entitlements](#); or
 - be a student or Australian Apprentice in [State Care](#) who is approved for the Away from Home rate of [Living Allowance](#); or
 - have [independent status](#) and NOT be considered an [accommodated independent person](#); and
- the student or Australian Apprentice must either:
 - be entitled to receive Living Allowance; or
 - be receiving a Defence Force Income Support Allowance-like (DFISA-like) payment under the [Veterans' Entitlements Act 1986](#); and
- the student or Australian Apprentice must pay, or be liable to pay, rent (other than Government rent) above the specified threshold in order to occupy their principal residence; and
- the student's or Australian Apprentice's principal residence is in Australia; and
- the student or Australian Apprentice is not either of the following:
 - an ineligible homeowner; or
 - an aged care resident occupying a Commonwealth funded bed in a nursing home or hostel; and

- the student or Australian Apprentice has a [partner](#), where the partner is neither:
 - receiving Family Tax Benefits (FTB) Part A under the *Family Assistance Act 1999* at greater than the base FTB child rate; or
 - receiving a rent increased pension under the [Social Security Act 1991](#) or a rent increased service pension or veterans payment under the [Veterans' Entitlements Act 1986](#).

76.2.1 Rent Assistance not available under certain Awards

Rent Assistance is not available under the following ABSTUDY Awards:

- [Masters and Doctorate Award](#);
- [Schooling A Award](#);
- [Testing and Assessment Award](#);
- [Part-time Award](#); and
- [Lawful Custody Award](#).

76.2.2 Not qualified for Rent Assistance

A student or Australian Apprentice does not qualify for Rent Assistance where the student or Australian Apprentice:

- pays less than the threshold amount of rent according to their circumstances; or
- pays Government rent; or
- is an ineligible homeowner; or
- continues to be treated as a homeowner during a period of temporary absence, despite renting their temporary accommodation (some exceptions apply); or
- does not qualify because of rules that apply to some students or Australian Apprentices who live in the parental home; or
- is receiving a maintained rate of Living Allowance under the provisions set out in 72.2.8.

76.2.3 Evidence supporting claims for Rent Assistance

As determined by [Centrelink](#), evidence may be required to support a student's or Australian Apprentice's claim for Rent Assistance, or to support the student's or Australian Apprentice's ongoing entitlement for Rent Assistance.

76.3 Government Rent

Government rent means rent paid to a State Housing Authority.

A student or [Australian Apprentice](#) who pays Government rent does not qualify for Rent Assistance, even if they are paying market rent or has a sub-tenant.

76.3.1 Not considered to be Government Rent

For the purposes of assessing eligibility for Rent Assistance, the following are not considered to be government rent:

- any housing co-operative, disability state housing or other organisation that may receive funding and/or properties through housing authorities, even if the student or Australian Apprentice pays rent directly to the state housing authority; or
- Commonwealth housing, e.g. housing provided by the Defence Housing Authority or the Department of Immigration and Multicultural and Indigenous Affairs.

76.3.2 Customer who sub-lets in public (Government) housing

A sub-tenant in public housing cannot qualify for Rent Assistance unless:

- the primary tenant pays market rent as determined by the State Housing Authority;

OR

- the primary tenant has advised the State Housing Authority that they have a sub-tenant; and
- the sub-tenant's income has been taken into consideration when calculating the rent payable by the primary tenant.

76.4 Ineligible Homeowner

Where a [student](#) or [Australian Apprentice](#) is an ineligible homeowner, they do not qualify for Rent Assistance. A student or Australian Apprentice is considered to be an ineligible homeowner where:

- the student or Australian Apprentice has a right or interest in their principal home; and
- the student's or Australian Apprentice's right or interest in the home gives the student or Australian Apprentice reasonable security of tenure in the home; OR
- the student or Australian Apprentice has a [partner](#) and the student or Australian Apprentice, or the partner, has a right or interest in one residence that is either:
 - the student's or Australian Apprentice's principal home; or
 - the partner's principal home; or
 - the principal home of both of them; and
- the student's or Australian Apprentice's right or interest, or the partner's right or interest, in the home gives the student or Australian Apprentice, or the partner, reasonable security of tenure in the home; OR
- the student or Australian Apprentice has paid an entry contribution to a retirement village IF more than the [extra allowable amount](#) at time of entry.

76.4.1 Not considered an ineligible homeowner

A student or Australian Apprentice in the following circumstances is not considered to be an ineligible homeowner:

- the student or Australian Apprentice, and/or the student's or Australian Apprentice's partner, has sold their principal home within the last 12 months and has not yet acquired another residence, but is likely to apply some or all of the proceeds of the sale to that purpose; or
- the student or Australian Apprentice is absent from their principal home in order to undertake caring responsibilities for another person for at least 14 consecutive days, but for no longer than 2 years; or
- the student or Australian Apprentice is either:
 - in a care situation but not residing in a retirement village or aged care residence; or
 - paying for the use of a site or structure, including rights to moor a vessel, that is their principal home. Example: A caravan or boat.

76.5 Temporary Accommodation

Rent Assistance is generally only payable when the accommodation being rented is regarded as the student's or Australian Apprentice's principal home. However, in some circumstances where the customer is likely to have increased accommodation costs for a temporary period, rent paid for temporary accommodation may qualify for Rent Assistance. These circumstances are:

- the student or Australian Apprentice requires specific medical treatment that is unavailable in the area where their principal home is located; or
- the student or Australian Apprentice temporarily moves away from the area where their principal home is located in order to live at their study location or undertake an apprenticeship, traineeship or trainee apprenticeship; or
- the student or Australian Apprentice has a [dependent child](#) attending school away from the area where their principal home is located because of unavailability of appropriate schools (except where the family receive second Home Allowance under the Assistance for Isolated Children (AIC) scheme for this purpose); or
- the student or Australian Apprentice lives in a refuge; or
- the student or Australian Apprentice must leave their principal home temporarily because it is uninhabitable.

Where a student or Australian Apprentice pays rent on both their principal home and on temporary accommodation, they can only receive Rent Assistance on one of the residences.

76.6 Student living in parental home

Rent Assistance is not payable in some circumstances where a [student](#) or [Australian Apprentice](#) lives in the principal home of a [parent](#). The following students or Australian Apprentices are not eligible for Rent Assistance:

- a student or Australian Apprentice who has [dependent status](#) and is living in the [principal home](#) of a parent; and
- a student or Australian Apprentice who has [independent status](#) and is considered to be an [accommodated independent person](#).

ABSTUDY recipients aged 22 and over

In addition, as the rates for ABSTUDY recipients 22 years and over are aligned with comparable JobSeeker Payment rates, similar Rent Assistance rules apply. As such, single ABSTUDY recipients between the age of 22 to 24 years are not eligible to receive Rent Assistance if living in the principal home of a parent. Those aged 25 years and over can receive Rent Assistance when living with their parents.

76.6.1 Principal home of parent

A customer is considered to be living in the principal home of a parent when living in the same home that at least one of their parents is residing in. This does NOT include:

- the parent's investment property;
- a fully self-contained flat attached to or detached from the parent's home;
- a fully self-contained caravan in the backyard of the parent's home; or
- a separate, fully self-contained house on the same block of land as the parent's home.

76.6.1.1 Fully self-contained accommodation

For the purposes of 76.6.1, accommodation is considered to be fully self-contained where it includes a kitchen, bathroom and other facilities that do not require the student to use the parent's home on a regular basis.

76.7 Absence from Australia

Rent Assistance is payable during absences overseas where:

- the portability provisions set out in [9.2](#) are met; and
- the student or [Australian Apprentice](#) continues to pay rent for their residential premises in Australia; and
- the their remains otherwise eligible for Rent Assistance.

Depending on the reason for the overseas absence, the length of time for which Rent Assistance remains payable varies:

- where the student or Australian Apprentice is overseas and meets the provisions of [Chapter 55: Overseas Study](#), Rent Assistance remains payable for up to 26 weeks;
- where the student or Australian Apprentice is overseas and does not meet the provisions of Chapter 55 Overseas Study, Rent Assistance remains payable for up to 13 weeks;
- where the student or Australian Apprentice is overseas and does not meet the provisions of Chapter 55 Overseas Study, BUT the student or Australian Apprentice receives an extension to their limited portability period under the provisions set out in [9.2.2.1](#), Rent Assistance remains payable for up to 26 weeks.

Chapter 77: Assessment of Rent

This chapter discusses the assessment of rent for the purposes of Rent Assistance.

In this chapter:

- [77.1 What is Rent?](#)
- [77.2 Payments for Board & Lodging](#)
- [77.3 Net Rent Rules](#)
- [77.4 Students and Australian Apprentices who share accommodation with others](#)

77.1 What is Rent?

For the purposes of Rent Assistance, rent means amounts paid or payable on a regular basis by a [student](#) or [Australian Apprentice](#), or their [partner](#), as a condition of occupying their [principal home](#). This includes amounts paid for:

lodging;

- accommodation in a care situation, except for Government subsidised Residential Aged Care;
- service or maintenance fee for services provided in a retirement village;
- the use of site for, and/or rental of, a:
 - caravan or other vehicle; or
 - mobile home; or
 - transportable home; or
 - tent;
- the right to moor a vessel; and
- a service or charge on certain shared equity accommodation such as some schemes provide for people with disabilities or the elderly.

77.1.1 Considered to be paid on a regular basis

Where an amount is paid at least quarterly, it is considered to be paid on a regular basis.

Where an amount for the following is paid at least annually, it is considered to be paid on a regular basis:

- site fees paid for a:
 - caravan or other vehicle; or
 - mobile home; or
 - transportable home; or
 - tent; or
- service or maintenance fee for services provided in a retirement village.

77.1.2 Child support maintenance payments

Maintenance payments for child support purposes do not reduce a student's or Australian Apprentice's entitlement to Rent Assistance, even if they are:

- paid specifically to help with rental accommodation costs; OR
- made directly to the landlord or agent.

The amount of rent assessed for the purposes of Rent Assistance is the gross amount of rent paid, as if there were no subsidy.

77.2 Payments for Board & Lodging

For the purposes of Rent Assistance, where a [student](#) or [Australian Apprentice](#) makes payments for board and lodging, that is, they are provided with meals on a regular basis in addition to the lodging, only the amount paid for lodging is considered to be rent.

77.2.1 Two-thirds rule

Where a student or Australian Apprentice pays for board and lodging and the amount paid or payable for lodging cannot be identified, two-thirds of the total amount is considered to be for rent.

77.2.2 Free board & lodging

The following table explains the provisions that apply if a student or Australian Apprentice receives free board and lodging:

If the student or Australian Apprentice...	then the student or Australian Apprentice...
receives free lodgings, or free board and lodgings, whether in return for services or not,	is NOT regarded as paying rent. Exception: If it is accepted that amounts for lodging, or board and lodging will be paid WHEN Rent Assistance is granted.
is given the right of occupancy of a property (not being a life interest or an equity in the property) in return for the payment of rates, repairs or similar.	MAY be regarded as paying rent IF: it can be established that they are required to pay regular amounts (usually at least quarterly); AND it is reasonable to regard this student as paying rent.

77.2.3 Student residing at a boarding school, hostel, or residential college

For the purposes of assessing eligibility for Rent Assistance, the boarding fees for a student who is residing at a boarding school, hostel or residential college are regarded as being paid by the student, even if paid by a third party on behalf of the student.

See [77.3.4](#) for details of special rules for accommodation that is paid for by a scholarship.

77.3 Net Rent Rules

Generally, Rent Assistance is payable only on the amount of rent paid by the [student](#) or [Australian Apprentice](#), net of any subsidies or payments from tenants. The exceptions to this are:

- student or Australian Apprentice who sub-lets in community or co-operative housing;
- student or Australian Apprentice who resides in disability programme accommodation;
- State & Territory rent relief schemes;
- student or Australian Apprentice scholarships;
- rent in return for work.

77.3.1 Student or Australian Apprentice who sub-lets in community or co-operative housing

A student or Australian Apprentice who sub-lets a house that is managed by a co-operative or community housing group is paid Rent Assistance based on the amount of rent paid by the student. This is usually a given percentage of their income.

77.3.2 Student or Australian Apprentice who resides in disability programme accommodation

Where a student or Australian Apprentice resides in disability accommodation provided by a government or community agency, Rent Assistance is payable. This includes situations where:

- the accommodation owned by the State Housing Authority but managed by the disability service agency; and
- rent is paid directly to the State Housing Authority.

Only the amount paid by the student for accommodation is considered to be rent. Amounts paid for maintenance and service fees are not considered to be rent.

77.3.3 State & Territory rent relief schemes

Some State and Territory Governments offer rent relief schemes which impact on the eligibility for Rent Assistance. The Government schemes offered and their treatment under Rent Assistance provisions are as follows:

State Government	Scheme Name	Details of Scheme	Rent Assistance based on...
NSW	Special Assistance Subsidy (SAS)	Subsidy paid to disabled and HIV/AIDS customers on waiting list.	gross rent payable.
South Australia	Rent Relief (closed to new applicants in May 2001)	Subsidy paid to low-income people to maintain private rental.	gross rent payable.
	Student Rent Relief	Subsidy paid to tertiary students who live more than 75km from home.	gross rent payable.
Queensland	Rental Subsidy Scheme	Assistance to people with disability or special need.	Rent Assistance is NOT payable, customers are Government renters.

77.3.4 Student or Australian Apprentice scholarships

Where a student or Australian Apprentice receives a scholarship that pays for some or all of their rental or accommodation costs, the following applies:

- if the scholarship is considered to be income under the [Personal Income Test](#), then the Rent Assistance is based on the gross rent payable by the student and is not affected by the scholarship amount;
- if the scholarship is NOT considered to be income under the Personal Income Test, then the Rent Assistance is based only on the amount of net rent paid by the student discounted by the scholarship amount.

77.3.4.1 Indigenous Commonwealth Accommodation Scholarship or equivalent

Where a student receives an Indigenous Commonwealth Accommodation Scholarship or equivalent Commonwealth scholarship or grant determined in the [Social Security \(Indigenous Student Assistance Scholarships - Excluded Amounts\) Instrument 2016](#), this scholarship is NOT to be taken into account when calculating Rent Assistance. Rent Assistance should be paid on the amount of rent paid by the student, without discounting it for the scholarship amount.

Where a student or Australian Apprentice receives rent or board and lodging as payment for services rendered, Rent Assistance is only payable where the customer would otherwise receive income for the services provided. In these circumstances, the board and lodging 2/3 rule may have to be applied to the deducted amount to determine the Rent Assistance entitlement.

77.3.5 Rent in return for work

Where a student or Australian Apprentice receives rent or board and lodging as payment for services rendered, Rent Assistance is only payable where the customer would otherwise receive income for the services provided. In these circumstances, the board and lodging 2/3 rule may have to be applied to the deducted amount to determine the Rent Assistance entitlement.

77.4 Students and Australian Apprentices who share accommodation with others

For the purposes of Rent Assistance, the total combined rent payable by each member of a household cannot exceed the total rent payable for the accommodation.

Chapter 78: Entitlement to Rent Assistance

This chapter details how Rent Assistance entitlement is determined and calculated.

In this chapter:

- [78.1 Calculation of Rent Assistance](#)
- [78.2 Rent Assistance rates and thresholds](#)
- [78.3 Sharers Provisions](#)
- [78.4 Payment of Rent Assistance](#)
- [78.5 Rent Assistance entitlement](#)

78.1 Calculation of Rent Assistance

Rent Assistance is paid at a rate of 75 cents in the dollar for every dollar of rent paid over the threshold amount, up to the maximum rate payable.

Where a [student](#) or [Australian Apprentice](#) is eligible for Rent Assistance, payment is made for the lower of the following amounts:

- $(\text{Rent Payable} - \text{Rent Threshold for the student's circumstances}) \times 0.75$; or
- [Maximum rate of Rent Assistance for the student's circumstances](#)

78.1.1 Rent payable

For the purposes of Rent Assistance, the rent payable is the amount a person pays or is liable to pay as a condition of occupying their principal home. See [Chapter 77](#) for details of the assessment of rent.

78.1.2 Rent threshold

For the purposes of Rent Assistance, the rent threshold is the minimum amount of rent payable before qualification for Rent Assistance commences.

78.2 Rent Assistance rates and thresholds

Rent Assistance thresholds and the maximum rates payable vary, depending on the following circumstances:

- whether the student or Australian Apprentice is [single or partnered](#); and
- whether the student or Australian Apprentice is considered to live in [shared accommodation](#).

For details of Rent Assistance rates and thresholds, see [A guide to Australian Government payments](#).

78.2.1 Partnered or single status

Different Rent Assistance thresholds and maximum rates apply depending upon whether the student or Australian Apprentice is considered [partnered](#) or single for ABSTUDY purposes.

78.2.1.1 Illness-separated couple

A partnered ABSTUDY student or Australian Apprentice can receive a rate of Rent Assistance equivalent to the single rate where they are a member of an illness-separated couple. A person is a member of an illness separated couple if:

- they are unable to live together in a matrimonial home as a result of the illness or infirmity of either or both of them; and
- because of that inability to live together, their living expenses are, or are likely to be, greater than they would otherwise be; and
- that inability is likely to continue indefinitely.

78.2.1.2 Respite care couple

A partnered ABSTUDY student or Australian Apprentice can receive a rate of Rent Assistance equivalent to the single rate where they are a member of a respite care couple. A person is a member of a respite care couple if:

- one of the members of the couple has entered respite care; and
- the member who has entered the approved respite care has remained, or is likely to remain, in that care for at least 14 consecutive days.

For ABSTUDY purposes, a person is in approved respite care on a particular day if the person is eligible for a respite care supplement in respect of that day under section 44-12 of the *Aged Care Act 1997*.

78.2.1.3 Partner in gaol

A partnered ABSTUDY student or Australian Apprentice can receive a rate of Rent Assistance equivalent to the single rate where they have a partner in gaol. A person is considered to have a partner in gaol if the person's partner is:

- in gaol; or
- undergoing psychiatric confinement because the partner has been charged with committing an offence.

78.2.2 Indexation of Rent Assistance rates and thresholds

Rent Assistance rates and thresholds are subject to Consumer Price Index (CPI) changes each year. The rent thresholds and maximum rates are indexed by the CPI on 20 March and 20 September each year.

For details of Rent Assistance rates and thresholds, see *A guide to Australian Government payments*.

78.3 Sharers Provisions

The maximum rate of Rent Assistance for a single person without [dependent child/ren](#) who is considered to live in shared accommodation is set at two-thirds the maximum rate for a single person living alone.

A person is considered to live in shared accommodation if they share a major area of their accommodation with others (including non-dependent members of their own family), unless they are specifically exempt.

A person is not considered to live in shared accommodation if:

- they have the exclusive right to use a bathroom, a kitchen and a bedroom; and
- they have the right, in common with others, to use other major areas of accommodation.

78.3.1 Customers who are exempt from sharers provisions

The following groups of customers are exempt from the sharer provisions:

- [students](#) or [Australian Apprentices](#) who have a [partner](#);
- single students or Australian Apprentices who have a dependent child;
- [boarders and lodgers](#);
- students or Australian Apprentices in nursing homes or aged care hostels;
- single parents sharing accommodation only with their [recipient children](#);
- singles living in a caravan, boat or a mobile home on their own, even if they are sharing a major area of accommodation in a caravan park or marina; and
- students or Australian Apprentices who live in [exempt accommodation](#).

78.3.1.1 Recipient children

A recipient child is a child of the ABSTUDY customer who receives any of the following, but who does not receive any rent assistance:

- an [income support](#) payment; or
- ABSTUDY [Living Allowance](#).

78.3.2 Exempt accommodation

Where a student or Australian Apprentice lives in the following types of accommodation, they are not considered to live in shared accommodation:

- boarding school;
- hostel;
- boarding house;
- guest house;
- hotel;
- private hotel;
- rooming house;
- lodging house; or
- similar premises.

78.3.3 Boarders and lodgers

A student or Australian Apprentice who pays board and lodgings will be considered to live in shared accommodation if they:

- can separately identify the costs of accommodation from the costs of meals; and
- are sharing a major area of accommodation with others.

78.3.4 Examples of Shared and non-shared accommodation

Examples of shared accommodation:

- a single customer who shares one or more major areas of a flat, apartment or house, with one or more other people including wage earners or other [Centrelink](#) customers, including other non-dependent family members;
- single customer paying board and lodging in a private home, living in the same situation as described above, and who shares a major area of accommodation with others as a lodger, BUT who does not receive meals on a regular basis as part of their accommodation costs;
- two or more single people (i.e. not [partnered](#) to each other) residing in a self-contained unit in a retirement village/home and sharing a major area of accommodation;
- a single customer who sub-lets a room in a State Housing Authority house, flat or apartment, and who shares at least one major area of accommodation;
- a single customer in a granny flat attached or detached from the house, who also uses a major area of accommodation in the house, or who is living with one or more other people in the granny flat;
- a single customer in a caravan, mobile home or boat, who also uses a major area of accommodation in the house;
- a single customer in a caravan, mobile home or boat, living with one or more other people in the same caravan in a caravan park (or living with one or more people in the same boat/mobile home).

Examples of non-shared accommodation:

- single customer paying board and lodging in a private home, living in a privately owned house and who has the right to receive regular meals as part of their accommodation arrangements as a 'boarder and lodger';
- single customer residing in a refuge/hostel where the refuge/hostel provides regular meals as part of their accommodation arrangements;
- single customer residing in a refuge/hostel where the customer shares a major area of accommodation with others, BUT does not receive meals on a regular basis as part of their accommodation costs.
- a single customer residing in a private hotel/hostel/boarding style accommodation and using communal facilities;
- a single customer residing in a nursing home or aged care hostel, and who uses some communal facilities;

- a single customer residing in a self-contained unit in a retirement village/home who may use communal facilities;
- a single customer in a granny flat attached or detached from the house, AND not using a major area of accommodation in the house;
- a single customer in a caravan, mobile home or boat, AND using the park or marina's communal facilities OR where located in a backyard or similar, NOT using a major area of accommodation in the house.

78.4 Payment of Rent Assistance

78.4.1 Payment frequency

Payments of Rent Assistance are calculated on a daily rate and made fortnightly in arrears.

Where payments of Living Allowance are made to a boarding school/hostel on an instalment basis under the provisions set out in [71.5](#), Rent Assistance must also be paid on an instalment basis under the same provisions.

78.4.2 Payee for Rent Assistance

The payee for Rent Assistance is same as the payee for Living Allowance as set out in [71.7](#).

78.4.3 Payment of Rent Assistance for student or Australian Apprentice with a partner

Rules for payment of Rent Assistance to a [student](#) or [Australian Apprentice](#) who has a partner vary depending on the payment type being received by the partner, as outlined in the following table:

If the student or Australian Apprentice...	then Rent Assistance...
has a partner who receives Family Tax Benefits (FTB) Part A under the <i>Family Assistance Act 1999</i> at greater than the base FTB child rate,	is paid to the partner receiving FTB.
has a partner who receives a pension,	is paid to the pensioner at the combined rate, that is, rent assistance is not payable to the ABSTUDY student or Australian Apprentice.
has a partner who receives an allowance under the Social Security Act 1991	is split equally between the partners.

78.4.4 Taxation Status

For details of the tax status of Rent Assistance, refer to [Chapter 5: Taxation](#).

78.5 Rent Assistance entitlement

78.5.1 Means testing

The means tests that apply to ABSTUDY [Living Allowance](#) also apply to Rent Assistance. See [Chapter 56: Means Testing](#).

78.5.2 Entitlement Period

Rent Assistance is payable from the date the student or Australian Apprentice becomes qualified for Rent Assistance, provided they are otherwise eligible for Living Allowance.

The entitlement period for Rent Assistance is the same as the entitlement period for Living Allowance as set out in [Chapter 73](#).

78.5.3 Entitlement during vacations for student or Australian living away from home

Where an ABSTUDY student or Australian Apprentice is living away from home in order to study or undertake a [full-time](#) apprenticeship, traineeship or trainee apprenticeship, e.g. at boarding school or training, and is eligible for Rent Assistance, they will retain eligibility for Rent Assistance during vacation period/s provided that they continue to pay rent for their term address.

78.5.4 Overpayments

Where payments in excess of entitlement have occurred, refer to [Chapter 3: Overpayment and Recovery of Allowances](#) to determine what is a recoverable debt and from whom this amount should be recovered.

Chapter 79: Remote Area Allowance (RAA)

This chapter details the qualifications, entitlement and payment of Remote Area Allowance.

In this chapter:

- [79.1 Purpose of Remote Area Allowance](#)
- [79.2 Qualification for Remote Area Allowance](#)
- [79.3 Usual Place of Residence](#)
- [79.4 Absence from Usual Place of Residence](#)
- [79.5 Remote Area Allowance rates](#)
- [79.6 Payment of Remote Area Allowance](#)
- [79.7 Remote Area Allowance entitlement](#)

79.1 Purpose of Remote Area Allowance

The purpose of Remote Area Allowance is to assist in meeting additional costs associated with residence in a remote area.

79.2 Qualification for Remote Area Allowance

To qualify for Remote Area Allowance, the following criteria must be met:

- the [student](#) or [Australian Apprentice](#) must qualify for one of the following ABSTUDY Awards:
 - [Schooling B Award](#); or
 - [Tertiary Award](#); and
- the student or Australian Apprentice must either:
 - qualify for [Living Allowance](#) at a rate greater than zero; or
 - be receiving a Defence Force Income Support Allowance-like (DFISA-like) payment under the [Veterans' Entitlements Act 1986](#); and
- the student or Australian Apprentice must have a [Remote Area Allowance](#) remote area as their usual place of residence.

79.2.1 Definition of a Remote Area Allowance remote area

For the purposes of Remote Area Allowance, a remote area is an area listed the following parts of I & II of Schedule 2 of the [Income Tax Assessment Act 1936](#):

- Taxation Zone A, including Special Taxation Zone A; and
- Special Taxation Zone B.

For Remote Area Allowance purposes, the following Taxation Zone A areas are not considered to be remote areas:

- Norfolk Island;
- Macquarie Island;
- the Territory of Heard Island;

- the McDonalds Islands; and
- the Australian Antarctic Territory.

79.2.1.1 Commissioner of taxation deems an area to be a remote area

Where the Commissioner of Taxation deems an area to be within an RAA specified area, then the area is considered to be a remote area for RAA purposes. The student/Australian Apprentice/parent may apply to the Commissioner for this ruling.

79.2.2 Not qualified for Remote Area Allowance

Where a student is receiving a maintained rate of Living Allowance under the provisions set out in [72.2.8](#), they do not qualify for Remote Area Allowance.

79.3 Usual Place of Residence

A [student's](#) or [Australian Apprentice's](#) usual place of residence is the area where they normally live, sleep and eat.

To change their usual place of residence, a student or Australian Apprentice has to completely abandon the former place of residence.

79.3.1 Usual place of residence for students or Australian Apprentices who live away from home to study

Where a student or Australian Apprentice lives away from home during the term to study, their usual place of residence is taken to be their [permanent home](#).

79.3.2 Postal address in RAA remote area

If the postcode of a student's or Australian Apprentice's postal address is in an RAA remote area, they are eligible for RAA only where:

- the student's or Australian Apprentice's usual place of residence is also in the postcode area; and
- the student or Australian Apprentice is physically present in that area.

In some circumstances payments can be made during temporary absences.

79.3.3 Customer lives on border of a RAA remote area

If a student's or Australian Apprentice's usual place of residence is in a local government area that is partly in a RAA remote area, the student or Australian Apprentice is taken to be living in a RAA remote area.

This provision does NOT apply to postcodes that are partly a RAA remote area.

79.4 Absence from Usual Place of Residence

79.4.1 Temporary absence

With the exception of secondary school students boarding away from home [Remote Area Allowance](#) remains payable for the first 8 weeks of a [student's](#) or [Australian Apprentice's](#) temporary absence from their usual place of residence, including overseas absences. Secondary school students boarding away from home to study continue to be eligible for Remote Area Allowance as long as the permanent home remains in a Remote Area Allowance area. To be considered a temporary absence, a student or Australian Apprentice must intend to return to their usual place of residence.

79.4.2 Child absent from the RAA remote area

Where a student or Australian Apprentice is receiving a rate of Remote Area Allowance that takes account of their dependent child/ren, this rate remains payable for the first 8 weeks that a dependent child lives outside the RAA remote area if the child's usual place of residence is in the RAA remote area.

79.4.3 Student's or Australian Apprentice's partner absent from the RAA remote area

Where a student or Australian Apprentice is receiving the partnered rate of Remote Area Allowance, this rate remains payable even if the [partner](#) is not physically present in the RAA remote area. There is no time limit for a partner's absence.

79.5 Remote Area Allowance rates

Remote Area Allowance rates vary depending on the following circumstances:

- whether the student or Australian Apprentice is single or partnered; and
- whether the student or Australian Apprentice has dependent child/ren.

For details of Remote Area Allowance rates, refer to [A guide to Australian Government payments](#).

79.5.1 Partnered or single status

Different Remote Area Allowance rates apply depending upon whether the student or Australian Apprentice is considered [partnered](#) or single for ABSTUDY purposes.

79.5.2 Dependent child

The rate of Remote Area Allowance is increased by a prescribed amount for each [dependent child](#) of the student or Australian Apprentice.

79.5.3 Indexation of Remote Area Allowance rates

Remote Area Allowance rates are not indexed.

79.6 Payment of Remote Area Allowance

79.6.1 Payment frequency

Payments of Remote Area Allowance are calculated on a daily rate and made fortnightly in arrears.

Where payments of Living Allowance are being made to a boarding school/hostel on an instalment basis under the provisions set out in [71.5](#), Remote Area Allowance must also be paid on an instalment basis under the same provisions.

79.6.2 Payee for Remote Area Allowance

The payee for Remote Area Allowance is the same as the payee for Living Allowance as set out in [71.7](#).

79.6.3 Taxation status

For details of the tax status of Remote Area Allowance, refer to [Chapter 5: Taxation](#).

79.7 Remote Area Allowance entitlement

79.7.1 Means testing

If, after applying the relevant [means tests](#), the [student](#) or [Australian Apprentice](#) is entitled to ANY amount of [Living Allowance](#), they receive the full rate of Remote Area Allowance.

79.7.2 Entitlement Period for Remote Area Allowance

Remote Area Allowance is payable from the date the student or Australian Apprentice becomes qualified for Remote Area Allowance, provided they are otherwise eligible for Living Allowance.

The entitlement period for Remote Area Allowance is the same as the entitlement period for Living Allowance as set out in [Chapter 73](#).

79.7.3 Overpayments

Where payments in excess of entitlement have occurred, refer to [Chapter 3: Overpayment and Recovery of Allowances](#) to determine what is a recoverable debt and from whom this amount should be recovered.

Chapter 80: Pharmaceutical Allowance

This chapter details the qualification, entitlement and payment of Pharmaceutical Allowance.

In this chapter:

- [80.1 Purpose of Pharmaceutical Allowance](#)
- [80.2 Qualification for Pharmaceutical Allowance](#)
- [80.3 Pharmaceutical Allowance rates](#)
- [80.4 Payment of Pharmaceutical Allowance](#)
- [80.5 Pharmaceutical Allowance Entitlement](#)

80.1 Purpose of Pharmaceutical Allowance

Pharmaceutical Allowance is paid to eligible customers who are temporarily incapacitated for study with the purchase of prescription medicines listed on the Pharmaceutical Benefit Scheme.

80.2 Qualification for Pharmaceutical Allowance

To qualify for Pharmaceutical Allowance, the following criteria must be met:

- the [student](#) or [Australian Apprentice](#) must qualify for one of the following ABSTUDY Awards:
 - [Schooling B Award](#); or
 - [Tertiary Award](#); and
- the student or Australian Apprentice must either:
 - be entitled to receive [Living Allowance](#); or
 - be receiving a Defence Force Income Support Allowance-like (DFISA-like) payment under the [Veterans' Entitlements Act 1986](#); and
- the student or Australian Apprentice must be either:
 - temporarily incapacitated for study or their apprenticeship, traineeship or trainee apprenticeship; or
 - has turned 60.

80.2.1 Not qualified for Pharmaceutical Allowance

A student or Australian Apprentice does not qualify for Pharmaceutical Allowance where the student or Australian Apprentice:

- is being paid Pharmaceutical Allowance by the Department of Veterans' Affairs (DVA); or
- has a [partner](#) who is in receipt of the partnered rate of Pharmaceutical Allowance from DVA; or
- is receiving a maintained rate of Living Allowance under the provisions set out in [72.2.8](#).

80.2.2 Absences from Australia

Pharmaceutical Allowance is payable for absences overseas where:

- the portability provisions set out in [9.2](#) are met; and
- the their remains otherwise eligible for Pharmaceutical Allowance.

Depending on the reason for the overseas absence, the length of time for which Pharmaceutical Allowance remains payable varies:

- where the student or Australian Apprentice is overseas and meets the provisions of [Chapter 55: Overseas Study](#), Pharmaceutical Allowance remains payable for up to 26 weeks;
- where the student or Australian Apprentice is overseas and does not meet the provisions of Chapter 55: Overseas Study, Pharmaceutical Allowance remains payable for up to 13 weeks;
- where the student or Australian Apprentice is overseas and does not meet the provisions of Chapter 55: Overseas Study, BUT the student or Australian Apprentice receives an extension to their limited portability period under the provisions set out in [9.2.2.1](#), Pharmaceutical Allowance remains payable for up to 26 weeks.

80.3 Pharmaceutical Allowance rates

Different Pharmaceutical Allowance rates apply depending upon whether the [student](#) or [Australian Apprentice](#) is considered [partnered](#) or single for ABSTUDY purposes.

For details of Pharmaceutical Allowance rates, see [A guide to Australian Government payments](#).

80.3.1 Illness-separated couple

A partnered ABSTUDY student or Australian Apprentice can receive a rate of Pharmaceutical Allowance equivalent to the single rate where they are a member of an illness-separated couple. A person is a member of an illness separated couple if:

- they are unable to live together in a their home as a result of the illness or infirmity of either or both of them; and
- because of that inability to live together, their living expenses are, or are likely to be, greater than they would otherwise be; and
- that inability is likely to continue indefinitely.

80.3.2 Respite care couple

A partnered ABSTUDY student or Australian Apprentice can receive a rate of Pharmaceutical Allowance equivalent to the single rate where they are a member of a respite care couple.

A person is a member of a respite care couple if:

- one of the members of the couple has entered approved respite care; and
- the member who has entered the approved respite care has remained, or is likely to remain, in that care for at least 14 consecutive days.

For ABSTUDY purposes, a person is in approved respite care on a particular day if the person is eligible for a respite care supplement in respect of that day under section 44-12 of the *Aged Care Act 1997*.

80.3.3 Partner in gaol

A partnered ABSTUDY student or Australian Apprentice can receive a rate of Pharmaceutical Allowance equivalent to the single rate where they have a partner in gaol. A person is considered to have a partner in gaol if the person's partner is:

- in gaol, or
- undergoing psychiatric confinement because the partner has been charged with committing an offence.

80.3.4 Indexation of Pharmaceutical Allowance

The rates of Pharmaceutical Allowance are indexed annually to changes in the Consumer Price Index (CPI). The effective date of indexation is 1 January each year.

80.4 Payment of Pharmaceutical Allowance

80.4.1 Payment frequency

Payments of Pharmaceutical Allowance are calculated on a daily rate and made fortnightly in arrears.

Where payments of [Living Allowance](#) are being made to a boarding school/hostel on an instalment basis under the provisions set out in [71.5](#), Pharmaceutical Allowance must also be paid on an instalment basis under the same provisions.

80.4.2 Payment of Pharmaceutical Allowance for a student or Australian Apprentice with a partner

Rules for payment of Pharmaceutical Allowance to a [partnered student](#) or [Australian Apprentice](#) may vary on the payment type being received by the partner, as outlined in the following table:

If the student or Australian Apprentice...	then Pharmaceutical Allowance...
is a single person,	is paid at the full fortnightly rate to the student or Australian Apprentice.
has a partner who is entitled to Pharmaceutical Allowance,	is paid at half the fortnightly combined rate to both the student or Australian Apprentice and their partner.
has a partner who is NOT entitled to Pharmaceutical Allowance,	is paid at half the fortnightly combined rate to the student or Australian Apprentice.
has a partner who is entitled to Pharmaceutical Allowance and the student or Australian Apprentice is: <ul style="list-style-type: none">• a member of an illness-separated couple; or• a member of a respite care couple; OR• the partner is in gaol,	is paid at the full fortnightly rate to both the student or Australian Apprentice and their partner.
has a partner who is receiving one of the following DVA payments: <ul style="list-style-type: none">• service pension (age or invalidity); or• partner service pension; or	is paid at half the fortnightly combined rate to the student or Australian Apprentice.

If the student or Australian Apprentice...	then Pharmaceutical Allowance...
<ul style="list-style-type: none"> carer service pension. 	

80.4.3 Payee for Pharmaceutical Allowance

The payee for Pharmaceutical Allowance is the same as the payee for Living Allowance as set out in [71.7](#).

80.4.4 Taxation status

For details of the tax status of Pharmaceutical Allowance, refer to [Chapter 5: Taxation](#).

80.5 Pharmaceutical Allowance Entitlement

80.5.1 Means testing

If, after applying the means tests, a [student](#) or [Australian Apprentice](#) is entitled to any amount of Pharmaceutical Allowance, they receive the full Pharmaceutical Allowance amount. The effect of means testing upon Pharmaceutical Allowance is set out in [Chapter 57: Calculating ABSTUDY Rates](#).

80.5.2 Entitlement period for Pharmaceutical Allowance

Pharmaceutical Allowance is payable from the date the student becomes qualified for Pharmaceutical Allowance, provided they are otherwise eligible for [Living Allowance](#).

The entitlement period for Pharmaceutical Allowance is the same as the entitlement period for Living Allowance as set out in [Chapter 73](#).

80.5.3 Overpayments

Where payments in excess of entitlement have occurred, refer to [Chapter 3: Overpayment and Recovery of Allowances](#) to determine what is a recoverable debt and from whom this amount should be recovered.

Chapter 81: Pensioner Education Supplement

This chapter provides details of ABSTUDY Pensioner Education Supplement qualification and payments.

In this chapter:

- [81.1 Purpose of ABSTUDY Pensioner Education Supplement](#)
- [81.2 Qualification for ABSTUDY Pensioner Education Supplement](#)
- [81.2a Recipient of JobSeeker Payment and Youth Allowance \(job seeker\) for the purposes of PES qualification](#)
- [81.3 ABSTUDY Pensioner Education Supplement rates](#)
- [81.4 Payment of ABSTUDY Pensioner Education Supplement](#)
- [81.5 ABSTUDY Pensioner Education Supplement Entitlement](#)

81.1 Purpose of ABSTUDY Pensioner Education Supplement

The purpose of the ABSTUDY Pensioner Education Supplement is to provide help and so encourage certain disadvantaged Indigenous pensioner groups, such as sole parents and people with disabilities to take up study by providing a supplement to the pension to assist with ongoing expenses associated with full-time or part-time study.

81.2 Qualification for ABSTUDY Pensioner Education Supplement

To qualify for the ABSTUDY Pensioner Education Supplement, the following criteria must be met:

- the student must qualify for one of the following ABSTUDY Awards:
 - [Schooling B Award](#); or
 - [Tertiary Award](#); or
 - [Masters and Doctorate Award](#); and
- the student must be one of the following:
 - in receipt of one of the following payments made under the [Social Security Act 1991](#) or taken to be in receipt of the payment during an [employment income nil rate period](#):
 - Carer Payment; or
 - Disability Support Pension; or
 - Parenting Payment (Single); or
 - Widow Allowance; or
 - Special Benefit, if the student is a sole parent; or
 - JobSeeker Payment and Youth Allowance as a job seeker (in certain circumstances – see section [81.2a](#).); or

- in receipt of one of the following payments made under the [Veterans' Entitlements Act 1986](#):
 - invalidity service pension; or
 - carer service pension; or
 - income support supplement; or
 - partner service pension, if the partner receives invalidity service pension; or
 - war widow/er's pension under Part II of the [Veterans' Entitlements Act 1986](#), if the widow/er has a [dependent child](#); or
 - defence widow/er's pension under Part IV of the [Veterans' Entitlements Act 1986](#) if the widow/er has a dependent child; or
- in receipt of compensation under the *Military Rehabilitation and Compensation Act*, where the student has a dependent child.

81.2a Recipient of JobSeeker Payment and Youth Allowance (job seeker) for the purposes of PES qualification

A person is eligible for the ABSTUDY Pensioner Education Supplement while in receipt of JobSeeker Payment or Youth Allowance, as a job seeker, in the following circumstances:

1. The person receiving JobSeeker Payment or Youth Allowance (job seeker):
 - a. has a partial capacity to work; and
 - b. on the day (being a day occurring on or after 1 July 2006) immediately before the person last qualified for Youth Allowance or Newstart (now known as JobSeeker Payment), was a [transitional DSP applicant](#) and was receiving a disability support pension; and
 - c. on that day ceased to be qualified for that disability support pension because he or she no longer had a continuing inability to work within the meaning of Section 94 of the [Social Security Act 1991](#) (Qualification for disability support pension-continuing inability to work); and
 - d. on that day was qualified for Pensioner Education Supplement in relation to a particular course of education or study; or
2. The person receiving JobSeeker Payment or Youth Allowance (job seeker):
 - a. is the principal carer of at least one child and is not a member of a couple; and
 - b. on the day (being a day occurring on or after 1 July 2006) immediately before the person last qualified for Youth Allowance or Newstart (now known as JobSeeker Payment), was receiving Parenting Payment Single; and
 - c. on that day ceased to be qualified for a Parenting Payment because he or she no longer had a Parenting Payment child for the reason that his or her youngest dependent child had turned 8; and
 - d. on that day was qualified for pensioner education supplement in relation to a particular course of education or study;

AND the person has:

1. at all times since that day, been qualified both for:
 - a. a Youth Allowance or Newstart (now known as JobSeeker Payment); and
 - b. Pensioner Education Supplement in relation to that particular course of education or study; and

2. at no time since that day, either undertaken fulltime study or been an [Australian Apprentice](#) under a Youth Allowance student or ABSTUDY Living Allowance.

81.2.1 Not qualified for ABSTUDY Pensioner Education Supplement

A student does not qualify for ABSTUDY Pensioner Education Supplement where the student:

- receives a Language, Literacy and Numeracy Supplement under a Language, Literacy and Numeracy Programme; or
- receives Pensioner Education Supplement under the [Social Security Act 1991](#).

Australian Apprentices do not qualify for Pensioner Education Supplement.

81.3 ABSTUDY Pensioner Education Supplement rates

There are different rates of ABSTUDY Pensioner Education Supplement depending upon the student's circumstances:

- full rate of ABSTUDY PES; and
- half rate of ABSTUDY PES.

81.3.1 Full rate of ABSTUDY PES

The full rate of ABSTUDY Pensioner Education Supplement is payable in the following circumstances:

- the student is enrolled in a [full-time study-load](#) or is a [concessional study-load](#) student enrolled in at least 50 per cent of the normal full-time study-load for their course; or
- the student is in receipt of either:
 - Disability Support Pension paid under the [Social Security Act 1991](#); or
 - an invalidity service pension paid under the [Veterans' Entitlements Act 1986](#); or
- the student meets the following conditions:
 - they are in receipt of a war widow/er pension under the [Veterans' Entitlements Act 1986](#); and
 - they are in receipt of an invalidity income support supplement under that Act; and
 - they have a dependent child under 16 years of age.

81.3.2 Half rate of ABSTUDY PES

The half rate of ABSTUDY Pensioner Education Supplement is payable for a concessional study-load, other than those listed in 81.3.1, who is enrolled in at least 25 per cent of the normal full-time study-load for their course.

81.4 Payment of ABSTUDY Pensioner Education Supplement

81.4.1 Payment frequency

ABSTUDY Pensioner Education Supplement is calculated on a daily rate and paid fortnightly in arrears.

81.4.2 Payee

The payee for ABSTUDY Pensioner Education Supplement is the student.

81.4.3 Taxation Status

For details of the tax status of the ABSTUDY Pensioner Education Supplement, refer [Chapter 5](#).

81.5 ABSTUDY Pensioner Education Supplement Entitlement

81.5.1 Means Testing

ABSTUDY Pensioner Education Supplement is not subject to means testing.

81.5.2 Entitlement Period for ABSTUDY PES

The entitlement periods for ABSTUDY PES are the same as for [Living Allowance](#), as set out in [Chapter 73: Living Allowance entitlement periods](#). The exception is an ABSTUDY PES student who is enrolled in a course of more than 30 weeks duration and who completes the course any time after 15 September of that year. In this circumstance, the entitlement end date for ABSTUDY PES is 31 December of that year.

81.5.3 Overpayments

Where payments in excess of entitlement have occurred to determine what is a recoverable debt and from whom this amount should be recovered, refer [Chapter 3](#).

Chapter 82: Incidentals Allowance

This chapter provides details of Incidentals Allowance qualification and payments.

In this chapter:

- [82.1 Purpose of Incidentals Allowance](#)
- [82.2 Qualification for Incidentals Allowance](#)
- [82.3 Incidentals Allowance rates](#)
- [82.4 Payment of Incidentals Allowance](#)
- [82.5 Incidentals Allowance entitlement](#)

82.1 Purpose of Incidentals Allowance

The purpose of Incidentals Allowance is to assist [students](#) and [Australian Apprentice](#) to meet expenses associated with commencement of study in the [approved course](#).

82.2 Qualification for Incidentals Allowance

To qualify for Incidentals Allowance, the following criteria must be met:

- the [student](#) or [Australian Apprentice](#) must qualify for one of the following ABSTUDY Awards:
 - [Schooling B Award](#); or
 - [Tertiary Award](#); or
 - [Masters and Doctorate Award](#); or
 - [Part-time Award](#); and
- if a student, they must be either:
 - enrolled in a tertiary level course; or
 - enrolled in a preparatory course that is delivered by a higher education institution and designed to assist people to gain entry to higher education level courses (also known as a bridging, access or enabling course); or
 - enrolled in a secondary school AND aged 18 years or older at 1 January in the year of study; or
 - enrolled in a secondary non-school level course, AND aged 18 years or older at 1 January in the year of study;
 - the student or Australian Apprentice must commence in the course or apprenticeship, traineeship or trainee apprenticeship.

82.2.1 Not qualified for Incidentals Allowance

A student or Australian Apprentice does not qualify for Incidentals Allowance if they do not commence study in an [approved course](#) or apprenticeship, traineeship or trainee apprenticeship.

82.2.2 Concurrent Awards

Where a student or Australian Apprentice is studying simultaneous courses, apprenticeship, traineeship or trainee apprenticeship and holds more than one Award over the same period, Incidentals Allowance is payable in respect of each Award. See [14.3 Concurrent Awards](#).

82.3 Incidentals Allowance rates

Incidentals Allowance rates vary depending upon the period of the student's enrolment in the course during the year of assistance. Different rates apply for the following periods of enrolment:

- less than 12 weeks;
- 12 to 16 weeks;
- 17 to 23 weeks; and
- 24 weeks to 1 year.

[Australian Apprentices](#) will be entitled to Incidentals Allowance for each year they participate in the apprenticeship, traineeship or trainee apprenticeship they are undertaking.

For details of Incidentals Allowance rates, see [A guide to Australian Government payments](#).

82.3.1 Indexation of Incidentals Allowance rates

Incidentals Allowance rates are subject to Consumer Price Index (CPI) changes on an annual basis. Maximum rates are indexed at 1 January each year.

82.4 Payment of Incidentals Allowance

82.4.1 Payment frequency

Incidentals Allowance is paid in one instalment at the time the entitlement is approved. Where the student is a continuing student, the allowance can be paid up to four weeks before the student commences the next academic period of the course.

Incidentals Allowance cannot be paid while a [Australian Apprentice](#) is in receipt of the Living Away from Home Allowance paid under the [Australian Apprenticeship Scheme](#).

82.4.2 Payee for Incidentals Allowance

Incidentals Allowance is paid to the student or Australian Apprentice.

82.5 Incidentals Allowance entitlement

82.5.1 Means testing

Incidentals Allowance entitlement is not means tested.

82.5.2 Discontinuation of study

Early discontinuation of study or apprenticeship, traineeship or trainee apprenticeship does not affect the rate of Incidentals Allowance. Entitlement is established by commencement in the course.

82.5.3 Change in course

The student or Australian Apprentice is not entitled to more than the maximum rates specified in [82.3](#) where a change of course occurs. This means that, where a student or Australian Apprentice has been paid Incidentals Allowance for a certain period of enrolment or training, subsequently discontinues that course, apprenticeship, traineeship or trainee apprenticeship, and then commences a new course, apprenticeship, traineeship or trainee apprenticeship, Incidentals Allowance is only payable for any period of enrolment in the new course, apprenticeship, traineeship or trainee apprenticeship that does not overlap the period for which the initial Incidentals Allowance payment was made.

82.5.4 Overpayments

Where payments in excess of entitlement have occurred, refer to [Chapter 3: Overpayment and Recovery of Allowances](#) to determine what is a recoverable debt and from whom this amount should be recovered.

Chapter 83: Additional Incidentals Allowance

This section contains details about Additional Incidentals Allowance qualification and payments.

In this chapter:

- [83.1 Purpose of Additional Incidentals Allowance](#)
- [83.2 Essential Course Costs](#)
- [83.3 Qualification for Additional Incidentals Allowance](#)
- [83.4 Additional Incidentals Allowance Rates](#)
- [83.5 Lodgment and Payment of Additional Incidentals Allowance](#)
- [83.6 Conditions Affecting Additional Incidentals Allowance](#)

83.1 Purpose of Additional Incidentals Allowance

The purpose of Additional Incidentals Allowance is to assist students to meet essential course costs associated with study in an approved tertiary course. The Additional Incidentals Allowance is only payable where these costs **must** be incurred by **all** students in the course. This allowance is not intended to cover the full cost of such items.

Additional Incidentals Allowance is not available to [Australian Apprentices](#).

83.2 Essential Course Costs

For the purposes of assessing Additional Incidentals Allowance, essential course costs are considered to be those costs that are mandatory to the course but that the education institution would not reasonably be expected to provide. The Head of School/Faculty must certify in writing that the costs incurred by the student are for mandatory items, that is, all students in the course are obliged to incur these costs in order to undertake their course. Such costs may include:

- education institution fees, including union, sports, library, administration, amenities, laboratory fees or levies or the like charged by an approved education institution; and
- textbooks and equipment, including clinical instruments, books, published articles, stationery and other equipment items.

83.2.1 Not included as essential course cost

For the purposes of assessing Additional Incidentals Allowance, the following are not included as essential course costs (even where certified by the Head of School/Faculty as being mandatory):

- tuition or course fees charged by an education institution, including the flying time and associated fees charged by institutions offering pilot (aviation) courses; and
- items that education providers would normally be expected to make available for student use, for example assets such as musical instruments, cameras, videos, sewing machines, typewriters or computers.

83.3 Qualification for Additional Incidentals Allowance

To qualify for Additional Incidentals Allowance, the following criteria must be met:

- the student must qualify for one of the following ABSTUDY Awards:
 - [Tertiary Award](#); or
 - [Masters and Doctorate Allowance](#); and
- the student must commence in the course; and
the student has incurred [essential course costs](#) that exceed the [prescribed amount](#); and
- the claim must be verified in writing by the Head of School/Faculty as being an essential requirement for all students undertaking the course.

83.3.1 Not qualified for Additional Incidentals Allowance

A student does not qualify for Additional Incidentals Allowance in the following circumstances:

- the student is enrolled in a secondary level course; or
- the student does not commence study in the [approved course](#); or
- the student does not incur essential course costs that exceed the prescribed amount.

83.4 Additional Incidentals Allowance Rates

The Additional Incidentals Allowance entitlement is the amount by which essential course costs exceed the prescribed amount. There is a maximum to the amount of Additional Incidentals Allowance that can be claimed in a year.

For details of the maximum annual Additional Incidentals Allowance payable, see [A guide to Australian Government payments](#).

83.4.1 Prescribed amount

The prescribed amount is the amount of expenditure on essential course costs required before an entitlement to Additional Incidentals Allowance is established. This amount includes the normal Incidental Allowance level plus a student contribution to costs.

The prescribed amounts vary depending upon the period of the student's enrolment in the course during the year of assistance. Different prescribed amounts apply for the following periods of enrolment:

- less than 12 weeks;
- 12 to 16 weeks;
- 17 to 23 weeks; and
- 24 weeks to 1 year.

For details of the prescribed amounts for Additional Incidentals Allowance, see [A guide to Australian Government payments](#).

83.4.2 Indexation of Additional Incidentals Allowance rates

The prescribed amounts for Additional Incidentals Allowance are subject to annual Consumer Price Index (CPI) changes at 1 January each year.

The maximum annual amount of Additional Incidentals Allowance that is payable is not subject to indexation.

83.5 Lodgement and Payment of Additional Incidentals Allowance

83.5.1 Lodging the Additional Incidentals Allowance Claim

A claim for Additional Incidentals must be submitted with details of the cost of each item of essential course expenditure and account for the full level of the expenditure including the initial Incidentals Allowance amount and student contribution.

The student must provide confirmation in writing by the Head of School/Faculty that the items are essential to all students undertaking the course.

83.5.2 Payment of Additional Incidentals Allowance

Payment of Additional Incidentals Allowance can only be made as a reimbursement of actual expenditure by the student up to the maximum value.

83.5.3 Payee for Additional Incidentals Allowance

Additional Incidentals Allowance is paid to the student.

83.5.4 Payment frequency

Additional Incidentals Allowance is paid in one instalment at the time the entitlement is approved.

83.5.5 Means testing

Additional Incidentals Allowance is not means tested.

83.5.6 Taxation status

For details of the tax status of Additional Incidentals Allowance, see [Chapter 5: Taxation](#).

83.6 Conditions Affecting Additional Incidentals Allowance

83.6.1 Discontinuation of study

Early discontinuation of study does not affect the rate of Additional Incidentals Allowance. Entitlement is established by commencement in the course for which the expenses have been incurred.

83.6.2 Change in course

The student is not entitled to more than the maximum rate of Additional Incidentals Allowance specified in [83.4](#) where a change of course occurs.

83.6.3 Overpayments

Where payments in excess of entitlement have occurred, refer to [Chapter 3: Overpayment and Recovery of Allowances](#) to determine what is a recoverable debt and from whom this amount should be recovered.

Chapter 84: School Term Allowance

This chapter provides details of School Term Allowance qualification and payment.

In this chapter:

- [84.1 Purpose of School Term Allowance](#)
- [84.2 Qualification for School Term Allowance](#)
- [84.3 Attendance Requirements](#)
- [84.4 School Term Allowance rates](#)
- [84.5 Payment of School Term Allowance](#)
- [84.6 School Term Allowance Entitlement](#)

84.1 Purpose of School Term Allowance

The purpose of School Term Allowance is to assist Indigenous families with expenses associated with the commencement of school for students aged less than 16 years old.

84.2 Qualification for School Term Allowance

To qualify for School Term Allowance in respect of the term one payment for each calendar year, the following criteria must all be met on any one day during that school term:

- the [student](#) meets the [Schooling A Award](#) criteria; and
- the student is enrolled in and attending study at the secondary school (or the primary school, where the [Schooling A Award](#) criteria allows); and
- one of the following apply:
 - one or both of the student's [parent/s](#) are one of the following:
 - in receipt of an [income support](#) payment; or
 - in receipt of [Farm Household Allowance](#); or
 - in receipt of New Enterprise Incentive Scheme; or
 - holders of a current Health Care Card (HCC) or a Low Income Health Care Card, including a HCC issued on the basis of receipt of maximum rate Family Tax Benefit Part A; or
 - in receipt of ABSTUDY [Living Allowance](#); or
 - taken to be receiving their income support payment during an employment income nil rate period;

OR

- the student is:
 - in [State Care](#); and
 - under the minimum school leaving age for their State or Territory; and
 - does not meet the criteria for Away from Home entitlements set out in [Chapter 25](#);

OR

- the student would, except for reasons of age, qualify for [Independent status](#) as an [orphan](#), a student whose [parents cannot exercise parental responsibilities](#), or on the basis that it is [Unreasonable to Live at Home](#).

In addition to the above, to qualify for School Term Allowance in respect of the second and subsequent payments, the student must be enrolled in and attending secondary school for at least 85 per cent of each school term, prior to that term for which the allowance is being claimed.

Note: Special Coronavirus attendance arrangements for 2020 Term Three and Term Four payments in Chapter 84.3 may apply.

84.2.1 Farm Household Allowance ceases

An [applicant](#), or [partner](#) of an applicant, who receives payment under the Farm Household Allowance provisions is taken to be qualified for School Term Allowance from the commencement of the period of receipt of ECRP until 31 December of that year.

84.3 Attendance Requirements

Qualification of...	Student must...
First School Term Allowance payment	be enrolled and attend school in the term.
Second and subsequent School Term Allowance payment	be enrolled and attending school, or had an approved absence, for at least 85% of the school days in the previous term.

As a result of the Coronavirus pandemic, payment of the Term Three and Term Four instalments in 2020 will be made based on attendance in Term One of 2020, provided the student:

- remains enrolled, and
- continues to meet the Schooling A Award eligibility criteria.

84.3.1 Unapproved absence from school

Absences not approved by the school will be deemed an unapproved absence and will contribute to the calculation of the attendance rate.

84.3.2 Approved Absences

Schools will determine whether an absence is an approved or unapproved absence, in accordance with their attendance policy, in determining whether the 85 per cent attendance requirement has been met.

84.3.3 Evidence of 85 per cent attendance

Evidence that attendance was met will be required from all of the schools the student attended in the previous term to claim their next instalment of School Term Allowance.

Note: Special Coronavirus attendance arrangement for 2020 Term Three payments may apply.

84.4 School Term Allowance rates

The annual entitlement of School Term Allowance is paid in four quarterly amounts. The entitlement periods for School Term Allowance are:

- 1 January – 31 March
- 1 April – 30 June
- 1 July – 30 September
- 1 October – 31 December

This applies in all States/Territories, even where the school year has four or more terms.

84.5 Payment of School Term Allowance

School Term Allowance is paid in four instalments, as set out in 84.4.

Term one payment is paid automatically to eligible, enrolled students who lodge a claim. Subsequent payments in that calendar year can be made after the [applicant](#) provides evidence that attendance of 85 per cent has been achieved in the previous school term.

For students who are enrolled in study where there is no requirement to record attendance, such as home schooling, distance education or VET courses, the second and subsequent payments can be made upon evidence from the appropriate authority that, for the previous term, the student met the requirements of their course of study.

84.5.1 Payee for School Term Allowance

Payment of School Term Allowance must be made to the applicant. Refer to [6.1 Who can apply for ABSTUDY](#) for details of who should be the applicant.

84.6 School Term Allowance Entitlement

The table below lists what occurs when, during a term, a student's circumstances change.

If the...	then...
student turns 16 during the term	School Term Allowance will be pro-rated based on the number of school days in the term before the student turns 16. The student must have achieved 85% attendance to be eligible for the payment.
student discontinues study during a school term	School Term Allowance is payable for the term where 85% attendance in the previous term was achieved.
student changes school during a school term	not entitled to more than the maximum rates specified in 84.4 where a change in school occurs.
student leaves private board or hostel during the term	School Term Allowance is payable for the term where 85% attendance in the previous term was achieved.
student leaves a boarding school during the term for which a term's entitlements have been paid	there is no entitlement to School Term Allowance in that term.

If the...	then...
student moves to another carer during the term	where School Term Allowance has been paid in the term, the new carer is not entitled to a payment of School Term Allowance in that term.

Note: Special Coronavirus attendance arrangement for 2020 Term Three payments may apply.

84.6.1 Overpayments

Where payments in excess of entitlement have occurred, refer to [Chapter 3: Overpayment and Recovery of Allowances](#) to determine what is a recoverable debt and from whom this amount should be recovered.

84.6.2 Indexation of School Term Allowance rates

The rates of School Term Allowance are not indexed.

84.6.3 Taxation Status

For details of the tax status of School Term Allowance, see [Chapter 5: Taxation](#).

Chapter 85: School Fees Allowance

This chapter provides details of School Fees Allowance qualification and payment.

In this chapter:

- [85.1 Purpose of School Fees Allowance](#)
- [85.2 Qualification for School Fees Allowance](#)
- [85.3 School Fees Allowance rates](#)
- [85.4 Payment of Group 1 School Fees Allowance](#)
- [85.5 Payment of Group 2 School Fees Allowance](#)
- [85.6 School Fees](#)
- [85.7 School Fees Allowance Entitlement](#)
- [85.8 Transfer of unused Group 2 School Fees Allowance to pay boarding costs](#)

85.1 Purpose of School Fees Allowance

The purpose of the School Fees Allowance is to assist Indigenous families to meet the costs of school fees levied by the [approved education institution](#) for the student.

85.2 Qualification for School Fees Allowance

There are two categories of School Fees Allowance:

- [Group 1 School Fees Allowance](#); and
- [Group 2 School Fees Allowance](#).

A student cannot qualify for both Group 1 and Group 2 School Fees Allowance for the same period.

85.2.1 Qualification for Group 1 School Fees Allowance

To qualify for Group 1 School Fees Allowance in respect of a school year, the following criteria must all be met on any one day during that school year:

- the [student](#) meets the [Schooling A Award](#) criteria; and
- the student is enrolled in and attending studies at the secondary school (or the primary school, where eligible under [Schooling A Award](#)); and
- one of the following apply:
 - one or both of the student's [parent/s](#) are one of the following:
 - in receipt of an [income support](#) payment; or
 - in receipt of [Farm Household Allowance](#); or
 - in receipt of New Enterprise Incentive Scheme; or
 - holders of a current Health Care Card (HCC) or a Low Income Health Care Card, including a HCC issued on the basis of receipt of maximum rate Family Tax Benefit Part A; or
 - in receipt of ABSTUDY [Living Allowance](#); or
 - taken to be receiving their income support payment during an [employment income nil rate period](#); OR

- the student is:
 - in [State Care](#); and
 - under the minimum school leaving age for their State or Territory; and
 - does not meet the criteria for Away from Home entitlements set out in [Chapter 25](#); OR
- the student would, except for reasons of age, qualify for Independent status as an [orphan](#), a student whose [parents cannot exercise parental responsibilities](#), or on the basis that it is [Unreasonable to Live at Home](#).

85.2.2 Qualification for Group 2 School Fees Allowance

To qualify for Group 2 School Fees Allowance, the following criteria must be met:

- the student meets the [Schooling A Award](#) criteria, and
- the student does not have reasonable access to an appropriate level of education at a government school but lives at home and attends a local non-government school that does provide an appropriate level of education.

OR

- the student meets the [Schooling B Award](#) criteria; and
- the student is a secondary school student (or a primary school student undertaking studies at a secondary school, where the [Schooling B Award](#) criteria allows); and
- one of the following apply:
 - the student meets the criteria for [Away from Home entitlements](#); or
 - the student would meet one or more of the criteria for Away from Home entitlements under the specific principles of [Chapter 26: Travel Time and Access](#) or [Chapter 27: Limited Local School Facilities/Programme](#), but instead attends a local non-government school; or
 - the student qualifies for independent status as an orphan, a student whose parents cannot exercise parental responsibilities, or on the basis that it is Unreasonable to Live at Home; or
 - the student qualifies for [Independent status](#) on the basis of criteria other than those listed in the previous dot point AND meets the criteria for Away from Home entitlements; or
 - the student is in State Care and the following apply:
 - the student is entitled to receive the Away from Home rate of Living Allowance because the carer does not receive a regular foster care allowance; and
 - the student would meet the criteria for Away from Home entitlements.

85.3 School Fees Allowance rates

85.3.1 Group 1 School Fees Allowance

There are two different rates of Group 1 School Fees Allowance:

- the lower rate for a student turning 16 years old prior to 1 July in that year; and
- the higher rate for a student who is aged less than 16 years old at 30 June in that year.

For details of these rates, see [A guide to Australian Government payments](#).

85.3.2 Group 2 School Fees Allowance

There are two components of [Group 2 School Fees Allowance](#) entitlement:

- An annual amount free from income testing; and
- An additional annual amount that is subject to the Parental Income Test, to determine the amount payable. Refer to [57.2](#) for details of the effect of these tests upon Group 2 School Fees Allowance.

For details of these amounts, see *A guide to Australian Government payments*.

85.3.3 Indexation of School Fees Allowance rates

The level of School Fees Allowance is indexed as follows:

- Group 1 School Fees Allowance is not indexed; and
- Group 2 School Fees Allowance is subject to annual indexation against the Consumer Price Index (CPI) at 1 January.

85.4 Payment of Group 1 School Fees Allowance

[Group 1 School Fees Allowance](#) is payable as follows:

- Payment, upon approval of the entitlement, in one instalment direct to the school for the maximum amount of School Fees Allowance entitlement specified in [85.3.1](#); or
- Reimbursement/s to the applicant upon presentation of receipt/s from the school that show the school fees amount paid by the applicant. In total, reimbursement will be made for the lesser of:
 - the amount of school fees paid by the applicant; or
 - the maximum amount of School Fees Allowance entitlement specified in [85.3.1](#).

85.5 Payment of Group 2 School Fees Allowance

[Group 2 School Fees Allowance](#) is payable as follows:

- Payment direct to the school for the amount determined by [85.5.1](#); or
- Reimbursement/s to the person who has incurred the expenses, upon presentation of receipt/s from the school that show the school fee amount paid. In total, reimbursement will be made for the lesser of:
 - the amount of [school fees](#) paid; or
 - the maximum amount of School Fees Allowance entitlement specified in [85.3.2](#).

85.5.1 Payment of Group 2 School Fees Allowance to the school

Where Group 2 School Fees Allowance is being paid to the school, the payment frequency and calculation is affected by whether the student is either:

- [boarding at a boarding school](#); or
- [boarding at a hostel that is a signatory to the Standard Hostels Agreement](#); or
- [boarding at a hostel that is NOT a signatory to the Standard Hostels Agreement](#); or
- [boarding in a private board arrangement](#).

85.5.1.1 Student is boarding at a boarding school or a hostel that is a signatory to the Standard Hostels Agreement

Where the student is boarding at a boarding school or a hostel that is a signatory to the Standard Hostels Agreement, Group 2 School Fees Allowance payments are paid under the same provisions as [71.5.1.1](#)

These payments are made on a pro-rata basis for the lesser of:

- the student's maximum entitlement of Group 2 School Fees Allowance as set out in [85.3.2](#); or
- the annual school fees amount charged by the school.

85.5.1.2 Student is boarding at a hostel that is NOT a signatory to the Standard Hostels Agreement or in a private board arrangement

Where the student is boarding at a hostel that is NOT a signatory to the Standard Hostels Agreement or in a private board arrangement, Group 2 School Fees Allowance is paid in one instalment for the lesser of:

- the student's maximum entitlement of Group 2 School Fees Allowance as set out in [85.3.2](#); or
- the annual school fees amount charged by the school.

85.5.2 Taxation status

For details of the tax status of Group 1 and 2 School Fees Allowance, see [Chapter 5: Taxation](#).

85.6 School Fees

85.6.1 School Fees

For the purposes of School Fees Allowance, school fees are those fees charged by a school for all students enrolled in a particular programme. This includes:

- fees associated with school subjects, including charges for consumable materials and charges for sporting activities where sport is taken as a school subject and a subject fee is levied;
- general purpose fees for services and amenities;
- tuition fees; and
- fees for items such as school magazines, locker hire, book hire, and examinations.

85.6.2 Not included as school fees

For the purposes of School Fees Allowance, school fees do not include:

- charges for the issue of stationery, or the use or purchase of school clothing including sports clothing or special clothing e.g. aprons for Home Economics or Manual Arts;
- charges to cover incidental expenses incurred by a student during the term e.g. purchases from the school shop;
- charges for laundry/purchase of linen;
- levies on behalf of Parents' and Citizens' Association or similar organisation;
- contributions (whether or not compulsory and/or refundable) to school building funds; or
- charges for insurance cover for school-related activities.

85.6.3 Disparity in fees levied by schools

Fees levied for ABSTUDY students must be at the same level as those set for non-ABSTUDY students at the school.

85.7 School Fees Allowance Entitlement

85.7.1 Means testing

[Group 1 School Fees Allowance](#) is not subject to the means tests outlined in [Chapter 56: Means Testing](#).

There are two components of [Group 2 School Fees Allowance](#) entitlement:

- An amount free from means testing; and
- An additional amount that is subject to the Parental Income Test to determine the amount payable. Refer to [57.2](#) for details of the effect of these tests upon Group 2 School Fees Allowance.

85.7.2 Entitlement

Entitlement to Group 1 School Fees Allowance is established when the student commences study in the school year. The entitlement is not affected if a student subsequently discontinues study.

Entitlement to Group 2 School Fees Allowance is established upon commencement at the school, and is determined on a pro-rata basis, in accordance with the provisions outlined in [Chapter 73: Living Allowance entitlement periods](#).

85.7.3 Change in school

The same maximum rates of Group 1 and 2 School Fees Allowance apply where a student changes school during the year; payments of School Fees Allowance in respect of the student for a year may total up to the maximum rate of School Fees Allowance.

85.7.4 Overpayments

Where payments in excess of entitlement have occurred, refer to [Chapter 3: Overpayment and Recovery of Allowances](#) to determine what is a recoverable debt and from whom this amount should be recovered.

85.8 Transfer of unused Group 2 School Fees Allowance to pay boarding costs

85.8.1 Qualification for transfer of unused Group 2 School Fees Allowance to pay boarding costs

Unused [Group 2 School Fees Allowance](#) may be transferred to meet outstanding boarding fees in the following circumstances:

- the student qualifies for Group 2 School Fees Allowance; and
- the annual tuition amount charged by the school is less than the student's maximum entitlement of Group 2 School Fees Allowance as set out in [85.3.2](#);
- the student boards at a boarding school OR a hostel that is a signatory to the Standard Hostels Agreement; and
- the annual amount of boarding fees charged by the boarding school/hostel exceeds the student's combined annual entitlement of [Living Allowance](#), [Rent Assistance](#), [Remote Area Allowance](#) and [Pharmaceutical Allowance](#).

85.8.1.1 Not qualified for transfer of unused Group 2 School Fees Allowance to pay boarding costs

Transfer of Group 2 School Fees Allowance to pay boarding costs may not be approved in the following circumstances:

- no Living Allowance is payable in respect of the student as a result of the application of the means tests; and/or
- the student is boarding at a hostel that is NOT a signatory to the Standard Hostels Agreement or is in a private board arrangement.

85.8.2 Payment of transferred Group 2 School Fees Allowance

Where the transfer of unused Group 2 School Fees Allowance to pay boarding costs has been approved, these payments are calculated on a daily rate and paid in two instalments in each of the following standardised school term periods:

- Term 1 01 January – 31 March;
- Term 2 01 April – 30 June;
- Term 3 01 July – 30 September;
- Term 4 01 October – 31 December.

Payment is made for the lesser of:

- the difference between the student's combined annual entitlement of Living Allowance, Rent Assistance, Remote Area Allowance and Pharmaceutical Allowance and the annual amount of boarding fees charged by the boarding school/hostel; or
- the difference between the student's maximum entitlement of Group 2 School Fees Allowance as set out in [85.3.2](#) and the annual tuition fee amount charged by the school.

85.8.3 Entitlement not to be exceeded

Where unused Group 2 School Fees Allowance has been transferred to meet any outstanding boarding fees under the provisions of [85.6](#), any residual amount of Group 2 School Fees Allowance cannot be used for other purpose e.g. to pay existing overpayments, or to be directed to the student.

Chapter 86: Deleted Chapter

Chapter 87: Qualification for Fares Allowance

This chapter details the qualifications for Fares Allowance.

In this chapter:

- [87.1 Purpose of Fares Allowance](#)
- [87.2 Qualification for Fares Allowance](#)
- [87.3 Restrictions on interstate travel](#)
- [87.4 Overseas travel](#)

87.1 Purpose of Fares Allowance

The purpose of Fares Allowance is to cover the cost of specified travel for students who need to live away from home to attend study or to participate in an approved [Away from Base activity](#). This allows the student to participate fully in the approved course while maintaining contact with their home community. Persons other than students may also be eligible for fares allowance in [specified circumstances](#).

Fares Allowance is not available to Australian Apprentices.

87.2 Qualification for Fares Allowance

There are different types of specified travel for which Fares Allowance may be approved; these are detailed in [Chapter 89 Approved Travel](#).

The qualification criteria for Fares Allowance vary depending upon the type of specified travel being undertaken:

- all types of specified travel, except Away from Base activities travel; and
- Away from Base activities travel.

87.2.1 Qualification for Fares Allowance for all types of specified travel, except Away from Base activities travel

To qualify for Fares Allowance for all types of specified travel, with the exception of Away from Base activities travel, the following criteria must be met:

- the student meets the criteria for one of the following ABSTUDY Awards:
 - [Schooling B Award](#); or
 - [Tertiary Award](#); or
 - [Masters and Doctorate Award](#); and
- the student has a permanent home address that varies from their term address or for the address at which a student is required to sit an examination; and
- the student was living at the [permanent home](#) address immediately prior to undertaking the travel; and

- the travelling time and/or distance between the permanent home and the term address or the examination address can be considered to be unreasonable according to the principles set out in [Chapter 26 Travel Time and Access](#); and
- the journey is not precluded under the [interstate travel rules](#); and
- the person undertaking the journey is an [approved traveller](#); and
- the student is eligible for the type of specified travel being undertaken; and
- if the student requires mandatory supervision under section [87.2.1.2](#) of this Manual, they are accompanied by a supervisor under section [88.4.2](#) of this Manual; and
- from 1 July 2019, unless exceptional circumstances apply, a student MUST have a Safe Travel Plan in place if they are:
 - under 18 years of age; and
 - a primary or secondary school student; and
 - seeking to have [Centrelink](#) pre-book their travel. Guidelines for the development of appropriate Safe Travel Plans are at [Appendix F](#) of this Manual.

87.2.1.1 Not qualified for Fares Allowance if paid Relocation Allowance

Where a student is undertaking a Masters or Doctorate level degree, and they have received [Relocation Allowance](#) to relocate to the study location, the study location is considered the [permanent home](#). This means that Fares Allowance is no longer payable in respect of this approved course.

87.2.1.2 Mandatory supervision

When assessing a travel request Centrelink may determine that a student requires mandatory supervision based on the information available.

To be eligible for Fares Allowance, where Centrelink determines that mandatory supervision is required, the student must be accompanied by a supervisor. Travel supervisors may be eligible for Fares Allowance under section [88.4.2](#). Mandatory supervision is only required for students seeking to have Centrelink pre-book their travel arrangements.

For students required to have a Safe Travel Plan, mandatory supervision applies for any weekend travel that is pre-booked by Centrelink.

87.2.2 Qualification for Fares Allowance for Away from Base activities travel

To qualify for Fares Allowance for Away from Base activities travel, the following criteria must be met:

- the student meets the criteria for one of the following ABSTUDY Awards:
 - [Schooling A Award](#); or
 - [Schooling B Award](#); or
 - [Tertiary Award](#); or
 - [Part-time Award](#); or
 - [Testing and Assessment Award](#); or

- [Masters and Doctorate Award](#); or
- [Student in Lawful Custody Award](#); and
- the student is required to temporarily live away from the [permanent home](#) in order to attend an Away from Base activity; and
- if the student requires mandatory supervision under section [87.2.1.2](#) of this Manual, they are accompanied by a supervisor under section [88.4.2](#) of this Manual; and
- from 1 July 2019, unless exceptional circumstances apply, a student MUST have a Safe Travel Plan in place if they are:
 - under 18 years of age; and
 - a primary or secondary school student; and
 - seeking to have Centrelink pre-book their travel.

Guidelines for the development of appropriate Safe Travel Plans are at Appendix F of this Manual.

- one of the following apply:
 - for field trips, the travelling time and/or distance between the institution location and the field trip location can be considered to be unreasonable according to the principles set out in [Chapter 26 Travel Time and Access](#); and
 - for residential schools and testing/assessment programs, the travelling time and/or distance between the permanent home and the institution location can be considered to be unreasonable according to the principles set out in [Chapter 26 Travel Time and Access](#); and
 - for placements:
 - where the student is living at their permanent home, the travelling time and/or distance between the permanent home and the placement location can be considered to be unreasonable according to the principles set out in [Chapter 26 Travel Time and Access](#); and
 - where the student is living at their term address, the travelling time and/or distance between the term address and the placement location can be considered to be unreasonable according to the principles set out in [Chapter 26 Travel Time and Access](#); and
- the journey is not precluded under the interstate travel rules; and
- the person undertaking the journey is an [approved traveller](#); and
- the student is eligible for [Away from Base activities travel](#).

87.3 Restrictions on interstate travel

There are restrictions on interstate travel for the following students:

- secondary school students;
- students undertaking certificate and enabling courses;
- students undertaking Statement of Attainment courses; and
- students undertaking an Away from Base field trip or placement.

87.3.1 Interstate travel for secondary school students

Fares Allowance cannot be approved for secondary school students who choose to study interstate, except in the following circumstances:

- the student lives near a State/Territory border and will attend a school at a nearby interstate location; or
- interstate travel is more cost effective than intrastate; or
- the student has a sibling attending the interstate school who has already been approved for interstate travel on the basis it is more cost effective than intrastate travel; or
- there are no available boarding places at boarding schools in the student's State/Territory; or
- the student is undertaking an approved specialist secondary course at a government school which meets the criteria at [28.6](#) and is not available in their home state; or
- the student has been awarded a scholarship to a boarding school at an interstate location that has been approved by the Minister for Families and Social Services as listed at [35.2](#) or [35.4](#); or
- the student has been approved for ABSTUDY away from home entitlements on the basis of being offered a Boarding School Scholarship (refer [35.1](#)); or
- the student has been approved to live away from the permanent family home under the Continuity of Study provisions set out in [Chapter 32](#).

Note: When assessing cost effectiveness other factors may need to be considered such as average fare price, how long the travel will take, the time of day the travel is taken, the number of legs that need to be taken and the availability of appropriate transport.

87.3.2 Interstate travel for students undertaking Statement of Attainment, Certificate and Enabling Courses

Fares Allowance cannot be approved for students undertaking Statement of Attainment, certificate and enabling courses who choose to study interstate, except in the following circumstances:

- interstate travel is more cost effective than intrastate; or
- the student is participating in the Indigenous Youth Mobility Programme (IYMP) and has been offered a placement at an interstate location; or
- both of the following apply:
 - a similar course in the particular field of study is not available in the student's home state or territory; and
 - the institution has applied to DSS for, and has been granted an exemption from this interstate travel rule.

In such cases, the student may be approved to travel to the nearest most cost-effective interstate location; or if the student is participating in the Indigenous Youth Leadership Programme or IYMP or has been awarded a scholarship to an independent boarding school in accordance with [35.1](#), to the location where the student has been offered a placement.

87.3.2.1 Exemption from interstate travel rule

The decision whether or not a certificate or enabling course is available in a particular State or Territory is made by DSS. It is the responsibility of institutions, not students, to apply for recognition that a course is not available in (some) other States/Territories.

Institutions wishing to apply for such recognition should be advised to make a written request for consideration to:

Branch Manager
Study and Compliance
Department of Social Services
GPO Box 9820
Canberra ACT 2601

or by email to ABSTUDY@dss.gov.au

DSS will advise both the institution and Centrelink of the decision.

87.3.3 Interstate travel for field trips and placements

Interstate travel will not be approved for Away from Base field trips and placements except where:

- the travel is between New South Wales and the Australian Capital Territory; or
- the student is attending an educational institution near a State/Territory border; or
- the field trip or placement provides experience or training that is both:
 - essential for successful completion of the minimum requirements of the student's course; and
 - unavailable within the home State or Territory.

87.4 Overseas travel

Fares Allowance is not available for travel between Australia and an overseas location.

Fares Allowance may be available for travel within an overseas country under the specific provisions set out in [Chapter 55 Overseas Study](#).

Chapter 88: Approved Travellers

This chapter discusses who may be approved to travel under Fares Allowance.

In this chapter:

- [88.1 Approved Travellers](#)
- [88.2 Dependant Travellers](#)
- [88.3 Family Member or Community Member Travellers](#)
- [88.4 Supervisor Travellers](#)
- [88.5 Travelling Companions](#)
- [88.6 Education Institution Representative Travellers](#)

88.1 Approved Travellers

A student may be approved for Fares Allowance where:

- the student meets the qualifications for [Fares Allowance](#); and
- the student is eligible for the type of [specified travel being undertaken](#); and
- the person undertaking the journey is an approved traveller.

Where the student is the person undertaking the journey, they are an approved traveller.

Person/s other than the student may be an approved traveller in the following circumstances:

- [Dependant travellers](#);
- [Family member or community member travellers](#);
- [Supervisor travellers](#);
- [Travelling companions](#); or
- [Education institution representative travellers](#).

88.2 Dependant Travellers

88.2.1 Purpose of approval of dependent travellers

The purpose of approval of Dependant Travellers is to cover travel for a dependant/s of a student who is approved for Fares Allowance. A dependant can be a [partner](#) and/or any [dependent children](#) of the student.

88.2.2 Eligibility for travel as a dependant

Fares Allowance may be approved for a student's [partner](#) and/or any [dependent children](#) in the following circumstances:

- the student meets the qualifications for [Fares Allowance](#); and
- the student is eligible for the type of [specified travel being undertaken](#); and
- the partner and/or dependent children travel to live at the term address; and

- one or more of the following apply:
 - the student is eligible for Parenting Payment (Single) under the [Social Security Act 1991](#); or
 - the student's partner is eligible for Parenting Payment Partnered under the [Social Security Act 1991](#); and/or
 - the student or student's [partner](#) holds a Health Care Card, Low Income Health Care Card or a Pensioner Concession Card AND has a [dependent children](#).

88.2.3 Entitlement for a dependant traveller

The types of specified travel available for a Dependant Traveller are:

- travel at the [commencement and end of study](#);
- travel for School Vacation;
- travel for Orientation;
- travel for Special Purpose visit; and
- travel on [compassionate grounds](#).

88.3 Family Member or Community Member Travellers

88.3.1 Purpose of approval of family member or community member travellers

The purpose of approval of Family Member or Community Member Travellers is to allow a family member or community member with significant ties to the student, to travel to the student's term address for the purposes of either orientation, special purpose visit travel or compassionate travel.

88.3.2 Eligibility for travel as a family member or community member

Fares Allowance may be approved for a [parent/guardian](#), [partner](#), close family member or community member with significant ties to the student to visit a student at the term address in the following circumstances:

- the student meets the qualifications for [Fares Allowance](#); and
- either of the following apply:
 - both:
 - the student would be eligible for [compassionate travel](#) due to serious illness or injury; and
 - the circumstances are such that a visit from a close family member or community member would be appropriate; OR
 - both:
 - the student is eligible for [orientation or special purpose visit travel](#); and
 - it is appropriate for the parent, family member or community member to either accompany the student to the term address or to visit the student at the term address.

Where the student is suffering from a terminal illness, both parent/guardian/s may be approved to travel to visit the student under Compassionate Travel.

88.3.3 Entitlement for a family member or community member traveller

The types of specified travel available for a family member or community member traveller are:

- [orientation or special purpose visit travel](#); and
- [compassionate travel](#).

Limits on travel for each type are set out under corresponding sections of the Manual.

88.4 Supervisor Travellers

88.4.1 Purpose of approval of supervisor travellers

The purpose of approval of supervisor travellers is to enable the supervision of secondary school students while in transit during an approved journey.

88.4.2 Eligibility for travel as a supervisor

Fares Allowance may be approved for a supervisor to accompany a student on a journey in the following circumstances:

- the student meets the qualifications for [Fares Allowance](#); and
- the student is eligible for the [type of specified travel being undertaken](#); and
- the student's circumstances, and the circumstances of the travel, mean that supervision would be appropriate; and
- the supervisor is a [parent](#), community representative or representative of the receiving school or hostel.

Where more than one approved student is travelling, more than one supervisor may be required. The appropriate number of supervisors will depend on the circumstances of the travel; however, a ratio of one supervisor to six students would normally be used.

88.4.3 Entitlement for a supervisor traveller

Where Fares Allowance has been approved for a supervisor to accompany a student on a type of specified travel, the supervisor is entitled to one return journey between the supervisor's home and the student's place of study or other location to which the student is travelling. A supervisor may elect to travel one way and terminate their journey at the destination, or earlier if multiple legs. The rules for mandatory supervision under [87.2.1.2](#) still must be met if required.

All types of specified travel are available under the provisions of supervisor travel.

88.5 Travelling Companions

88.5.1 Purpose of approval of a travelling companion

The purpose of approval of a travelling companion is to allow an ill, injured or disabled student who is undertaking approved travel to be accompanied on the journey.

88.5.2 Eligibility for travel as a travelling companion

Fares Allowance may be approved for a travelling companion to accompany a student on a journey in the following circumstances:

- the student meets the qualifications for [Fares Allowance](#); and
- the student is eligible for the [type of specified travel being undertaken](#); and
- the student has an illness, injury or disability that would make it appropriate for a companion to travel with them.

88.5.3 Entitlement for a travelling companion

All types of specified travel are available under the provisions of travelling companion travel.

Where Fares Allowance has been approved for a travelling companion to accompany a student on a type of specified travel, the travelling companion is entitled to one return journey between the travelling companion's home and the student's place of study or other location to which the student is travelling. A travelling companion may elect to travel one way and terminate their journey at the destination, or earlier if multiple legs.

88.6 Education Institution Representative Travellers

88.6.1 Purpose of approval of education institution representative travellers

The purpose of approval of education institution representative travellers is to allow representatives from an education institution or hostel to travel to a community to undertake an [Away from Base activity](#) or to participate in an orientation or special purpose visit, where it is more cost effective to do so.

88.6.2 Eligibility for travel as an education institution representative

Fares Allowance may be approved for representatives of an education institution or hostel to travel to a student's home community in the following circumstances:

- the student meets the qualifications for [Fares Allowance](#); and
- one of the following sets of circumstances apply:
 - the student is eligible for [orientation or special purpose visit travel](#); and
 - the proposed travellers have direct contact with ABSTUDY students at the boarding location; and
 - the purpose of the trip is to engage with the family, where a family member or community member is unable to visit the boarding location for a school event such as parent-teacher interviews; OR

- the student is eligible for orientation or special purpose visit travel; and
 - the proposed travellers have direct contact with ABSTUDY students at the boarding location; and
 - there are at least six ABSTUDY students at the school/hostel who come from the communities to be visited and there is likely to be a continued boarding connection between the education institution and the community;
- OR
- the student is eligible for [Away from Base activities travel](#); and
 - the applicant will be participating in either a [Testing and Assessment programme](#) or a [residential school](#); and
 - the education institution can demonstrate that it is cost-effective for its representatives to travel to a community or communities rather than for students or parents to travel to the education institution.

88.6.3 Entitlement

Where Fares Allowance has been approved for a representative from an education institution to travel to a student's home community, the education institution representative is entitled to one return journey between the education institution and the student's home community.

The number of education institution representatives receiving assistance would, in normal circumstances, be limited to two.

Chapter 89: Approved Travel

This chapter discusses the types of specified travel that may be undertaken under the provisions of Fares Allowance.

In this chapter:

- [89.1 Types of Approved Travel](#)
- [89.2 Travel at commencement and end of study period](#)
- [89.3 School Vacation Travel](#)
- [89.4 Tertiary and secondary non-schooling travel for study of more than one semester](#)
- [89.5 Compassionate Travel](#)
- [89.6 Examination Travel](#)
- [89.7 Graduation Travel](#)
- [89.8 Masters/Doctorate Relocation Travel](#)
- [89.9 Orientation or Special Purpose Visit Travel](#)
- [89.10 Away from Base activity travel](#)

89.1 Types of Approved Travel

The following types of specified travel are available under the provisions of Fares Allowance:

- [travel at commencement and end of study period](#);
- [school vacation travel](#);
- [tertiary and secondary non-school travel for study of more than one semester](#);
- [compassionate travel](#);
- [examination travel](#);
- [graduation travel](#);
- [Masters/Doctorate relocation travel](#);
- [orientation or special purpose visit travel](#);
- [Away from Base activities travel](#).

89.2 Travel at commencement and end of study period

89.2.1 Purpose of travel at commencement and end of study period

The purpose of travel at the commencement and end of a study period is to enable a student to travel between the permanent home and the term address.

89.2.2 Eligibility for travel at commencement and end of study period

To qualify for travel at the commencement and end of the study period, the student must meet the qualifications for Fares Allowance set out in 87.2.1.

89.2.3 Travel at commencement and end of study period entitlement

Where a student qualifies for travel at the commencement and end of the study period, the entitlement is for:

- one single journey from the [permanent home](#) to the term address at the commencement of study for the year; and
- one single journey from the term address to the [permanent home](#) at either:
 - the discontinuation of study for a year; or
 - the completion of the study for the year.

89.2.4 Forward journey to commence course

Travel prior to the commencement of the course may be approved where a student can demonstrate a reasonable need to do so, e.g. to secure rental accommodation.

89.2.5 Return journey at the end of study for the year

Continuing students must return to their [permanent home](#) address at the conclusion of study for the year to continue to qualify for Fares Allowance. If the student does not return to the permanent home, it would normally be assumed that they remained at the study location for reasons other than for study and, in these circumstances, has established their permanent home at the term address. This return journey must be undertaken within three months of ceasing studies for the year.

89.3 School Vacation Travel

89.3.1 Purpose of school vacation travel

The purpose of school vacation travel is to enable a secondary school student to be reunited with their family during school vacations.

89.3.2 Eligibility for school vacation travel

To qualify for school vacation travel, the student must:

- meet the qualifications for Fares Allowance set out in 87.2.1; and
- be a secondary school student.

89.3.3 School vacation travel entitlement

Where a student qualifies for school vacation travel during the academic year, they are entitled to one return journey between the [permanent home](#) and the term address to coincide with each of the term vacations to a maximum of three per academic year.

89.4 Tertiary and secondary non-schooling travel for study of more than one semester

89.4.1 Purpose of tertiary and secondary non-schooling travel

The purpose of tertiary and secondary non-schooling travel for study of more than one semester duration is to enable a tertiary or secondary non-schooling student to be reunited with their family during the academic year.

89.4.2 Eligibility for tertiary and secondary non-schooling travel

To qualify for tertiary and secondary non-schooling travel, the student must:

- meet the qualifications for Fares Allowance set out in 87.2.1; and
- be undertaking tertiary level or secondary non-schooling study; and
- be living away from the [permanent home](#) for a period greater than one semester; and
- not be precluded under the rule set out in [89.4.2.1](#).

89.4.2.1 Ineligible for tertiary and secondary non-schooling travel

Tertiary and secondary non-schooling travel cannot be approved for a student or their dependants where they have elected to receive Fares Allowance for dependant(s) to travel to the term address under the [dependant traveller](#) provisions.

89.4.3 Tertiary and secondary non-schooling travel entitlement

Where a student qualifies for tertiary and secondary non-schooling travel, they are entitled to one return journey between the [permanent home](#) and the term address. This journey may be taken at any time after the date on which the student commences study and before the date on which the student ceases study.

89.5 Compassionate Travel

89.5.1 Purpose of compassionate travel

The purpose of compassionate travel is to enable students to return from their term address to their [permanent home](#) for compassionate reasons. In certain circumstances, a close family member or community member with significant ties to the student may instead visit an ill or injured student at the term address.

89.5.2 Eligibility for compassionate travel

To qualify for compassionate travel, a student must:

- meet the qualifications for Fares Allowance set out in 87.2.1; and
- meet one of the circumstances described in grounds for compassionate travel at [89.5.5](#); and
- have not exceeded the [limits of approval of compassionate travel for the year](#); and
- not be precluded under [89.5.2.1](#).

Where a student has received Fares Allowance for a dependant to travel with them to the study location, the dependant is also eligible for compassionate travel where it is necessary for them to return home with the student.

89.5.2.1 Not eligible for compassionate travel

Students attending an Away from Base activity are not eligible for compassionate travel but may use their return trip prior to the end date of the activity.

89.5.2.2 Family member or community member travellers

Where a student meets the conditions for approval of compassionate travel, a close family member or community member may, in certain circumstances, be approved to visit the student at the term address. See [88.3](#) Family Member or Community member travellers.

89.5.3 Compassionate travel entitlement

Where a student has been approved for compassionate travel, they are entitled to a return journey between the term address and the permanent home.

89.5.4 Limits on compassionate travel

A maximum of two return trips per student per year can be approved under compassionate travel entitlements. A family member or community member may use one of these trips to visit the student at the term address under the compassionate travel provisions. See [88.3](#) Family Member or Community Member travellers

89.5.5 Grounds for compassionate travel

Circumstances justifying travel for compassionate reasons include but are not limited to:

- the critical illness or injury of an immediate family member, i.e. [parent](#)/guardian, parent substitute, grandparent, sibling, partner, child, or partner's parent or child; or
- an illness or injury of the student that requires the student to return home; or
- the death or funeral of an extended family member; or
- where the student comes from an Aboriginal or Torres Strait Islander community that observes Aboriginal or Torres Strait Islander law or kinship obligations, a requirement for the student to participate in a community activity under these law or kinship obligations; or in exceptional circumstances, where a student has been permanently excluded (expelled) from school and all the conditions under 89.5.6 have been met.

89.5.6 Compassionate travel for a secondary student expelled from school

A secondary school student who has been expelled from school may be approved to access to ABSTUDY funded travel only in exceptional circumstances. Compassionate travel approved for a secondary school student expelled from school does not count towards the [limits of approval of compassionate travel for the year](#).

Compassionate travel may be approved for expelled students in the following circumstances:

- The student is considered to be a harm to themselves or others, as defined in the respective State or Territory requirements;
- The school has followed the necessary steps as required by the relevant legislative requirements, including contacting parents and the respective authorities (e.g. police, Child Protection, etc.);
- Alternative local solutions, such as relocating the young person with family members, have been exhausted;
- There is no other source of funding available; and
- The school confirms that the steps described above have been taken.

89.5.6.1 Compassionate travel not available for student suspension periods

Suspended secondary school students do not have access to ABSTUDY Fares Allowance to travel from the school to their permanent home for the period of suspension from school.

The school should comply with the State requirements for managing suspended students and discuss the situation with the parent or guardian. If a student is at risk of suspension or expulsion, a parent or guardian may be eligible for a return trip to visit the student at school under 89.9 Orientation or Special Purpose Visit Travel.

89.6 Examination Travel

89.6.1 Purpose of examination travel

The purpose of examination travel is to enable students to attend examinations for the approved course.

89.6.2 Eligibility for examination travel

To qualify for examination travel, a student must:

- meet the qualifications for Fares Allowance set out in [87.2.1](#); and
- either:
 - be required to take a supplementary or deferred examination; or
 - be required to travel to a location other than the normal place of residence to sit examinations.

A full-time tertiary or secondary non-school student would be expected to remain at the place of study until the end of their participation in the normal examination period and would therefore only qualify for examination travel for unexpected supplementary or deferred examinations.

89.6.3 Examination travel entitlement

Where a student has been approved for examination travel, they are entitled to one return journey between the permanent home and the examination centre for each approved examination or set of examinations.

89.7 Graduation Travel

89.7.1 Purpose of graduation travel

The purpose of graduation travel is to enable students to attend a graduation ceremony to graduate from a course of study.

89.7.2 Eligibility for graduation travel

To qualify for graduation travel, a student must meet the following criteria:

- the student must have either:
 - completed a tertiary course that is equivalent to a course of at least two years full-time duration, for which they received ABSTUDY assistance; or
 - completed an honours degree for which they received ABSTUDY assistance (regardless of whether graduation travel was granted for the undergraduate component of the course); or
 - completed a postgraduate degree for which they received ABSTUDY assistance; and
- one of the following apply:
 - they are approved for Fares Allowance under ABSTUDY to undertake their course away from their [permanent home](#); or
 - they are approved for Fares Allowance under ABSTUDY to undertake their course through a combination of external studies and face-to-face teaching; or
 - they are approved for travel assistance under the Australian Government's Indigenous Education Training Program to undertake their course through mixed-mode studies.

89.7.2.1 Ineligible for Graduation Travel

If, for the duration of their course, a student only received ABSTUDY Fares Allowance entitlements in order to participate in a placement, field trip or testing and assessment programme under the provisions of [Away from Base activities travel](#), they are not eligible for graduation travel.

89.7.3 Graduation travel entitlement

Where a student has been approved for graduation travel to graduate from a course of study, they are entitled to one return journey within Australia between their [permanent home](#) and the location of the graduation ceremony. Travel is paid at no more than the equivalent rate to which the student was entitled to during the course of study.

There are no meals and accommodation allowances payable for graduation travel except where the journey must be broken - see [90.7.3 Overnight Accommodation](#).

89.8 Masters/Doctorate Relocation Travel

89.8.1 Purpose of Masters/Doctorate Relocation Travel

The purpose of Masters and Doctorate relocation travel is to assist a Masters/Doctorate student, and their [partner](#) and [dependent child/ren](#), to travel to their new [permanent home](#) at the place of study. This entitlement is part of the Relocation Allowance payable to students on an approved Masters and Doctorate Award.

89.8.2 Eligibility for Masters/Doctorate Relocation Travel

To qualify for Masters and Doctorate relocation travel, a student must:

- meet the qualifications for Fares Allowance set out in 87.2.1; and
- meet the qualifications for Masters and Doctorate Allowances set out in 97.2; and
- be travelling to the study location in order to establish a new permanent home address.

89.8.3 Masters/Doctorate Relocation Travel Entitlement

Where a student has been approved for Masters and Doctorate relocation travel, the student, their [partner](#) and [dependent child/ren](#) are entitled to a one-way journey from their existing [permanent home](#) to the study location.

89.9 Orientation or Special Purpose Visit Travel

89.9.1 Purpose of Orientation or Special Purpose Visit Travel

The purpose of orientation or special purpose visit travel is to assist in the entry, orientation or adjustment of a student to a term location. It can also be used to promote family or community engagement in school activities, so that the away from home placement may be effective. See 88.3 Family Member or Community Member Travellers

89.9.2 Eligibility for Orientation or Special Purpose Visit Travel

To qualify for orientation or special purpose visit travel, the following criteria must be met:

- the student meets the qualifications for Fares Allowance set out in 87.2.1; and
- for orientation visit purposes one of the following apply:
 - a secondary school, or boarding facility, requires prospective students to attend interviews or other selection procedures prior to acceptance; or
 - the secondary school student is intending to board away from home for the first time and is either:
 - from a remote Aboriginal community; or
 - from a town in a remote location AND it is likely that the student would experience serious problems of adjustment; or
 - the student has completed secondary studies in the previous year and is intending to study in an approved tertiary course of at least one year's duration.

- for special purpose visits one of the following apply:
 - a secondary school student in a boarding placement is under threat of expulsion because of [serious problems of adjustment](#) or similar circumstances and a visit is expected to stabilise the situation; or
 - a secondary school student will be participating in a school event, such as but not limited to a graduation, school play, award ceremony, teacher/parent interview or sporting event.

Note: Secondary school students intending to board away from home for the first time may not have had their enrolment confirmed.

89.9.2.1 Education Institution Representative Travellers

Where a student would be approved for orientation or special purpose visit travel, a representative from the education institution may, in certain circumstances, be approved to visit the student at the student's permanent home address. See 88.6 Education Institution Representative Travellers.

89.9.2.2 Family Member or Community Member Travellers

Where a student would be approved for orientation or special purpose visit travel, a family member or community member with significant ties to the student may be approved to either accompany the student to the term address or visit the student at the term address. See [88.3](#) Family Member or Community Member Travellers.

89.9.2.3 Serious problems of adjustment

A student is considered to be experiencing serious problems of adjustment where any or all of the following apply:

- prolonged homesickness;
- poor attendance at classes;
- behavioural problems which affect the student's academic performance; and/or
- behavioural problems that are in serious breach of the school's or boarding education institution's standards of behaviour.

89.9.3 Orientation or Special Purpose Visit Travel Entitlement

89.9.3.1 Orientation visit travel entitlement

Where approval has been given for orientation visit travel, the student is entitled to a return journey, between the home community and orientation location. If applicable another approved traveller may accompany the student to the orientation location.

89.9.3.2 Special Purpose visit travel entitlement

For special purpose visit travel, the student is entitled a return journey for an approved traveller, between the approved traveller's home community and the term address location.

89.9.3.3 Limits on Special Purpose visit travel

A maximum of three return trips per student per calendar year can be approved under Special Purpose visit travel.

89.10 Away from Base activity travel

89.10.1 Purpose of Away from Base activity travel

The purpose of Away from Base activity travel is to enable a student to participate in an approved Away from Base activity, such as a selection test or interview programme, residential school, field trip or placement.

89.10.2 Eligibility for Away from Base activity travel

To qualify for Away from Base activity travel, the following criteria must be met:

- the student must meet the qualifications for Fares Allowance set out in 87.2.2;
- the student must meet the qualifications for Away from Base assistance set out in 92.3; and
- the student must be participating in an approved [Away from Base activity](#).

89.10.2.1 Education Institution Representative Travel

Where student/s would be approved for Away from Base activity travel in order to participate in a Testing and Assessment programme or residential school, a representative from the education institution may instead be approved to visit the student/s' home community to undertake the Away from Base activities. [See 88.6](#) Education Institution Representative Travel.

89.10.3 Away from Base activity travel entitlement

Where a student is approved for Away from Base activity travel, they are entitled to:

- for field trips:
 - where the student is living at their [permanent home](#), one return journey between the permanent home and the field trip location; or
 - where the student is living at their term address, one return journey between the institution location and the field trip location; or
- for residential schools and testing/assessment programs, one return journey between the permanent home and the institution location; or
- for placements:
 - where the student is living at their permanent home, one return journey between the permanent home and the placement location; or
 - where the student is living at their term address, one return journey between the term address and the placement location.

89.10.3.1 Off-campus residential school travel

Where an education institution conducting a residential school arranges accommodation at an off-campus location, Fares Allowance may cover the cost of transport between the place of accommodation and the education provider provided that:

- there is no suitable and convenient form of public transport; and
- the education institution arranges the transport; and
- the costs of the transport are reasonable and can be justified.

Chapter 90: Fares Allowance Entitlement

This chapter details the entitlements that may be payable where Fares Allowance has been approved.

In this chapter:

- [90.1 Fares Allowance Entitlement](#)
- [90.2 Assessment of a Journey](#)
- [90.3 Rate of Fares Allowance](#)
- [90.4 Approval of the cost of economy air fare or a rail fare with a sleeping berth](#)
- [90.5 Approval of the cost of Motor Vehicle Allowance](#)
- [90.6 Approval of the cost of chartered transport](#)
- [90.7 Additional Travel Costs](#)

90.1 Fares Allowance Entitlement

An approved traveller is entitled to undertake an approved journey at the rate specified in [90.3](#) Rate of Fares Allowance where the following apply:

- the student meets the qualifications for Fares Allowance set out in [87.2](#); and
- the student, or other [approved traveller](#) has been approved for Fares Allowance in relation to a type of [specified travel](#).

Certain additional travel costs may also be payable.

The rate of Fares Allowance will be determined by the provisions of 90.3 Rate of Fares Allowance regardless of the actual mode of travel used by the student.

90.1.1 Means testing

Fares Allowance entitlement is not subject to means testing.

90.1.2 Unused entitlements

A student who does not use all their travel entitlements in one year may not carryover the unused entitlements to the next year.

90.2 Assessment of a Journey

Where Fares Allowance has been approved, the student, or other approved traveller, must undertake travel between the locations appropriate to the type of [specified travel](#) being undertaken. Fares Allowance is not payable for a student to travel to a destination other than those appropriate to the type of specified travel being undertaken, even where travel to the requested location may be less expensive.

90.2.1 Travel assessed to/from normal travel terminal

In determining entitlements under Fares Allowance, travel is to be assessed to and from the location used as the normal travel terminal, e.g. a train station, bus stop or airport/airfield, servicing the permanent home or the term address.

90.2.2 Indirect route or broken journey

Additional costs for taking an indirect route or for breaking the journey are not included in Fares Allowance unless a break in the journey cannot be avoided or where a student is exempt from this restriction under the provisions of [35.2.1 Preapproved travel arrangements for supervised groups](#).

90.2.3 Travel to or from destination other than the permanent home or term address

Where the type of specified travel being undertaken entitles a student, or other [approved traveller](#), to a journey to or from the [permanent home](#), the student/approved traveller may travel from, or return to, a location other than their permanent home or term address if:

- either of the following apply:
 - both:
 - the [parent](#) has temporarily moved; and
 - the student is undertaking the travel in order to join the family; OR
 - [Centrelink](#) approve a traveller travelling along their usual route to terminate their travel prior to reaching school or home, or approve a traveller to commence their travel from a location along their usual route that is not their usual starting point.

In exceptional circumstances, Centrelink may approve for a traveller to commence or terminate their travel in a location that is not on their usual route. These circumstances may include:

- to reunite a student with their immediate family who have temporarily moved.
- to attend a funeral and the parents have left their permanent home to commence arrangements early and there is no family to supervise the student or to arrange transport for the student to the temporary location of the parents, then Fares Allowance can be approved to travel to another destination other than the permanent home, or
- where a student is unable to travel to or from their permanent home due to adverse weather events outside of their control, such as cyclones, flooding or road closures or flight groundings. Fares Allowance can be approved once circumstances have been verified.

Costs must not exceed the level of Fares Allowance entitlement for previously approved travel. Any fares incurred after the journey is terminated or prior to the commencement of the usual route to and from school will not be met by Fares Allowance.

90.3 Rate of Fares Allowance

The rate of Fares Allowance will be determined by the rate of the mode of travel that is:

- the most practicable and cost-effective mode of transport for the journey; and
- reasonable in the circumstances, including minimising the number of days of school the student would miss due to travelling.

It is considered that it is practicable, cost-effective and reasonable for a student, or other approved traveller, to receive Fares Allowance at the rate of the economy class rail or bus fare for a journey, unless one of the following apply:

- the conditions for approval of the cost of a rail fare with a sleeping berth or economy air fare are met; or
- the conditions for approval of the cost of Motor Vehicle Allowance (MVA) are met; or
- the conditions for approval of the cost of chartered transport are met.

Note: Mandatory levies and surcharges, for example booking fees, are considered a part of the fare cost.

90.4 Approval of the cost of economy air fare or a rail fare with a sleeping berth

The cost of economy air travel or a rail fare with sleeping berth, whichever is most applicable, may be approved if any of the following circumstances apply:

- no rail or bus service exists for the journey; or
- the total travelling time for the journey, by surface public transport, exceeds:
 - 8 hours by rail or bus, for a secondary school student travelling alone; or
 - 10 hours (including waiting time between connections), by rail or bus for other secondary level students; or
 - 18 hours (including waiting time between connections), by bus for tertiary students and secondary level students at a tertiary institution; or
 - 36 hours (including waiting time between connections), by rail for tertiary students and secondary level students at a tertiary institution; or
- the approved traveller is unable to make the journey by economy class rail or bus due to illness or incapacity; or
- due to travel schedules:
 - an overnight journey by surface transport is unavoidable; or
 - a secondary school student would have to leave the departure point or arrive at the destination unreasonably late at night or early in the morning, e.g. between 9:00 pm and 7:00 am; or
 - the approved traveller is undertaking Away from Base activity travel and the total travelling time for a one-way journey (including waiting time between connections) would exceed the length of the Away from Base activity for which the travel is being undertaken.

A student will not be entitled to Fares Allowance at the level covering economy air travel or rail fare with sleeping berth simply because they cannot secure a booking at the desired time.

90.4.1 Sydney Airport noise tax

Where an approved traveller who is travelling by air is required to land at Sydney Airport, an additional “noise tax” will be added on to the cost of the ticket. This cost is payable as part of the student’s Fares Allowance entitlement.

90.5 Approval of the cost of Motor Vehicle Allowance

The cost of Motor Vehicle Allowance (MVA) may be approved if any of the following circumstances apply in respect of all or part of the journey:

- if no regular public transport services exists, i.e. neither surface nor air services; or
- it is unreasonable or impracticable, e.g. due to infrequent services or poor connections, to travel by public transport; or
- the student is unable, due to injury, disability or other circumstances beyond their control, to travel by public transport; or
- travel by private vehicle is cost-effective.

90.5.1 Rate of Motor Vehicle Allowance

Where MVA is able to be approved under the provisions of 90.5 for all or part of a journey, the rate payable will be the distance in kilometres by the shortest practicable route between the locations for which MVA is approved, multiplied by the relevant MVA rate for the engine capacity of the vehicle.

Current MVA rates can be viewed at [Section 3.8.9.30 of the Guide to Social Security Law](#).

90.5.1.1 Rate of MVA where third party transports one or more students

Where a third party uses a private vehicle to transport one or more ABSTUDY students as passengers, and these ABSTUDY students are qualified for Fares Allowance for the journey, the rate of Fares Allowance payable to the third party is:

- where public transport is available, the rate of economy class rail or bus fare (including concessional rate, if applicable) for that journey; plus
- an additional one-third of this rate for each passenger transported, OR
- where public transport is not available, the MVA entitlement as set out in 90.5.1; plus
- an additional 0.63 of one cent per kilometre.

90.5.1.2 Rate of MVA where student transports one or more other students

Where an ABSTUDY student uses their private vehicle to transport one or more other ABSTUDY students as passengers, and both the driver and passenger/s are qualified for Fares Allowance at the MVA rate for that journey, the rate of Fares Allowance payable to the driver is:

- the MVA entitlement of the student as set out in 90.5.1; PLUS
- an additional 0.63 of one cent per kilometre.

90.5.1.3 Rate of MVA for journey without students

Where either a third party or an ABSTUDY student has transported other ABSTUDY student/s in a private vehicle, and is undertaking the return journey without ABSTUDY students as passengers, the standard rate of MVA set out in 90.5.1 is payable.

90.5.2 Assessment where public transport available for part of the journey

Where suitable public transport is available for part of the journey, Fares Allowance entitlement will be the sum of:

- MVA entitlement for that part of the journey where suitable public transport is not available; plus
- the standard rate of Fares Allowance as set out in 90.3 for that part of the journey where suitable public transport is available.

90.6 Approval of the cost of chartered transport

The cost of chartered transport, including taxis, hire cars, ferries or helicopters, may be approved in respect of all or part of the journey where either of the following circumstances apply:

- there is no public transport or regular air service available; or
- the use of chartered transport for the student/s is reasonable in the circumstances, including minimising the number of days of school the student would miss due to travelling.

90.6.1 Travel by hire car

Travel by hire car should be approved only in exceptional circumstances. Where it is approved, Fares Allowance entitlement is equivalent to the rate of:

- the contracted hiring fee for the minimum period necessary for the travel; and
- the most suitable vehicle for the journey; and
- any distance levy charged by the hire company for the shortest practicable route; and
- petrol costs.

Hire car contracts are to be entered into by the approved traveller and not by the Australian Government.

90.7 Additional Travel Costs

Where a student or other approved traveller has been approved to undertake a journey, the following additional travel costs may also be payable:

- transport terminal transfers;
- excess baggage; and
- overnight accommodation.

90.7.1 Transport terminal transfer costs

A student, or other approved traveller, who is required to use a transport service to transfer between an air, coach or train terminal and the board or accommodation location, may incur costs. Fares Allowance for this transport terminal transfer cost is to be assessed at the rate of:

- the fee levied for all students, or a reasonable fee if levied for ABSTUDY students only, where a boarding establishment or accommodation provider provides transport facilities, or
- taxi fare where:
 - public transport is not available; or
 - it is unsafe to use public transport considering the age of the school student and/or the time of day at which the travel occurs; or
 - the student is travelling to the place of study for the first occasion and is unfamiliar with the public transport routes; or
 - there are other compelling and justifiable factors which deem a taxi to be suitable; or
- public transport bus and/or rail fare.

90.7.2 Excess baggage

Where the student or other approved traveller has baggage in excess of that carried free of charge by whatever means of public transport is being used, the cost of excess baggage will be payable as part of Fares Allowance up to the following limits:

- where the baggage allowance is given in linear measure, one additional piece of baggage within the linear limits; or
- where the allowance is based on weight, excess baggage up to 18 kilograms.

90.7.3 Overnight accommodation

Costs associated with overnight accommodation may be met in the following circumstances:

- the student or other approved traveller is required to stay one or more nights at an in-transit location (except where these costs are the responsibility of the carrier); or
- the approved traveller is undertaking the journey under the provisions of [family member or community member travellers](#), [supervisor travellers](#) or [travelling companion travellers](#) and either:
 - as a result of transport schedules, the approved traveller is unable to avoid staying one or more nights at the destination to which they accompanied the student/s before returning to their usual place of residence; or
 - for [family member or community member travellers](#) only, the approved traveller is required to stay a reasonable amount of time at/near the student's term address in order to visit the student; or

- the approved traveller is an education institution representative who is undertaking the journey under the education institution representative travel provisions in order to undertake an orientation/special purpose visit and either:
 - as a result of transport schedules, the approved traveller is unable to avoid staying one or more nights at the location of the [orientation/special purpose visit](#); or
 - the approved traveller stays a reasonable amount of time at the location of the orientation/special purpose visit in order to undertake the visit.

90.7.3.1 Costs payable for overnight accommodation

Where the costs associated with overnight accommodation are able to be met under the provisions of 90.7.3, the following expenses are payable:

- the reasonable cost of meals and accommodation for the stopover, where accommodation is arranged by the education institution, [Centrelink](#) or community; or
- [travel allowance](#), where accommodation is arranged by the student or approved traveller.

Where the accommodation provider provides reception services as part of an all-inclusive charge, this may also be met.

90.7.3.2 Overnight accommodation also payable for chartered transport drivers/pilots

The costs of overnight accommodation as defined in 90.7.3.1 may also be met for chartered transport drivers/pilots where they are unable to avoid staying one or more nights at the destination to which they travelled the student/s or other approved travellers.

Chapter 91: Fares Allowances Claims, Penalties and Payment

In this chapter:

- [91.1 Claim for Fares Allowance](#)
- [91.2 Provision of Fares Allowance entitlements](#)
- [91.3 Penalties for missing booked travel](#)
- [91.4 Payment of Fares Allowance](#)

91.1 Claim for Fares Allowance

91.1.1 Fares Allowance claimant

The person or institution that has fully paid for the travel undertaken by the student, or other approved traveller, may submit a claim for Fares Allowance.

91.1.2 Closing dates for Fares Allowance claims

Claims for reimbursement of Fares Allowance must be lodged with [Centrelink](#) before 1 April in the year after the relevant year of study.

Claims for [Graduation Travel](#) or [Examination Travel](#) must be submitted within three months of travelling.

91.1.2.1 Late lodgement of Fares Allowance claims

Claims for Fares Allowance can only be considered after this time if circumstances beyond the control of the claimant prevented lodgement within the required period and the claim was lodged as soon as practicable.

91.2 Provision of Fares Allowance entitlements

Fares Allowance entitlements may be provided in respect of the approved traveller in the form of:

- pre-booked or pre-authorized travel, subject to the restrictions for approved travellers who miss booked travel as set out in 91.3; or
- reimbursement of travel costs at the rate of entitlement specified in [90.3](#).

91.3 Penalties for missing booked travel

91.3.1 Where travel is not undertaken

An approved traveller is considered to have missed booked travel where travel is booked, or a ticket authorised, and the following circumstances apply:

- the approved traveller subsequently:
 - does not travel; and
 - does not advise [Centrelink](#) prior to the travel departure that they will not be travelling; and

- the reasons for the missed travel were not due to circumstances beyond the approved traveller's control.

91.3.2 Penalties for tertiary students, secondary non-school students and their associated non-student travellers

Where an approved tertiary student, secondary non-school student or an associated non-student traveller is considered to have missed booked travel, the approved traveller will not have travel for that journey re-booked or paid for in advance by Centrelink.

If the approved traveller still wishes to undertake travel for that journey, the approved traveller will be responsible for booking the travel and purchasing their own ticket. Approved travellers who purchase their own ticket will be reimbursed where the approved traveller is able to provide evidence of the ticket purchase. Penalties set out under [91.3.5](#) may also apply.

91.3.3 Penalties for secondary school students and their associated non-student travellers

Where a secondary school student or associated non-student traveller is considered to have missed booked travel, only the secondary school student will be subject to the penalties set out in [91.3.5](#). The approved traveller can have travel for that journey re-booked or paid for in advance by Centrelink.

Associated non-student travellers for secondary school students, such as supervisors, will not be charged a penalty if they miss travel.

91.3.4 [Deleted section]

91.3.5 Amounts charged by travel provider for missed travel

With the exception of secondary school students and their associated non-student travellers, if an approved traveller is considered to have missed booked travel, and the travel provider charges an amount as a penalty or ticket cost as a result of the approved traveller missing booked travel, this amount is to be raised as an overpayment against the approved traveller.

For an approved secondary school student, if they are considered to have missed booked travel, and the travel provider charges an amount as a penalty or ticket cost as a result of the student missing booked travel, this amount, capped at \$100, is to be raised as an overpayment against the responsible debtor.

91.4 Payment of Fares Allowance

91.4.1 Payee for Fares Allowance reimbursement

Where an entitlement to reimbursement of travel costs has been approved, payment of the Fares Allowance should be made to the student, third party or institution that fully paid for the travel.

91.4.2 Advance payment

Payment of Fares Allowance entitlements may be advanced to:

- an education provider or boarding establishment for arrangement of travel; or
- a travel carrier providing chartered services where advance payment is a condition of the charter.

Advance payment of Fares Allowance entitlements is subject to satisfactory acquittal. The requirements of acquittal are detailed in [Chapter 96 Payment and Acquittal of Away from Base](#).

91.4.3 Taxation Status

For details of the tax status of Fares Allowance, see [Chapter 5 Taxation](#).

91.4.4 Overpayments

Where payments in excess of entitlement have occurred, refer to [Chapter 3 Overpayment and Recovery of Allowances](#) to determine what is a recoverable debt and from whom this amount should be recovered.

Chapter 92: Away from Base Assistance

This chapter details the qualifications for Away from Base assistance.

In this chapter:

- [92.1 Purpose of Away from Base assistance](#)
- [92.2 What are Away from Base activities?](#)
- [92.3 Qualification for Away from Base assistance](#)
- [92.4 Limits on Away from Base Assistance](#)

92.1 Purpose of Away from Base assistance

The purpose of Away from Base assistance is to assist eligible students to participate in the necessary academic components of an [approved course](#) where that course requires students to travel away from their [permanent home](#) or study location for a short period of time. Away from Base assistance covers the student's travel costs to attend the activity and the reasonable costs of accommodation and meals while away from their normal place of residence.

92.2 What are Away from Base activities?

Away from Base activities are necessary academic components of an [approved course](#) that require students to travel away from their home or study location for a short period of time. These activities include:

- [testing and assessment programs](#);
- [placements](#);
- [field trips](#);
- [residential schools](#)(also known as block release programs).

92.2.1 Assistance from the National Indigenous Australians Agency (NIAA) Away from Base program

Where an education provider receives assistance under the NIAA Away from Base program to fund travel and accommodation costs of student participation in a course of study, then field trips, placements and residential schools in this course will not be approved for ABSTUDY Away from Base assistance. Students enrolled in these courses would need to apply to the education provider for this assistance.

The NIAA Away from Base program does not fund the costs of student participation in Testing and Assessment activities. Therefore, even where the NIAA Away from Base program funds the cost of student participation in a particular course, ABSTUDY Away from Base assistance is available to attend a testing and assessment programme in order to gain entry to that course.

Where the NIAA Away from Base program funds the costs of student participation in a course, a student is still entitled to claim ABSTUDY non means-tested ABSTUDY Incidentals Allowance.

92.3 Qualification for Away from Base assistance

To qualify for Away from Base Assistance, the following criteria must be met:

- the applicant meets the criteria for the following ABSTUDY Awards:
 - [Schooling A Award](#); or
 - [Schooling B Award](#); or
 - [Tertiary Award](#); or
 - [Part-time Award](#); or
 - [Testing and Assessment Award](#); or
 - [Masters and Doctorate Award](#); or
 - [Lawful Custody Award](#); and
- the Away from Base activity in which the student is participating meets the criteria for [approval of Away from Base assistance](#); and
- the student has not exceeded their [limits on Away from Base assistance](#); and
- the student is required to travel away from the [permanent home](#) in order to attend the Away from Base activity; and
- one of the following apply:
 - for [field trips](#), the journey between the provider location and the field trip location satisfies the requirements of Chapter 26 Travel Time and Access; and
 - for [residential schools](#) and testing and assessment programs, either of the following apply:
 - on-campus residence during the residential school or testing and assessment programme is compulsory; or
 - the journey between the permanent home and the provider location satisfies the requirements of [Chapter 26 Travel Time and Access](#); and
 - for [placements](#):
 - where the student is living at their permanent home, the journey between the permanent home and the placement location satisfies the requirements of [Chapter 26 Travel Time and Access](#); and
 - where the student is living at their term address, the journey between the term address and the placement location satisfies the requirements of [Chapter 26 Travel Time and Access](#); and
- if the student is attending a [Testing and Assessment programme](#), either of the following apply:
 - the student's academic ability to undertake the course to which the testing and assessment programme relates is unable to be gauged by their previous study; and/or
 - it is essential that a student also undertake a structured interview or audition to ascertain the student's general suitability to undertake the course; or
 - it is essential that a student undertake a preliminary assessment before being admitted into an enabling course at a university, where that enabling course is an alternative entry to a mainstream higher education course; or

- it is essential that a participant undertake a structured interview with activities to ascertain their general suitability to the Indigenous Youth Mobility Programme (IYMP); and
- if the student is claiming Away from Base assistance under the [Lawful Custody Award](#), the student has permission from the correctional provider to attend the Away from Base activity.

92.4 Limits on Away from Base Assistance

92.4.1 Limits on assistance for residential schools, field trips and/or placements

There are annual limits on the number of return trips and the number of days for which Away from Base assistance may be approved for each student. The limits apply to any combination of residential schools, field trips and/or placements during the period of enrolment in the course.

Where the course for which the student is seeking assistance is a [full-time course](#), the limits on Away from Base assistance are based on the normal full-time course duration.

Normal full-time course duration	Maximum number of return trips	Maximum number of days for which residential costs may be paid
24 weeks to 1 year	6	40
17 to 23 weeks (i.e. 1 semester)	4	30
12 to 16 weeks	3	20
Less than 12 weeks	2	10 (provided that this does not exceed 50% of the course length)

The above limits are not affected by the student's actual study load.

92.4.1.1 Part-time course

Where the course for which the student is seeking assistance is a [part-time course](#), the limits on Away from Base assistance will be determined by a nominal duration for the course based on an equivalent full-time study-load of 20 contact hours (i.e. enrolled hours) per week.

92.4.1.2 Not included in limits

If, as a result of transport schedules, a student is required to stay one or more nights at an in-transit location or stay additional night/s at the location of the Away from Base activity, these overnight stays are not to be included in the limits on Away from Base assistance specified in 92.4.1.

92.4.2 Limits on assistance for Testing and Assessment programs

Where a student undertakes multiple testing and assessment programs, they may receive Away from Base assistance for a maximum of two of these testing and assessment programs in a calendar year.

92.4.3 Limits on assistance for Masters or Doctorate students

The Away from Base assistance available to both full-time and part-time Masters or Doctorate students, including Fares Allowance paid under the [Away from Base activities travel provisions](#), is not to exceed \$2,080 in a calendar year.

Where an education provider receives assistance under the NIAA's Away from Base Mixed Mode Delivery funding to fund travel and accommodation costs of students' participation in a Masters or Doctorate degree delivered by 'mixed mode' course work, the student is not eligible for assistance under ABSTUDY Away from Base.

Chapter 93: Away from Base Beneficiaries

This chapter discusses who may be the recipient of Away from Base assistance.

In this chapter:

- [93.1 Away from Base beneficiaries](#)
- [93.2 Student entitlements](#)
- [93.3 Education provider representatives entitlements](#)
- [93.4 Drivers or pilots entitlements](#)

93.1 Away from Base beneficiaries

Where a student is qualified for [Away from Base assistance](#) and the course activity is [approved for Away from Base purposes](#), the following parties may be entitled to assistance:

- [the student](#); and
- [education provider representatives](#); and
- [drivers or pilots of chartered transport companies](#).

Away from Base assistance will not cover the costs of parties other than those specified above.

93.2 Student entitlements

Where a student has been approved to participate in an Away from Base activity, the following allowances may be payable:

Fares Allowance, under the provisions of [Away from Base activities travel](#); and

- costs associated with [meals and accommodation](#), either:
 - [residential expenses](#); or
 - [travel allowance](#); and
- non-means-tested [Living Allowance](#), if a regular source of income is lost.

Costs other than those covered by the allowances above are the responsibility of the education provider or the student.

93.3 Education provider representatives entitlements

Representative/s for an education provider may be approved for Away from Base assistance in the following circumstances:

- the education provider is conducting either:
 - [a testing and assessment activity that is approved for Away from Base assistance](#); or
 - [a residential school that is approved for Away from Base assistance](#); and
- the student/s participating in the activity are qualified for [Away from Base assistance](#); and
- the education provider can demonstrate that it is cost-effective for its representatives to travel to a student/s' home community rather than for student/s to travel to the education provider.

Where an education provider has been approved to participate in an Away from Base activity, the following allowances may be payable:

- Fares Allowance, under the provisions of [Education Provider Representative Travel](#); and
- costs associated with [meals and accommodation](#), either:
 - [residential expenses](#); or
 - [travel allowance](#).

Costs other than those covered by the allowances above are the responsibility of the education provider or the student.

93.4 Drivers or pilots entitlements

Drivers or pilots of chartered transport companies may be approved for Away from Base assistance in the following circumstances:

- the education provider is conducting an [approved Away from Base activity](#); and
- the student/s who are participating in the activity are qualified for [Away from Base assistance](#); and
- [Away from Base activity travel](#) has been approved; and
- the cost of [chartered transport](#) has been approved as a mode of transport for the Away from Base activity; and
- in order to undertake this journey, the driver or pilot is required to be away from their normal home for the period of the activity (usually only applicable for a field trip); and
- the costs of the charter did not include meals and accommodation for the driver or pilot.

Where the driver or pilot of a chartered transport company has been approved for Away from Base assistance, the costs of [meals and accommodation](#) may be payable, either as:

- [residential expenses](#); or
- [travel allowance](#).

Chapter 94: Approval of Away from Base activities

This chapter discusses the types of activities that may be approved for Away from Base assistance.

In this chapter:

- [94.1 Types of approved activities](#)
- [94.2 General approval requirements](#)
- [94.3 Testing and Assessment programs](#)
- [94.4 Placements](#)
- [94.5 Field trips](#)
- [94.6 Residential schools](#)

94.1 Types of approved activities

The following types of course activities may be approved under the provisions of Away from Base assistance:

- testing and assessment programs;
- placements;
- field trips;
- residential schools (also known as block release programs).

94.2 General approval requirements

Approval for Away from Base assistance for a course activity may be given where:

- for placements, field trips and residential schools, the costs of student participation in the Away from Base course activity are not approved for assistance under the National Indigenous Australians Agency's Away from Base Mixed Mode Delivery funding; and
- all participants in the activity incur the same or comparable costs, and any non-Indigenous students would be expected to cover their own costs; and
- any previous advances to the provider for Away from Base activities have been satisfactorily [acquitted](#); and
- the specific approval requirements for the type of activity being undertaken have been met:
 - testing and assessment programme;
 - placements;
 - field trips;
 - residential schools.
- the activity is being conducted within Australia.

94.2.1 Away from Base assistance only payable in respect of qualified students

Where an activity has been approved for Away from Base assistance, payment of Away from Base allowances may only be made in respect of students who are qualified for Away from Base assistance for the duration of the activity.

94.3 Testing and Assessment programs

94.3.1 What is a testing and assessment programme?

A testing and assessment programme is an activity conducted by a tertiary education provider to interview, test, assess or otherwise determine the academic suitability of a person for a particular tertiary course or range of courses, or in certain circumstances, an enabling course.

94.3.2 Approval of a testing and assessment programme

A testing and assessment programme may be approved for Away from Base assistance where the following criteria are met:

- the general approval requirements for an Away from Base activity have been met; and
- the course of study to which the testing and assessment programme relates is a [course approved for ABSTUDY purposes](#); and
- the course of study to which the testing and assessment programme relates is either:
 - a tertiary course; or
 - an enabling course at a university, where the enabling course is an alternative entry to a mainstream higher education course and where it is essential that a student undertake a preliminary assessment before being admitted into this enabling course; and
- the length of the programme does not exceed five days, unless approval to do so has been granted by DSS;
- the education provider is not repeating a testing and assessment activity for a particular course intake because they were unsuccessful in obtaining sufficient student numbers from the original testing and assessment activity.

94.3.2.1 Approval where testing and assessment activity longer than 5 days

If a proposed testing and assessment activity is longer than five days, the education provider must seek approval in writing from DSS National Office at least eight weeks before the proposed commencement date.

The address is: Branch Manager
 Study and Compliance
 Department of Social Services
 GPO Box 9820
 Canberra ACT 2601

DSS will only approve an extension to the normal limit of 5 days for a testing and assessment activity where the education provider can demonstrate that, due to the rigour of the proposed testing and assessment activity, an adequate appraisal of the student/s' academic ability to undertake the course to which the testing and assessment activity relates is unable to be completed within 5 days.

94.4 Placements

94.4.1 What is a placement?

A placement is a tertiary course activity that involves an individual student completing practical training in a work environment as part of their course. Generally, it is expected that placements will be obtained within the local community where the student is residing whilst studying and will therefore not require ABSTUDY assistance. However, in exceptional circumstances alternative arrangements may be approved.

94.4.2 Approval of a placement

A placement may be approved for Away from Base assistance where the following criteria are met:

- the general approval requirements for an Away from Base activity have been met; and
- the placement is an integral part of the course, i.e. it is an assessable component of the course curriculum; and
- the placement needs to be taken at the proposed location, i.e. the activities or learning experiences available at the proposed placement location are not available at the normal study location or a closer location; and
- the placement is at a location within the student's home state/territory, unless the provisions of 94.4.2.1 apply.

94.4.2.1 Interstate placement

A student may only be approved to participate in a placement at an interstate location where it:

- involves travel between NSW and the ACT or by students attending an education provider near a state/territory border; or
- provides experience or training essential for successful completion of the minimum requirements of the student's course which is not available within the State or Territory.

94.5 Field trips

94.5.1 What is a field trip?

A field trip is a tertiary course activity that involves a group of students or, a single student, travelling from the normal place of study to one or more locations that provide practical activities or experiences.

94.5.2 Approval of a field trip

A field trip may be approved for Away from Base assistance where the following criteria are met:

- the general approval requirements for an Away from Base activity have been met; and
- the course is a tertiary level, including Masters/Doctorate level, course;
- the field trip is an integral part of the course, i.e. it is an assessable component of the course curriculum; and

- the field trip needs to be taken at the proposed location, i.e. the activities or learning experiences available at the proposed field trip location are not available at the normal study location or a closer location; and
- the Away from base assistance being claimed for the field trip does not exceed seven days; and
- the field trip is at a location within the student's home state/territory, unless the provisions of 94.5.1.1 apply.

94.5.1.1 Interstate field trips

Students may only be approved to participate in a field trip at an interstate location where it:

- involves travel between NSW and the ACT or by students attending an education provider near a State/Territory border; or
- provides experience or training essential for successful completion of the student's course that is not available within the State or Territory.

94.6 Residential schools

94.6.1 What is a residential school?

Residential schools are either:

- secondary and tertiary course activities that provide a group of external students studying through distance education the opportunity to attend face-to-face lectures and tutorials on campus and to access all campus facilities; or
- a secondary "VET in schools" course provided for remote secondary school students who are required to attend a Trade Training Centre or similar facility in another community to undertake an accredited VET course that is part of their secondary study.

For ABSTUDY purposes, Away from Base assistance is only provided where the Residential School is a compulsory and assessable component of the course. Residential Schools usually involve a period of one or two weeks duration.

94.6.2 Approval of a residential school

A residential school may be approved for Away from Base assistance where the following criteria are met:

- the general approval requirements for an Away from Base activity have been met; and
- the residential school is an integral part of the course, i.e. it is an assessable component of the course curriculum; and
- the length of the residential school is justified; and
- the residential school is either:
 - conducted at the education provider's location; or
 - at another location within the same state/territory as the education provider only in circumstances where it can be demonstrated that the face-to-face tuition components of the residential school are unable to be conducted at the education provider's normal location or a closer location.

Chapter 95: Approval of Away from Base allowances

This chapter details the allowances that may be payable where Away from Base assistance has been approved.

In this chapter:

- [95.1 Approvable costs](#)
- [95.2 Types of Away from Base Allowances](#)
- [95.3 Costs Associated with Meals and Accommodation](#)
- [95.4 Residential expenses](#)
- [95.5 Travel allowance](#)
- [95.6 Non-means-tested Living Allowance entitlement](#)

95.1 Approvable costs

95.1.1 When are costs approvable?

Costs are payable under Away from Base assistance in the following circumstances:

- the student is [qualified for Away from Base assistance](#); and
- the course activity is an [approved Away from Base activity](#); and
- the costs are essential to meet the stated purpose of the Away from Base activity; and
- the costs are reasonable; and
- the costs are for travel, [accommodation and/or meals](#) incurred by:
 - the student; and
 - in certain circumstances, [representatives from the education provider](#) and/or the [driver/pilot of chartered transport](#).

Any other costs not covered by the above points are the responsibility of the education provider or the student who is undertaking the activity.

95.1.2 Part approval of costs

Where approval is given for only part of an activity's costs, the balance of the cost is to be met by the education provider or by the student.

95.1.3 Disallowed costs

The following costs **cannot be met** with Away from Base assistance:

- fees associated with Away from Base activities e.g. entry fee to a show, festival or exhibition, including conference registration fees or similar costs;
- the costs of attending conferences, seminars, forums, performances or similar activities, where these do not form an essential part of an [approved Away from Base activity](#).

The above costs are the responsibility of the education provider or the student who is undertaking the activity.

95.1.4 Period of entitlement for Away from Base assistance

When assessing the costs of an approved Away from Base activity, the period for which costs may be approved is:

- the length of the approved Away from Base activity; and
- any period(s) of unavoidable overnight stopover(s) at an in-transit location or an Away from Base location due to transport timetables.

95.1.5 Overpayments

Where payments in excess of entitlement have occurred, refer to [Chapter 3 Overpayment and Recovery of Allowances](#) to determine what is a recoverable debt and from whom this amount should be recovered.

95.2 Types of Away from Base Allowances

The following types of Away from Base allowances may be approved under the provisions of Away from Base assistance:

- [Fares Allowance, under the provisions of Away from Base activity travel](#);
- [costs associated with meals and accommodation](#);
- [non-income-tested Living Allowance](#).

95.3 Costs Associated with Meals and Accommodation

Away from Base assistance is intended to cover the reasonable costs of accommodation and meals while a student is required to be away from their normal place of residence.

Costs associated with meals and accommodation can be approved either as:

- [residential expenses](#); or
- [travel allowance](#).

While residential expenses and travel allowance are fundamentally for the same purpose, they are alternative benefits.

95.4 Residential expenses

95.4.1 Purpose of residential expenses

Where costs associated with meals and accommodation are approved under the provisions of residential expenses, the education provider is responsible for arranging the residential programme, including meals and accommodation, for the Away from Base activity.

Residential expenses, rather than travel allowance, will apply unless there are circumstances that make it unreasonable, impractical or not cost-effective for an provider to arrange a package of accommodation and meals.

95.4.2 Costs payable under residential expenses

Residential expenses will meet the actual cost of meals and accommodation incurred where the education provider has organised a package of accommodation and meals for a designated price per student, per day. Costs may only be approved where they are reasonable.

95.4.2.1 Reasonable accommodation costs

The cost of a room should not exceed the level of the accommodation component of travel allowance for that location unless all other accommodation is fully booked. It should be a modest but comfortable room arranged strictly on a twin share basis or other group discount, unless a participant has a verifiable medical, cultural or other reason requiring a single room.

The room cost should not include the cost of room service, phone calls, mini bar or other non-accommodation based services.

95.4.2.2 Reasonable cost of meals

The cost of meals should not exceed the total meal allowance component of travel allowance but should allow for the meals to be healthy and of reasonable quality. The cost of morning/afternoon tea or additional snacks is not included.

The needs of participants with specific dietary requirements (e.g. vegetarians) should be accommodated.

95.4.3 Refusal of residential arrangements

Students who choose not to avail themselves of the residential expenses package arrangements provided by the education provider or education provider representatives who choose not to avail themselves of the residential expenses package arrangements provided at the community will not be entitled to travel allowance instead.

However, if certain meals are not provided in the residential package, then the provisions of [95.4.4](#) will apply in respect of those meals only.

95.4.4 Certain meals not provided in residential package

Where a residential expenses package cannot be arranged by the education provider to include all meals during an activity, meal allowance is payable on behalf of each student for any meals not included in the package. This is to be disbursed by the education provider.

95.5 Travel allowance

95.5.1 Purpose of travel allowance

Where costs associated with meals and accommodation are approved under the provisions of travel allowance, a set allowance is provided to the student to cover the cost of accommodation and meals, irrespective of the actual cost.

Travel allowance may be approved for an Away from Base activity in circumstances where it is unreasonable, impractical or not cost effective for a residential expenses package to be arranged by the education or service provider.

95.5.2 Rate of travel allowance

For the purposes of Away from Base assistance the rate of travel allowance is set by DSS and adjusted yearly.

Travel allowance will be paid at full rate for a period of up to of 21 consecutive days, after which 50% of the rate is payable. Travel allowance is not payable (at either half or full rate) for more than three months cumulatively in a calendar year. These provisions apply irrespective of the length of a course.

There are two components of travel allowance:

- [accommodation allowance](#); and
- [meal allowance](#).

95.5.3 Accommodation allowance

The rate of accommodation allowance is determined by the location of the accommodation.

95.5.3.1 High cost country centre accommodation allowance rates

Where travel allowance has been approved for a high-cost location not listed below, payment may be made for a higher rate of travel allowance where the standard travel allowance rate is acquitted and excess expenses are proven by receipts, provided that the expense is representative of reasonable costs for the location.

95.5.4 Meal allowance rates

The rate of meal allowance is determined by the location.

95.5.4.1 Meal allowance not payable

Meal allowance cannot be paid for those meals provided by a hotel/motel i.e. if breakfast is included in the room cost, the breakfast component of meal allowance is not payable.

95.6 Non-means tested Living Allowance

95.6.1 Purpose of non-means tested Living Allowance

The purpose of non-means-tested Living Allowance is to assist students who would otherwise lose their regular source of income while undertaking a course activity necessary to complete the course.

95.6.2 Qualification for non-means tested Living Allowance

For a student to qualify for non-means tested Living Allowance, the following criteria must be met:

- the student qualifies for [Away from Base assistance](#); and
- the student is participating in an [approved Away from Base activity](#); and
- the student will lose their regular source of income as a result of attending the course activity, provided that the regular income is derived from either:
 - a form of Australian Government assistance, e.g. social security benefits; or
 - employment that has no study leave provision and the student is required to access leave without pay to participate in the Away from Base activity.

Where the costs of student participation in a [course are funded under the NIAA's Away from Base program](#), a student may claim the non-means-tested Living Allowance, even though ABSTUDY Away from Base assistance to undertake a [residential school](#), [field trip](#) or [placement](#) as part of the course is unavailable.

95.6.3 Rate of non-means-tested Living Allowance

Where a student qualifies for non-means-tested Living Allowance under the provisions set out in [95.5.2](#), the rate of Living Allowance will be the maximum rate based on a student's circumstances as set out in [Chapter 72](#).

95.6.4 Payment of non-means-tested Living Allowance

95.6.4.1 Payee

The payee for non-means-tested Living Allowance is the student.

95.6.4.2 Taxation status

For details of the tax status of Living Allowance, see [Chapter 5 Taxation](#).

95.6.5 Non-means-tested Living Allowance entitlement

95.6.5.1 Means testing

The non-means-tested Living Allowance will not be subject to means testing.

95.6.5.2 Entitlement

The non-means-tested Living Allowance is paid for the duration of the Away from Base activity.

Chapter 96: Payment and Acquittal of Away from Base

This chapter details the payment and acquittal of Away from Base allowances.

In this chapter:

- [96.1 Payment of Away from Base Allowances](#)
- [96.2 Away from Base Submissions](#)
- [96.3 Advance payment](#)
- [96.4 Reimbursement](#)
- [96.5 Bulk Funding](#)
- [96.6 Overpayments](#)

96.1 Payment of Away from Base Allowances

Payment of Away from Base allowances in respect of a student and other [approved beneficiaries](#) can only occur where the following has occurred:

- [approval of the Away from Base activity](#) has been given, following lodgement of either:
 - a [submission from the education provider](#); or
 - a [submission from an individual student for an individual testing and assessment activity or a placement](#); and
- the student is assessed as qualified for Away from Base assistance, following lodgement of an ABSTUDY claim from the student.

96.2 Away from Base Submissions

96.2.1 Away from Base submission from an education provider

An Away from Base submission from an education provider must provide details of the student participants, evidence that the proposed activity meets the conditions for [approval of an Away from Base activity](#), and details of the costs of travel, meals and accommodation for the activity.

96.2.2 Away from Base submission from an individual student

A submission from an individual student for an individual testing and assessment activity or a [placement](#) must provide confirmation of the Away from Base activity from the education provider.

96.2.3 Closing dates for Away from Base submissions

Unless exceptional circumstances exist, the following closing dates apply to submissions for Away from Base assistance:

- a request by an education provider must be lodged at least six weeks in advance of the activity for either:
 - payment in advance; or
 - approval in principle i.e. in order to seek reimbursement;
- a request by an individual student must be lodged at least three weeks in advance of the activity for payment in advance of travel allowance;

- a request by an education provider for bulk funding in advance must be lodged at least six weeks before the commencement of the first residential school for the year.

96.2.4 Variations to original submission

Where an education provider has lodged an Away from Base submission, the education provider will be responsible for informing [Centrelink](#) of variations to any activity on the original submission.

Where an individual student has lodged a request for Away from Base assistance, the student will be responsible for informing Centrelink of variations to the activity on the original request.

96.3 Advance payment

Where payment in advance of an individual activity is requested, advance payment is made either for:

- residential expenses; or
- travel allowance.

Funds can only be advanced in respect of students who are qualified for [Away from Base assistance](#).

96.3.1 Advance payment for residential expenses

Where residential expenses are an approved cost under the provisions of [Chapter 95](#), residential expenses are payable in advance on submission by the education provider of the estimated costs.

This is subject to acquittal as set out in [96.3.1.4](#).

96.3.1.1 Claims for advance payment of residential expenses

The expenditure approval requirements for claims for advance payment of residential expenses are:

- where it is proposed to procure services estimated to cost \$10,000 or less, a written quote must be provided with the submission. Additional quotes may be requested, where it is determined that better value for money may be achieved;
- where the estimated value of services is greater than \$10,000 but does not exceed \$100,000, a minimum of three written quotes must be provided with the submission;
- where the estimated value of services is greater than \$100,000, or where the estimated value is \$100,000 or less, but the nature of the claim is complex, a formal open tender process must be used.

A proposed activity cannot be divided into a number of separate components so as to bring each order within the minimum threshold requirement.

96.3.1.2 Exceptions to normal expenditure approval requirements

An exception may be made to the normal expenditure approval requirements set out in [96.3.1.1](#) if there is a justifiable basis to confine the purchaser to one supplier, or it is impractical or inexpedient to either obtain the required number of quotations or meet the formal tender process.

Insufficient time resulting from poor procurement planning is not a justifiable reason for an exception to be made.

96.3.1.3 Payee

Advance payment of residential expenses is to be made to the education provider or organisation incurring the expense.

96.3.1.4 Acquittal of residential expenses

Acquittal of residential expenses should be made in sufficient detail to reflect the original submission. Original receipts or audited financial statements should be attached to substantiate the acquittal.

Acquittal of an advance payment must be sent to [Centrelink](#) within one calendar month of the completion of the approved course activity.

96.3.2 Advance payment of travel allowance

Where travel allowance is an approved cost under the provisions of [Chapter 95](#), travel allowance is payable in advance upon lodgement of either:

- a submission from an education provider; or
- an individual submission by the student.

This is subject to acquittal as set out in [96.3.2.2](#).

96.3.2.1 Payee

Unless the provisions of 95.4.4 apply, both the meals and accommodation components of travel allowance are to be paid to the student. Where the travel allowance is approved under the provisions of [Away from Base beneficiaries](#) for the cost of accommodation and meals for an education provider representative or a driver/pilot of a charter company, travel allowance is paid to the education provider.

96.3.2.2 Acquittal of travel allowance

Travel allowance is acquitted by confirmation from the education provider that that the approved student/s, and other approved beneficiaries for whom travel allowance was paid, participated in the approved activity for the full period covered by the funding.

96.4 Reimbursement

Where reimbursement of the costs of an individual activity is requested, payment is made in respect of [approved beneficiaries](#) for the [approvable costs](#) upon lodgement of a claim from either:

- the education provider; or
- the individual student.

96.4.1 Claim for reimbursement by education provider

An education provider may lodge a claim for reimbursement where an initial submission for approval in principle of the activity was received by the closing dates specified in [96.2.3](#).

Original receipts must accompany the claim for reimbursement.

Reimbursement can only be made in respect of students who are qualified for [Away from Base assistance](#).

96.4.2 Claim for reimbursement by individual student

Where an individual student lodges a claim for reimbursement, original receipts and confirmation by the education provider that the student participated in the approved activity for the full period covered by the funding must accompany this.

96.4.3 Closing dates for requests for reimbursement

A request by an education provider or a student for reimbursement of the costs of undertaking an activity must be lodged by 1 April of the year following the activity, unless there are exceptional circumstances preventing this.

96.4.4 Payee

Where reimbursement is being made for costs payable under Away from Base assistance, payment is made to either the education provider, the service provider or the student, depending upon who incurred the expense.

96.5 Bulk Funding

96.5.1 Approved providers for bulk funding

Bulk funding may only be approved for education providers that have the administrative and organisational infrastructure capable of undertaking the necessary administrative arrangements.

96.5.2 Application requirements for bulk funding

The person who is authorised to make a claim on behalf of the education provider must lodge a single submission with [Centrelink](#) at least six weeks before commencement of the first residential school for the year, outlining all proposed residential schools for the academic year.

Normally an education provider would be expected to apply for bulk funding for the whole year, but an application for bulk funding for a semester or term may be accepted in exceptional circumstances.

96.5.3 Administrative costs

The education provider may claim up to the maximum annual amount for administrative and audits costs for Away From Base submissions as published in *A guide to Australian Government payments* for the relevant period. This amount is indexed annually.

96.5.4 Payment of bulk funding

Once a bulk funding submission has been approved, payment can be processed and paid in advance. The first payment in advance will cover the costs of planned activities that will take place during the first semester. The second payment for second semester activities will be made when the first semester report and expenditure statement have been provided.

Funds can only be advanced in respect of students who are qualified for Away from Base assistance.

96.5.5 Variations to original submission

The education provider will be responsible for informing Centrelink of variations to any activity on the original submission.

96.5.6 Acquittal of Bulk Funding

Where bulk funding of Away from Base assistance has been made to an education provider, the provider is required to lodge an end of year acquittal report, which must be endorsed as correct by the Principal or Head of Department of the education provider. An audited financial statement, including a detailed statement of all outstanding commitments to be met from remaining funds, or a statement that no payments to providers are outstanding, must also accompany the acquittal report. The end of year audited financial statement must be undertaken by an independent auditor and include a declaration certifying that the funds have been expended in accordance with the agreement.

This information should be provided by 31 January in the following year so that the level of funding for the next year's submission can be assessed.

Future submissions will not be funded until Centrelink receives the audited financial statement and expenditure has been assessed as duly correct according to the activities outlined in the submission.

96.5.6.1 Unexpended funds

Unexpended funds remaining at the end of the year may be rolled over into the next year and deducted from the new allocation.

96.5.6.2 Acquittal Not Received

Where an acquittal is not received within the required time, no further payments should be made to the education provider until acquittal is made. If a satisfactory acquittal is unable to be made, the non-acquitted amounts are to be considered an overpayment.

96.5.6.3 Unacquitted funds

Funds that cannot be acquitted i.e. the education provider is unable to substantiate expenditure, are to be considered an overpayment. These unacquitted funds must be repaid before further ABSTUDY funding can be paid.

96.6 Overpayments

Where payments in excess of entitlement have occurred, refer to [Chapter 3 Overpayment and Recovery of Allowances](#) to determine what is a recoverable debt and from whom this amount should be recovered.

Chapter 97: Masters and Doctorate Allowances

This chapter provides details of the allowances that may be available to students undertaking Masters and Doctorate degrees.

In this chapter:

- [97.1 Purpose of Masters and Doctorate Allowances](#)
- [97.2 Qualification for Masters and Doctorate Allowances](#)
- [97.3 Masters and Doctorate Allowances](#)
- [97.4 Relocation Allowance](#)
- [97.5 Thesis Allowance](#)
- [97.6 Payment of student contributions \(previously known as HECS\) or tuition fees](#)

97.1 Purpose of Masters and Doctorate Allowances

The purpose of the Masters and Doctorate Allowances is to provide assistance to students undertaking higher degrees at the Masters and Doctorate level to assist with the cost of student contributions (formerly HECS), tuition fees and other expenses.

97.2 Qualification for Masters and Doctorate Allowances

To qualify for the Masters and Doctorate Allowances, a student must:

- qualify for the [Masters and Doctorate Award](#); and
- be receiving either:
 - [Living Allowance](#); or
 - [ABSTUDY Pensioner Education Supplement](#); or
 - a Defence Force Income Support Allowance-like (DFISA-like) payment under the [Veterans' Entitlements Act 1986](#); and
- meet the specific criteria for the particular [Masters and Doctorate Allowance](#).

97.3 Masters and Doctorate Allowances

The following supplementary Masters and Doctorate allowances are available:

- [Relocation allowance](#);
- [Thesis allowance](#);
- [Payment of student contributions \(previously known as HECS\) or tuition fees](#).

These allowances are based on those that apply for the Australian Government Research Training Program (RTP)..

97.3.1 Rates of Masters and Doctorate Allowances

The rates of ABSTUDY Masters and Doctorate Allowances are broadly aligned with those that apply for the Australian Government Research Training Program (RTP)..

97.3.2 Taxation Status

For details of the tax status of Relocation Allowance, Thesis Allowance and payment of student contribution or tuition fees, see [Chapter 5 Taxation](#).

97.3.3 Means testing

The Masters and Doctorate Allowances (Relocation Allowance, Thesis Allowance and payment of student contribution or tuition fees) are not subject to means testing.

97.3.4 Overpayments

Where payments in excess of entitlement have occurred, refer to [Chapter 3 Overpayment and Recovery of Allowances](#) to determine what is a recoverable debt and from whom this amount should be recovered.

97.4 Relocation Allowance

Relocation Allowance is available where a student has to move to another town or city to take up a [Masters and Doctorate Award](#). Relocation allowance is to assist with:

- removal costs, up to a set maximum; and
- Fares Allowance for the student, the student's partner and dependent child/ren to relocate to the study location. Refer to [89.8 Masters and Doctorate Relocation Travel](#).

The maximum amount of Relocation Allowance that may be payable to meet removal costs is specified in [A guide to Australian Government payments](#).

97.4.1 Removal costs

The removal costs that can be paid include:

- removals through a removalist company; or
- a hire truck if the student chooses to undertake their own removal.

Qualified students are entitled to reasonable removal costs, up to the maximum amount of Relocation Allowance payable.

97.4.2 Payment of Removal Costs

Removal costs must be paid either:

- direct to the removal/hire truck company on receipt of their invoice; or
- as a reimbursement to the student on submission of original receipts.

97.4.3 Relocation Allowance exclusions

Relocation Allowance does not cover the costs of establishing the student's new home.

97.5 Thesis Allowance

Eligible students may receive a Thesis Allowance to assist with costs associated with the presentation of a thesis or other similar course requirement, e.g. the costs of printing, publishing and binding the thesis. This allowance is a contribution to the costs of production of the thesis, and does not include costs such as a purchase of computer equipment.

97.5.1 Thesis Allowance rates

Qualified students are entitled to actual costs, where reasonable, up to the maximum amount of Thesis Allowance payable.

Different maximum rates of Thesis Allowance apply, depending upon whether the student is undertaking Masters or Doctorate level study. For details of these maximum rates, see [A guide to Australian Government Payments](#).

97.5.2 Claiming Thesis Allowance

Thesis Allowance must be claimed within two years of the expiry of the Award.

97.6 Payment of student contributions (previously known as HECS) or tuition fees

Eligible students may apply for assistance to pay their student contributions (previously known as HECS) or tuition fees incurred for the approved course. ABSTUDY will pay the student contributions or the tuition fees payable (less any fee scholarship received from the higher education provider).

97.6.1 Rates payable for student contributions or tuition fees

Qualified students are entitled to actual costs of the student contributions or the tuition fees payable (less any fee scholarship received from the higher education provider). There is no upper limit to the amount payable.

97.6.2 Claiming payment of student contributions

Claims for payment of student contributions must be lodged before the census date or the date set by the provider if earlier.

Students claiming payment of student contributions must choose the up-front payment option. Where a student has incorrectly nominated to defer their student contribution instead of choosing the up-front payment option, or has lodged their *Request for Commonwealth assistance* form late, and the provider is unable to accept payment, the student must then obtain a statement of their student contributions payable from the provider before payment can be made to the Tax Office. In such cases, the student will be responsible for any fees that may be incurred due to incorrect nomination or late lodgement.

97.6.3 Payment of student contributions or tuition fees

For both student contributions and tuition fees, payment must be made direct to the higher education provider.

Chapter 98: Lawful Custody Allowance

Students and [Australian Apprentices](#) held in lawful custody may be eligible for the Lawful Custody Allowance. This chapter outlines details of this allowance.

In this chapter:

- [98.1 Purpose of Lawful Custody Allowance](#)
- [98.2 Qualification for Lawful Custody Allowance](#)
- [98.3 Lawful Custody Allowance](#)
- [98.4 Payment of Lawful Custody Allowance](#)
- [98.5 Lawful Custody Allowance Entitlement](#)

98.1 Purpose of Lawful Custody Allowance

The purpose of Lawful Custody Allowance is to assist in meeting essential study and course costs for Indigenous Australian students and [Australian Apprentices](#) who are in lawful custody. The aim is to encourage students and Australian Apprentices in lawful custody to participate in studies and apprenticeships that will improve their potential to undertake further education and training and gain employment upon release.

98.2 Qualification for Lawful Custody Allowance

To qualify for Lawful Custody Allowance, the following criteria must be met:

- the student or [Australian Apprentice](#) must meet the criteria for [Lawful Custody Award](#); and
- the correctional institution authority must agree to the student or Australian Apprentice receiving the assistance.

98.3 Lawful Custody Allowance

Where a student or [Australian Apprentice](#) is qualified for Lawful Custody Allowance, they are entitled to payment of essential course costs. There is no upper limit to this allowance.

98.3.1 Essential course costs

For the purposes of determining if a cost is an essential course cost:

- the costs have been certified by the Head of School/Faculty or equivalent representative of the course provider as being mandatory, that is, all students or [Australian Apprentices](#) in lawful custody undertaking the course MUST incur these costs in order to undertake their course; and
- the education institution would not reasonably be expected to provide the item/s in question.
- Essential course costs may include:
 - education institution fees, including union, sports, library, administration, amenities, laboratory fees or levies or the like charged by an approved education institution; and
 - textbooks and stationery, including books, published articles, ink cartridges and paper for computer printers; and
 - daily travel expenses (where the student or Australian Apprentice has permission to travel between the correctional institution and the education institution); and

- extra education costs incurred because of the student's or Australian Apprentice's legal status e.g. the cost of additional photocopying incurred because the student or Australian Apprentice cannot borrow library books on restricted access where reading chapters of these books is essential; and
- compulsory equipment items, ONLY where it is unreasonable to expect the educational institution to provide these items.

98.3.1.1 Not included as essential course cost

The following are not included as essential course costs (even where certified by the Head of School/Faculty or equivalent representative of the course provider as being mandatory):

- tuition or course fees charged by an education institution, including the flying time and associated fees charged by institutions offering pilot (aviation) courses; and
- items that education providers would normally be expected to make available for student or [Australian Apprentice](#) use, for example assets such as musical instruments, cameras, videos, sewing machines, typewriters or computers.

98.3.1.2 Prior approval of course costs

Prior approval must be sought by the student or [Australian Apprentice](#) or correctional institution from [Centrelink](#) for art and photographic materials and other items where the annual cost per student or Australian Apprentice for a course will exceed the equivalent of the rate of ABSTUDY Incidentals Allowance for a 24 week to one year course. If the student or Australian Apprentice is undertaking two part-time courses, prior approval must be sought where the annual cost will exceed the equivalent of twice that rate of ABSTUDY Incidentals Allowance. For details of the Incidentals Allowance rates see *A guide to Australian Government payments*.

There is no upper limit to this allowance, however, only claims for essential course costs that are comparable to other course participant's costs will be considered.

98.4 Payment of Lawful Custody Allowance

98.4.1 Claim lodgement

Claims for reimbursement of essential course costs under Lawful Custody Allowance must be lodged with [Centrelink](#) before 1 April in the year immediately following the year of study.

98.4.2 Payee

Payments of Lawful Custody Allowance must be made:

- to the correctional institution for reimbursement to the student or [Australian Apprentice](#); or
- to the correctional institution as reimbursement for purchases made on behalf of the student or Australian Apprentice; or
- to the education institution or supplier of textbooks or materials for services provided to the student or Australian Apprentice; or
- direct to the student or Australian Apprentice, only where the correctional institution has approved such an arrangement.

98.4.3 Taxation Status

Lawful custody Allowance is non-taxable. [Chapter 5 Taxation](#).

98.5 Lawful Custody Allowance Entitlement

98.5.1 Means testing

Lawful Custody Allowance is not subject to means testing.

98.5.2 Entitlement

Lawful Custody Allowance may be paid provided that another entitlement for the same purpose has not already been paid for that semester.

98.5.3 Overpayments

Where payments in excess of entitlement have occurred, refer to [Chapter 3 Overpayment and Recovery of Allowances](#) to determine what is a recoverable debt and from whom this amount should be recovered.

Chapter 99: Additional Assistance

This chapter outlines the qualification and payment of Additional Assistance.

In this chapter:

- [99.1 Purpose of Additional Assistance](#)
- [99.2 Qualification for Additional Assistance](#)
- [99.3 Rate of Additional Assistance](#)
- [99.4 Payment of Additional Assistance](#)

99.1 Purpose of Additional Assistance

The purpose of Additional Assistance is to provide a means by which, in exceptional circumstances, financial benefit over and above ABSTUDY entitlements is available for students and [Australian Apprentices](#) who experience severe financial difficulties meeting associated education and training costs. The intended outcome is to reduce the risk of students or Australian Apprentices withdrawing from education or training.

99.2 Qualification for Additional Assistance

To qualify for Additional Assistance, the following criteria must be met:

- the student or Australian Apprentice is eligible for Living Allowance; and
 - the application of an ABSTUDY eligibility or entitlement provision is harsh or inequitable in the student's or Australian Apprentice's circumstance; and
 - the student's or Australian Apprentice's circumstances are unique i.e. the grant of Additional Assistance is not likely to result in the inconsistent delivery of benefits nor establish a precedent for a potentially significant number of students or Australian Apprentices; and
 - the basis of the Additional Assistance claim is directly related to a factor associated with the student's or Australian Apprentice's study or training programme which has resulted in the student or Australian Apprentice or family experiencing significant hardship and which may be overcome by the grant of Additional Assistance; and
 - the circumstances have not been caused or contributed to by action taken by the student or Australian Apprentice or applicant which may be regarded as negligent or imprudent; and
 - there is no other Australian Government or State Government agency or private organisation that is a more appropriate source of assistance.

Under exceptional circumstances, eligibility will be determined on a case-by-case basis by DSS, in instances meeting the following criteria.

All of the following:

- the student is from a State/Territory or region where the final year of primary school is Year 7;
- the student has completed Year 6, and there is no local daily access to Year 7 schooling; and
- there is no local school available providing Year 7 secondary school courses.

99.2.1 Significant hardship

The student or [Australian Apprentice](#) or family are considered to experience significant hardship in the following circumstances:

- fortnightly expenditure on essential items is equal to or exceeds the fortnightly income of the student/Australian Apprentice or student's/Australian Apprentice's family; and
- there are no financial reserves for the student/Australian Apprentice or student's/Australian Apprentice's family to draw upon.

99.2.1.1 Income of the student/Australian Apprentice or student's/Australian Apprentice's family

For the purposes of assessing significant hardship, the income of the student/Australian Apprentice or student's/[Australian Apprentice's](#) family includes:

- wage and salary payments after tax and Medicare levy are deducted;
- maintenance received; and
- Australian Government benefits including:
 - social security pension or benefit payments;
 - Family Tax Benefits;
 - ABSTUDY; and
- any other form of regular income.

Maintenance paid for the support of a previous [partner](#) or children should be deducted.

99.2.1.2 Essential items

In general, only expenditure on any of the following essential items is to be considered in assessing Additional Assistance claims:

- accommodation, e.g. rent, mortgage repayment instalments and essential costs such as insurance and rates;
- food;
- utility services, e.g. gas, electricity;
- clothing;
- medical/dental costs in excess of refunds from health insurance (non-essential medical/dental costs to be excluded);
- pharmaceutical costs;
- school costs and child care costs of dependents if incurred to meet course requirements;
- daily travel costs of student and family (public transport equivalent costs should be used if student has a car);
- hire purchase instalments for purchase of essential household furniture;
- maintenance paid; and
- miscellaneous expenses such as essential course costs.

99.2.1.3 Non-essential items

The following items would not normally be considered as essential items, unless it can be demonstrated that the items are necessary for a person's employment or similar compelling reason:

- car expenses i.e. repayments, registration, petrol, insurance and maintenance, above public transport costs;
- telephone costs, i.e. installation, rent and call costs;
- expenses not associated with studies, e.g. club fees for interests not catered for by the education institution; and
- debt repayment, including hire purchase of items other than household furniture.

99.3 Rate of Additional Assistance

Where a student or [Australian Apprentice](#) qualifies for Additional Assistance, the rate payable will be set at whichever is the lesser of that amount required to:

- meet the cost of the particular factor associated with the student's study programme or Australian Apprentice's training which has contributed to the financial difficulties; or
- overcome the hardship, i.e. address the imbalance between income and essential expenditure.

99.4 Payment of Additional Assistance

99.4.1 *Payment frequency*

Where approved, Additional Assistance may be provided in the form of:

- a regular supplement to the student's [Living Allowance](#); or
- a once-only payment where this will overcome the hardship.

99.4.2 *Payee*

The payee for Additional Assistance will be the applicant.

99.4.3 *Taxation Status*

For details of the tax status of Additional Assistance, see [Chapter 5 Taxation](#).

99.4.4 *Overpayments*

Where payments in excess of entitlement have occurred, refer to [Chapter 3 Overpayment and Recovery of Allowances](#) to determine what is a recoverable debt and from whom this amount should be recovered.

Chapter 100: Lump Sum Bereavement Payment

In the event of the death of their partner, a student or Australian Apprentice in receipt of ABSTUDY Living Allowance may receive a one-off payment which is the difference between the single rate of ABSTUDY Living Allowance and the previous combined partnered rate of ABSTUDY Living Allowance they are entitled to, over the 14 week bereavement period paid as a lump sum.

In this chapter:

- [100.1 Purpose of the Lump Sum Bereavement Payment](#)
- [100.2 Qualification for Lump Sum Bereavement Payment](#)
- [100.3 Bereavement period](#)
- [100.4 Rate of Lump Sum Bereavement Payment](#)
- [100.5 Payment of Lump Sum Bereavement Payment](#)
- [100.6 Taxation Status](#)
- [100.7 Overpayments](#)

100.1 Purpose of the Lump Sum Bereavement Payment

The [Lump Sum bereavement period](#) is intended to provide financial assistance to make it easier for a student or [Australian Apprentice](#) in receipt of ABSTUDY Living Allowance to adjust to the changed financial circumstances caused by the death of their [partner](#) who was an ABSTUDY recipient, a pensioner or a long term [Social Security payment](#) recipient.

100.2 Qualification for Lump Sum Bereavement Payment

To qualify for the [Lump Sum bereavement period](#), the following criteria must be met:

- the student or [Australian Apprentice](#) must qualify for one of the following ABSTUDY Awards:
 - [Schooling B Award](#); or
 - [Tertiary Award](#); or
 - [Masters and Doctorate Award](#); and
- the student or [Australian Apprentice](#) must be currently in receipt of an ABSTUDY Living Allowance; and
- the student or [Australian Apprentice](#) must have been in receipt of ABSTUDY Living Allowance continuously for the previous 52 weeks; or
- the student or [Australian Apprentice](#) must have been in receipt of ABSTUDY Living Allowance for the previous 52 weeks and did not cease receiving ABSTUDY Living Allowance for more than six weeks of the previous 52 weeks; and
- the student or [Australian Apprentice](#) was a [member of a couple](#) and their [partner](#) dies; **and**
 - **immediately** before the student's or [Australian Apprentice's](#) partner died, their partner was qualified for and receiving:
 - an ABSTUDY Living Allowance; and/or
 - a [Social Security benefit](#); and
 - was in receipt of one, or a combination of the above, payments for the 52 weeks prior to their death, and did not have a break in payment of more than six weeks out of those 52 weeks; or

- a Social Security Pension, for any period.

100.2.1 Couples Separated due to Illness or Respite Care

If the student or [Australian Apprentice](#) and their [partner](#) were separated due to illness or because their partner was in respite care, the [Lump Sum bereavement period](#) amounts are to be worked out as if they are living together.

100.2.2 Notification period

To be eligible for the [Lump Sum bereavement period](#), in the event of a death of the student's or [Australian Apprentice's](#) partner, notification of their partner's death is required within 14 calendar days from the date of death.

100.3 Bereavement period

For the purposes of Lump Sum bereavement period, a [bereavement period](#) is a period of 14 weeks that starts on the day on which the person dies. The Lump Sum Bereavement Payment is only payable to a student or [Australian Apprentice](#) in receipt of ABSTUDY Living Allowance if [Centrelink](#) is notified of the death within the notification period and adjusts the student's or Australian Apprentice's payments before the end of the bereavement period. This is because the Lump Sum Bereavement Payment represents the difference between the couple's partnered rate and the student or Australian Apprentice's single rate of ABSTUDY Living Allowance during the bereavement period.

100.3.1 Changes during bereavement lump sum period

If there is a change in the level of the student's or [Australian Apprentice's](#) income or assets during the bereavement period, the ABSTUDY student's or Australian Apprentice's eligibility and/or rate of entitlement to the single rate is reassessed from the date of the change in the circumstance. See Chapters [61](#) and [65](#) for Personal Income and Assets assessments.

If the student or Australian Apprentice was a joint owner of the couple's assets, the delegate needs to ensure that the correct amount of income and assets is attributed to the student or Australian Apprentice. See Chapter [65](#) for Personal and Partner Assets assessments.

The [Lump Sum bereavement period](#) is assessed by reference to the student's or Australian Apprentice's circumstances at the time of its payment. If the Lump Sum Bereavement Payment has already been made, it is NOT adjusted for subsequent changes in income or assets.

100.3.2 Exclusions

Customer in prison – the Lump Sum bereavement period is not payable if a customer is in prison or undergoing psychiatric confinement because they have been charged with a crime. If the customer were acquitted, the Lump Sum Bereavement payment would then become payable, even if some time has elapsed.

100.4 Rate of Lump Sum Bereavement Payment

To calculate the amount payable to the student or [Australian Apprentice](#) as a lump sum on the death of their [partner](#) see the following calculation:

Method statement:

Step	
1	<p>Add up:</p> <ol style="list-style-type: none">1. the amount that, if the student's or Australian Apprentice's partner had not died, would have been payable to the student or Australian Apprentice on the student's or Australian Apprentice's payday immediately before the first available bereavement adjustment payday; and2. the amount (if any) that, if the partner had not died, would have been payable to the partner on the partner's payday immediately before the first available bereavement adjustment payday; <p>the result is the <i>combined rate</i>.</p>
2	<p>Work out the amount that would have been payable to the student or Australian Apprentice on the student's or Australian Apprentice's payday immediately before the first available bereavement adjustment payday: the result is the student's or Australian Apprentice's individual rate.</p>
3	<p>Take the student's or Australian Apprentice's individual rate away from the combined rate: the result is the partner's instalment component</p>
4	<p>Work out the number of the partner's paydays in the bereavement lump sum period.</p>
5	<p>Multiply the partner's instalment component by the number obtained in Step 4: the result is the amount of the lump sum payable to the student or Australian Apprentice</p>

100.4.1 To calculate a lump sum payment in the event of the death of both the student or Australian Apprentice and their partner see the following calculation:

Method statement:

Step	
1	<p>Add up:</p> <ol style="list-style-type: none"> 1. the amount that, if neither the student or Australian Apprentice nor the student's or Australian Apprentice's partner had died, would have been payable to the student or Australian Apprentice on the student's or Australian Apprentice's payday immediately after the day on which the student or Australian Apprentice dies; and 2. the amount (if any) that, if neither the student or Australian Apprentice nor the student's or Australian Apprentice's partner had died, would have been payable to the student's or Australian Apprentice's partner on the partner's payday immediately after the day on which the student or Australian Apprentice died; <p>the result is the <i>combined rate</i>.</p>
2	<p>Work out the amount that would have been payable to the student or Australian Apprentice on the student's or Australian Apprentice's payday immediately after the day on which the student or Australian Apprentice died if the student or Australian Apprentice had not died: the result is the <i>student's or Australian Apprentice's individual rate</i>.</p>
3	<p>Take the student's or Australian Apprentice's individual rate away from the combined rate: the result is the <i>partner's instalment component</i>.</p>
4	<p>Work out the number of paydays of the partner in the period that begins on the day on which the student or Australian Apprentice dies and ends on the day on which the bereavement period ends</p>
5	<p>Multiply the partner's instalment component by the number obtained in Step 4: the result is the amount of the lump sum payable to student or Australian Apprentice</p>

100.5 Payment of Lump Sum Bereavement Payment

A [Lump Sum bereavement period](#) is paid as a one-off lump sum for the death of a [partner](#).

100.5.1 Recipient of Bereavement Payment

The [Lump Sum bereavement period](#) is paid to the ABSTUDY student or [Australian Apprentice](#) in the event of their partner's death. In the case of both the ABSTUDY student's or [Australian Apprentice's](#) and their partner's death, the Lump Sum Bereavement Payment is paid to the estate of the ABSTUDY student or [Australian Apprentice](#).

100.6 Taxation Status

After the death of their [partner](#), the student's or [Australian Apprentice's](#) rate of ABSTUDY Living Allowance payment would usually increase from the partnered rate to the single rate.

If a student's or [Australian Apprentice's](#) partner dies and the [bereavement lump sum payment](#) under the ABSTUDY scheme becomes due to the student or Australian Apprentice because of the student's or Australian Apprentice's partners death.

The total of the following are exempt from income tax up to the tax free amount:

1. The bereavement lump sum payment; and
2. All other payments that become due to the student or Australian Apprentice under the ABSTUDY scheme during the bereavement lump sum period.

Note: to calculate the tax-free amount, see below.

100.6.1 To calculate the tax free amount when the student or [Australian Apprentice](#) receives a bereavement lump sum payment, see the following calculation:

Method statement:

Step	
1	Work out the payment under the ABSTUDY scheme that would have become due to the student or Australian Apprentice during the bereavement lump sum period if: <ul style="list-style-type: none">▪ The student's or Australian Apprentice's partner had not died; and The student's or Australian Apprentice's partner had been under pension age ; and Immediately before the student's or Australian Apprentice's partner died, the student or Australian Apprentice and the student's or Australian Apprentice's partner had been neither an illness separated couple nor a respite care couple.
2	Work out how much of those payments would have been exempt in those circumstances.
3	Work out the payments under the ABSTUDY scheme or the Social Security Act 1991 that would have become due to the student's or Australian Apprentice's partner during the bereavement lump sum period if the student's or Australian Apprentice's partner had not died, even if the payments would not have been exempt.
4	Total the payments worked out at Steps 2 and 3: the result is the tax-free amount.

100.6.2 To calculate the tax free amount of an ordinary payment when no bereavement lump sum payment is payable, see the following calculation:

Method statement:

Step	
1	Work out the supplementary amount of the payment. Note: the supplementary amount is tax exempt see glossary for details.
2	Subtract the supplementary amount from the amount of the payment.
3	Work out what would have been the amount of the payment if the student's or Australian Apprentice's partner had not died.
4	Work out when would have the supplementary amount of the payment if the student's or Australian Apprentice's partner had not died.
5	Subtract the amount at Step 4 from the amount at Step 3.
6	Subtract the amount at Step 5 from the amount at Step 2: the result is the tax free amount.

100.7 Overpayments

Where payments in excess of entitlement have occurred, refer to [Chapter 3 Overpayment and Recovery of Allowances](#) to determine what a recoverable debt is and from whom this amount should be recovered.

Chapter 101: Crisis Payment

This chapter outlines the qualification and payment of Crisis Payment.

In this chapter:

- [101.1 Purpose of Crisis Payment](#)
- [101.2 Qualification for Crisis Payment](#)
- [101.3 Rate of Crisis Payment](#)
- [101.4 Payment of Crisis Payment](#)

101.1 Purpose of Crisis Payment

Crisis Payment is a payment designed to assist new and existing ABSTUDY recipients who are in [severe financial hardship](#) through circumstances such as [domestic violence](#), flooding and house fire, as well as those customers who need to re-establish themselves in the community after having been in [prison or psychiatric confinement](#).

101.2 Qualification for Crisis Payment

To qualify for Crisis Payment, the claim must be made in Australia and the following criteria must be met:

- the student or [Australian Apprentice](#) must be qualified for one of the following ABSTUDY Awards:
 - [Schooling B Award](#); or
 - [Tertiary Award](#); or
 - [Masters and Doctorate Award](#); and
- the student or [Australian Apprentice](#) is in receipt of at least \$1 of ABSTUDY Living Allowance; and
- the student or [Australian Apprentice](#) is in [severe financial hardship](#) the day on which the claim for Crisis Payment is made; and
- the student or [Australian Apprentice](#) is under [extreme circumstances forcing departure from home](#); or
- the student or [Australian Apprentice](#) is a victim of [domestic violence](#) but remaining in their home; or
- the student or [Australian Apprentice](#) is a released prisoner or from psychiatric confinement; or
- the student or [Australian Apprentice](#) is required to be in quarantine or self-isolation to comply with advice from, or a requirement made by the Commonwealth or a state or territory government or a health professional regarding the global coronavirus pandemic; AND
 - the claim for Crisis payments is made within 14 days after the commencement of the quarantine or isolation period;

OR

- the student or [Australian Apprentice](#) is caring for an immediate family member, or a member of the person's household, who is required to be in quarantine or self-isolation to comply with advice from, or a requirement made by the Commonwealth or a state or territory government or a health professional regarding the global coronavirus pandemic; AND
 - the claim for Crisis payments is made within 14 days after the commencement of the quarantine or isolation period.

101.2.1 Extreme circumstances forcing departure from home

A student or [Australian Apprentice](#) is qualified for a crisis payment if:

- the student or Australian Apprentice has left ,or cannot return to , his or her home because of an extreme circumstance; and
- the extreme circumstance makes it unreasonable to expect the student or Australian Apprentice to remain in, or return to, the home; and
- the student or Australian Apprentice has established, or intends to [establish, a new home](#); and
- at the time the extreme circumstance occurred, the student or Australian Apprentice was in Australia; and

Note: Crisis Payment may also be payable to an alleged or actual perpetrator of domestic violence who has been removed from the family home by police following an instance of alleged or actual domestic violence and who cannot remain in, or return to the home for legal reason. It must be verified that the perpetrator actually lived with the victim in the family home immediately before being removed from the family home by police.

101.2.2 Remaining in home after removal of family member due to domestic or family violence:

- the student or [Australian Apprentice](#) has been subjected to [domestic or family violence](#), in Australia, by a [family member](#) of the student or Australian Apprentice, and at the time of the domestic violence the student or Australian Apprentice was living with that family member; and
- after the family member has been removed or leaves the student's or Australian Apprentice's home because of the domestic violence, the student or Australian Apprentice remains in their home; and
- the student's or Australian Apprentice's home is in Australia; and
- the student or Australian Apprentice notifies [Centrelink](#) within 7 days of the circumstance occurring and then lodges the claim within 14 days of the circumstance occurring.

101.2.3 Release from gaol or psychiatric confinement:

- the student or Australian Apprentice is released from gaol, or from psychiatric confinement, after at least 14 days as result of having been charged with committing an offence; and
- the student or Australian Apprentice must make a claim for Crisis Payment no more than 21 days before their release or within 7 days after their day of release. This includes release from overseas prisons provided the person returns to Australia and claims within 7 days of release.

101.2.4 Social work assessments

All Crisis payment claims related to [domestic or family violence](#) must be referred to a Centrelink Social Worker for determination.

101.2.5 Claim in Australia

A claim for Crisis Payment must be made in Australia

101.2.6 Number of Payments allowed

For Crisis Payment claims in respect of extreme circumstances or [domestic or family violence](#), the student or [Australian Apprentice](#) is entitled to up to four Crisis Payments in any 12 month period including payments under ABSTUDY and those under the [Social Security Act 1991](#).

There is no limit on the number of Crisis Payment claims in respect of [prison or psychiatric](#) releases.

An ABSTUDY Crisis Payment is not payable to a student or Australian Apprentice in respect of an extreme circumstance or release from goal or psychiatric confinement if the student or Australian Apprentice is qualified for a Crisis Payment under the [Social Security Act 1991](#) in respect of the same circumstance.

For ABSTUDY Crisis Payment claims regarding quarantine or self-isolation as a result of the global coronavirus:

- No more than two Crisis Payments can be paid to any student or Australian Apprentice during a six month period.
- A student or Australian Apprentice who is in quarantine or isolation and is also caring for one or more other persons in quarantine or isolation, can only be paid one Crisis Payment.
- Only one student or Australian Apprentice person can be paid a Crisis Payment to provide care to an individual in quarantine or isolation.
- A Crisis Payment can be paid to both a student or Australian Apprentice who is in quarantine or isolation, and a student or Australian Apprentice who is required to care for them.

101.3 Rate of Crisis Payment

Crisis Payment is paid in addition to the student's [Australian Apprentice's](#) ABSTUDY Living Allowance. The amount paid is equal to one week's payment at the maximum basic rate of the ABSTUDY Living Allowance to which the customer is entitled.

The rate of Crisis Payment does not include any add-on payments such as Rent Assistance, Pharmaceutical Allowance or Remote Area Allowance.

101.4 Payment of Crisis Payment

101.4.1 Payment frequency

Crisis Payment is made as a one-off payment which is equal to one week's payment at the maximum basic rate of the ABSTUDY Living Allowance to which the customer is entitled.

101.4.2 Payee

The payee for Crisis Payment will be the student or [Australian Apprentice](#).

101.4.3 Taxation Status

For details of the tax status of Crisis Payment, see [Chapter 5 Taxation](#).

101.4.4 Overpayments

Where payments in excess of entitlement have occurred, refer to [Chapter 3 Overpayment and Recovery of Allowances](#) to determine what a recoverable debt is and from whom this amount should be recovered.

Chapter 102: Relocation Scholarship

This chapter provides details of the Relocation Scholarship that may be available to students undertaking [approved scholarship courses](#).

In this chapter:

- [102.1 Purpose of Relocation Scholarship](#)
- [102.2 Qualification for Relocation Scholarship](#)
- [102.3 Rates of payment](#)
- [102.4 Payment of Relocation Scholarship](#)

102.1 Purpose of Relocation Scholarship

The purpose of the Relocation Scholarship is to assist eligible students who have to live away from home to study with the cost of establishing new accommodation in order to attend university. The aim is to remove financial barriers to the educational participation of students from low socio-economic status backgrounds, particularly those from regional and remote areas and Indigenous students.

102.2 Qualification for Relocation Scholarship

From 1 January 2015, the Relocation Scholarship is not available for students relocating within and between major cities. Regional and remote students relocating to any area and metropolitan students relocating to study at a regional location will continue to be eligible for the Relocation Scholarship.

A person is qualified for a Relocation Scholarship if the person:

- is qualified for and receives the minimum rate of ABSTUDY Living Allowance either;
 - as a full-time dependent student at away from home rate; OR
 - as a full-time independent student as a result of certain circumstances (see 102.2.1.1 below); and
- is studying an approved scholarship course; and
- is expected to commence or continue undertaking the course in the period of 35 days of qualification for the Relocation Scholarship; and
- is not likely to receive an Indigenous Commonwealth Accommodation Scholarship or an equivalent Commonwealth scholarship or grant in the next 12 months; and
- is either:
 - a dependent student living away from home, whose family home is in inner regional, outer regional, remote or very remote Australia; or
 - an independent student (in the circumstances described at 102.2.1.1) required to live away from home who, six months before commencing an approved scholarship course, lived in inner regional, outer regional, remote or very remote Australia; or
 - a dependent student living away from home, whose family home is in a major city AND the student is relocating to study in a regional area; or
 - an independent student (in the circumstances described at 102.2.1.1) required to live away from home who is relocating from a major city to study in a regional area; and

- the person has not qualified for a Relocation or similar scholarship payment (see 102.2.2 below) in the preceding 12 months (this can be shortened to a period of at least 3 months if such a determination would enable the person to qualify for the Relocation Scholarship on or near 1 January in a year, provided they do not receive more than 2 relocation scholarships in a period of 2 successive calendar years).

102.2.1 Qualification for Relocation Scholarship as an independent person

102.2.1.1 Independent as a result of certain circumstances

The circumstances under which a full-time student who receives ABSTUDY Living Allowance at the independent rate may be paid a Relocation Scholarship are:

they are an [orphan](#); or

- a. they have, or have had, a dependent child (refer to [38.3 Parenthood](#)); or
- b. currently have the care or custody of another person's dependent child or student (refer to [39.2 Care or Custody of Child](#)); or
- c. they have been in lawful custody for a cumulative period of six months or more (refer to [38.5 Previous Lawful Custody](#)); or
- d. they are 15 years of age or older and has undergone and completed a traditional initiation ceremony (refer to [38.7 Special Adult Status](#)); or
- e. it is unreasonable for them to live at home ([UTLAH](#)); or
- f. their parents cannot exercise their responsibilities because they are in prison, missing, or are mentally incapacitated or living in a nursing home (refer to [39.3 Parents Cannot Exercise Parental Responsibilities](#)); or
- g. they are 16 years of age or over and have returned to live in an Indigenous community after been adopted or fostered by a non-Indigenous family for more than two years (refer to [39.4 Returning to an Indigenous community](#))

If a person qualified for ABSTUDY as a dependent person who has to live away from home to undertake study, or as an independent person under one of the above listed circumstances, the person will be eligible for Relocation Scholarship as long as they continue to qualify for ABSTUDY while undertaking an approved scholarship course as a full-time student. However, if a person qualified for ABSTUDY as an independent person by gaining [reviewable independent status](#), i.e. under c), or f), or g), or h) of the above listed circumstances, the person will cease to be eligible for the Relocation Scholarship if they cease to meet these conditions for reviewable independence.

102.2.1.2 Independent as a result of age

If a person is qualified for ABSTUDY Living Allowance as an independent person on the basis of [age](#) and has previously been qualified for Relocation Scholarship, they will cease to be eligible for the relocation scholarship once they have reached the age of independence.

102.2.2 Similar scholarship payments

Scholarship payments which are similar to the Relocation Scholarship are:

- Youth Allowance Relocation Scholarship;
- Department of Veterans' Affairs Relocation Scholarship payment;
- Indigenous Commonwealth Accommodation Scholarship or an equivalent Commonwealth scholarship or grant, provided the person has received the amount or was entitled to it but full entitlement was not received as the scholarship was suspended.

102.2.3 Loss of qualification for Relocation Scholarship

Unless exceptional circumstances apply which are beyond the student's control, a student will cease to be qualified for a Relocation Scholarship if:

- they do not commence full-time study; or
- they started the course but are not undertaking the same course, or another approved scholarship course as a full-time student at the end of 35 days after the course commences; or
- they are undertaking a course but are not undertaking the same course, or another approved scholarship course as a full-time student at the end of 35 days after payment qualification; or
- they have received (or will receive) ABSTUDY Residential Costs Option ([74.3.2 Relocation Scholarship](#)) except where an offer of a place in a residential college is received by the person after Relocation Scholarship has been paid.

102.3 Rates of payment

Current rates of Relocation Scholarship payments are published in [A guide to Australian Government payments](#).

102.4 Payment of Relocation Scholarship

The Relocation Scholarship is paid annually as a lump sum payment, which normally coincides with the start of the academic year.

102.4.1 Indigenous Commonwealth Accommodation Scholarship , or equivalent, and Relocation Scholarship

A student cannot qualify for a relocation scholarship if they are likely to receive an Indigenous Commonwealth Accommodation Scholarship or an equivalent Commonwealth scholarship or grant in the same period.

If a student has received a relocation scholarship on the basis that they are not likely to receive an Indigenous Commonwealth Accommodation Scholarship or an equivalent Commonwealth scholarship or grant in the next twelve months, and they are subsequently made an offer of an Indigenous Commonwealth Accommodation Scholarship or an equivalent Commonwealth scholarship or grant for that period that they intend to accept, then the Secretary may review the original decision and find that the student did not qualify for the relocation scholarship at the qualification time. This would mean the relocation scholarship becomes a debt and is subject to existing debt recovery provisions (see 102.4.6).

102.4.2 Payee for Relocation Scholarship

The payee for Relocation Scholarship is the eligible students who receive Living Allowance as set out in 71.7.

102.4.3 Indexation

The rates of Relocation Scholarship are indexed to Consumer Price Index (CPI) from 1 January each year.

102.4.4 Taxation Status

Relocation Scholarship is non-taxable. [Refer Chapter 5](#)

102.4.5 Overpayments

If a student is paid an amount of Relocation Scholarship to which they are not qualified, or cease to be qualified for, the amount paid will be a recoverable amount and an overpayment may be raised.

Where an overpayment occurred to determine what is a recoverable debt and from whom this amount should be recovered. [Refer to Chapter 3](#)

Chapter 103: Student Start-up Loan

103.1 Purpose Student Start-up Loan

The purpose of the Student Start-up Loan is to provide essential assistance to university students for the upfront cost of text books and specialised equipment. The aim is to increase participation in higher education by students from low socio-economic status backgrounds, particularly those from regional and remote areas and Indigenous students.

103.2 Cessation of Student Start-up Scholarship

The Student Start-up Scholarship ended for all students on 1 July 2017.

103.3 Deleted Section

103.4 Deleted Section

103.5 Student Start-up Loan

Student Start-up Loans are income-contingent loans. Full-time students who are receiving Living Allowance may qualify for a Student Start-up Loan. A person can qualify for up to two (2) loans each calendar year. To receive a loan, a person must be eligible and make a claim before the end of the relevant loan qualification period.

Act Reference: SAAct Section 7C: Qualification for ABSTUDY student start-up loan

103.6 Qualification for Student Start-Up Loan

Qualification for Student Start-up Loan is in accordance with the [Student Assistance Act 1973](#).

A person can receive up to two (2) Student Start-Up Loans per calendar year.

A Student Start-Up Loan is payable for a qualification period if the person:

- is qualified for and receives at least the minimum rate of Living Allowance (or Energy Supplement or Pension Supplement or Youth Disability Supplement on the basis of being qualified for Living Allowance) and is studying full-time in an approved scholarship course;
- is not likely to receive an Indigenous Commonwealth Education Costs Scholarship or equivalent Commonwealth scholarship or grant in the next six months;
- has not qualified for an ABSTUDY Student Start-Up Loan or a Student Start-Up Loan under the [Social Security Act 1991](#) for that qualification period;
- has not received a Student Start-Up Scholarship under veterans' entitlement schemes (Veterans Children Education Scheme and Military Rehabilitation And Compensation Act Education And Training Scheme) in the previous six months; and
- has not received an Indigenous Commonwealth Education Costs Scholarship or equivalent Commonwealth scholarship or grant in the previous six months.

There are two qualification periods per calendar year: 1 January – 30 June and 1 July – 31 December. A person's claim for a Student Start-Up Loan for a qualification period must be made before the end of that qualification period, unless the student is due to finish their course in that

qualification period, in which case the claim must be made at least 35 days before the course end date.

Depending on when in the qualification period the person applies for the student start-up loan, a person is considered qualified for the loan on the earliest of the following dates:

- the day the Secretary determines the person's claim for a student start-up loan,
- if the course ends in that qualification period, the last day of the course, and
- the last day of the relevant qualification period.

The Secretary can consider a person's claim for a loan at a time the Secretary considers appropriate. However, for claims made before the start of the relevant study period, claims should generally be determined close to the start of that period of study.

For continuing students who claim in advance of the qualification period, their qualification for the loan will generally be determined on 21 February and 21 July of a year.

Act Reference: SAAct Section 7C: Qualification for ABSTUDY student start-up loan

103.6.1 Not Qualified for the Student Start-up Loan

A person is not qualified for an ABSTUDY Student Start-Up Loan for a qualification period if the person:

- has already qualified for an ABSTUDY Student Start-Up Loan or a Student Start-Up Loan under the [Social Security Act 1991](#) for that qualification period (students can only receive one student start-up loan per qualification period),
- is qualified to receive an Indigenous Commonwealth Education Costs Scholarship or equivalent Commonwealth scholarship or grant for that qualification period, or
- received a Student Start-Up Scholarship under veterans entitlement schemes (Veterans' Children Education Scheme and Military Rehabilitation And Compensation Act Education And Training Scheme) in the previous six months, or
- received an Indigenous Commonwealth Education Costs Scholarship or equivalent Commonwealth scholarship or grant in the previous six months.

Act Reference: SAAct Section 7D: Circumstances in which person is not qualified for ABSTUDY student start-up loan, SSAct Section 23: Dictionary 'disqualifying education costs scholarship'

103.6.2 Loss of qualification for Student Start-up Loan

Unless exceptional circumstances apply which are beyond the student's control, a student will cease to be qualified for a Student Start-up Loan if:

- they do not commence full-time study; or
- they started the course but are not undertaking the same course, or another approved scholarship course as a full-time student at the end of 35 days after the course commences; or
- they are undertaking a course but are not undertaking the same course, or another approved scholarship course as a full-time student at the end of 35 days after payment qualification.

103.6.3 Overpayments

If a student is paid an amount of Student Start-up Loan for which they are not qualified, or cease to be qualified for, the amount paid will be a recoverable amount and an overpayment may be raised. Where an overpayment occurred, refer to [Chapter 3 Overpayment and Recovery of Allowances](#) to determine what is a recoverable debt and from whom this amount should be recovered.

103.7 Amount of the Student Start-Up Loan

Current amount of Student Start-up Loan is published in [A guide to Australian Government payments](#).

The Student Start-Up Loan amount will be indexed on 1 January each year, commencing in 2017.

103.8 Repaying the Student Start-up Loan

The [Student Assistance Act 1973](#) sets out the repayment arrangements for ABSTUDY Student Start-Up Loans.

The Student Start-Up Loan is repayable under the same arrangements as Higher Education Loan Programme (HELP) debts. Students will only be required to begin repaying their loan once their earnings are above the HELP repayment threshold and after any HELP debt has been fully repaid.

Student Start-Up Loans are repaid through the tax system and compulsory repayments are made through income tax assessments. For this reason students need to provide their tax file number when applying for the loan. The person's employer and the Australian Taxation Office will calculate the amount of compulsory repayments. People can also make voluntary repayments to the Australian Taxation Office.

Student Start-Up Loan debts are incurred by the student on either the later of:

- the day in which they received the loan, or
- the day after the person's enrolment test date for the qualification period.

A person's enrolment test day is the earliest of the following days:

- the last day of the approved scholarship course (if the course ends during that qualification period),
- the last day of the relevant qualification period, or
- the 35th day of the period starting on either:
 - the first day of the approved scholarship course (if the person's qualification time was before the first day of the relevant approved scholarship course, or
 - the day on which the person qualified for the loan.

The debts are interest free, however are subject to indexation under the same arrangements as HELP debts.

Act Reference: SAAct Sections 11J: Pay as you go (PAYG) withholding; & 11K: Pay as you go (PAYG) instalments

Chapter 104: Pension Supplement

In this chapter:

- [104.1 Purpose of Pension Supplement](#)
- [104.2 Qualification for Pension Supplement](#)
- [104.3 Pension Supplement rates](#)
- [104.4 Payment of Pension Supplement](#)

104.1 Purpose of Pension Supplement

The Pension Supplement was introduced in September 2009 to simplify the payments made to pensioners living in Australia by consolidating a number of smaller payments and allowances into one pension supplement. The Pension Supplement combined a range of supplementary payments and allowances into a single payment for certain pensioners and income support recipients over age pension age.

104.2 Qualification for Pension Supplement

To qualify for the Pension Supplement, the following criteria must be met:

- the student must qualify for one of the following ABSTUDY Awards:
 - [Schooling B Award](#); or
 - [Tertiary Award](#); or
 - [Masters and Doctorate Award](#); and
- the student must have reached the qualifying age for Age Pension.

104.3 Pension Supplement rates

104.3.1 Components of Pension Supplement

There are different rates of Pension Supplement depending upon the student's circumstances. Following are components and terms associated with pension supplement:

- Combined couple rate of pension supplement - the maximum amount of pension supplement payable to a couple. This amount is used to determine the different rates payable depending on the person's family situation.
- Combined couple rate of minimum pension supplement - the amount used to determine a person's minimum pension supplement amount.
- Minimum pension supplement amount - the amount of pension supplement that a person can elect to receive quarterly. This component of the supplement is the last to reduce when the income test is applied. It is also the amount which remains payable if any pension supplement is payable after the application of the income test.
- Pension supplement basic amount - equivalent to the former pension supplement, also known as the GST supplement.
- Tax exempt pension supplement - the individual's rate of pension supplement less the pension supplement basic amount.

104.3.2 Rates of Pension Supplement

The annual rate of pension supplement, minimum pension supplement amount and pension supplement basic amount is set out in [5.1.9.10 Pension Supplement - Current Rates of the Guide to Social Security Law](#)

The daily rate of pension supplement is calculated by dividing the annual rate by 364.

104.3.2.1 Effect of income and assets tests on the rate of Pension Supplement

Pension supplement is added to a person's maximum basic rate of ABSTUDY before the income test is applied.

The minimum pension supplement amount is the last to reduce when the income test is applied to a person's income support payments. It is also the amount which remains payable if any pension supplement is payable after the application of the income and assets tests.

104.4 Payment of Pension Supplement

104.4.1 Payment frequency

Pension supplement is paid fortnightly in arrears with the person's ABSTUDY payment. It accrues, and is payable for, each day that a person qualifies for pension supplement.

104.4.1.1 Quarterly pension supplement

A person may elect to receive their minimum pension supplement amount on a quarterly basis, instead of fortnightly.

A person who chooses this option will receive a reduced amount of pension supplement with their pension each fortnight. The minimum pension supplement amount continues to accrue daily, building up until one of the quarterly payment days occurs.

Payments of quarterly pension supplement will be made as soon as possible after 20 September, 20 December, 20 March and 20 June each year.

The quarterly pension supplement is payable in relation to each day on which an election is in force.

The amount paid will exclude any minimum pension supplement amount that has been paid fortnightly since the last test day. It will also exclude payment for any days for which the person was not eligible to receive the minimum pension supplement amount (e.g. if the person claimed a [Commonwealth Seniors Health Card](#) part way through the quarter).

Quarterly pension supplement instalments are calculated as follows:

- Calculate the daily rate by dividing the annual minimum pension supplement amount by 364.
- Multiply this daily rate by the number of days in the quarter that the person was eligible to receive the minimum pension supplement amount.

104.4.2 Payee

The payee for ABSTUDY Pension Supplement is the student who meets the qualification criteria set out in 104.2.

104.4.3 Indexation

The rates of Pension Supplement are indexed to Consumer Price Index (CPI) on 20 March and 20 September of each year.

104.4.4 Taxation Status

For taxation purposes pension supplement basic amount is treated the same as the person's ABSTUDY payment it is paid with. Refer [Chapter 5](#).

Any amount of pension supplement above pension supplement basic amount is referred to as tax exempt pension supplement and is non-taxable.

104.4.5 Overseas absences

If a person's departure from Australia is permanent, only pension supplement basic amount (the former GST supplement) is payable.

Pension supplement is payable if a person is temporarily absent from Australia for a continuous period not exceeding six weeks.

If a person is temporarily absent from Australia for six weeks or more, only pension supplement basic amount (the former GST supplement) is payable after the six weeks.

104.4.6 Overpayments

If a person is paid an amount of Pension Supplement to which they are not qualified, or cease to be qualified for, the amount paid will be a recoverable amount and an overpayment may be raised.

Where an overpayment occurred to determine what is a recoverable debt and from whom this amount should be recovered, refer to [Chapter 3](#).

Chapter 105: Energy Supplement

In this chapter:

- [105.1 Qualification for the Energy Supplement](#)
- [105.2 Energy Supplement rates and indexation](#)
- [105.3 Quarterly Energy Supplement](#)
- [105.4 Payment of the Energy Supplement](#)
- [105.5 Income and assets test for Energy Supplement](#)
- [105.6 Duplicate payments \(multiple entitlement exclusion\)](#)
- [105.7 Masters and Doctorate Living Allowance – Energy Supplement](#)

105.1 Qualification for the Energy Supplement

To qualify for an Energy Supplement (ES) – formerly the Clean Energy Supplement – a person must meet the criteria listed below.

The ES is generally paid as a fortnightly supplement. The ES is added to the fortnightly maximum basic rate of a person's ABSTUDY Living Allowance if the person is:

- residing in Australia; AND
- in Australia or temporarily absent from Australia for a continuous period not exceeding six weeks.

Note: the ES is only payable for six weeks of a temporary absence even where the person's qualifying payment remains payable beyond six weeks.

A person can elect to receive the ES quarterly instead of fortnightly – see [105.3](#).

Recipients of the ABSTUDY Masters and Doctorate Living Allowance are also entitled to an ES – this ES is calculated under separate rules (see [105.7](#)).

105.2 Energy Supplement rates and indexation

Current ES payment rates for ABSTUDY Living Allowance are published in [A guide to Australian Government payments](#). The rate of ES generally represents 1.7 per cent of the maximum basic rate of ABSTUDY Living Allowance applicable in the person's circumstances, with some rounding applied. The daily rate of ES is calculated by dividing the fortnightly rate by 14.

Indexation of ES rates ceased from 20 September 2014.

105.3 Quarterly Energy Supplement

A person can elect to receive quarterly ES payments rather than having the ES added to their fortnightly ABSTUDY Living Allowance payment. The quarterly ES is payable in relation to each day on which an election is in force. Quarterly ES instalments are calculated by adding together the daily rate of ES for each day the person qualifies for the ES during the quarter.

Generally payments of quarterly ES will be made as soon as possible after the end of each quarter. However, where a person's quarterly ES election ceases part way through a quarter (for example, because the person elects to move a fortnightly ES or because they cease to be eligible for ABSTUDY Living Allowance), they will be paid the amount of quarterly ES accrued up until that point as soon as reasonably practical

People who have elected to receive quarterly Pension Supplement will receive quarterly ES payments by default.

105.4 Payment of the Energy Supplement

105.4.1 Claims

A person does not need to make a specific claim in order to qualify for an ES. The ES will be automatically included in the calculation of the rate of a person's ABSTUDY Living Allowance if the person meets the qualification criteria for the ES.

105.4.2 Taxation Status

The ES, paid under the ABSTUDY scheme is exempt from income tax.

105.4.3 Exempt income

The ES, paid under the [Social Security Act 1991](#), *A New Tax System (Family Assistance) Act 1999*, [Veterans' Entitlements Act 1986](#) or the *Military Rehabilitation and Compensation Act 2004* is not to be treated as income for ABSTUDY purposes.

Likewise, Energy Payments paid under the ABSTUDY scheme are exempt as income for the purposes of the [Social Security Act 1991](#) and the [Veterans' Entitlements Act 1986](#).

105.4.4 Overseas absences

A person must reside in Australia in order to receive the ES.

If a person is temporarily absent from Australia, the person can qualify for the ES for a maximum of six weeks.

A person will not qualify for a ES after an absence of more than six weeks, even where the person's qualifying payment remains payable beyond six weeks (for example, because they are studying overseas as part of their Australian course).

105.4.5 Debts

The same debt provisions that apply to ABSTUDY Living Allowance apply to the person's ES.

105.5 Income and assets test for Energy Supplement

The ES is added to a person's maximum basic rate before any applicable income or assets tests are applied.

A person's ES will be reduced by the application of the income or assets test after any amount for Rent Assistance (if applicable) but before any amount of the Pension Supplement minimum amount or Pharmaceutical Allowance (if applicable).

Where a person is receiving quarterly ES, their rate of quarterly ES is reduced to the same extent (if any) that the component of their main rate of payment corresponding to their ES would have been reduced if they had not elected to receive their ES on a quarterly basis.

105.6 Duplicate payments (multiple entitlement exclusion)

Generally, a person cannot qualify for the ES under the ABSTUDY scheme if they are also in receipt of the ES payment under the [Social Security Act 1991](#), the [Veterans' Entitlements Act 1986](#) or the [Military Rehabilitation and Compensation Act 2004](#). However, a person can qualify for the ES in respect of more than one qualifying payment in the following circumstances:

- A person who qualifies for the ES as a Family Tax Benefit recipient may also qualify for the ES as a recipient of another Government payment (including ABSTUDY Living Allowance);
- A person who receives a qualifying social security or ABSTUDY scheme payment as well as a qualifying Department of Veterans' Affairs disability pension (paid under Part II or Part IV of the [Veterans' Entitlements Act 1986](#) at a rate determined by Division 4 of Part II of that Act) may receive the ES in respect of each qualifying payment;
- A person who receives a qualifying social security or ABSTUDY scheme payment as well as a qualifying permanent impairment payment or a Special Rate Disability Pension paid under the Military Rehabilitation and Compensation Act may receive the ES in respect of each qualifying payment.

105.7 Masters and Doctorate Living Allowance – Energy Supplement

Recipients of the ABSTUDY Masters and Doctorate Living Allowance are entitled to receive the ES.

The ES for ABSTUDY Masters and Doctorate Living Allowance is paid quarterly for all recipients and is published in *A guide to Australian Government payments*. The quarterly ES instalments are calculated by adding together the daily rate of ES for each day the person qualifies for the ES during the quarter.

To be eligible for this quarterly ES, a person must be eligible for ABSTUDY Masters and Doctorate Living Allowance. The person must also be residing in Australia and in Australia, or temporarily absent from Australia for a continuous period not exceeding six weeks.

The annual rate of ES for ABSTUDY Masters and Doctorate Living Allowance recipients mirrors the Low Income Supplement that Australian Government Research Training Program (RTP) recipients may be eligible to receive.

The daily rate of ES for ABSTUDY Masters and Doctorate Living Allowance recipients is calculated by dividing the annual amount by 364.

Entitlement to the quarterly ES for ABSTUDY Masters and Doctorate Living Allowance recipients will begin to accrue from 1 July 2013 (the ES commences at the end of the period covered by the lump sum EA which is 1 July 2012 to 30 June 2013).

Generally payments of quarterly ES will be made as soon as possible after the end of each quarter. However, where the ES ceases to be payable part way through a quarter, the recipient will be paid the amount of quarterly ES accrued up until that point as soon as reasonably practical after the ES ceases to be payable rather than at the end of the quarter.

Chapter 106: [Deleted chapter]

Chapter 107: [Deleted chapter]

Chapter 108: Economic Support Payment

This chapter provides details of the Economic Support Payment qualification and payment.

In this chapter:

- [108.1 Purpose of the Economic Support Payment](#)
- [108.2 Qualification for the Economic Support Payment](#)
- [108.3 Payment of the Economic Support Payment](#)
- [108.4 Other conditions for the Economic Support Payment](#)

108.1 Purpose of the Economic Support Payment

The Government is providing two separate Economic Support Payments for recipients of specified Australian Government benefits, including ABSTUDY Living Allowance. The first payment will be made to recipients residing in Australia on 12 March 2020 (the test date) to help address economic impacts of the Coronavirus. The second payment will also be made to recipients residing in Australia on 10 July 2020, except for those who are receiving an income support payment that is eligible to receive the Coronavirus Supplement.

108.2 Qualification for the Economic Support Payment

A person is qualified for Economic Support Payments if on the test date they are:

- in receipt of ABSTUDY Living Allowance, or
- eligible to receive ABSTUDY Living Allowance

AND

- living in Australia.

Except for those ABSTUDY Living Allowance recipients that are also receiving the Coronavirus Supplement. These recipients will only receive the first Economic Support Payment.

A person cannot receive more than one Economic Support Payment. If a person's Living Allowance payment is suspended for a period that includes the test date, they will not be eligible for the Economic Support Payment unless their Living Allowance payment is subsequently restored for a period that includes the test date.

108.3 Payment of the Economic Support Payment

108.3.1 Payment amount

The amount of a person's Economic Support Payment is \$750. The amount is the same for single people and each eligible member of a couple.

108.3.2 Payment frequency

Each Economic Support Payment is paid to an individual who is in receipt of a qualifying payment on the test date.

A household may receive more than one Economic Support Payment if there are multiple qualifying payment recipients in the household. For example, in a household where a single parent receives Parenting Payment Single and they have a child who is in receipt of ABSTUDY Living Allowance, that household would be entitled to two Economic Support Payments of \$750 each – one for the parent and one for the child. If a household has two parents who are both in receipt of JobSeeker Payment and one child who is in receipt of ABSTUDY Living Allowance, that household would receive three Economic Support Payments – the two parents would each receive the Economic Support Payment (\$750 each) and the child would receive the Economic Support Payment (\$750).

108.3.3 Payee

The Economic Support Payment payee is the student or parent as set out in 71.7.1. It is not to be paid to boarding schools, hostels or private boarding providers.

108.4 Other conditions for the Economic Support Payment

- A claim is not required for the one-off Economic Support Payment.
- The Economic Support Payment is non-taxable and does not count as income.
- There will be no debts raised in respect of the Economic Support Payment unless the person knowingly provided false or misleading information.
- There is no means testing or apportionment of the Economic Support Payment.
- For ABSTUDY Living Allowance recipients, the Economic Support Payment will not be paid on or beyond 1 July 2022.
- A person may only receive one payment of the 2020 Economic Support Payment. A person who is paid the Economic Support Payment and is subsequently granted another qualifying payment for a period that includes the test date, such as the Coronavirus Supplement, is not entitled to receive another one-off Economic Support Payment.

For more information on the Commonwealth Government response to Coronavirus, please visit:

- The Treasury's [Economic Response to the Coronavirus webpage](https://treasury.gov.au/coronavirus) (<https://treasury.gov.au/coronavirus>).
- The Minister for Families and Social Services' webpage for [Ministerial announcements on DSS related measures](https://ministers.dss.gov.au/anne-ruston) (<https://ministers.dss.gov.au/anne-ruston>).
- The Department of Health's [Coronavirus \(COVID-19\) health alert webpage](https://www.health.gov.au/news/health-alerts/novel-coronavirus-2019-ncov-health-alert) for general health information on Coronavirus (<https://www.health.gov.au/news/health-alerts/novel-coronavirus-2019-ncov-health-alert>).

Chapter 109: Coronavirus Supplement

This chapter provides details of the Coronavirus Supplement qualification and payment.

In this chapter:

- [109.1 Purpose of the Coronavirus Supplement](#)
- [109.2 Qualification for the Coronavirus Supplement](#)
- [109.3 Payment of the Coronavirus Supplement](#)
- [109.4 Other conditions for the Coronavirus Supplement](#)

109.1 Purpose of the Coronavirus Supplement

The Coronavirus Supplement is a time-limited supplement for recipients of specified Australian Government benefits, including ABSTUDY Living Allowance, to help address the longer-term economic impacts of the global coronavirus.

The Coronavirus Supplement is paid as a fortnightly supplement.

109.2 Qualification for the Coronavirus Supplement

For a temporary period commencing 27 April 2020 and ending 31 March 2021, the Coronavirus Supplement is added to a person's usual fortnightly ABSTUDY Living Allowance payment.

A person is qualified for a fortnightly instalment of the Coronavirus Supplement, if during that fortnight, they are:

- in receipt of ABSTUDY Living Allowance, or
- eligible to receive ABSTUDY Living Allowance

AND

- living in Australia.

A person cannot receive more than one Coronavirus Supplement. If a person's Living Allowance payment is suspended for a period that includes a particular fortnight, they will not be eligible for that fortnight's instalment of the Coronavirus Supplement unless their Living Allowance payment is subsequently restored for a period that includes that fortnight.

109.3 Payment of the Coronavirus Supplement

109.3.1 Payment amount

Anyone who is eligible for the Coronavirus Supplement (i.e. a person who is in receipt of ABSTUDY Living Allowance) will receive the full rate of the supplement of:

- \$550 per fortnight, for instalment periods between 27 April 2020 and 24 September 2020; and
- \$250 per fortnight, for instalment periods between 25 September 2020 and 31 December 2020; and
- \$150 per fortnight, for instalment periods between 1 January 2021 and 31 March 2021.

109.3.2 Payment frequency

The Coronavirus Supplement is a fortnightly supplement paid to an individual who is in receipt of a qualifying Australian Government payment during that fortnight.

For the period commencing 27 April 2020 and ending 31 March 2021, a household may receive more than one fortnightly Coronavirus Supplement if there are multiple qualifying payment recipients in the household.

For example, in a household where a single parent receives Parenting Payment Single and they have child who is in receipt of ABSTUDY Living Allowance, that household would be entitled to two fortnightly payments of the Coronavirus Supplements – one for the parent and one for the child.

If a household has two parents who are both in receipt of JobSeeker Payment and one child who is receipt of ABSTUDY Living Allowance, that household would be entitled to receive three fortnightly payments of the Coronavirus Supplement – each parent would receive the Coronavirus Supplement and the child would receive the Coronavirus Supplement.

109.3.3 Payee

The Coronavirus Supplement payee is the student or parent as set out in 71.7.1. It is not to be paid to boarding schools, hostels or private boarding providers.

109.4 Other conditions for the Coronavirus Supplement

- A claim is not required for the Coronavirus Supplement.
- The Coronavirus Supplement is taxable and counts as income for social security purposes.
- There is no means testing or apportionment of the Coronavirus Supplement.
- Eligible ABSTUDY Living Allowance recipients will receive the Coronavirus Supplement from 27 April 2020 until 31 March 2021, along with their usual payment.
- A person may only receive one fortnightly payment of the Coronavirus Supplement per fortnight. A person who is paid a fortnightly Coronavirus Supplement, and is subsequently granted another qualifying payment for that fortnight, is not entitled to receive another Coronavirus Supplement.
- For a temporary period commencing 25 March 2020 and ending 24 September 2020, the Personal Assets Test does NOT apply to ABSTUDY students or Australian Apprentices ([see Coronavirus pandemic temporary suspension of assets testing](#)). The Personal Assets Test will be reinstated from 25 September 2020.
- Where payments in excess of entitlement have occurred, refer to [Chapter 3: Overpayment and Recovery of Allowances](#) to determine what is a recoverable debt and from whom this amount should be recovered.

For more information on the Commonwealth Governments response to Coronavirus, please visit:

- The Treasury's [Economic Response to the Coronavirus webpage](https://treasury.gov.au/coronavirus) (<https://treasury.gov.au/coronavirus>).
- The Minister for Families and Social Services' webpage for [Ministerial announcements on DSS related measures](https://ministers.dss.gov.au/anne-ruston) (<https://ministers.dss.gov.au/anne-ruston>).

- The Department of Health's [Coronavirus \(COVID-19\) health alert webpage](https://www.health.gov.au/news/health-alerts/novel-coronavirus-2019-ncov-health-alert) for general health information on Coronavirus (<https://www.health.gov.au/news/health-alerts/novel-coronavirus-2019-ncov-health-alert>).

Part IX Appendices

Appendix A: Standard Hostels Agreement

In this chapter:

- [A1.1 Introduction](#)
- [A1.2 When to use the Agreement](#)
- [A1.3 Completing the Agreement](#)
- [A1.4 Working with Children checks](#)
- [Standard Agreement](#)

A1.1 Introduction

Hostels that are signatories to this Agreement and have ABSTUDY secondary boarders are able to receive ABSTUDY Living Allowance and any unused component of Group 2 School Fees Allowance (if needed), paid in two instalments in each school term. Hostels that do not have a contractual agreement with the Commonwealth of Australia (represented by Services Australia) are to be paid fortnightly, in arrears, for eligible students.

Agreements are valid for up to three years and new Agreements must be renegotiated at the end of each period. The Agreement is a legally binding document and as such, no alternations can be made to any of the terms and conditions. If there is a need for a clause to be amended at the request of either Services Australia or a Hostel, Services Australia officers should direct the request to the ABSTUDY Help Desk. All changes **must** be cleared by the Department of Social Services (DSS) Governance, Legal and Assurance Group via the DSS/Services Australia Front Door.

A1.2 When to use the Agreement

The Standard Agreement is to be used when a hostel wishes to receive instalment payments for approved ABSTUDY boarders.

Note: The following hostels are covered by a Bilateral Management Agreement between Aboriginal Hostels Limited and Services Australia and do not need to sign this Agreement:

State/Territory	Hostel name
Northern Territory	Fordimail Student Hostel
	Wangkana-Kari Hostel
	Kardu Darrikardu Numida Hostel (Wadeye)
New South Wales	Kirinari Hostel (Sydney)
	Biala Hostel
	Kirinarai Hostel (Newcastle)
	Grey St Secondary Education Hostel
Queensland	Cannon Boggo Pilot Hostel
Western Australia	Kununurra Secondary Hostel

A1.3 Completing the Agreement

- Print out 2 copies of the Agreement;
- Initial each page of both contracts prior to sending both copies to Hostel for signature;
- Upon return ensure:
 - **no** alterations have been made;
 - **no** pages have been replaced;
 - an officer of the Hostel with the proper authorisation has signed and dated both agreements; and
 - that this signature has been witnessed.

The Services Australia Delegate and witness then sign and date both agreements, one is then returned to the Hostel (via registered post if posting) for their records.

A1.4 Working with Children checks

Where states/territories have legislation in place requiring people working with children to undergo police or other checks, this legislation must be complied with.

Standard Agreement

CONTRACT

NUMBER: XXXXXXXX

BETWEEN

COMMONWEALTH OF AUSTRALIA

REPRESENTED BY
SERVICES AUSTRALIA

ABN: XXXXXXXX

AND

XXXXXXXX

ABN: XXXXXXXX

FOR THE PROVISION OF XXXXXXXX

CONTRACT

PARTIES

THE COMMONWEALTH OF AUSTRALIA represented by Services Australia ('Us')
(ABN: XXXXXXXXXXXX) having a postal address of: **XXXXXXXXXX**

AND

XXXXXXXXXX (ABN: **XXXXXXXXXX**) ('You') having a postal address of **XXXXXXXXXX**

1. DEFINITIONS:

"ABSTUDY Customer Service Support Centre" means the body responsible for processing an Entitled Student's application for assistance under the ABSTUDY Scheme, and in this context means the ABSTUDY Customer Service Support Centre which has had the responsibility for administering this Agreement;

"ABSTUDY Policy Manual" means the Policy Manual for the ABSTUDY Scheme approved by the Minister for Families and Social Services from time to time and available online at the Department of Social Services website;

"ABSTUDY Scheme" means a scheme delivered by Services Australia which provides financial assistance for Australian Aboriginal and Torres Strait Islander students;

"Agreement" means this Agreement;

"Services Australia" is referred to in this Agreement as 'Us', 'We' and 'Our';

"Educational Services" means educational training provided to Entitled Students at a School;

"Entitled Student" means a person who is eligible for benefits payable under the ABSTUDY Scheme;

"Hostel" means the facility providing board and residential accommodation operated by **You** and known as and referred to as '**You**' and '**Your**' in this Agreement;

"Living Allowance" means an allowance payable under the ABSTUDY scheme for an Entitled Student;

"Officers of the Australian Government" means all persons engaged on behalf of the Commonwealth as employees under the *Public Service Act 1999* (Cth) (PSA) or under authority of another *Act*, and independent contractors engaged by an Agency Head as defined in the PSA.

"Related entitlements" means boarding related payments made under the ABSTUDY Scheme such as Rent Assistance, Remote Area Allowance, and Pharmaceutical Allowance made to an Entitled Student in addition to Living Allowance. Remote Area Allowance is only paid for students from a defined remote area and Pharmaceutical Allowance is only paid for temporarily incapacitated students.

"Resident" means an Entitled Student residing at a Hostel managed by **You**;

"Residential Fee" means the amount payable by **Us** to **You** in respect of an Entitled Student calculated in accordance with either sub-clause 4.2, 4.3 or 4.4;

"Residential Charge" means the amount notified by **You** to **Us** in accordance with subclause 3.3;

"School Fees Allowance" means an amount payable to an Entitled Student under the provisions set out in Chapter 85 of the ABSTUDY Policy Manual, for education costs such as the provision of text books and other materials, the unused portion of which may be approved to pay excess boarding costs if deemed reasonable under this provision;

"School" means the educational facility that Entitled Students are required to attend.

2. GENERAL:

Policy Manual 2.1 The ABSTUDY Policy Manual, as revised from time to time, forms part of this Agreement between You and Us.

Child Protection Legislation 2.2 Hostels must comply with all relevant state or territory legislation relating to child safety and protection. Any associated costs of doing so must be borne by You.

Hostels must comply with relevant legislation relating to the requirements for working with children including the obtainment of working with children's checks and mandatory reporting of suspected child abuse and neglect.

Hostels are to ensure the safety and wellbeing of children in accordance with the National Principles for Child Safe Organisations, which are published on the Australian Human Rights Commission website, including that appropriate staff screening, including criminal checks or other background checks, are undertaken in relation to all Hostel personnel and persons otherwise engaged at the Hostel.

Entitled Students 2.3 We will make payments to You under this Agreement only in relation to Entitled Students who have authorised and transferred their Living Allowance entitlement to You in accordance with clause 2.4 of this Agreement.

Transfer of Living Allowances 2.4 Living Allowances may be transferred where an Entitled Student is either:

- a. under the age of 18 years and their parent or guardian has authorised Us in writing to pay You all or part of the Living Allowance otherwise payable to the Entitled Student's parent or guardian; or
- b. over the age of 18 years and the Entitled Student has authorised Us in writing to pay to You all or part of the Living Allowance otherwise payable to them.

3. YOUR OBLIGATIONS:

Provision of services 3.1 You must ensure that the Hostel buildings meet the relevant building codes and health regulations for Your State or Territory.

You must arrange and provide for those Entitled Students living at the Hostel, adequate nutritional and physical needs and a safe environment and keep relevant records as required in clause 6.1.

You must allow Officers of the Australian Government or their agents to inspect the hostel premises at periodic intervals following a written request giving 7 days notice.

- | | |
|--|--|
| Notification of changes to building and health approvals | 3.2 You must notify Us immediately in the event that the appropriate approvals mentioned in 3.1 are denied, suspended or cancelled. |
| Notification of Residential Charge | 3.3 You must advise Us annually, in writing prior to the school year, of the amount You will charge for each of the school terms.

The charges which We will pay You are limited to the maximum allowable rates set under the ABSTUDY Policy Manual. |
| Notification of Entitled Students details | 3.4 You must provide Us with a written notice, prior to each of the terms of the school year, of the full name and home address of each Entitled Student who is to be a Resident at the Hostel during each of these terms. |

4. PAYMENT ARRANGEMENTS:

- | | |
|---|---|
| Payments to You | 4.1 Provided You are performing Your obligations under the Agreement to Our satisfaction, We will pay You a Residential Fee in two instalments for each school term period in respect of each Entitled Student residing at the Hostel. The Residential Fee will be paid in instalments, in accordance with section 71.5.1 and 85.5.1 of the ABSTUDY Policy Manual.

4.2 The Residential Fee will be the sum of the Living Allowance, other related entitlements and any School Fees Allowance which would have been payable in respect of that Entitled Student under the ABSTUDY Policy Manual or the Residential Charge, whichever is the lesser. |
| Payment for Entitled Students not on notice under subclause 3.3 | 4.3 If an Entitled Student whose name and address does not appear on a notice given under subclause 3.4 comes to live at the Hostel after the commencement of the term of a school year We will pay You that proportion of the Residential Fee representing the student's entitlement as per Chapter 73 of the ABSTUDY Policy Manual. |
| Notification Arrangements | 4.4 You must notify Us of the full name and address of each Entitled Student who has left the Hostel and the date on which they left within 14 days after an Entitled Student leaves the Hostel. |

- Repayment of Funds where an Entitled Student becomes ineligible 4.5 You agree that if an Entitled Student becomes ineligible for payments at any point during the term entitlement period (Chapter 73 of the ABSTUDY Policy Manual), then You will repay all the moneys paid by Us to You for that Entitled Student, less the amount that is equal to the days that You were entitled to receive the Residential Fee for that student (under Chapter 73 of the ABSTUDY Policy Manual).
- Compensation for Late Payment 4.6 If money owing to Us is not paid or refunded by the due date for payment, You may, at Our discretion, be liable to pay interest on the outstanding amount as set by the Commonwealth Department of Finance from time to time based on the weighted average yield of 13 Week Treasury Notes plus a margin of 4 per cent per annum.
- 4.7 Where We require You to pay interest to Us under subclause 4.6, the interest will begin to be charged 21 days after the Entitled Student leaves the Hostel.

5. MISCELLANEOUS:

- Period of agreement 5.1 This Agreement commences on the date on which this Agreement is signed by Us, and unless terminated earlier or the ABSTUDY Scheme ceases, it expires on, up to 31 December
- Termination of agreement 5.2 (a) This Agreement will terminate on the date the ABSTUDY Scheme ceases or at any other time as notified by Us by notice by Us to You in writing.
 (b) We may terminate this Agreement where You fail to meet your obligations under 3.1 or 3.2.
 (c) Where this Agreement is terminated under (a) or (b) above, all payments by Us to You will cease and You must repay all moneys owing as outlined by Us in writing.

- Notice 5.3 You shall return this original signed Agreement by post to Us at the address below for the attention of:
The Manager
ABSTUDY Smart Centre
PO Box 7804
CANBERRA ACT 2610

You shall direct any communication or enquiry in relation to this Agreement only to:
SC.REMOTE.ABSTUDY.PROGRAMMES@humanservices.gov.au

You shall give any other notice, request or communication via the approved ABSTUDY contact channels for Third Party Organisations:

Phone: 131 158

Fax: 132 115

Email: NBG.NOTIFICATIONS@humanservices.gov.au

Travel email: abstudy.travel@humanservices.gov.au

We shall give You any notice, request or other communication in writing, including email, at the address indicated by You at the beginning of this Agreement unless You notify Us in writing of an alternative address.

Entire Agreement 5.4 This is the entire Agreement between You and Us. No agreement varying or extending this Agreement shall be legally binding upon either party unless in writing and signed by both parties.

Applicable Law 5.5 The Agreement shall be governed by and construed in accordance with the law of the State or Territory in which the Hostel is located.

6. MONITORING AND REPORTING REQUIREMENTS:

Service Records 6.1 You must maintain details of the following:
to be maintained

- a. a record of the services provided to Entitled Students, including food, and accommodation;
- b. a list outlining the items of clothing and equipment provided to Entitled Students including books, materials and other supplies.

You must retain these records for two years after the Agreement has ended. If We make a written request and give You reasonable notice, You must provide Us with any information required by Us for monitoring and evaluation purposes.

Financial records 6.2 You must keep proper accounts and records of Your transactions and affairs in relation to any money You receive from Us under the Agreement in accordance with the Australian Accounting Standards. In particular, all moneys provided by Us must be clearly and separately identified in Your accounts. You must keep Your financial accounts and records in such a way as to enable an auditor or other person to examine them at any time and to ascertain Your financial position.

Our Audit and 6.3 You must help Us to monitor and evaluate the services provided by
monitoring You by:
requirements

- a. allowing Officers of the Australian Government, at all reasonable times, unhindered access to all accounts, records, documents and papers which relate directly or indirectly to the receipt, expenditure or payment of the Living Allowance or any School Fees Allowance

to You and allowing Officers of the Australian Government to copy this information;

- b. allowing Officers of the Australian Government, at all reasonable times, unhindered access to Your financial accounts and records as described in subclause 6.2 and allowing Officers of the Australian Government to copy this information;
- c. providing reasonable assistance to Officers of the Australian Government to locate and copy any material relating to the provision of the services under this Agreement and Your financial accounts and records;
- d. allowing Officers of the Australian Government, at all reasonable times, unhindered access to inspect the Hostel; and
- e. advising Us of any changes in arrangements for the provision of the services.

[*Where recipient is a sole trader or partnership use the following]

SIGNED by)

[*recipient's full name, or if a partnership)

state the full names of all the partners})

In the Presence of:

.....
WITNESS

.....
Full name and occupation or profession of witness (Please print)

[*Where recipient is an incorporated association use the following]

The COMMON SEAL of

[*insert full name of the incorporated association]

was affixed in accordance with its Articles of Association.

.....
Signature

.....
Full Name (Please print)

.....
Position

who by signing certifies that they have the authority to do so

In the Presence of:

.....
WITNESS

.....
Full name and occupation or profession of witness (Please print)

Appendix B: Link to Student Assistance (Education Institutions and Courses) Determination

The [*Student Assistance \(Education Institutions and Courses\) Determination 2019*](#) is available online at legislation.gov.au.

Appendix C: Vocational Education and Training Course Codes and Classifications

Training.gov.au is the official National Register of Vocational Education and Training (VET) in Australia. It is the authoritative source of information on training packages, qualifications, courses, units of competency and registered training organisations.

Appendix D: Appeals Authorisation for the ABSTUDY Scheme

ABSTUDY – AUTHORISATION TO SENIOR OFFICERS OF THE DEPARTMENT

Instrument Number 24 of 2018

Made under the *ABSTUDY Policy Manual*, Chapter 4.2.2

1 Name of Instrument

This instrument is Instrument Number 24 of 2018.

2 Commencement

This instrument commences on the day it is made.

3 Revocation

I revoke Instrument Number 1 of 2018 made on 30 June 2018.

4 Authorisation

I authorise the person who from time to time occupies, holds, or performs the duties of the position of Secretary, Department of Social Services to make decisions relating to the review of entitlement or eligibility under Chapter 4.2.2 of the *ABSTUDY Policy Manual*.

5 Sub authorisation

The person authorised under section 4 of this instrument is able to further sub authorise the power to make decisions relating to review of entitlement or eligibility under section 4.2.2 of the *ABSTUDY Policy Manual* to officers in the Department of Social Services.



PAUL FLETCHER
Minister for Families and Social Services

Date: 13 November 2018

Appendix E: Comparison between ABSTUDY Masters and Doctorate Allowances and Australian Government Research Training Program.

	ABSTUDY Masters & Doctorate Award		Australian Government Research Training Program.	
Eligibility	Equity based: Australian Aboriginal and Torres Strait Islander students meet the family means tests		Merit based: all Australian students, including Aboriginal and Torres Strait Islander students, of exceptional research potential	
	Masters and doctorate research and coursework students		Masters and doctorate research students only	
	Full-time students		Full-time students and part-time students in certain conditions	
	Mutually exclusive between ABY Living Allowance and RTP		Mutually exclusive between ABY Living Allowance and RTP	
Maximum available payment and benefits*	Means-tested Living Allowance and a range of means-tested and non means-tested benefits	maximum** rate/annum	Assistance with living costs, non means-tested; and a few supplements	maximum** rate/annum
	Living Allowance – means-tested, taxable		RTP base stipend - non means-tested, non-taxable	
	- same value as base rate of RTP stipend	\$ 27,082	- same value as ABY Living Allowance	\$ 27,082
	Pharmaceutical	\$161.20	N/A	
	Fares Allowance	actual cost	N/A	
	Relocation Allowance	\$1,520.00	Relocation Allowance***	\$1,520.00
	Relocation Scholarship		N/A	
	- 1st year of study	\$4,459		
	- subsequent year of study city / regional	\$1,115 / \$2,231		
	Student Start-up Loan (repayable)	\$2,110.00	N/A	
	Incidentals Allowance	\$610.70	N/A	
	Additional Incidentals Allowance	\$2,080.00	N/A	
	Assistance to pay student contributions (HECS) or tuition fees	actual cost	N/A	
	Away From Base Assistance	\$2,080.00	N/A	
	Thesis Allowance		Thesis Allowance	
- Masters	\$420.00	- Masters	\$420.00	

	ABSTUDY Masters & Doctorate Award		Australian Government Research Training Program.	
	- Doctorate	\$840.00	- Doctorate	\$840.00
	Pensioner Education Supplement	\$1622.40	N/A	
	Additional Assistance	Discretionary	N/A	
	Remote Area Allowance	\$473.20	N/A	
Delivery	The payment and benefits are assessed and delivered by Services Australia -Centrelink		Higher Education Providers are responsible for the application, selection and offer processes	
Legislative Guidelines	ABSTUDY Policy Manual, Student Assistance Act 1973		Commonwealth Scholarships Guidelines (Research) 2017, Higher Education Support Act 2003	
Notes:	* ABSTUDY Masters & Doctorate students may also be eligible for Crisis Payment (one-off payment equal to one week's payment at the student's existing payment rate), Lump Sum Bereavement Payment and Advance Payment (\$500, this amount has to be paid back).	** Rates current at 1 January 2018.	*** The rate of RTP Relocation Allowance varies from different universities, from \$1485-\$2000. Most universities offer \$1,520.00	

Appendix F Safe Travel Plan Guidelines

Safe Travel Plans help improve the safety, fairness and flexibility of travel arrangements for ABSTUDY students who need to travel away from home for school. Having a Safe Travel Plan means schools, boarding providers and families will work together to ensure children arrive safely at school and back home. It will also give families and communities reassurance that children will be safe when travelling to and from school.

Safe Travel Plans provide everyone with clear instructions on what to do if something unexpected occurs while travelling. Safe travel arrangements will help students attend and stay at school.

[Safe Travel Plan Guidelines](#) and examples can be found on the DSS website.

Appendix G Scholarship Guidelines

The Guide outlines the criteria the Department of Social Services uses to assess whether a third-party scholarship will be approved under section [35.2](#) of the ABSTUDY Policy Manual.

[The Guidelines can be found on the DSS website.](#)

Glossary

ABSTUDY Payee	The person to whom ABSTUDY assistance is paid.
Acute family crisis <u>Social Security Act 1991</u> , section 1212A	<p>ABSTUDY is payable for up to six weeks where the student or Australian Apprentice is overseas:</p> <ul style="list-style-type: none"> a) for the purpose of visiting a family member who is critically ill; or b) for the purpose of visiting a family member who is hospitalised with a serious illness; or c) for a purpose relating to the death of a family member; or d) for a purpose relating to a life-threatening situation (other than an illness referred to in paragraph (a) or (b)) that: <ul style="list-style-type: none"> (i) is facing a family member; and (ii) is beyond the control of the family member.
Applicant	An applicant is a person who has lodged an ABSTUDY claim with Centrelink. This is usually a parent/guardian, student or institution.
Apprenticeship	An apprenticeship is where a person is learning a trade by being employed in that trade or industry for an agreed period. The person is usually paid at a lower wage as they are not yet fully qualified in that particular field but are benefiting from employment while learning on the job and attending classes usually at a TAFE.
Appropriate Tax Year	Appropriate Tax Year for ABSTUDY purposes is the base tax year for that period.
Approved scholarship course	For the purposes of ABSTUDY, an approved scholarship course is a course as defined in section 592M of the <u>Social Security Act 1991</u> . Under 592M, the Social Security (Approved Scholarship Courses) Determination 2010 (No.1) sets out an approved scholarship course as being an accredited higher education course or a preparatory course where they are undertaken at a higher education institution.
Assessment decision	Also known as eligibility or entitlement decision see 4.2.1.
Assistance for Isolated Children (AIC)	The AIC Scheme provides distance education, boarding and second home allowances for primary and secondary students who have no reasonable daily access to appropriate Government schooling.

Australian Apprentice	<p>The terms Australian Apprenticeship and Australian Apprentice cover all apprenticeship and traineeship arrangements.</p> <p>An Australian Apprentice is a person who is employed under a training contract as a full-time apprentice and the training contract has been submitted to a state or territory training authority for approval as a full-time apprenticeship under the scheme known as Australian Apprenticeships.</p>
Austudy	Austudy is the student assistance scheme administered by Centrelink for Australian students 25 years and over.
Automatic Health Care Cards (HCC) Social Security Act 1991 , Section 1061ZMA	<p>To qualify for and obtain an automatic issue HCC, a person must:</p> <ul style="list-style-type: none"> • be receiving payments or be eligible for specific programs which automatically attract a HCC, or • be in an employment income nil rate period, or • have stopped receiving their social security pension or benefit because of commencing employment or increasing employment income and be qualified to keep their HCC for one or both of the allowable extension periods (i.e. be an employment-affected person), or • have commenced NDIS participation and had their MOB cancelled as a result <p>See 3.9.1.10 of the Social Security Guide</p>
Award	An Award is an entitlement to specified benefits made under the ABSTUDY Provisions unless otherwise stated.
Base Tax Year	The financial year ending on 30 June of the year before the calendar year for which payment is claimed.
Bereavement notification day Social Security Act 1991 Chapter 1, Part 1.2, Section 21 (2) b	The day on which Centrelink is informed of the partner's death.
Bereavement period Social Security Act 1991 Chapter 1, Part 1.2, Section 21 (2) a	The 14-week period immediately following the death of a partner and commencing on the day on which the partner dies.
Bridging Course	A bridging course is a study programme conducted prior to the commencement of a formal award course, and is provided for particular types of disadvantaged students who need additional preparation prior to commencing the award course. Courses that form part of a formal award course or for which credit will or may be given towards and award course are not considered to be bridging courses.

Cadetship	An employment arrangement in which an employer undertakes to subsidise an employee's formal training leading to certain qualifications, and in which the employee is usually required to remain with the employer for a specified period after completion of training.
Centrelink	The service delivery arm of Services Australia.
Commonwealth Supported Places	Previously known as HECS (Higher Education Contribution Scheme), a Commonwealth supported place is a higher education place for which the Commonwealth makes a contribution towards the cost of a student's education.
Correspondence Nominee	<p>A correspondence nominee is another person or organisation who the principal authorises to act on their behalf when dealing with Human Services about ABSTUDY. A correspondence nominee can do most of the principal's business related to ABSTUDY, including:</p> <ul style="list-style-type: none"> • advising of changes to circumstances • making enquiries • completing and signing forms and statements • attending appointments with the principal or, if appropriate, on the principal's behalf • receiving a copy of the principal's mail from Human Services.
Current Tax Year	The financial year ending on 30 June of the calendar year for which payment is claimed.
De facto partner	A person is the <i>de facto partner</i> of another person if the person is in a de facto relationship with the other person.
De Facto relationship	<p>A person is in a de facto relationship with another person if:</p> <ul style="list-style-type: none"> • the persons are not legally married to each other; and • the persons are not related by family; and • having regard to all the circumstances of their relationship, they have a relationship as members of a couple living together on a genuine domestic basis. <p>See also the definition of Partnered.</p>
Dependent child Student Assistance Regulations 2021 Section 15	<p>For all purposes, unless otherwise specified, a person is a dependent child of another person if:</p> <ul style="list-style-type: none"> • they are wholly or substantially in the care of the other person; and

- they are under 22 years of age; and
- an income support payment is not receivable in respect of that person, other than Youth Allowance; and
- they are not Independent for the purposes of Youth Allowance or ABSTUDY.

The exception to this is if:

- the other person is the student; and
- ABSTUDY Pensioner Education Supplement is receivable in respect of the student; and
- the relevant ABSTUDY Pensioner Education Supplement qualifying payment is a pension or payment under the *Veterans' Entitlements Act 1986*.

For the purposes of qualification for the ABSTUDY Pensioner Education Supplement on the basis of receipt of specified payments under the *Veterans Entitlements Act 1986*, a person is a dependent child of the student if:

- they are wholly or substantially in the care of the student; and
- they are under 22 years of age; and
- an income support payment is not receivable in respect of that person, other than Youth Allowance
- they are not a partner of the student; and
- if they are under 16 years of age:
 - they are in full-time education; or
 - they are not in receipt of income, within the meaning of the [Social Security Act 1991 \(1.1.1.40](#) in the *Guide to Social Security Law*); or
 - they are in receipt of income and the rate of that income does not exceed the amount as printed from time to time in the *Guide to Social Security Law* at [4.10.1.50](#); and
- if they are 16 - 21 years of age, they are not in receipt of income that exceeds the amount as printed from time to time in the *Guide to Social Security Law* at [4.10.1.40](#).

	Act Reference: SARegs Section 15: Meaning of dependent child
Designated Sites	The four Cape York communities designated as Cape York Welfare Reform sites are: Aurukun, Coen, Hope Vale and Mossman Gorge.
DEST	Former Australian Government Department of Education Science and Training
DEWR	Former Australian Government Department of Employment and Workplace Relations
DEEWR	Former Australian Government Department of Education, Employment and Workplace Relations
Domestic and/or family violence Family Law Reform Act 1995 , Section 60D (1)	<p>This definition applies to Crisis payment. Domestic and family violence occurs when someone tries to control their partner or other family members in ways that intimidate or oppress them. Controlling behaviours can include threats, humiliation ('put-downs'), emotional abuse, physical assault, sexual abuse, financial exploitation and social isolations, such as not allowing contact with family or friends; AND/OR</p> <p>family violence means conduct, whether actual or threatened, by a person towards, or towards the property of, a member of the person's family that causes that or any other member of the person's family to fear for, or to be apprehensive about, his or her personal wellbeing or safety.</p>
Eligible medical treatment Social Security Act 1991 , section 1218D	ABSTUDY is payable for up to six weeks where the student or Australian Apprentice is overseas for the purposes of receiving eligible medical treatment, if under the Medical Treatment Overseas Program administered under the <i>National Health Act 1953</i> , financial assistance is payable in respect of the person's absence from Australia.
Employment income nil rate period	The term employment income nil rate period is used to describe a period where a person is considered to be in receipt of a social security pension or benefit under the Social Security Act 1991 if this pension or benefit is not payable due to the person's income from employment. Qualification for an employment income nil rate period is determined by the Social Security Act 1991 and only applies in respect of pensions or benefits made under this Act.
Enabling courses	A course of instruction that enables a person to undertake a course leading to a higher education award. Enabling courses do not include a course leading to a higher education award or any course that the Minister determines is not an enabling course under the <i>Higher Education Support Act 2003</i> Schedule 1.A

Equity Based Scholarship	<p>A merit or equity-based scholarship is a scholarship that is awarded to a student to:</p> <ul style="list-style-type: none"> • recognise the student's achievement in studying or in undertaking research at an educational institution, or • enable the student to study or undertake research at an educational institution. <p>A scholarship granted to a student for either of these purposes is treated as exempt income from 1 April 2010 for the ABSTUDY personal income test to the extent that the payment does not exceed the person's threshold of in a calendar year. The threshold is published in A guide to Australian Government payments.</p> <p>The value of this threshold is indexed each year.</p>
Establishing a new home as a result of extreme circumstance	<p>The person must have established a new home or they must be intending to establish a new home, as a result of being forced from their home due to an extreme circumstance.</p> <p>The person may be required to establish a new home while their home undergoes substantial repairs providing there is verification that the home is uninhabitable without the repairs and that the person has established a new home in the interim.</p>
Extra allowable amount	<p>The extra allowable amount is the difference between the homeowners' and non-homeowners' assets value limits, at a particular point of time</p>
FaHCSIA	<p>Former Department of Families Housing Community Services and Indigenous Affairs</p>
<p>Family member Social Security Act 1991 General Definitions, Chapter 1, Part 1.2, Section 23.</p>	<p>Family member is defined as:</p> <ul style="list-style-type: none"> • the partner, father or mother of the relevant person • a sister, brother or child of the relevant person • any other person who, in the opinion of the Secretary, should be treated for the purposes of this definition as one of the relevant person's relations (for example, a grandparent of the person, ex-partner of the person).
Family Tax Benefit (FTB)	<p>FTB is a payment that helps with the cost of raising children. It is made up of two parts: FTB Part A and Part B. Part A is paid for each child, while Part B gives extra help to single parents and families with one main income.</p>

Farm Household Allowance	<p>Help for farmers and their families experiencing financial hardship. Eligibility basics:</p> <ul style="list-style-type: none"> • be a farmer or the partner of a farmer, • meet an income and assets test, • be willing to undertake a Farm Financial Assessment, and • be willing to enter into a Financial Improvement Agreement to help you improve your financial circumstances.
First available bereavement adjustment payday Social Security Act 1991 Chapter 1, Part 1.2, Section 21 (2) c	<p>The first payday for the surviving person after the bereavement notification day for which it is practicable to terminate or adjust payments and take into account the partner's death.</p>
Foster Care	<p>Foster care is where a student or Australian Apprentice has been placed in substitute care through a State or Territory Department of Welfare or through legal processes.</p>
Green Army Programme	<p>The Green Army Programme is a voluntary environmental action programme for eligible young people aged between 17-24 years old to support local environmental and heritage conservation projects across Australia.</p>
Green Corps	<p>Green Corps work experience activities provide eligible job seekers with the opportunity to learn new skills and get experience, at the same time as helping to conserve and restore the Australian environment.</p>
Guardian	<p>For the purposes of the ABSTUDY Scheme, a guardian is a person who has assumed the financial and custodial responsibilities of a parent for a student or Australian Apprentice.</p>
HECS-HELP	<p>HECS-HELP is a loan programme to help eligible Commonwealth supported students to pay their student contribution amounts. Before 2005, this was known as 'HECS'.</p>
Hostel	<p>An establishment providing boarding accommodation for guests, usually in a dormitory where guests share a bathroom and kitchen facilities.</p>

Income Support	<p>A payment of:</p> <ul style="list-style-type: none"> • a social security benefit; or • a job search allowance; or • a social security pension; or • a youth training allowance; or • a service pension; or • income support supplement, where income support supplement means income support supplement under Part IIIA of the Veterans' Entitlement Act 1986.
Indexation	<p>Indexation is the process by which ABSTUDY rates are adjusted over time in accordance with Consumer Price Index. Fortnightly rates for students aged under 22 are indexed on the 1st January each year while rates for students aged over 22 are indexed in March and September each year.</p>
Job Capacity Assessment	<p>A Job Capacity Assessment will determine the impact of your medical conditions and disabilities on your ability to work and whether you would benefit from employment assistance.</p>
Lump Sum Bereavement Payment Social Security Act 1991 Chapter 1, Part 1.2, Section 21 (2) e	<p>A one-off payment which is the difference between the single rate of ABSTUDY Living Allowance and the previous combined partnered rate of ABSTUDY Living Allowance over the 14 week bereavement period which is paid as a lump sum bereavement payment.</p>
Member of a couple Social Security Act 1991 Chapter 1, Part 1.2, Section 4 (1)	<p>See Partnered definition.</p>
Mobility Provisions	<p>Provisions included in the Australian Government supported Welfare Reform Project to support greater student mobility.</p>
Mixed Mode	<p>Mixed-mode is a term used to describe courses delivered through a combination of distance education and face-to-face teaching for students who are based in their home communities and need regular on-campus tuition to complement the distance education component of the course.</p>
National Training Wage Schedule included in a modern award – Wage Level A	<p>For the purposes of ABSTUDY, the rate of the Wage Level A of the National Training Wage Schedule included in a modern award is a rate used to measure whether a young person has been self-supporting through paid employment. If the young person has earned at least 75 per cent of that rate, or the rate as varied or replaced by Fair Work Australia, in any 18 month period since last</p>

	<p>leaving secondary school, then they can be considered independent for ABSTUDY purposes.</p> <p>Refer to the <i>Guide To Social Security Law</i>, section 1.1.N.12 National Training Wage schedule rate, for the relevant rates of Wage Level A of the National Training Wage Schedule included in a modern award over recent years, and the minimum amounts that young people must earn to qualify as independent under the self-supporting provisions.</p>
Nominee	<p>A nominee means a correspondence or a payment nominee.</p> <p>A nominee may be appointed as both a correspondence and payment nominee for the same person.</p>
Ordinary payment Income Tax Assessment Act 1997 , Chapter 2, Part 2-10, Division 40, Subdivision 52A (IE)	<p>Ordinary payment means a payment other than a payment made because of a person's death.</p>
Overpayment	<p>An overpayment occurs when payments made for a student or Australian Apprentice exceed the amount to which they are entitled.</p>
Parent Student Assistance Regulations 2021 Section 6	<p>A parent of a student or Australian Apprentice in respect of whom an amount is receivable under ABSTUDY is taken to be:</p> <ul style="list-style-type: none"> • a natural, adoptive or relationship parent of the student or Australian Apprentice with whom they normally live; or • a person (other than a partner of the student or Australian Apprentice) on whom the student or Australian Apprentice is wholly or substantially dependent; or • if none of the preceding paragraphs apply, a natural, adoptive or relationship parent of the student or Australian Apprentice with whom they last lived. <p>In shared care situations (where 2 or more parents would be parents of a student or Australian Apprentice), and when parents are separated under the same roof, the parent for ABSTUDY purposes is taken to be the parent with primary care responsibility.</p> <p>If a parent of the student or Australian Apprentice has a partner and the student or Australian Apprentice normally lives with the partner, the partner is also a parent of the student or Australian Apprentice.</p>

<p>Partial Capacity to work</p>	<p>A person has a partial capacity to work if</p> <ul style="list-style-type: none"> • the person has a physical, intellectual or psychiatric impairment; and • the Secretary is satisfied that: <ul style="list-style-type: none"> ○ the impairment of itself prevents the person from doing 30 hours per week of work independently of a programme of support within the next 2 years; and ○ no training activity is likely (because of impairment) to enable the person to do 30 hours per week of work independently of a programme of support within the next 2 years.
<p>Partner</p>	<p>A partner in relation to a person is the person's current partner, whether legally married, in a registered relationship, or in a de facto relationship. This excludes former partners, whether legally married, in a registered relationship, or formerly in a de facto relationship, from whom the person has separated.</p>
<p>Partnered</p>	<p>A person is considered to be partnered if the person is:</p> <ul style="list-style-type: none"> • legally married to another person; or • in a registered relationship with a person; • in a de facto relationship and both the person and the partner are over the age of consent applicable in the State or Territory in which they live; and • the person and the partner are not within a prohibited relationship for the purposes of section 23B of the <i>Marriage Act 1961</i>. <p>Note: a prohibited relationship for the purposes of section 23B of the <i>Marriage Act 1961</i> is a relationship between a person and:</p> <ul style="list-style-type: none"> • an ancestor of the person; or • a descendant of the person; or • a brother or sister of the person. <p>In forming an opinion about the relationship between two people for the purposes of determining if they are partnered, all the circumstances of the relationship are to be considered, including, in particular, the following matters:</p>

The financial aspects of the relationship, including:

- any joint ownership of real estate or other major assets and any joint liabilities; and
- any significant pooling of financial resources especially in relation to major financial commitments; and
- any legal obligations owed by one person in respect of the other person; and
- the basis of any sharing of day-to-day household expenses;
- the nature of the household, including:
 - any joint responsibility for providing care or support of children; and
 - the living arrangements of the people; and
 - the basis on which responsibility for housework is distributed;
- the social aspects of the relationship, including:
 - whether the people hold themselves out as members of a couple; and
 - the assessment of friends and regular associates of the people about the nature of their relationship; and
 - the basis on which the people make plans for, or engage in, joint social activities;
- any sexual relationship between the people;
- the nature of the people's commitment to each other, including:
 - the length of the relationship; and
 - the nature of any companionship and emotional support that the people provide to each other; and
 - whether the people consider that the relationship is likely to continue indefinitely; and
 - whether the people see their relationship as a member of a couple relationship.

where the person is living separately and apart from the partner on a permanent or indefinite basis, the relationship between a person and his or her partner cannot be considered a member of a couple relationship.

<p>Payment nominee</p>	<p>A payment nominee is another person or organisation authorised to receive the ABSTUDY payments on the principal's behalf.</p>
<p>Permanent Home Student Assistance Regulations 2021 Subsection 16(2)</p>	<p>Dependent student: For a dependent student or Australian Apprentice, the permanent home of the student or Australian Apprentice is the place where the parent, or all of the parents (see definition of parent), of the student or Australian Apprentice normally resides.</p> <p>Exception: For the sole purpose of assessing entitlement to Fares Allowance, if a dependent student does not normally live with their parent (see definition of parent), then the student's permanent home is considered to be the place where the student lived immediately prior to commencing study.</p> <p>Student or Australian Apprentice in State Care: For a student in State Care who has foster carer/s, the permanent home is the place where the foster carer/s normally resides. For a student in State Care who does not have foster carer/s, the permanent home is the place where they normally reside.</p> <p>Independent student or Australian Apprentice (and other students or Australian Apprentices who are not dependent or in State Care): For all purposes except the assessment of Fares Allowance qualification, the permanent home of an independent student or Australian Apprentice is the place where they normally reside.</p> <p>For the purposes of assessing qualification for Fares Allowance for an independent student (or other students who are not dependent and not in State Care), the permanent home is considered to be the place where the student lived immediately prior to commencing study.</p> <p>For the purposes of assessing Fares Allowance, an independent student's permanent home address can, in the following circumstances, vary from the place where the student lived immediately prior to commencing study:</p> <ul style="list-style-type: none"> • if the student has a partner and/or dependent children who remained at the permanent home whilst the student moved to the study location, and the partner/children relocate permanently to a new location, then the new location is considered to be the student's permanent home address • if the student is only accessing Fares Allowance through the provisions of Away from Base activity travel, and the student relocates permanently to a

new location, then the new location is considered to be the student's permanent home address

- if the student has applied for and/or obtained rental accommodation at the study location through the local State/Territory Housing Authority, then the study location is considered to be the student's permanent home address
- if the student has purchased housing at the study location, then the study location is considered to be the student's permanent home address
- if the student who is completing or discontinuing their course does not undertake a return journey to the home location within three months of ceasing study, then the study location is considered to be the student's permanent home address, unless exceptional circumstances prevented the student from undertaking the return journey
- if the student is a continuing student and does not undertake a return journey to the home location at the end of the study year under the provisions of [89.2](#) Travel at Commencement and End of Study Period, then the study location is considered to be the student's permanent home address, unless exceptional circumstances prevented the student from undertaking the return journey
- if the student has received Relocation Allowance (see [97.4](#)) under the Masters and Doctorate Award in order to relocate their home to the study location, then the study location is considered to be the student's permanent home address.

Pension age

[Social Security Act 1991](#)
Chapter 1, Part 1.2, Section 23 (5A,B,C,D)

A man reaches **pension age** when he turns 65.
A woman born before 1 July 1935 reaches **pension age** when she turns 60.
A woman born within the period specified in column 2 of an item in the following Table reaches **pension age** when she turns the age specified in column 3 of that item.

Table - Pension age for women

Column 1 Item no.	Column 2 Period within which woman was born (both dates inclusive)	Column 3 Pension age
1.	From 1 July 1935 to 31 December 1936	60 years and 6 months

2.	From 1 January 1937 to 30 June 1938	61 years
3.	From 1 July 1938 to 31 December 1939	61 years and 6 months
4.	From 1 January 1940 to 30 June 1941	62 years
5.	From 1 July 1941 to 31 December 1942	62 years and 6 months
6.	From 1 January 1943 to 30 June 1944	63 years
7.	From 1 July 1944 to 31 December 1945	63 years and 6 months
8.	From 1 January 1946 to 30 June 1947	64 years
9.	From 1 July 1947 to 31 December 1948	64 years and 6 months

A woman born on or after 1 January 1949 reaches **pension age** when she turns 65.

Prescribed Event

Event/s which a person who is receiving, or entitled to receive, an amount under a financial supplement contract or a current special educational assistance scheme must notify to Centrelink within 14 days. A comprehensive list of prescribed events is provided in the [Student Assistance Regulations 2021](#).

Prison or psychiatric confinement

Prison is defined as:

- the person is being lawfully detained (in prison or elsewhere) while under sentence for conviction of an offence and not on release on parole or licence; or
- the person is undergoing a period of custody pending trial or sentencing for an offence.

Psychiatric confinement is defined as a person includes confinement in:

- (a) a psychiatric section of a hospital; and
- (b) any other place where persons with psychiatric disabilities are, from time to time, confined.

Note: The confinement of a person in a psychiatric institution during a period when the person is undertaking a course of rehabilitation is not to be taken to be psychiatric confinement.

Proof of Identity	<p>Applicants for ABSTUDY will need to provide suitable proof of identity as specified by Centrelink. Examples of supporting documentation include, but are not limited to:</p> <ul style="list-style-type: none"> • proof of identity; • proof of Australian citizenship; • proof of enrolment; and • a current registration.
Privacy	<p>ABSTUDY policy at Chapter 1.4 provides that ABSTUDY applicants' personal information must be handled in accordance with the provisions of the <i>Privacy Act 1988</i>.</p>
Registered Relationship	<p>A registered relationship exists if both of the following conditions are met:</p> <ul style="list-style-type: none"> • a relationship between the person and another person is registered under a law of a State or Territory prescribed for the purposes of section 22B of the Acts Interpretation Act 1901 as a kind of relationship prescribed for the purposes of that section; • the person is not, in the Secretary's opinion, living separately and apart from the other person on a permanent or indefinite basis.
Registered Training Organisation	<p>Under the <i>Student Assistance (Education Institutions and Courses) Determination</i> (see Appendix B), TAFE colleges are included in the definition of a registered training organisation.</p>
Relationship Parent	<p>If the young person is a child of the person (with the meaning given by subsection 5 (25)(a) of the Social Security Act 1991), and the person is not a natural or adoptive parent of the young person, the person is the relationship parent of the child.</p>
Residential costs	<p>For the purpose of the Residential Costs Option, residential costs include:</p> <ul style="list-style-type: none"> • accommodation fees, and • meals provided, and • laundry charges, and • other compulsory fees. <p>Residential costs do not include bonds or other refundable fees.</p>

Responsible Debtor	A responsible debtor is the person responsible for repaying any overpaid amount received under the ABSTUDY scheme. This is usually the person who received the ABSTUDY payment also known as ABSTUDY payee.
School Year	The school year is the period in a calendar year which starts on the first day on which the school requires a student to attend their course and ends on the last day of the required attendance for that course. The last day of the school year for a Year 12 student is the day of their final examination.
Severe financial hardship	<p>When assessing hardship all cash and readily realisable assets should be taken into account, including money in the bank and earnings due. For the purposes of Crisis Payment, an applicant who is:</p> <ul style="list-style-type: none"> • not a member of a couple is in severe financial hardship if the value of the applicant's liquid assets is less than the fortnightly amount at the maximum payment rate of the ABSTUDY Living Allowance that is payable to the person, or • a member of a couple is in severe financial hardship if the value of the applicant's liquid assets is less than twice the fortnightly amount at the maximum payment rate of the ABSTUDY Living Allowance that is payable to the person.
Social Security Benefit Social Security Act 1991 Chapter 1, Part 1.2, Section 23 (1)	"social security benefit" means: <ul style="list-style-type: none"> • widow allowance; or • youth allowance; or • Austudy payment; or • JobSeeker payment; or • sickness allowance; or • special benefit; or • partner allowance; or • a mature age allowance; or • benefit PP (partnered); or • parenting allowance (other than non-benefit allowance).
Student	Means a person to whom an amount under a current special educational assistance scheme relates.
Student Assistance Act	The Student Assistance Act 1973 is the legislation covering, among other things, ABSTUDY overpayment and recovery matters.

Student Income Bank

Full-time students have access to the Student Income Bank under ABSTUDY. The Income Bank provides for an accumulation of any unused part of their fortnightly income free area up to the maximum allowed in the income bank. This accumulated credit can be used to offset higher income paid in other fortnights such as increased employment periods over holiday periods.

Supplementary amount of payment

[Income Tax Assessment Act 1997](#)

Chapter 2, Part 2-10,
Division 40, Subdivision 52-132

The supplementary amount of a payment is the total of:

- a) so much of the payment as is included to assist you with, or to reimburse you for, the costs of any one or more of the following:
 - (i) rent;
 - (ii) living in a remote area;
 - (iii) commencing employment;
 - (iv) travel to, or participation in, courses, interviews, education or training;
 - (v) a child or children wholly or substantially dependent on you;
 - (vi) telephone bills;
 - (vii) living away from your usual residence;
 - (viii) maintaining your usual residence while living away from that residence;
 - (ix) accommodation, books or equipment;
 - (x) discharging a compulsory repayment amount (within the meaning of the [Higher Education Support Act 2003](#));
 - (xi) transport in travelling to undertake education or training, or to visit your usual residence when undertaking education or training away from that residence;
 - (xii) if you are disabled--acquiring any special equipment, services or transport as a result of the disability;
 - (xiii) anything that would otherwise prevent you from beginning, continuing or completing any education or training; and
- b) so much of the payment as is included by way of pharmaceutical allowance; and
- c) so much of the payment as is included by way of energy supplement.

Tax File Number (TFN)	A TFN is a unique nine-digit number issued by the Australian Taxation Office to individuals and organisations.
Transition to Independent Living Allowance (TILA)	TILA is an Australian Government payment available to assist with some of the needs that a young person leaving state care may face in establishing independent life.
Total net investment loss	<p>For the purpose of ABSTUDY, a total net investment loss has the same meaning as in the Income Tax Assessment Act 1997. It is the sum of the total net investment losses of each parent of the claimant/recipient in the appropriate tax year.</p> <p>The value of such total net investment loss is added to the combined parental income for the purposes of the ABSTUDY parental income test,.</p> <p>Note: in 2010, total net investment losses applied as a component of parental income for all current tax year assessments. Net passive business losses continued to be included as a component of parental income for all base tax year assessments until 2011. From 2011, total net investment losses form part of the parental income test for both current and base tax year assessments.</p>
Traineeship	A traineeship is where a person is combining work and a form of structured training to obtain skills and knowledge of a particular industry. In a traineeship, the learning usually occurs on the job and is not usually required to attend specific classes.
Transitional DSP Applicant	<p>A transitional DSP applicant means a person:</p> <ul style="list-style-type: none"> • who made a claim for a disability support pension on or after 11 May 2005 and before 1 July 2006; and <ol style="list-style-type: none"> 1. to whom, on or after 1 July 2006, a notice under subsection 63(2) or 64(2) of the <i>Social Security Administration Act 1999</i> is given; and 2. who is required under the notice to undertake a specified activity for the purpose of reviewing his or her capacity to perform work.
Unapproved Absence	An unapproved absence is any absence from compulsory schooling that the education institution has recorded as: an unexplained absence, unapproved absence or unjustified absence on a student's record.
The Veterans Children Education Scheme (VCES)	A programme that provides financial and other benefits to student children (up to the age of 25) of veterans or members of the Armed Forces who meet certain specific disability conditions such as qualifying for disability pensions at the special rate (T&PI). Students who choose to take up the VCES benefits become ineligible for assistance under ABSTUDY.

Summary of changes

1 January 2019	
Chapter/section	Change
3.6.	Remove fortnightly, term-in-advance or on
3.6, 5.1.2, 6.1.3, 22.1.1, 22.2	Remove Under 16 Boarding Supplement
4.3.1.	Mention that the 3-month limit can be extended in exceptional circumstances.
4.3.1.1	Add calculation of debts, this aligns with AIC Guidelines around recovery of debts
32.3, 57.1.2.3, 57.1.2.5	Add Reduction for Parental Income
35.1	Delete the word Independent and insert new criteria for scholarships
35.2	Change title to Third-party Indigenous Scholarships and link to new guidelines for scholarship approval.
37.2.2, 72.2.4.3, 39.1	Remove sixteen years of age (due to differing age of consent) and outline that a student and their partner both have to be over the age of consent in the state/territory in which they live, for reviewable independence to be granted.
38.4.1	Remove transitional requirements for 2009 'gap year' students
38.4.1.2	Deleted
38.4.1.3	Added notes 1 and 2, and also added Parental income threshold
45.2.1	Changed title to Parental Income Test and Maintenance Income Test
49.5.1	Deleted as this no longer applies
57.1.1	Remove instances of term-in-advance.
57.2.2	Change steps to calculate rate of Group 2 School Fees Allowance
58	Describe the Parental Income Test and the Reduction for Parental Income
58.0	Mention that the Reduction for Parental Income and the Personal Income Test applies to Living Allowance
58.0.1	Include the steps to apply the Reduction for Parental Income and the Personal Income Test
58.0.2	Include new step for FTB child
58.1	Change to The Parental Income Test
58.1.0	Insert new section to state exemptions from the Parental Income Test
58.3	State components of Parental Income Test is Less maintenance paid
58.3.2	Delete employer provided benefits and expense benefits
58.3.3, 58.3.4	Delete note
58.3.5	Remove net passive business losses
58.3.5.2	Delete
58.3.6 to e	Include examples of maintenance
58.6	Include where Parental Income Test Result is used
58.6.1	Insert new section on how family pool operates
58.6.2	Insert new section on how to calculate Parental Income Test Result using the family pool
58.8	Give detail on Maintenance Income Test
58.8.3	Include detail on MIFA
58.8.5.1	Add extra steps

60.3, 61.2.1, 72.2	Auto-issue HCC for students measure
73.3.2.1, 73.3.3	Deleted
85.5.1.1	Payment of Group 2 School fees are paid under the same provisions as 71.5.1.1
85.7.1	Remove maintenance income test
86	Deleted
87.2.1	Insert mandatory supervision criteria and need for Safe Travel Plans
87.2.1.2	New sub section Mandatory supervision
87.2.2	Insert mandatory supervision criteria and need for Safe Travel Plans
87.3.1	Siblings can attend an interstate school that has already been approved
88, 88.1, 88.3, 88.3.1, 88.3.2, 88.3.3, 88.6.2, 89.5.1, 89.5.2.2, 89.5.4, 89.9.2.2, 90.7.3	Insert Family Member and Community Member travellers
88.4.3, 88.5.3	Supervisors are able to terminate their journey at the destination or earlier in certain circumstances
89.9.1	Clarify special purpose travel
89.9.2	Outline travel that is applicable for each type of travel - Orientation/Special Purpose
89.9.3	Outline travel entitlements for Orientation/Special Purpose travel
90.2.3	Give detail of travel that can be undertaken
91.1.1, 91.4.1	Replace the word 'incurred' to reflect travel must be fully paid by the person
91.3.2	Outline Penalties for tertiary students, and secondary non-school students and their associated non-student travellers
91.3.3	Added associated non-student travellers
91.3.4	[Deleted section]
91.3.5	Added \$100 charge which may apply for missed travel
Appendix F	New Appendix with link to Safe Travel Plan Guidelines
Appendix G	New Appendix with link to Scholarship Guidelines

March – April 2019

Chapter/section	Change
Chapter 106	New Chapter: Flood Education Supplement
Chapter 107	New Chapter: Energy Assistance Payment
Chapter 90.3 and 90.6	Clarification on limiting days students miss schooling due to travel bookings.

April – July 2019

Chapter/section	Change
4.2.2	Clarification around appeals to the Minister, including authorisation and sub-authorisation arrangements for reviews of eligibility and entitlements.
51.1	Clarification that limits of assistance apply to certificate I and II courses as well as degree level courses

January 2020	
Chapter/section	Change
History of ABSTUDY	Added the 50 Years of ABSTUDY measure introduced in 2019.
12.1.1,12.1.3, 12.1.5 and 12.5	Clarifies ABSTUDY eligibility for recipients of other Australian Government assistance.
28.6	Clarifies the relevant authority in relation to student selection for a "specialist course".
29.2	Clarifies the status of special assistance schools
Chapter 32	Clarifies the purpose of continuity of study provisions and where a break in study can be disregarded for the purpose of this section.
35.1.1	Includes other arrangements where a day school can be regarded as a boarding school.
Chapters 37,39, 56, and 61	Corrects changes made in error in August 2018 in relation to personal income testing for Australian Apprentices aged under 16 years.
87.2	Improves clarity of requirements for Safe Travel Plans
87.3	Removed the word 'independent' in relation to boarding school scholarships
Chapter 106	Deleted chapter
Chapter 107	Deleted chapter
Throughout the Manual	Inserted references to relevant legislation

March 2020	
Chapter/section	Change
Throughout the Manual	Updates made to reflect name changes to income support payments in the Australian social security system.
Chapter 108	New chapter – Economic Support Payment
Chapter 109	New chapter – Coronavirus Supplement

April 2020	
Chapter/section	Change
Chapter 5	Amended list of taxable payments to include the Coronavirus Supplement, and the list of non-taxable payments to include the Economic Support Payment
Chapter 25	Updates to Eligibility for Away from Home Entitlements for Term 2 of 2020 as a result of the Coronavirus.
Chapter 63 and 65	Updates made to reflect the temporary suspension of the Personal Assets Test, as a result of the Coronavirus.
Chapter 99	Updates made to qualification requirements for Additional Assistance as a result of the Coronavirus.
Chapter 101	Updates made to reflect that a new category of Crisis Payment has been created as a result of the Coronavirus.
Chapter 109	Updates made to clarify the conditions of the Coronavirus Supplement

June 2020

Chapter/section	Change
Chapter 84	Updates to eligibility for School Term Allowance as a result of the Coronavirus.

July 2020

Chapter/section	Change
Chapter 25	Updates to Eligibility for Away from Home Entitlements for Term 3 of 2020 as a result of the Coronavirus.

August 2020

Chapter/section	Change
Chapter 72.2	Updates to extend period of eligibility for an automatic Health Care Card as a result of the Coronavirus.

September 2020

Chapter/section	Change
Chapter 25	Updates to Eligibility for Away From Home Entitlements for Term 4 of 2020 as a result of the Coronavirus.
Chapter 63.7	Updates to reflect the reinstatement of the Personal Assets Test, following its temporary suspension as a result of the Coronavirus.
Chapter 84	Updates to eligibility for School Term Allowance as a result of the Coronavirus for Term 4 of 2020.
Chapter 109	Updates to reflect the extension of the Coronavirus Supplement to 31 December 2020, and rates of payment from 25 September 2020.

January 2021

Chapter/section	Change
Throughout the Manual	Replaced references to the 'Department of Human Services' with 'Services Australia'. Replaced the terms 'earns' and 'earnings' with 'is paid' and 'income' and so forth. This reflects the amendments required for the Change of Assessment Model.
Chapter 11	Clarification of rules regarding Approved Courses and Excluded Courses.
Chapter 25.1	Updates to reflect the expiry of the temporary Coronavirus special provisions for boarding students that ceased at the end of Term 4, 2020
Chapter 28	Clarification of policy in regards to Special Courses and Indigenous Studies subjects offered by schools.

Chapter 35.3	Update to the 'end date' for the mobility provisions, in response to the extension of the Cape York Welfare Reform arrangement to 31 December 2021.
Chapter 38	Updates to the Workforce Participation Independence Criteria, that include a special COVID-19 concession period, and a new independence criteria: 'Incentives to Encourage Australians to Undertake Seasonal Work'.
Chapter 59	Updates to reflect the changes required for the Change of Assessment Model.
Chapter 90	Clarification that mandatory levies and charges, such as booking fees, are considered a part of the fare cost.
Chapter 99.2	Updates to remove the temporary Additional Assistance Coronavirus special provisions.
Chapter 109	Clarification that Coronavirus Supplement entitlement is tied to the customer's entitlement period for ABSTUDY Living Allowance. Clarification that overpayments of the Coronavirus Supplement are to be treated the same as for other payments. Updates to reflect the extension of the Coronavirus Supplement to 31 March 2021, and rates of payment from 1 January 2021.

July 2021

Chapter/section	Change
Throughout the Manual	Replaced hyperlinks/references to the 'Student Assistance Regulations 2003' with 'Student Assistance Regulations 2021'. Corrected broken hyperlinks, typographical errors and formatting issues. Inserted 'Centrelink' hyperlinks to glossary. Updated Act references.
Chapter 2.1	Removed subsection 2.1.1 to 2.1.3 as these reflected the now repealed Student Assistance Regulations 2003. Inserted subsection 2.1.4 to 2.1.11 regarding the obligation to notify happening of certain events to reflect the Student Assistance Regulations 2021. The chapter details the prescribed events for the purposes of subsection 48(1) of the <i>Student Assistance Act 1973</i> and as listed in Section 11 to Section 21 of the Student Assistance Regulations 2021.
Chapter 8	Updates to Tax File Number (TFN) provisions as a result of the <i>Social Services and Other Legislation Amendment (Student Assistance and Other Measures) Act 2021</i> which commenced on 28 May 2021. This chapter discusses the requirement to provide a TFN when applying for ABSTUDY benefits if requested by Centrelink. Deleted section 8.2. Inserted the authority for Services Australia to require the Commissioner of Taxation, or the ATO on their behalf, to provide information about people, including TFNs, that was contained in a TFN declaration, for the purposes of the ABSTUDY Scheme.
Chapter 11	Clarification that Indigenous special courses of study approved under 11.5.2 are not required to be an approved course under

	<p>the Student Assistance (Education Institutions and Courses) Determination.</p> <p>Clarification of how Indigenous special courses of study interact with the excluded courses rules and correct an anomaly where preparatory or pathway courses designed to help Indigenous students access university could not be approved because they were not vocationally-focused.</p> <p>Clarification of which rules for excluded courses also apply to Indigenous special courses and which Australian Government-funded programs are excluded courses.</p>
Chapter 37.1	Clarification of independent status.
Chapter 65.2	Clarification of the Assets test limits for allowances and reference to A guide for Australian Government payments.
Glossary	<p>Updates to the definition of 'parent', 'dependent child', and 'permanent home' to reflect the Student Assistance Regulations 2021.</p> <p>Inserted definition of Centrelink.</p>