2022

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

SOCIAL SECURITY AND OTHER LEGISLATION AMENDMENT (SCHOLARSHIP PAYMENTS) BILL 2022

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister for Social Services,

the Honourable /u/imfeelingcorny AM MP)

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GENERAL OUTLINE

The *Social Security and Other Legislation Amendment (Scholarship Payments) Bill 2022* seeks to provide students with some of the support they had been expecting from the *Social Security and Other Legislation Amendment (Income Support for Students) No.2 Bill* by immediately legislating for the vital scholarships to assist in their educational and living costs.

This Bill would ensure that all students currently in receipt of Youth Allowance and those with parental incomes less than $150,000 would have access to additional financial support in this academic year.

FINANCIAL IMPACT

This bill will result in roughly 6.5 billion dollars in additional Commonwealth spending.

NOTES ON CLAUSES

This Bill essentially splits off the scholarships from existing Government legislation that is held up in the Senate; ensuring that students in need will now have access to this essential financial support, to assist in their educational and living costs.

Given the Government's Explanatory Memorandum for the Social Security and Other Legislation Amendment (Income Support for Students) No.2 Bill outlines in detail how the scholarships essentially work, only the minor differences contained within this legislation are outlined in the subsequent clauses below.

Subsection 592H – Amount of start-up scholarship payment:
This subsection sets the start-up scholarship at $1000 per semester. The reason for reducing the scholarship from $2254 per year to $2000 per year is to assist in the establishment of support for those students who are required to move away from home, and by virtue become independent.

Subsection 592F – Qualification for students start-up scholarship:
This subsection builds on the Government's qualification period for the scholarship, by introducing a general criterion for students whose parental income is under $150,000.

Subsection 592J – Qualification for relocation scholarship payment:
This subsection adds an additional qualification requirement that stipulates for those students who have not already been assessed as independent, then a parental means test of $150,000 would be applied for those required to move away from home to commence study.

Subsection 592L – Amount of relocation scholarship payment:
This subsection sets the relocation scholarship at $4000 for the first year, followed by $1000 in subsequent years.