

1 Introduction to ABSTUDY

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1.1 About This Manual

Overview

Introduction This chapter introduces the ABSTUDY Policy Manual.

In this chapter This chapter contains the following topic:

Topic	See Page
1.1.1 Structure of the Manual	1-3

Centrelink publications can be found at:

<http://www.centrelink.gov.au/internet/internet.nsf/publications/co029.htm>

1.1.1 Structure of the Manual

The structure The ABSTUDY Policy Manual has the following structure:

Seven parts The ABSTUDY Policy Manual is divided into seven major parts. They are:

- Part 1 - Introduction to ABSTUDY
 - Part 2 - How to Apply for ABSTUDY
 - Part 3 - Eligibility and Awards
 - Part 4 - Study Requirements
 - Part 5 - Student Status
 - Part 6 - Income and Rates
 - Part 7 - Benefits and Allowances.
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Three appendices In addition there are three appendices:

- Appendix 1 - Standard Hostels Agreement
 - Appendix 2 - Determination of Education Institutions and Courses – (Determination No. 2002/1)
 - Appendix 3 - National Centre for Vocational Education Research Course Classifications
-

Part 1: Introduction to ABSTUDY Part 1 - **Introduction to ABSTUDY** contains the following chapters:

- 1 About this Manual
 - 2 Terms and Abbreviations
 - 3 What is ABSTUDY?
 - 4 Administration
 - 5 Reviews and Appeals
-

Part 2: How to Apply for ABSTUDY Part 2 - **How to Apply for ABSTUDY** contains the following chapters:

- 1 How to Apply for ABSTUDY
 - 2 Changed Circumstances
-

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1.1.1 Structure of the Manual, Continued

Part 3: Eligibility and Awards

Part 3 - **Eligibility and Awards** contains the following chapters:

- 1 Eligibility
 - 2 Awards
-

Part 4: Study Requirements

Part 4 - **Study Requirements** contains the following chapters:

- 1 Approved Courses of Study
 - 2 Schooling Award Study
 - 3 Tertiary Study
 - 4 Workload Concessions
 - 5 Overseas Study
 - 6 Attendance, Absence and Living Allowance (Basic Payment) Adjustment
-

Part 5: Student Status

Part 5 – **Student Status** contains the following chapters:

- 1 Student Status
 - 2 Dependent Status
 - 3 Independent Status
 - 4 Students in State Care
 - 5 Homeless Students
 - 6 Pensioner Students
 - 7 Students in Lawful Custody
-

Part 6: Income and Rates

Part 6 - **Income and Rates** contains the following chapters:

- 1 Income Requirements
 - 2 Means Tests
 - 3 Current Income and Special Assessment
 - 4 Assets Test
 - 5 Family Actual Means Test
 - 6 Taxation
 - 7 ABSTUDY Rates
 - 8 Income Bank
-

Continued on next page

1.1.1 Structure of the Manual, Continued

Part 7: Benefits and Allowances

Part 7 - **Benefits and Allowances** contains the following chapters:

- 1 Benefits and Allowances
 - 2 School Term Allowance
 - 3 Living Allowance (Basic Payment)
 - 4 Masters and Doctorate Allowances
 - 5 Lawful Custody Allowance
 - 6 Pensioner Education Supplement
 - 7 Incidentals Allowance
 - 8 School Fees Allowance
 - 9 Fares Allowance
 - 10 Away-from-base Activities
 - 11 Under 16 Boarding Supplement
 - 12 Rent Assistance
 - 13 Pharmaceutical Allowance
 - 14 Remote Area Allowance
 - 15 Additional Assistance
 - 16 ABSTUDY Student Financial Supplement Loan
-

Appendix 1

Standard Hostels Agreement

Appendix 2

Determination of Education Institutions and Courses
(Determination No. 2002/1)

Appendix 3

National Centre for Vocational Education Research Course
Classifications

1.2 Terms and Abbreviations

Overview

Introduction This chapter defines the more commonly used terms and abbreviations in the ABSTUDY Policy Manual.

In this chapter This chapter contains the following topic:

Topic	See Page
1.2.1 Definitions of Terms and Abbreviations	1-7

1.2.1 Definitions of Terms and Abbreviations

**1.2.1.1
Abatement** An abatement rate is a system of gradual reduction in assistance as individual (student), parental or partner income levels rise.

**1.2.1.2
Aboriginal or
Torres Strait
Islander** 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 s/he lives or has lived.

Note: The terms Indigenous, Aboriginal or Aboriginality are used throughout this manual to refer to both Australian Aboriginal and Torres Strait Islander people.

**1.2.1.3
ABSTUDY** ABSTUDY is the Aboriginal and Torres Strait Islander Study Assistance Scheme. It has three components of assistance:

- Schooling;
- Tertiary; and
- Masters and Doctorate.

**1.2.1.4
Additional
Assistance** Additional Assistance is financial assistance provided to the student which is over and above a student's normal entitlements where the student can provide evidence of extreme financial difficulties associated with education costs.

**1.2.1.5
AFI** Adjusted Family Income (AFI) is the parental income, after adjustments to take into account the number of children in the family, used in the parental income test to determine whether the student qualifies for a Living Allowance.

**1.2.1.6
Age** Age, for the purposes of determining the rate of Living Allowance (Basic Payment) on any day, is the student's actual age on that day.

Continued on next page

1.2.1 Definitions of Terms and Abbreviations, Continued

**1.2.1.7
AHL** Aboriginal Hostels Limited (AHL) provides boarding facilities for Aboriginal and Torres Strait Islander students.

**1.2.1.8
Assistance for Isolated Children** The Assistance for Isolated Children (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.

**1.2.1.9
Allowable Adjustment** Allowable adjustments are amounts by which gross income may be reduced to obtain the income figure on which the income test is based.

**1.2.1.10
Allowable income limit** The allowable income limit is the income threshold point at which Living Allowance starts to abate (reduce). Maximum Living Allowance is payable where student and parental or partner income is below the relevant allowable income limits.

**1.2.1.11
APA** Australian Postgraduate Award (APA) scheme.

**1.2.1.12
API** Adjusted Partner Income (API) is the partner income which applies to 21 year olds and over, after adjustments to take account of the number of children in the family, used in the partner income test to determine if the student qualifies for a Living Allowance.

**1.2.1.13
Applicant** An applicant is a person who has lodged an ABSTUDY claim form with Centrelink. This is usually a parent/guardian or student.

**1.2.1.14
Approved course** An approved course is an academic programme for which ABSTUDY assistance is awarded.

Continued on next page

1.2.1 Definitions of Terms and Abbreviations, Continued

**1.2.1.15
Approved
institution** An approved institution is an institution which is registered by a State/
Territory accrediting authority and meets the requirements at 4.2.1.1 for
Schooling Awards and 4.3.1.1 for Tertiary Awards.

**1.2.1.16
APS** Australian Public Service (APS).

**1.2.1.17 Asset
test** An asset test is one of the measures used to establish eligibility for Living
Allowance - there are family and personal asset tests.

**1.2.1.18
ATO** Australian Taxation Office (ATO).

**1.2.1.19
ATSIC** Aboriginal and Torres Strait Islander Commission (ATSIC).

**1.2.1.20
Austudy** Austudy is the student assistance scheme administered by Centrelink for
Australian students 25 years and over from 1 July 1988.

**1.2.1.21
Award** An Award is an entitlement to specified benefits made under the
ABSTUDY provisions unless otherwise stated.

Continued on next page

1.2.1 Definitions of Terms and Abbreviations, Continued

1.2.1.22 Away-from- base activities

There are two broad categories of ABSTUDY away-from-base:

1. **Travel, accommodation and meals for special activities** such as field trips, practical placements or testing and assessment programmes that are essential for a course. In this category, the student attends the institution in the normal way, usually on a daily basis to attend lectures and tutorials. Travel allowance may be paid in advance or reimbursed by Centrelink and the student may also receive money to help meet meals and accommodation costs. For this type of assistance students continue to apply to Centrelink. (see 7.10.2)
2. **Travel and accommodation for 'mixed-mode' courses.** In this category, 'mixed-mode' is a term used to describe courses delivered through a combination of distance education and face-to-face teaching. It is for students who are study off campus and need time on campus or for lecturers to travel to an off campus location to conduct such activities. Eligible students in receipt of one or more ABSTUDY allowances have travel, accommodation and meal costs paid for by the institution. (see 7.10.2.1) This component is administered by DEST.

1.2.1.23 Boarding fees

Boarding fees are fees charged for boarding costs (accommodation, meals, etc) for students living away from home.

NOTE: These fees are distinguished from school fees.

1.2.1.24 Bridging programme

A bridging programme 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. Programmes which form part of a formal award course or for which credit will or may be given towards an award course are not considered to be bridging programmes.

Continued on next page

1.2.1 Definitions of Terms and Abbreviations, Continued

**1.2.1.25
CDEP** The Community Development Employment Projects (CDEP) scheme is a programme administered by ATSIC which enables Aboriginal and Torres Strait Islander communities and organisations to take control of their own community, economic and social development and to provide employment for people in their communities.

**1.2.1.26
Coherent course
sequence** A workload concession for tertiary students studying two associated courses where one merges with or leads into the other course. See 4.4.2.1.

**1.2.1.27
Continuing
students** Continuing students are those students continuing study as a full-time student **without interruption** from the previous academic year.

Note: Continuing students aged 21 years or more who have been receiving the 1999 rate of the ABSTUDY Living allowance will be maintained at the 1999 rate of Living Allowance until the completion of the course. Similarly, Pensioner Education Supplement recipients will be maintained at 1999 levels until the completion of the course.

**1.2.1.28
Current
income
concession** Current income assessment is a concession available for students whose parents or partner experience a substantial drop in income from the previous financial year. They are therefore approved to be income tested on the basis of income for the current financial year.

**1.2.1.29
Cut-off limit** Cut-off limit is the amount immediately past the upper income limit for the income tests on personal (student) income, parental income, family actual means and partner income, beyond which Living Allowance is not payable.

**1.2.1.30
DEST** Commonwealth Department of Education, Science and Training (DEST).

Continued on next page

1.2.1 Definitions of Terms and Abbreviations, Continued

1.2.1.31 Dependent child

A dependent child is a child who is:

- under 16 years of age;
 - not receiving ABSTUDY, Assistance for Isolated Children, Youth Allowance or Veteran's Children's Education Scheme benefits; and
 - wholly or substantially dependent on her/his parents/guardian.
-

1.2.1.32 Dependent child adjustment

A dependent child adjustment is an amount that may be added to income in respect of other dependent children in a family for the purposes of the parental income test (see definitions of adjusted family income (AFI) and adjusted partner income (API), for 21 year old and over).

1.2.1.33 Dependent partner

For the purposes of ABSTUDY a dependent partner is a legal or de facto husband or wife who is wholly or substantially dependent on the student **and** there is a dependent child or dependent student. See also definition of a partner at 1.2.1.65.

1.2.1.34 Dependent status

A student is of dependent status if s/he:

- does not meet any of the criteria for independent status under ABSTUDY; and
 - is not in receipt of a pension; and
 - is not in lawful custody.
-

Continued on next page

1.2.1 Definitions of Terms and Abbreviations, Continued

1.2.1.35 Dependent student

A dependent student is:

- aged 16 to 24 years, and
 - in a full-time secondary or tertiary course approved for ABSTUDY, Assistance for Isolated Children or Youth Allowance;
 - not eligible for the independent rate of ABSTUDY or Youth Allowance; and
 - not receiving assistance from a Commonwealth education allowance other than ABSTUDY, Assistance for Isolated Children, Youth Allowance or Veteran's Children's Education Scheme; **or**
 - under 16 years of age, and
 - is receiving ABSTUDY, Assistance for Isolated Children, Youth Allowance or Veteran's Children's Education Scheme; and
 - is not eligible for the independent student adjustment.
-

1.2.1.36 Dependent student adjustment

Dependent student adjustment is an amount that may be subtracted from taxable income in respect of other dependent students for the purposes of the parental income test (see adjusted family income (AFI) and adjusted partner income (API), for 21 year olds and over).

1.2.1.37 DVA

Commonwealth Department of Veterans' Affairs (DVA).

Continued on next page

1.2.1 Definitions of Terms and Abbreviations, Continued

1.2.1.38

DVA Pensions

DVA provides different types of pensions.

- DVA Service Pension - full income support Living Allowances to returned service personnel and/or their dependants, for example on the grounds of age or permanent and total incapacity. A person cannot get ABSTUDY Living Allowance while receiving a service pension (s/he may qualify for Pensioner Education Supplement).
 - DVA Disability Pension - compensation-type payments for partial disability or health impairment related to war service. A DVA Disability Pension does not stop a student from getting an ABSTUDY Living Allowance.
 - The Veterans' Children Education Scheme (VCES) is 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.
-

1.2.1.39

Enabling courses

An enabling course is a programme of study which provides bridging or supplementary education for the purpose of enabling a person from a designated disadvantaged group to undertake an award course. See Appendix 2: Determination of Educational Institutions and Courses (No. 2002/1) - Schedules 1 and 2 for secondary enabling courses; Schedule 3 for tertiary enabling courses.

Students undertaking enabling courses are exempt from HECS. Programmes which form part of a formal award course for which credit will or may be given towards an award course are not considered to be enabling courses.

1.2.1.40 FaCS

The Department of Family and Community Services (FaCS).

Continued on next page

1.2.1 Definitions of Terms and Abbreviations, Continued

1.2.1.41 Family

- For the Family Actual Means Test the definition for family is at 1.2.1.42.
 - For Compassionate Travel see 7.9.5.4.
 - For Additional Assistance 'family' refers to a student's parent or partner. See definition of parent below at 1.2.1.65
-

1.2.1.42 Family Actual Means Test

Family Actual Means Test (FAMT) is a test applied to a dependent student whose parent is a designated parent (see 6.5.2) for the FAMT. The expenditure and savings of all assessable family members are taken into account to determine the dependent student's rate of ABSTUDY.

1.2.1.43 Foster care

Foster care is where a student has been placed in substitute care through a State or Territory Department of Welfare or through legal process.

1.2.1.44 Full-time student

A full-time student is a student enrolled in and undertaking at least 75% of the accredited full-time workload for the course. A student may also be considered full-time for ABSTUDY purposes if s/he qualifies for a workload concession (see 4.4).

1.2.1.45 Guardian

A guardian is a person who has assumed the financial and custodial responsibilities of a parent for a student.

1.2.1.46 HECS

Higher Education Contribution Scheme (HECS) is the scheme under which students pay part of the cost of their higher education. HECS liability depends on study load.

Continued on next page

1.2.1 Definitions of Terms and Abbreviations, Continued

**1.2.1.47
Homeless
student** A homeless student is a student of at least the required minimum school leaving age for her/his State or Territory who is living away from the parental home because of serious risk to their physical or emotional health.

**1.2.1.48
Income Bank** An Income Bank allows a student to earn money during breaks from study without affecting their Living Allowance.

**1.2.1.49
Income test** An income test is the measure used to establish eligibility for Living Allowance - there are student, parental and partner income tests.

**1.2.1.50
Independent
status** A student is of independent status if s/he meets at least one of the criteria for independence specified in 5.3.

**1.2.1.51
Indigenous
special course** An Indigenous special course of study is a course (subject) which is developed specifically for Australian Aboriginal and Torres Strait Islander students.(

**1.2.1.52
Indigenous** Indigenous means a member of the Indigenous race of Australia and includes a descendant of the Indigenous inhabitants of the Torres Strait Islands.

**1.2.1.53
Indigenous
Education
Unit** Indigenous Education Units (IEUs) are part of DEST and are responsible for the local administration and delivery of elements of the Indigenous Education Direct Assistance (IEDA) programme. These are the Aboriginal Tutorial Assistance Scheme (ATAS), Aboriginal Student Support and Parent Awareness (ASSPA) programme and the Vocational and Educational Guidance for Aboriginals Scheme (VEGAS).

Continued on next page

1.2.1 Definitions of Terms and Abbreviations, Continued

**1.2.1.54
Late starting
course** A late starting course is not a short course, but starts between 1 April and 30 June or between 1 August and 31 December inclusive.

**1.2.1.55
Lawful
custody** A student is considered to be in lawful custody for ABSTUDY purposes if s/he is, for a period of more than two weeks, imprisoned or detained in a correctional institution, remand centre or youth training centre.

**1.2.1.56
Living
Allowance/
Basic
Payment** A term used by Centrelink which refers to ABSTUDY Living Allowance.

**1.2.1.57
Mainstream
course** A mainstream course is a course which is developed for members of all sections of the Australian community. See Appendix 2: Determination of Education Institutions and Courses (Determination No.2002/1) that also applies to all mainstream course approvals for ABSTUDY.

Continued on next page

1.2.1 Definitions of Terms and Abbreviations, Continued

**1.2.1.58
Minimum
school leaving
age**

The table below shows the minimum school leaving ages for each State and Territory.

State or Territory	Minimum school leaving age
NSW	15th birthday
VIC	15th birthday
QLD	15th birthday
SA	16th birthday (effective 1 January 2003)
WA	end of school year in which the student turns 15
TAS	16th birthday
NT	15th birthday
ACT	15th birthday

**1.2.1.59
Minister**

The Minister is the Commonwealth Minister for Education, Science and Training.

**1.2.1.60
MVA**

Motor Vehicle Allowance. Where use of a private vehicle is necessary or appropriate, the Department of Family and Community Services rates will be used for ABSTUDY (See 7.9.4.8).

1.2.1.61 NEIS

New Enterprise Incentive Scheme (NEIS).

**1.2.1.62 Non-
approved
course**

A non-approved course is a mainstream or Indigenous special course which is not approved for ABSTUDY assistance.

Continued on next page

1.2.1 Definitions of Terms and Abbreviations, Continued

**1.2.1.63
Orphan** An orphan is a person whose natural or adoptive (legal or traditional) parents are dead or legally missing and presumed dead.

**1.2.1.64
Parent** A parent is a natural or adoptive (legal or traditional) parent, step parent, de facto partner of natural or adoptive parents with whom the student normally lives, and/or any other person who is fully or substantially responsible for the student (not including the de facto partner of the student) (also see 1.2.1.45 Guardian). Does not include foster parents.

**1.2.1.65
Partner** For the purposes of ABSTUDY, partner means:

- a married husband or wife; or
- an unmarried person who is living with a person of the opposite sex in a de facto relationship:
 - which is of at least six months duration; or
 - there is a child in the relationship who is dependent on the student or the de facto partner.

**1.2.1.66
Part-time student** A part-time student is a student who is enrolled in, and undertaking, an approved course but is not carrying a full-time workload.

**1.2.1.67
Payee** A payee is a person to whom ABSTUDY assistance is paid.

Continued on next page

1.2.1 Definitions of Terms and Abbreviations, Continued

**1.2.1.68
Pensioner
Education
Supplement**

The Pensioner Education Supplement (PES) is a benefit paid to students who continue to receive a pension under the *Social Security Law* or the *Veterans' Entitlement Act 1991* during the period of study.

**1.2.1.69
Pensioner
student**

A pensioner student is a student receiving a pension under the *Social Security Law* or the *Veterans' Entitlement Act 1991*.

**1.2.1.70
Permanent
home**

A permanent home is defined as follows:

Type of Student	Definition
Dependent	The place at which the student normally lives when not studying (prior to study and during vacations), usually with a parent or guardian.
Independent and Pensioner (for secondary and initial tertiary study)	The place where the student lived immediately prior to the commencement or recommencement of the approved course (for secondary studies and initial tertiary qualification only).
Independent and Pensioner (for further tertiary studies)	The place where the student is studying, that is the place to which the student has relocated for their studies.

Continued on next page

1.2.1 Definitions of Terms and Abbreviations, Continued

**1.2.1.71
Permanent
independent
status** Permanent independent status is granted on the basis of a condition which cannot change in a way that will substantially affect the independence of a student.

**1.2.1.72
Pharmaceutic
al Allowance** The Pharmaceutical Allowance (PhA) is a payment for pensioner students who are incapacitated for study, to assist with the cost of pharmaceutical prescriptions under the Pharmaceutical Benefits Scheme.

**1.2.1.73
Prescribed
Event** A comprehensive list of prescribed events will be provided at 1.5.3.6 when the upcoming regulations are passed.

**1.2.1.74
Relevant
period** Generally the income test period applies to the period that the student is eligible to receive ABSTUDY assistance (see Part 6 - Income and Rates).

**1.2.1.75
Remote Area
Allowance** The Remote Area Allowance (RAA) helps to meet additional costs associated with residence in remote areas. RAA makes a contribution towards some of the higher costs associated with living in particularly remote areas.

Continued on next page

1.2.1 Definitions of Terms and Abbreviations, Continued

1.2.1.75 Remote Area Allowance The Remote Area Allowance (RAA) helps to meet additional costs associated with residence in remote areas. RAA makes a contribution towards some of the higher costs associated with living in particularly remote areas.

1.2.1.76 Reviewable independent status Reviewable independent status is granted on the basis of a condition that can change in a way that may substantially affect the independence of a student for ABSTUDY purposes.

1.2.1.77 Scheme The Scheme is the Aboriginal and Torres Strait Islander Study Assistance Scheme (ABSTUDY).

1.2.1.78 School Fees Allowance School Fees Allowance is a benefit paid under ABSTUDY Schooling Awards to assist with the cost of school fees (see 7.8).

1.2.1.79 School Term Allowance The School Term Allowance is a benefit intended to help meet the costs associated with equipping an under 16 year old student, living at home, for school (see 7.2).

1.2.1.80 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 her/his course and ends on the last day of required attendance for that course. The last day of the school year for a Year 12 student is the day of her/his final examination.

Continued on next page

1.2.1 Definitions of Terms and Abbreviations, Continued

1.2.1.81
Short Course A short course is not more than 30 weeks in duration; ie... the first and last days are not more than 30 weeks apart.

1.2.1.82
SHR Student Homeless Rate (SHR) is the rate of Living Allowance paid to students approved under the ABSTUDY Homeless provisions (see 5.5).

1.2.1.83
Special assessment Special assessment is a concession allowing the parental/partner income test to be waived if the parent(s)/partner are, or become, dependent on certain Commonwealth Government assistance (see 6.3.3).

1.2.1.84
State care State care is where a student has been placed in substitute care through a State or Territory Department of Welfare or through legal process.

1.2.1.85
Student A student for the purposes of the ABSTUDY scheme is a person who is enrolled, or is intending to enrol in study at school, TAFE, university or other approved education/training provider.

1.2.1.86
Student Assistance Act The *Student Assistance Act 1973* is the legislation covering, among other things, ABSTUDY overpayment and recovery matters.

Continued on next page

1.2.1 Definitions of Terms and Abbreviations, Continued

**1.2.1.87
Supplementary
programme** A supplementary programme is one which is provided for students subsequent to their commencement of a formal award course, and which is undertaken concurrently with that course. Such programmes provide supplementary teaching in the form of a separate, discrete programme. The supplementary programme is systematic, structured and aimed at addressing difficulties experienced by particular types of disadvantaged students undertaking the award course. Programmes which form part of a formal award course, or for which credit will or may be given towards an award course, are not considered to be supplementary programmes.

**1.2.1.88
TAN** Tax Assessment Notice (TAN).

**1.2.1.89
TFN** A Tax File Number (TFN) is usually required for:

- each student 16 years or older who applies for an allowance;
- the parents/guardians of dependent students; and
- the partner of students who are married/living in a de facto relationship.

Some exceptions apply (see 6.6.2.2).

**1.2.1.90
Travel
Allowance** Travel Allowance entitlement is to cover the cost of accommodation for students who are at a transit location or attending an Away-from-base activity. (see 7.10.3.2.7 – 7.10.3.2.10).

**1.2.1.91
Travel 'no
show'** Travel 'no show' refers to authorised or chartered travel booked for a student who did not travel and did not advise Centrelink that the travel would not be undertaken.

Continued on next page

1.2.1 Definitions of Terms and Abbreviations, Continued

**1.2.1.92
Vacation** A short vacation is any one of the two or three major vacations (depending on the State or Territory) occurring between terms within a school year.

A long vacation is that which occurs between the end of one year and the commencement of the next.

**1.2.1.93
Waiver** A waiver is a written request by a parent or a student to have all or part of an allowance to which s/he is entitled paid to another person or institution.

**1.2.1.94
YHA** Young Homeless Allowance (YHA) is an allowance paid by Centrelink on behalf of FaCS to homeless and unemployed youth.

**1.2.1.95 Youth
Allowance** Youth Allowance is an income support payment for young people who are studying, looking for work, training or are sick. A customer can go from study to training to job hunting without changing payments.

1.3 What is ABSTUDY?

Overview

Introduction This chapter provides an overview of the objectives of ABSTUDY and the types of assistance available.

In this chapter This chapter contains the following topics:

Topic	See Page
1.3.1 Background	1-27
1.3.2 Objectives of ABSTUDY	1-28

1.3.1 Background

1.3.1.1 Introduction of ABSTUDY

ABSTUDY is intended to target benefits to those students most in need of assistance, and to address particular educational disadvantages faced by these Indigenous students.

ABSTUDY Living Allowance payments are now 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 Youth Allowance 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 is aligned with that payable under the *Social Security Act 1991*.

In addition, the alignment with Youth Allowance means that all eligible Indigenous students have access to the additional benefits payable under the Youth Allowance of Rent Assistance, Remote Area Allowance and Pharmaceutical Allowance, where applicable. ABSTUDY recipients would also remain eligible for a range of supplementary benefits targeted to address particular disadvantages faced by Indigenous students not available to recipients under the Youth Allowance or the new Austudy payment.

1.3.2 Objectives of ABSTUDY

1.3.2.1 Objectives

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.
-

1.3.2.2 Supporting programmes

ABSTUDY is supported in its aims and objectives by the following National Aboriginal and Torres Strait Islander Education Policy (AEP) programmes which are administered by the Department of Education, Science and Training (DEST):

The Indigenous Education Direct Assistance (IEDA) programmes

The **Aboriginal Tutorial Assistance Scheme (ATAS)** which is targeted at students requiring supplementary tutorial assistance.

The **Aboriginal Student Support and Parental Awareness (ASSPA)** programme provides funding to school-based parent committees with the aim of increasing the participation of parents in educational decision-making and enhancing educational opportunities for Aboriginal and Torres Strait Islander school students.

The **Vocational Education Guidance Assistance Scheme (VEGAS)** provides grants to sponsoring organisations to conduct projects for Indigenous students, their parents and prisoners in lawful custody. which foster positive attitudes towards participation in education, and which provide information to assist students to consider their options for further study and career.

Indigenous Education Strategic Initiatives Programme (IESIP) is the main source of supplementary assistance to government and non-government education providers to ensure Indigenous students achieve success in education.

Further information on these programmes is available from the DEST Indigenous Education Units (IEUs).

1.4 Administration

Overview

Introduction This chapter provides information on the administration of ABSTUDY.

In this chapter This chapter contains the following topics:

Topic	See Page
1.4.1 Authority for Decisions	1-30
1.4.2 Who Administers ABSTUDY?	1-31
1.4.3 Customer Obligations	1-32
1.4.4 Freedom of Information and Privacy	1-35

1.4.1 Authority for Decisions

1.4.1.1 Ministerial approval

The policy of ABSTUDY, set out in this manual known as the ABSTUDY Policy Manual, has the approval of the Minister for Education, Science and Training. The ABSTUDY manual is approved by the Programme Manager.

1.4.1.2 Updates

Updates to the Policy Manual will be advised by DEST to Centrelink that will then advise its network. These may reflect:

- changes to ABSTUDY policy; and
 - clarifications of existing policy.
-

1.4.1.3 Financial controls

Payment procedures and practices for ABSTUDY benefits, unless otherwise specified, are to be carried out in accordance with the *Financial Management and Accountability Act 1997* and the Financial Management and Accountability Regulations.

1.4.1.4 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*.

1.4.2 Who Administers ABSTUDY?

1.4.2.1 Delivery of ABSTUDY

ABSTUDY is administered and delivered by Centrelink.

ABSTUDY policy remains the responsibility of the Minister for Education, Science and Training. The Department provides advice on the application of the ABSTUDY policy.

1.4.3 Customer Obligations

1.4.3.1 Correct information

Giving false or misleading information in connection with ABSTUDY is a serious offence.

Applicants who provide false or misleading information may be prosecuted under the criminal code.

Where a person's ABSTUDY is calculated on the basis of details about a parent or partner (eg, income particulars), that person can also be prosecuted for providing false or misleading information.

1.4.3.2 Notification of changes

Applicants and/or students must advise Centrelink within fourteen days of the occurrence of any "prescribed events."

An occurrence of one of these "prescribed events" is sometimes referred to as a "change of circumstances."

Persons who fail to advise Centrelink of the occurrence of a prescribed event may be prosecuted under the *Criminal Code*. In addition, DEST is currently preparing regulations under section 48 of the *Student Assistance Act 1973* nominating various changes of circumstance as "prescribed events". When these regulations are introduced, failure to notify Centrelink of the occurrence of a prescribed event (which will be listed at 1.5.3.6) will be an offence under section 49 of the *Student Assistance Act 1973*, punishable by a maximum penalty of twelve months imprisonment.

1.4.3.3 Advice of Changes

The Declaration section of the ABSTUDY Claim Forms makes it clear that the applicant must notify Centrelink within fourteen days of any changes in circumstances/the occurrence of a prescribed event.

1.4.3.4 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.

Continued on next page

1.4.3 Customer Obligations, Continued

1.4.3.5
The SAA 1973
and Section 48

The ABSTUDY Policy Manual's reference to 'Changed Circumstances' is referred to in Section 48 of the *Student Assistance Act 1973* as prescribed events.

1.4.3.6
Debt
Recovery and
Compliance

In fairness to all, it is important that ABSTUDY eligibility is checked carefully.

In addition to information and documentation required at the time of application, Centrelink conducts extensive checks on information provided by applicants. The *Student Assistance Act 1973* and *Data-Matching Programme (Assistance and Tax) Act 1990* gives Centrelink the power to check information relevant to ABSTUDY eligibility with:

- education institutions;
- employers; and
- other Government agencies, such as the Australian Taxation Office.

1.4.3.7
Suspension of
ABSTUDY
payments

Where an applicant has not notified Centrelink of a prescribed event, Centrelink may suspend an applicant's ABSTUDY payment pending the provision of additional information from the customer.

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.

Continued on next page

1.4.3 Customer Obligations, Continued

1.4.3.7 Data- Matching Programme

Under the *Data-Matching Programme (Assistance and Tax) Act 1990*, some information may be checked against information provided by other departments to prevent fraud and duplication of payments. These departments include:

- Australian Taxation Office;
- Department of Health and Ageing;
- Department of Education, Science and Training;
- Department of Family and Community Services; and
- Department of Veterans' Affairs (DVA).

Eligibility for ABSTUDY may also be checked with:

- employers for work history and current earnings;
 - education institutions for course and enrolment details;
 - financial institutions for account details;
 - other areas of Centrelink; and
 - other Commonwealth departments.
-

1.4.4 Freedom of Information and Privacy

1.4.4.1 Freedom of Information

The public may request access under the *Freedom of Information Act 1982* to all documents created or held by Centrelink or DEST for the purposes of managing the ABSTUDY Policy Manual. The Act contains several provisions which exempt certain categories of documents from release.

1.4.4.2 The *Privacy Act*

DEST and Centrelink are bound by the provisions of the *Privacy Act 1988*. Section 14 of the *Privacy Act 1988* contains the Information Privacy Principles (IPPs) which prescribe the rules for handling personal information. Persons, bodies and organisations involved in the ABSTUDY programme must also abide by the IPPs and the *Privacy Act 1988* when handling personal information collected for the purposes of that programme.

In brief, persons, bodies and organisations must ensure that:

- personal information is collected in accordance with IPPs 1-3;
- suitable storage arrangements, including appropriate filing procedures are in place;
- suitable security arrangements exist for all records containing personal information;
- access to a person's own personal information held by the organisation is made available to the person at no charge;
- records are accurate, up-to-date, complete and not misleading;
- where a record is found to be inaccurate, the correction is made;
- where a person requests that a record be amended because it is inaccurate but the record is found to be accurate, the details of the request for amendment are noted on the record;
- the personal information is only to be used for the purposes for which it was collected, or for other purposes where expressly allowed by IPP 10; and
- personal information is only disclosed in accordance with IPP 11.

Continued on next page

1.4.4 Freedom of Information and Privacy, Continued

1.4.4.2 The *Privacy Act* (con't)

Personal information provided by ABSTUDY students or persons whose circumstances affect ABSTUDY assessment must not be used or disclosed by the Department or Centrelink other than in accordance with the *Privacy Act 1988*. The following are some examples of situations when personal information may be able to be used or disclosed, although each case should be considered according to its individual circumstances:

- where information is being used internally to verify ABSTUDY eligibility and entitlement;
- where a legal requirement exists for the information to be used or disclosed;
- where information is used or disclosed because it is reasonably necessary for the enforcement of the criminal law; or
- where information is used or disclosed with the consent of the person who provided the information.

1.4.4.3 *Privacy Act* - Third Parties

Information provided by third parties in connection with any ABSTUDY claim should not be disclosed to another person, body or agency, including the applicant, other than in accordance with the *Privacy Act 1988*. The following are some examples of situations when personal information about third parties may be able to be disclosed, although each case should be considered according to its individual circumstances:

- where the third party who supplied the information is reasonably likely to have been made aware or was made aware that the information would be disclosed to that person, body or agency; or
 - where disclosure of the information is authorised by the *Freedom of Information Act 1982*; or
 - where the third party has provided their informed consent to the disclosure of the information.
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1.5 Reviews and Appeals

Overview

In this chapter This chapter contains the following topics:

Topics	See Page
1.5.1 Reviews	1-38
1.5.2 Appeals	1-39

1.5.1 Reviews

1.5.1.1 Reviews

An applicant or student on whose behalf a claim have been made is dissatisfied with a decision Centrelink has made about their ABSTUDY eligibility or entitlement, they may request in writing to Centrelink that the decision be reviewed. The review will be undertaken by an officer who was not involved in the original decision. This includes decisions in relation to the ABSTUDY Student Financial Supplement Scheme (SFSS) and Away-from-base submissions from individuals and educational institutions.

1.5.1.2 Rights of review

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 1.5.1.4 below, while debt recovery decisions are made under the provisions of the *Student Assistance Act 1973* (see 1.5.2.2 to 1.5.2.5).

1.5.1.3 Variance of original decision

If the original decision is varied, the customer will be advised in writing and any benefit withheld and now payable is to be paid retrospectively from the applicable effective date which will be determined in accordance with the applicable guideline.

1.5.1.4 Confirmation of the original decision

If the original decision is upheld, the reply should:

- explain the reasons for the decision,
- set out the findings by the authorised officer on material questions of fact,
- include a copy of the relevant part(s) of the ABSTUDY Policy Manual and/or *SAA* legislation, and
- provide advice on further appeal provisions.

Appeals about assessment should be addressed to the relevant Minister (see 1.5.2.1).

Appeals about debt recovery should be directed to the Social Security Appeals Tribunal (SSAT) (see 1.5.2.2).

1.5.2 Appeals

1.5.2.1 Appeals to the Minister

If a person is not satisfied with a review decision, the person or an agent acting on her/his behalf may appeal in writing to the Minister about any Centrelink decision affecting his or her entitlements, (see 1.5.1.1) The responsible Minister is:

Dr Brendan Nelson
Minister for Education, Science and Training
Parliament House
CANBERRA ACT 2600.

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.

Continued on next page

1.5.2 Appeals, Continued

1.5.2.2 Right to appeal debt recovery decision

ABSTUDY debt recovery decisions are made under the provisions of the *Student Assistance Act 1973*. Customers who are dissatisfied with a **debt recovery** decision may apply for a review of the decision by a delegate (see previous page). If they are dissatisfied with the outcome, they can apply to the Social Security Appeals Tribunal (SSAT) for a review of the decision. If they are not satisfied with the SSAT decision, they can apply to the Administrative Appeals Tribunal (AAT).

Brochures for appeal to the SSAT are provided with the review of decision by Centrelink where that review has been unfavourable to the client. The SSAT can be contacted by writing to GPO Box 9943 in capital cities, or by telephoning Freecall™ 1800 011 140.

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 **1300 366 700** or from their web site at www.aat.gov.au. Appeals to the AAT are lodged directly with the Tribunal.

The SSAT and AAT may review a decision by the Secretary of DEST 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 SSAT and the AAT under subsection 42(3) of the Act may not review the decision by the Secretary to issue a garnishee order against a third party in order to recover the debt.

1.5.2.3 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;
 - writing off or waiving a debt; and
 - imposing late payment charges and/or interest.
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1.5.2 Appeals, Continued

1.5.2.4 Waiver of debt

A debt can be waived under conditions set out in the *Student Assistance Act 1973* legislation. These include:

- administrative error by Centrelink, where:
 - this is the sole cause of the overpayment, and the person has received the money in good faith; and
 - the debt was not raised within six weeks of the person notifying a change in circumstance which affects her/his entitlement;
- waiver of the balance of a debt under certain conditions where 80% has been repaid;
- where special circumstances of an unusual nature affect the person's capacity to repay; and
- waiver of part of a debt in satisfaction of the whole debt.

1.5.2.5 Legislation

The relevant legislation is contained in the *Student Assistance Act 1973*:

- **for debt recovery**
 - s.39A regarding payment by installments
 - s.40 – regarding applying interest and late payment charge
 - s.41 – regarding removing penalty charges
 - 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).
