

AMENDMENT TO BILL ALLOWING MASTERS STUDENTS TO QUALIFY FOR AUSTUDY AS OF 1 JANUARY 2008

A recent amendment to the Social Securities Legislation Act of 1991 has ensured that students who have previously completed a Masters degree are eligible for Austudy payments through Centrelink. The changes extend to students undertaking graduate medical degrees.

In its previous form, the Social Securities Act of 1991 disqualified Masters and Doctorate students from receiving Austudy. The legislation was as follows:

568 Qualification for austudy payment -- general rule

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

- (a) the person satisfies the activity test (see Subdivision B); and*
- (b) the person is of Austudy age (see Subdivision C); and*
- (c) the person is an Australian resident.*

569 Activity test

569.(1) General

Subject to subsection (2), a person satisfies the activity test in respect of a period if the person satisfies the Secretary that, throughout the period, the person is undertaking qualifying study (see section 569A).

569.(2) Persons who do not satisfy the activity test

A person cannot be taken to satisfy the activity test if the person:

- (a) is a new apprentice; or*
- (b) has completed a course for:*
 - (i) a degree of Master or Doctor at an educational institution; or*
 - (ii) a qualification at a foreign institution that is, in the Secretary's opinion, of the same standing as a degree of Master or Doctor at an educational institution.*

This Bill was amended by the Social Security Legislation Amendment (2007 Budget Measures for Students) Bill in September 2007 by omitting "Master or" from sub-paragraphs 569(2)(b)(i) and (ii). The change was made effective on January 1, 2008.

The House of Representatives' Explanatory Memorandum for the Social Security Legislation Amendment (2007 Budget Measures for Students) Bill 2007 outlines the changes as follows:

Amendments to the Social Security Act 1991 insert a new category of Level of Course to the levels of eligible study, which specifies Masters degrees as eligible courses. From 1 January 2008, students enrolled in an approved Masters by course-work programme, which is required for entry to a profession or is the fastest pathway to professional entry, will be eligible for Youth Allowance and Austudy payments. This provision will also extend support to students enrolled in a Masters course-work programme where a university has diversified by restructuring its course delivery.

The changes in this Bill were investigated and clarified by the AMSA to ensure that those students studying a graduate MBBS degree who had previously attained a Masters degree were eligible for Austudy financial assistance. Unfortunately, those students who have previously received a Doctorate remain ineligible despite the amendment passed in September 2007.