

## Senate Community Affairs Legislation Committee

### BUDGET ESTIMATES - 4 JUNE 2013 ANSWER TO QUESTION ON NOTICE

#### Human Services Portfolio

**Topic:** Independent Youth Allowance – Rejected Applications

**Question reference number:** HS 27

**Senator:** Smith

**Type of question:** Hansard page 96

**Date set by the committee for the return of answer:** 26 July 2013

**Number of pages:** 7

#### Question:

- a) Senator SMITH: Can the department provide details of the number of regional and remote students applying for independent youth allowance who have had their application rejected due to the parental income test in the years 2011, 2012 and to date in 2013?

Ms Campbell: I suspect we might have to take that on notice.

- b) Senator SMITH: Secondly, can the department also provide a breakdown of various other reasons for rejection of regional and remote students' applications for independent youth allowance and the number of students rejected for various reasons—workforce participation, failure to earn the required amount et cetera—for 2012 and 2013? Is that data that you would collect?

Mr Sandison: We will have a look at whether or not we statistically collect the actual reasons for the denial. We can give you the numbers but, as to whether or not it is broken down by the subsets, we will check and take it on notice.

#### Answer:

- a) The Parental Income Test does not apply to young people claiming Youth Allowance as an independent. The Parental Income Test only applies to young people who are claiming or are receiving Youth Allowance as a dependant, and may affect the rate of Youth Allowance they receive.

However, a parental income threshold applies to students who are claiming independence under the *full-time work, earnings* or *part-time work* self-supporting criteria. These criteria have a number of requirements, all of which must be met for a young person to be considered independent.

For the *earnings* or *part-time work* self-supporting criteria, a young person must demonstrate that:

- their family home is in an area that is inner regional, outer regional, remote or very remote according to the Australian Standard Geographical Classification; and
- they are a full-time student, and

- they need to live away from their family home to study; and
- their parental income is less than \$150,000 in the Base Tax Year; and
- they have supported themselves through paid employment by:
  - earning at least 75 per cent of the Wage Level A of the National Training Wage Schedule within an 18 month period since last leaving secondary school; **or**
  - working in part-time paid employment of at least 15 hours per week for at least 2 years since last leaving secondary school.

The Department does not record which of these specific requirements a young person may not have met (including whether parental income is over \$150,000). The Department only records whether or not the young person has met the self-supporting criteria (i.e. *full-time work*, *earnings* or *part-time work*).

Therefore, the Department has provided data on the number of claims for Youth Allowance under the self-supporting criteria which have been rejected in 2011, 2012 and 2013 (year to date). Refer to Attachment A.

- b) The Department cannot provide rejection data broken down by the specific requirement within the three claimed self-supporting independence criteria (i.e. *earnings*, *part-time work* or *full-time work*) that a young person had not met.

Therefore, the Department has provided data on the number of students who have some history associated with claiming independence, whose family home is located in areas defined as inner regional, outer regional, remote or very remote and whose claim was subsequently rejected.

Data on rejections for reasons other than those related to the self-supporting criteria has been provided in Attachment B. This data includes students who initially claimed independence but were not eligible, and were subsequently also found to be ineligible for Youth Allowance as a dependant. The data also includes students whose claim for Youth Allowance was rejected for reasons not related to the independence criteria, for example failing to provide documentation.



YAL STUDENT REJECTIONS BY REASON, YEAR AND LOCATION SINCE 2011 (AS AT 21 JUNE 2013) WHERE STUDENT WAS APPLYING FOR OR HAD BEEN GRANTED INDEPENDENCE

REJECTION REASON	2011							TOTAL
	ARIA							
	Not Coded	Inner Regional Australia	Major Cities of Australia	Outer Regional Australia	Remote Australia	Very Remote Australia		
DOESN'T MEET AGE REQUIREMENTS *AUTO	<20	<20	69	<20	<20	<20	<20	86
ASSETS OVER LIMIT *AUTO	<20	<20	22	<20	<20	<20	<20	24
ALLOWABLE TIME REACHED	<20	25	222	<20	<20	<20	<20	263
START DATE IS >13 WEEKS IN THE FUTURE	<20	<20	20	<20	<20	<20	<20	23
WITHDRAWN/VOLUNTARY SURRENDER	<20	20	55	<20	<20	<20	<20	84
ANOTHER PAYMENT IS MORE APPROPRIATE	<20	<20	53	<20	<20	<20	<20	76
CUSTOMER ON PRECLUDING PAYMENT	<20	<20	40	<20	<20	<20	<20	64
FAIL TO ATTEND INTERVIEW	<20	<20	39	<20	<20	<20	<20	56
FAMILY ACTUAL MEANS DETAILS NOT PROVIDED	<20	56	230	29	<20	<20	<20	326
FAMILY ACTUAL MEANS TOO HIGH	<20	<20	34	<20	<20	<20	<20	52
FAIL TO REPLY TO CORRESPONDENCE	<20	<20	30	<20	<20	<20	<20	45
FAILED TO REPORT *AUTO	<20	<20	26	<20	<20	<20	<20	34
FAIL TO SUPPLY DOCUMENTS	43	689	3,027	281	28	<20	<20	4,075
EXCESS INCOME *AUTO	<20	53	229	<20	<20	<20	<20	297
PARTNER EXCESS INCOME *AUTO	<20	35	202	23	<20	<20	<20	263
ENROLLED IN UNAPPROVED COURSE	<20	<20	89	<20	<20	<20	<20	115
UNDER 18 - NO EXEMPTION FROM STUDIES	<20	<20	24	<20	<20	<20	<20	37
NOT LOCATED IN AUSTRALIA *AUTO	<20	<20	33	<20	<20	<20	<20	37
NOT RESIDENTIALLY QUALIFIED	<20	<20	35	<20	<20	<20	<20	42
NOT A FULL-TIME STUDENT	<20	49	142	<20	<20	<20	<20	208
NON-PROTECTED SPECIAL CATEGORY VISA HOLDER *AUTO	<20	<20	24	<20	<20	<20	<20	30
CUSTOMER AND PARTNER FAILED TO ADVISE TFN *AUTO	<20	<20	50	<20	<20	<20	<20	71
CUSTOMER FAILED TO ADVISE TFN *AUTO	<20	72	225	26	<20	<20	<20	331
PARTNER FAILED TO ADVISE TFN *AUTO	<20	<20	62	<20	<20	<20	<20	82
OTHER	<20	99	401	40	<20	<20	<20	547
PARENTAL INCOME & ASSETS NOT PROVIDED	151	937	3,241	450	53	<20	<20	4,850

PARENTAL INCOME TOO HIGH	<20	53	155	42	<20	<20	259
PROOF OF IDENTITY NOT PROVIDED *AUTO	<20	26	104	<20	<20	<20	145
STUDYING UNAPPROVED MASTERS OR DOCTORATE	<20	<20	49	<20	<20	<20	52
<b>TOTAL NUMBER OF REJECTIONS<sup>1</sup></b>	<b>225</b>	<b>2,301</b>	<b>9,046</b>	<b>1,021</b>	<b>108</b>	<b>32</b>	<b>12,733</b>

**Note:**

1. Due to privacy concerns rejection reason counts of less than 20 in any reporting year have been suppressed, while the totals remain unchanged. Because of this the individual cells may not sum to the totals.

REJECTION REASON	2012							TOTAL
	ARIA							
	Not Coded	Inner Regional Australia	Major Cities of Australia	Outer Regional Australia	Remote Australia	Very Remote Australia		
DOESN'T MEET AGE REQUIREMENTS *AUTO	<20	<20	68	<20	<20	<20	<20	78
ASSETS OVER LIMIT *AUTO	<20	<20	20	<20	<20	<20	<20	25
ALLOWABLE TIME REACHED	<20	<20	173	<20	<20	<20	<20	206
START DATE IS >13 WEEKS IN THE FUTURE	<20	<20	<20	<20	<20	<20	<20	20
WITHDRAWN/VOLUNTARY SURRENDER	<20	<20	41	<20	<20	<20	<20	59
ANOTHER PAYMENT IS MORE APPROPRIATE	<20	25	71	<20	<20	<20	<20	105
CUSTOMER ON PRECLUDING PAYMENT	<20	<20	46	<20	<20	<20	<20	67
FAIL TO ATTEND INTERVIEW	<20	<20	48	<20	<20	<20	<20	71
FAMILY ACTUAL MEANS DETAILS NOT PROVIDED	<20	112	236	50	<20	<20	<20	407
FAMILY ACTUAL MEANS TOO HIGH	<20	<20	29	<20	<20	<20	<20	55
FAIL TO REPLY TO CORRESPONDENCE	<20	<20	22	<20	<20	<20	<20	33
FAILED TO REPORT *AUTO	<20	<20	21	<20	<20	<20	<20	29
FAIL TO SUPPLY DOCUMENTS	24	651	2,098	225	23	<20	<20	3,028
EXCESS INCOME *AUTO	<20	56	135	<20	<20	<20	<20	211
PARTNER EXCESS INCOME *AUTO	<20	56	174	24	<20	<20	<20	258
ENROLLED IN UNAPPROVED COURSE	<20	<20	68	<20	<20	<20	<20	83
UNDER 18 - NO EXEMPTION FROM STUDIES	<20	<20	<20	<20	<20	<20	<20	28
NOT LOCATED IN AUSTRALIA *AUTO	<20	<20	47	<20	<20	<20	<20	56
NOT RESIDENTIALLY QUALIFIED	<20	<20	<20	<20	<20	<20	<20	20
NOT A FULL-TIME STUDENT	<20	38	137	21	<20	<20	<20	198
NON-PROTECTED SPECIAL CATEGORY VISA HOLDER *AUTO	<20	<20	27	<20	<20	<20	<20	36



UNDER 18 - NO EXEMPTION FROM STUDIES	<20	<20	<20	<20	<20	<20	<20	<20	<20	<20
NOT LOCATED IN AUSTRALIA *AUTO	<20	<20	20	<20	<20	<20	<20	<20	<20	23
NOT RESIDENTIALLY QUALIFIED	<20	<20	<20	<20	<20	<20	<20	<20	<20	<20
NOT A FULL-TIME STUDENT	<20	31	98	<20	<20	<20	<20	<20	<20	149
NON-PROTECTED SPECIAL CATEGORY VISA HOLDER *AUTO	<20	<20	21	<20	<20	<20	<20	<20	<20	24
CUSTOMER AND PARTNER FAILED TO ADVISE TFN *AUTO	<20	<20	<20	<20	<20	<20	<20	<20	<20	<20
CUSTOMER FAILED TO ADVISE TFN *AUTO	<20	28	76	<20	<20	<20	<20	<20	<20	117
PARTNER FAILED TO ADVISE TFN *AUTO	<20	<20	31	<20	<20	<20	<20	<20	<20	48
OTHER	<20	44	172	23	<20	<20	<20	<20	<20	242
PARENTAL INCOME & ASSETS NOT PROVIDED	504	1,177	2,988	497	54	<20	<20	<20	<20	5,236
PARENTAL INCOME TOO HIGH	<20	89	124	41	<20	<20	<20	<20	<20	263
PROOF OF IDENTITY NOT PROVIDED *AUTO	<20	<20	42	<20	<20	<20	<20	<20	<20	62
STUDYING UNAPPROVED MASTERS OR DOCTORATE	<20	<20	34	<20	<20	<20	<20	<20	<20	39
<b>TOTAL NUMBER OF REJECTIONS<sup>1</sup></b>	<b>573</b>	<b>2,078</b>	<b>5,684</b>	<b>865</b>	<b>86</b>	<b>28</b>	<b>865</b>	<b>86</b>	<b>28</b>	<b>9,314</b>

**Note:**

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