

1990-91-92

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA  
HOUSE OF REPRESENTATIVES

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Presented and read a first time, 20 August 1992

(*Minister for Social Security*)

## A BILL

FOR

### **An Act to amend the *Social Security Act 1991*, and for related purposes**

The Parliament of Australia enacts:

#### **Short title etc.**

1.(1) This Act may be cited as the *Social Security Amendment Act 1992*.

5 (2) In this Act, “**Principal Act**” means the *Social Security Act 1991*<sup>1</sup>.

#### **Commencement**

2. This Act commences, or is taken to have commenced, on 2 November 1992.

**Application**

3.(1) The amendments made by this Act apply only to claims that are made on or after 2 November 1992.

(2) The amendments made by paragraph 5(a), section 6, paragraph 8(a) and section 9 apply to secondary school leavers whether they stop a full-time course of education at a secondary school before, on or after 2 November 1992. 5

**Education leavers waiting period**

4. Section 540 of the Principal Act is amended:

- (a) by omitting from subsection (1) “and (4)” and substituting “, (4) and (4A)”;
- (b) by adding at the end of subsection (1) the following word and paragraph:
  - “; and (f) is not covered by subsection (6) (persons otherwise qualified for special benefit).”;
- (c) by inserting after subsection (4) the following subsection: 10 15

*Persons returning to income support*

“(4A) Subsection (1) does not apply to a person if:

- (a) the person is receiving a social security pension or social security benefit; and 20
- (b) the person stops receiving the pension or benefit on a particular day (the ‘**termination day**’); and
- (c) the person undertakes a full-time course of education of at least 6 months duration; and
- (d) the person stops the course; and 25
- (e) the person’s provisional commencement day is within 12 months after the termination day.

Note 1: for ‘social security pension’ and ‘social security benefit’ see subsection 23(1).

Note 2: for ‘provisional commencement day’ see section 533.”;

- (d) by adding at the end the following subsection:

*Persons otherwise qualified for special benefit*

“(6) A person is not subject to an education leavers waiting period if the Secretary is satisfied that special benefit would be payable to the person during the waiting period if the person were subject to the waiting period. 30

Note: for ‘education leavers waiting period’ see subsection 23(1).”.

**Duration of education leavers waiting period—non-secondary school leavers 35**

5. Section 541 of the Principal Act is amended:

- (a) by inserting before subsection (1) the following subsection:

*Persons covered by this section*

“(1A) This section applies to a person unless section 541A (secondary school leavers) applies to the person.”;

5 (b) by inserting after paragraph (b) of Note 1 to subsection (1) the following paragraph:

“(ba) subsections (5A) and (5B) (periods of part-time employment);”;

(c) by inserting after subsection (5) the following subsections:

*Reduction of waiting period for periods of part-time work*

10 “(5A) The waiting period imposed by subsection (1) or (2) is to be reduced for the period worked out under subsection (5B) if the person has had at least 35 hours of part-time work.

Note: for ‘part-time work’ see subsection (8).

*Calculation of part-time work reduction*

15 “(5B) If subsection (5A) applies to the person, the waiting period reduction is:

(a) one week for the first 35 hours of part-time work the person has had; and

(b) one day for each complete additional 7 hours of part-time work the person has had.

20 *Date of part-time work*

“(5C) If the person is subject to a 13 week education leavers waiting period, only part-time work that the person has had since stopping the course of education is to be taken into account for the purposes of subsections (5A) and (5B).”;

25 (d) by adding at the end the following subsection:

*Interpretation*

“(8) In this section:

30 ‘part-time work’ means work engaged in otherwise than on a full-time basis and includes such work engaged in on a casual basis.”.

6. After section 541 of the Principal Act the following section is inserted in Subdivision D of Division 1 of Part 2.11:

**Duration of education leavers waiting period—secondary school leavers**

*Persons covered by this section*

35 “541A.(1) This section applies to a person if the course of education that the person stops is a full-time course of education at a secondary school.

*General rule*

“(2) Subject to this section, the education leavers waiting period starts on the person’s waiting period start day and lasts for:

- (a) 13 weeks if, on that day, the person:
  - (i) has not turned 21; and 5
  - (ii) is not a member of a couple; and
  - (iii) does not have a dependent child; or
- (b) 6 weeks if, on that day, the person:
  - (i) has turned 21; or
  - (ii) is a member of a couple; or 10
  - (iii) has a dependent child.

Note 1: the duration of the education leavers waiting period may be modified by:

- (a) subsections (3) and (4) (change of status during waiting period);
- (b) subsection (6) (15 February cut-off);
- (c) subsection (7) (periods of full-time employment or periods on special benefit);
- (d) subsections (8) and (9) (periods of part-time employment);
- (e) subsection (11) (previous periods of non-payment because of education leavers waiting period).

Note 2: for ‘waiting period start day’ see subsection (12).

*Change of status in first 6 weeks*

“(3) Subject to subsection (5), if:

- (a) a person who is covered by paragraph (2)(a):
  - (i) turns 21; or 15
  - (ii) becomes a member of a couple; or
- (b) a young person becomes a dependent child of a person who is covered by paragraph (2)(a);

within 6 weeks from and including the person’s waiting period start day, the education leavers waiting period starts on the person’s waiting period start day and lasts for 6 weeks. 20

Note: for ‘waiting period start day’ see subsection (12).

*Change of status after 6 weeks*

“(4) Subject to subsection (5), if:

- (a) a person who is covered by paragraph (2)(a):
  - (i) turns 21; or 25
  - (ii) becomes a member of a couple; or
- (b) a young person becomes a dependent child of a person who is covered by paragraph (2)(a);

in the period:

- (c) starting at the end of 6 weeks from the person’s waiting period start day; and 30
- (d) lasting for 6 weeks;

the education leavers waiting period starts on the person's waiting period start day and ends on the day before the day on which the person is first covered by paragraph (a) or (b).

Note: for 'waiting period start day' see subsection (12).

*Notification required*

- 5       “(5) For the purposes of subsections (3) and (4):
- (a) a person is not taken to have become a member of a couple; and
- (b) a young person is not taken to have become a dependent child of a person;
- 10   until the person notifies the Department that this is the case.

*Waiting period to end on 15 February*

- “(6) If, apart from this subsection, a person's education leavers waiting period would end later than 15 February next after the person's waiting period start day, then the waiting period ends on that
- 15   15 February.

*Reduction of waiting period for periods of special benefit and full-time employment*

- “(7) The waiting period imposed by subsection (2) or (3) is to be reduced by a period equivalent to:
- 20   (a) if the person is subject to a 13 week education leavers waiting period—any period during which the person was employed on a full-time basis after stopping the course; and
- (b) if the person is subject to a 6 week education leavers waiting period—any period during which the person has been employed,
- 25   at any time, on a full-time basis; and
- (c) any period during which the person was paid special benefit after stopping the course.

*Reduction of waiting period for periods of part-time work*

- “(8) The waiting period imposed by subsection (2) or (3) is to be reduced for the period worked out under subsection (9) if the person has had at least 35 hours of part-time work.
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Note: for 'part-time work' see subsection (12).

*Calculation of part-time work reduction*

- “(9) If subsection (8) applies to the person, the waiting period reduction is:
- 35   (a) one week for the first 35 hours of part-time work the person has had; and
- (b) one day for each complete additional 7 hours of part-time work the person has had.

*Date of part-time work*

“(10) If the person is subject to a 13 week education leavers waiting period, only part-time work that the person has had since stopping the course of education is to be taken into account for the purposes of subsections (8) and (9).”

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*Reduction of education leavers waiting period where already partially served*

“(11) If:

- (a) a person is subject to an education leavers waiting period; and
- (b) the person started the course concerned at a time when a job search allowance, newstart allowance or sickness allowance was not payable to the person because of an education leavers waiting period; and
- (c) the person’s provisional commencement day is within 4 weeks after the person started the course concerned;

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the duration of the education leavers waiting period is reduced by the number of days of the previous education leavers waiting period that the person had served immediately before starting the course.

Note 1: for ‘provisional commencement day’ see section 533.

Note 2: for ‘education leavers waiting period’ see subsection 23(1).

*Interpretation*

“(12) In this section:

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‘**part-time work**’ means work engaged in otherwise than on a full-time basis and includes such work engaged in on a casual basis;

‘**waiting period start day**’, in relation to a person, means the day after the day on which the person stops a full-time course of education at a secondary school.”

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**Education leavers waiting period**

7. Section 695 of the Principal Act is amended:

- (a) by omitting from subsection (1) “A” and substituting “Subject to subsection (3), a”;
- (b) by inserting after paragraph (1)(e) the following word and paragraph:
  - “; and (f) is not covered by subsection (4) (persons otherwise qualified for special benefit).”;
- (c) by adding at the end the following subsections:

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*Persons returning to income support*

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“(3) Subsection (1) does not apply to a person if:

- (a) the person is receiving a social security pension or social security benefit; and

- (b) the person stops receiving the pension or benefit on a particular day (the **'termination day'**); and
- (c) the person undertakes a full-time course of education of at least 6 months duration; and
- (d) the person stops the course; and
- (e) the person's provisional commencement day is within 12 months after the termination day.

Note 1: for 'social security pension' and 'social security benefit' see subsection 23(1).

Note 2: for 'provisional commencement day' see section 687.

*Persons otherwise qualified for special benefit*

“(4) A person is not subject to an education leavers waiting period if the Secretary is satisfied that special benefit would be payable to the person during the waiting period if the person were subject to the waiting period.

Note: for 'education leavers waiting period' see subsection 23(1).”.

**Duration of education leavers waiting period—non-secondary school leavers**

8. Section 696 of the Principal Act is amended:

(a) by inserting before subsection (1) the following subsection:

*Persons covered by this section*

“(1A) This section applies to a person unless section 696A (secondary school leavers) applies to the person.”;

(b) by inserting after paragraph (b) of Note 1 to subsection (1) the following paragraph:

“(ba) subsections (5A) and (5B) (periods of part-time employment);”;

(c) by inserting after subsection (5) the following subsections:

*Reduction of waiting period for periods of part-time work*

“(5A) The waiting period imposed by subsection (1) or (2) is to be reduced for the period worked out under subsection (5B) if the person has had at least 35 hours of part-time work.

Note: for 'part-time work' see subsection (8).

*Calculation of part-time work reduction*

“(5B) If subsection (5A) applies to the person, the waiting period reduction is:

- (a) one week for the first 35 hours of part-time work the person has had; and
- (b) one day for each complete additional 7 hours of part-time work the person has had.

*Date of part-time work*

“(5C) If the person is subject to a 13 week education leavers waiting period, only part-time work that the person has had since stopping the course of education is to be taken into account for the purposes of subsections (5A) and (5B).”;

(d) by adding at the end the following subsection:

*Interpretation*

“(8) In this section:

‘**part-time work**’ means work engaged in otherwise than on a full-time basis and includes such work engaged in on a casual basis.”.

9. After section 696 of the Principal Act the following section is inserted in Subdivision C of Division 1 of Part 2.14:

**Duration of education leavers waiting period—secondary school leavers***Persons covered by this section*

“696A.(1) This section applies to a person if the course of education that the person stops is a full-time course of education at a secondary school.

*General rule*

“(2) Subject to this section, the education leavers waiting period starts on the person’s waiting period start day and lasts for:

- (a) 13 weeks if, on that day, the person:
  - (i) has not turned 21; and
  - (ii) is not a member of a couple; and
  - (iii) does not have a dependent child; or
- (b) 6 weeks if, on that day, the person:
  - (i) has turned 21; or
  - (ii) is a member of a couple; or
  - (iii) has a dependent child.

Note 1: the duration of the education leavers waiting period may be modified by:

- (a) subsections (3) and (4) (change of status during waiting period);
- (b) subsection (6) (15 February cut-off);
- (c) subsection (7) (periods of full-time employment or periods on special benefit);
- (d) subsections (8) and (9) (periods of part-time employment);
- (e) subsection (11) (previous periods of non-payment because of education leavers waiting period).

Note 2: for ‘waiting period start day’ see subsection (12).

*Change of status in first 6 weeks*

“(3) Subject to subsection (5), if:

- (a) a person who is covered by paragraph (2)(a):
  - (i) turns 21; or
  - (ii) becomes a member of a couple; or



- (b) a young person becomes a dependent child of a person who is covered by paragraph (2)(a);  
 within 6 weeks from and including the person's waiting period start day, the education leavers waiting period starts on the person's waiting period start day and lasts for 6 weeks.

Note: for 'waiting period start day' see subsection (12).

*Change of status after 6 weeks*

“(4) Subject to subsection (5), if:

- (a) a person who is covered by paragraph (2)(a):  
 (i) turns 21; or  
 (ii) becomes a member of a couple; or  
 (b) a young person becomes a dependent child of a person who is covered by paragraph (2)(a);  
 in the period:  
 (c) starting at the end of 6 weeks from the person's waiting period start day; and  
 (d) lasting for 6 weeks;

the education leavers waiting period starts on the person's waiting period start day and ends on the day before the day on which the person is first covered by paragraph (a) or (b).

Note: for 'waiting period start day' see subsection (12).

20 *Notification required*

“(5) For the purposes of subsections (3) and (4):

- (a) a person is not taken to have become a member of a couple; and  
 (b) a young person is not taken to have become a dependent child of a person;  
 25 until the person notifies the Department that this is the case.

*Waiting period to end on 15 February*

- “(6) If, apart from this subsection, a person's education leavers waiting period would end later than 15 February next after the person's waiting period start day, then the waiting period ends on that 30 15 February.

*Reduction of waiting period for periods of special benefit and full-time employment*

- “(7) The waiting period imposed by subsection (2) or (3) is to be 35 reduced by a period equivalent to:  
 (a) if the person is subject to a 13 week education leavers waiting period—any period during which the person was employed on a full-time basis after stopping the course; and

- (b) if the person is subject to a 6 week education leavers waiting period—any period during which the person has been employed, at any time, on a full-time basis; and
- (c) any period during which the person was paid special benefit after stopping the course.

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*Reduction of waiting period for periods of part-time work*

“(8) The waiting period imposed by subsection (2) or (3) is to be reduced for the period worked out under subsection (9) if the person has had at least 35 hours of part-time work.

Note: for ‘part-time work’ see subsection (12).

*Calculation of part-time work reduction*

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“(9) If subsection (8) applies to the person, the waiting period reduction is:

- (a) one week for the first 35 hours of part-time work the person has had; and
- (b) one day for each complete additional 7 hours of part-time work the person has had.

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*Date of part-time work*

“(10) If the person is subject to a 13 week education leavers waiting period, only part-time work that the person has had since stopping the course of education is to be taken into account for the purposes of subsections (8) and (9).

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*Reduction of education leavers waiting period where already partially served*

“(11) If:

- (a) a person is subject to an education leavers waiting period; and
- (b) the person started the course concerned at a time when a job search allowance, newstart allowance or sickness allowance was not payable to the person because of an education leavers waiting period; and
- (c) the person’s provisional commencement day is within 4 weeks after the person started the course concerned;

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the duration of the education leavers waiting period is reduced by the number of days of the previous education leavers waiting period that the person had served immediately before starting the course.

Note 1: for ‘provisional commencement day’ see section 687.

Note 2: for ‘education leavers waiting period’ see subsection 23(1).

*Interpretation*

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“(12) In this section:

‘**part-time work**’ means work engaged in otherwise than on a full-time basis and includes such work engaged in on a casual basis;

**‘waiting period start day’**, in relation to a person, means the day after the day on which the person stops a full-time course of education at a secondary school.”.

**Further amendments**

5       **10.** The Principal Act is further amended as set out in the Schedule.

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## SCHEDULE

Section 10

## FURTHER AMENDMENTS

**Subsection 5(10):**

- (a) Omit “541”, substitute “541, 541A”.
- (b) Omit “684 and 685”, substitute “695, 696 and 696A”.

**Subsection 23(1) (paragraph (b) of the definition of “education leavers waiting period”):**

Omit “and 541”, substitute “, 541 and 541A”.

**Subsection 23(1) (paragraph (c) of the definition of “education leavers waiting period”):**

Omit “and 696”, substitute “, 696 and 696A”.

**Subsection 23(1) (paragraph (f) of the definition of “waiting period”):**

Omit “and 541”, substitute “, 541 and 541A”.

**Subsection 23(1) (paragraph (i) of the definition of “waiting period”):**

Omit “and 696”, substitute “, 696 and 696A”.

**Paragraph 526(1)(h):**

Omit “and 541”, substitute “, 541 and 541A”.

**Section 534 (paragraph (c) of Note 2):**

Omit “and 541”, substitute “, 541 and 541A”.

**Paragraph 677(1)(i):**

Omit “694 and”, substitute “, 696 and 696A”.

## NOTE

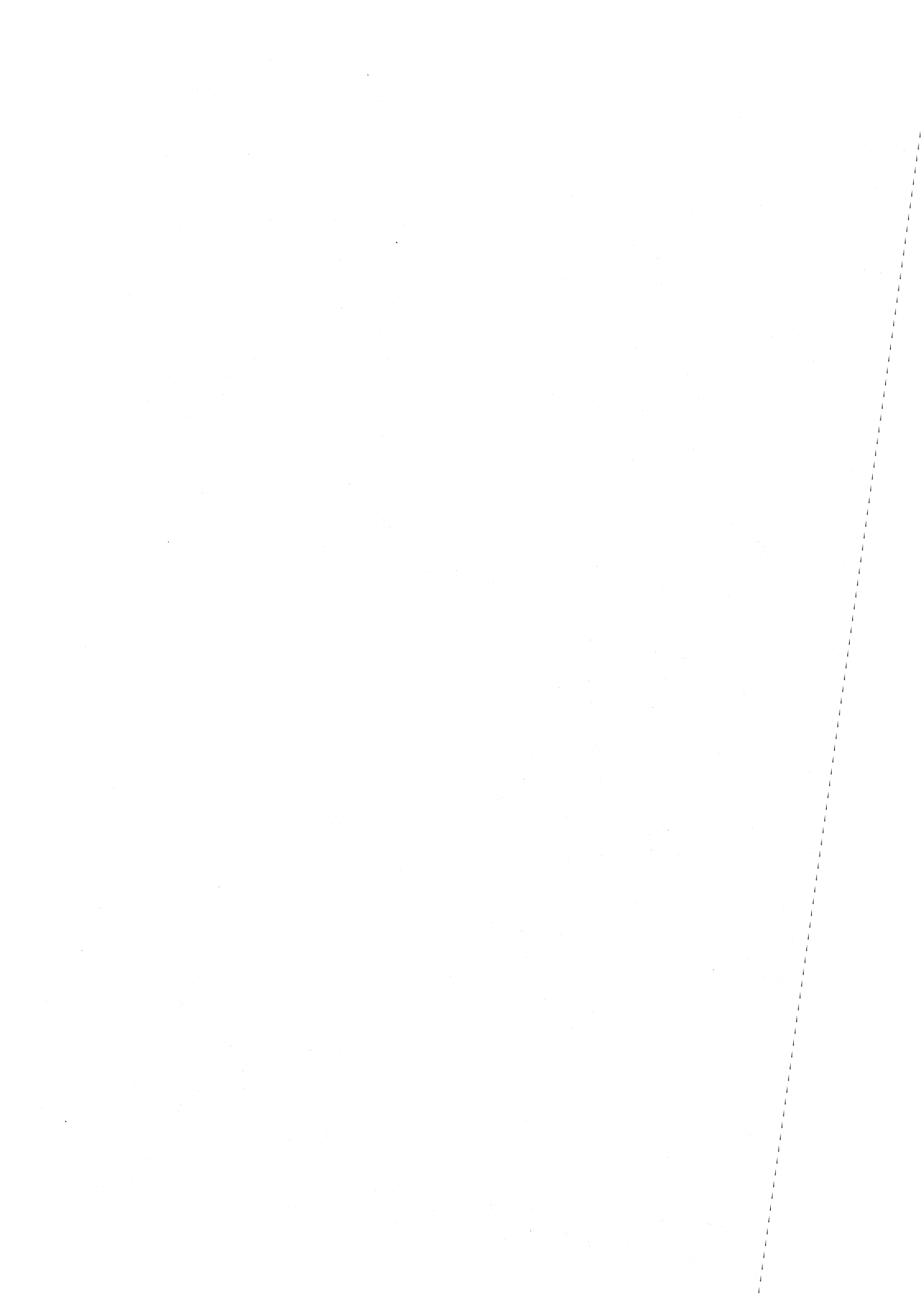
1. No. 46, 1991, as amended. For previous amendments, see Nos. 68, 69, 70, 73, 74, 115, 116, 141, 175, 194 and 208, 1991; and Nos. 12, 81, 83 and 94, 1992.

## NOTES ABOUT SUBSECTION HEADINGS

1. On the day on which section 541 of the Principal Act is amended by this Act, the heading to subsection 541(5) is altered by omitting “*employment*” and substituting “*full-time employment*”.
2. On the day on which section 695 of the Principal Act is amended by this Act, the heading to subsection 695(5) is altered by omitting “*employment*” and substituting “*full-time employment*”.









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