

COMMONWEALTH SCHOLARSHIP SCHEMEStatement by the Prime Minister, the Rt. Hon. R.G. Menzies

The Prime Minister said today that the Commonwealth Government had completed another of its periodic reviews of the Commonwealth Scholarship Scheme and had decided to liberalise the provisions governing the means test and the rates of living allowance.

Many benefits under the scheme are available to Commonwealth Scholarship holders free of means test but living allowances paid under the scheme do take into account the income earned by students or their families.

The alterations to be made are these :-

(1) Means Test:

- (a) The marginal adjusted family income, i.e. the adjusted family income on which maximum living allowances are payable is to be raised from £750 to £850 per annum and the rate of abatement of the allowances is to be £2 in £10 up to an income of £1,700 (instead of £1,400 at present) and £3 in £10 thereafter. (Adjusted family income is ascertained by taking the full income of the scholar's parents for the financial year immediately preceding the year in which living allowance is desired and deducting an amount, as below, for each dependent child other than the scholar under 16 years of age)

This alteration therefore increases the amount of allowance payable to all income groups at present eligible and makes eligible certain income groups at present above the ceiling.

- (b) In assessing the adjusted family income (above), the allowance for each dependent child other than the scholar under 16 years shall be £150. At present, only the first such child is allowed for at £150 and subsequent children at £75 each.

(2) Living Allowances:

- (a) The maximum living allowances for scholarship holders are to be raised by 5/- per week for students living at home (making the allowance £4.15. 0 per week) and 7/6d. per week for students living away from home (making the allowance £7. 7. 6 per week.)
- (b) The permissible income, i.e. the amount that a scholar may earn during term time without affecting his living allowance is to be raised from £2 to £2. 10. 0 per week in the case of ordinary scholars and from £2. 5. 0 to £3 per week in the case of independent scholars.
- (c) In assessing the living allowance in the case where there are two students of the one family in courses approved under the Commonwealth Scholarship Scheme and one or both hold Commonwealth scholarships the living allowance of one or both will be assessed by abating the maximum allowances at half the normal rate; where there are three such students the abatement rate should be 1/3rd the normal rate, and so on.

The Prime Minister said that all these changes would operate from 1st April, 1962.

CANBERRA,
1st April, 1962.