



**Australian Government**  
**Department of Veterans' Affairs**

## **Businessline**

**Action Required:** For information only

**To:** *Assistant Secretary, Income Support Branch*

**Distribute to:**

Income Support Staff  
Education Schemes Support Staff

**For information:**

Secretary  
Deputy President  
Deputy Secretaries  
First Assistant Secretaries  
Deputy Commissioners

**SUBJECT: INCREASE TO RENT ASSISTANCE AND EDUCATION SCHEME ALLOWANCES**

**Purpose:** To inform staff that both the maximum rate for rent assistance and the base rates of certain education allowances will increase as part of the 2023-24 Budget.

**Key Points:**

- From 20 September 2023, the maximum rates for Commonwealth Rent Assistance (CRA) will be increased by 15 per cent and clients currently receiving Rent Assistance at the maximum rate may receive an increase to their fortnightly rate; and
- Eligible education schemes payment recipients under the Veterans' Children Education Scheme (VCES) and the Military Rehabilitation and Compensation Act Education and Training Scheme (MRCAETS) will see an increase of \$40 per fortnight in their education allowance payment.
- DVA clients do not need to contact the Department to access this assistance. Rent Assistance payments will be increased automatically and a letter will be sent to affected individuals. Payments for eligible Education Allowance recipients will be adjusted automatically.
- Both changes were announced as part of the 2023-24 Budget.

**Background:**

The *Social Services and Other Legislation Amendment (Strengthening the Safety Net) Act 2023* containing the legislative amendments in support of the measures passed Parliament on 2 August 2023 and received the Royal Assent on 10 August 2023. The measures commence on 20 September 2023.

These changes affect approximately 13,500 DVA clients.

## ***Commonwealth Rent Assistance***

Rent Assistance is a non-taxable income supplement paid to clients who rent in the private rental market or community housing. The maximum rates for CRA will be increased by 15 per cent. As a result, clients currently in receipt of the maximum rate could receive an increase to their fortnightly payment. Letters will be sent to all affected DVA clients to advise them of changes to their CRA entitlement.

Increases to the maximum CRA will take effect on 20 September 2023. For income support clients, a partially increased payment will occur on 5 October 2023. The first full payment will occur on 19 October 2023.

## ***Education Schemes***

Some Education Schemes clients will see an increase in their allowances of \$40 per fortnight. The payment increase is applicable to students under both schemes:

- in secondary or tertiary education and over 16 living at home; and
- for all aged students living away from home, homeless or receiving the double orphaned rate

Increases to the education allowance will take effect from 20 September 2023, with the first full payment to occur to eligible recipients on 21 September 2023.

## **Legislation:**

The *Social Services and Other Legislation Amendment (Strengthening the Safety Net) Act 2023* authorised a \$40 per fortnight increase to the rate of Youth Allowance under the *Social Security Act 1991* (SSA) with effect from 20 September 2023. The increase will automatically apply to the majority of equivalent fortnightly education allowances under the *Veterans' Children Education Scheme* (VCES) and the *Military Rehabilitation and Compensation Act Education and Training Scheme 2004* (MRCAETS), as these rates are legislatively linked to rates payable under the SSA.

The *Veterans' Children Education Schemes Amendment (Increase in Education Allowance) Determination 2023* was approved by the Minister on 12 September 2023 to extend the increase to certain other recipients of education allowances under the MRCAETS & VCES for which the increase does not flow through automatically.

## **Communication:**

Questions and Answers have been provided to VAN staff to assist in answering client queries.

Articles on this measure have been published on eNews and the DVA website. An article will also be published in VetAffairs. CLIK has also been updated. Posts have been added to DVA's social media accounts in the lead up to the commencement date of 20 September 2023.



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