



**Veterans' Entitlements Act 1986 (VEA)  
Rates and Allowances**

## Veterans' Children Education Scheme

### Overview

This Factsheet provides information about the Veterans' Children Education Scheme (VCES). The VCES is established under the *Veterans' Entitlements Act 1986* (VEA) and provides financial assistance, student support services, guidance and counselling for eligible children to help them achieve their full potential in education or career training.

### What is the VCES?

The VCES was established in 1921 and was originally known as the Soldiers' Children Education Scheme. The Scheme has been enhanced over the years, with the original purpose and intent maintained. The VCES is established under the VEA and provides financial assistance, student support services, guidance and counselling for eligible children to help them achieve their full potential in education or career training. The VCES caters for children undertaking primary, secondary or tertiary study and is normally provided only for full-time study within Australia.

### Who is eligible?

An *eligible child* is someone who is:

- under 16; or
- between 16 and 25, undertaking full-time education

and

- the child of a veteran or a present or past member of the Australian Defence Force who is receiving (or was receiving prior to their death) a disability pension:
  - at the special rate (formally known as T&PI)
  - at the extreme disablement adjustment (EDA) rate
  - at an increased rate because of multiple amputations, or multiple amputations and blindness; or
- the child of a veteran or a present or past member of the Australian Defence Force whose death was war-caused; or
- the child of a veteran who was an Australian prisoner of war and is now deceased.

Also eligible are students whose veteran parent had operational service but whose death was not war-caused and who have also lost their other parent. This loss may be through death or where the surviving parent is not maintaining them.

A student who is the child of a Vietnam veteran (or who is or has been dependant on a Vietnam veteran) but who does not qualify under any of the above criteria may be eligible in certain circumstances. The student will need to be assessed by an appropriately qualified

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professional and will need to be approved as 'an eligible child' by the Repatriation Commission.

Students must be under 25 years of age at the time of application. However, an eligible child who turns 25 years of age may retain eligibility for benefits where:

- approval was given for the student to undertake a course of study before he or she turned 25; *and*
- the student turns 25 before completing their course, *and*
- the student continues the course after turning 25.

### What is regarded as full-time education?

A primary or secondary student is regarded as being in full-time education if they are undertaking a set of work that is accepted as full-time by the school. A tertiary student is regarded as being in full-time education if they are undertaking a tertiary course which attracts a fee equivalent to at least three-quarters of the study load for a course that the institution regards as being fulltime.

### What about part-time study?

Assistance under the VCES to students studying part-time may only be provided where conditions beyond the student's control prevent them from studying full time. Situations in which part time students may receive benefits are:

- the Repatriation Commission is satisfied that the amount of study that the student must complete in order to finish a course constitutes less than one year of full time study; or
- due to geographical isolation, the student is unable to take advantage of full time study facilities; or
- the student needs to study part-time temporarily for health, economic or academic reasons but has shown ability to undertake full time studies.

### What education assistance is available?

The VCES provides:

- education allowances:
  - primary allowance
  - secondary and tertiary allowances including:
    - Living at Home allowance
    - Living Away from Home allowance; *and*
    - Homeless allowance
- special financial assistance
- fares allowance
- rent assistance
- additional tuition; *and*
- guidance and counselling.

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VCES students undertaking an approved higher education course may also be eligible to receive a Student Start-up Scholarship and Relocation Scholarship. For more information about these Scholarships see Factsheet *MRC45 Student Start-up Scholarship and Relocation Scholarship*.

### What education allowances are available?

- **Primary education allowance** - this is an annual payment to the person entitled to be paid Family Tax Benefit (FTB) on the student's behalf (normally a parent or guardian). If there is no relevant person, the Repatriation Commission will appoint a person to receive the payment on the student's behalf.
- **Secondary and tertiary living at home allowances** - these allowances are paid fortnightly. For secondary school students living at home who are under 16, payment is made to the person entitled to be paid FTB on the student's behalf (normally a parent or guardian). If there is no relevant person, the Repatriation Commission will appoint a person to receive the payments on the student's behalf. For secondary school students living at home who are aged 16 or more, the parent/guardian can opt to have the payment made direct to the student. Payments are made direct to tertiary students.
- **Living away from home allowance for secondary students** - this allowance may be paid a term in advance, or fortnightly, for a student undertaking full time secondary education if the Repatriation Commission is satisfied that:
  - additional expenses are incurred as a result of the student living away from home; *and*
  - educational facilities are not readily accessible from the student's place of residence; *or*
  - the student is enrolled in a special course approved for the payment of allowance under the Australian Government Assistance to Isolated Children Scheme; *or*
  - the student is physically or intellectually handicapped; *or*
  - the student requires specialised remedial tuition; *or*
  - the student's parents move their principal home frequently; *or*
  - the academic needs of that student are not met by local secondary facilities; *or*
  - home conditions are detrimental to the student's educational progress.Payment is made to the person entitled to be paid FTB on behalf of the student (normally a parent or guardian), the organisation or person providing board to the student or a person appointed by the Repatriation Commission.
- **Living away from home allowance for tertiary students** - this allowance may be paid direct to a student undertaking an approved fulltime tertiary or technical and further education course, where the Repatriation Commission is satisfied that:
  - additional expenses are incurred as a result of the student living away from home; *and*
  - educational facilities are not readily accessible from the student's place of residence; *or*

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- it is a compulsory requirement for the student undertaking an approved course to live at a hall of residence; *or*
- home conditions provide an inadequate study environment.
- **Homeless student education allowance** - a student may be granted homeless student status where the Repatriation Commission is satisfied that:
  - the student has reached the minimum school leaving age that applies in the state in which the student is living; *and*
  - the student is not receiving or likely to receive continuous support either direct or indirect, in cash or in kind, from parents or any other person, *and*
  - there is no family home; *or*
  - the parents will not allow the student to reside in the family home; *or*
  - it would be unreasonable to expect the student to live with the parents because of domestic violence, or comparable circumstances.

Where a student is applying for the homeless rate of education allowance a written statement from a third person must be provided giving additional details concerning the request. A statement is usually requested from a counsellor, family doctor or similar person. If this is not possible, an appropriately qualified Veterans' Children Education board member may make an assessment of the case.

The allowance is paid to the student, or to an appropriate person if the Repatriation Commission considers it unlikely that the student would be capable of managing his or her own finances.

Where necessary, special financial assistance can be accessed to pay for a private social worker. The social worker can provide a report on the student, including recommendation on whether the student is able to handle the money for the education allowance.

### **What is the rate of the education allowance?**

The rate varies according to individual circumstances. Education allowances are indexed annually in January. For the current rates, please see Factsheet:

- *DP 43: Disability Pension and War Widow's/Widower's Pension Rates and Allowances*

### **Is education allowance means tested?**

No. Education allowance is not means tested.

### **Is education allowance taxed?**

Yes. Education allowance is taxable for students 16 years of age and over. You should contact the Australian Taxation Office for further information on taxation issues.

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### Does education allowance affect eligibility for Family Tax Benefit (FTB)?

Yes. Family Tax Benefit (FTB) can be payable up to age 16. However, it is not payable for a person who has attained the age of 16 and is receiving payments under MRCAETS or similar education assistance payments.

For more information on FTB, please contact the Family Assistance Office by telephone on 136 150 or by visiting the Family Assistance website at [www.familyassist.gov.au](http://www.familyassist.gov.au)

### What is special financial assistance?

Special financial assistance is short-term relief assistance that can be provided to a student where exceptional circumstances beyond the student's control are hindering their progress.

### What is fares allowance?

Fares allowance is paid to eligible tertiary students to reimburse travel costs associated with their study if they need to live away from home and their permanent home is in Australia. The allowance reimburses the cost of travel from the student's permanent home to the institution at the beginning of the academic year, and return travel at the completion of study for the year.

One return journey during the year is available for some students. The cost of the cheapest practical mode of travel is reimbursed. Fares allowance paid under the VCES follows the rules applying to fares allowance paid to certain recipients of Youth Allowance.

### What is rent assistance?

Rent assistance is a payment to help meet the cost of rent. It can be paid to a student receiving the homeless student education allowance or a student aged 16 or over who is receiving education allowance at a living away from home rate.

Rent assistance paid under the VCES is not means tested but otherwise follows the rules applying to rent assistance paid under the *Social Security Act 1991*. This means the amount, if any, of rent assistance payable is determined according to how much rent is paid (up to a maximum limit).

If a student is paying for board and lodging, only the amount paid for lodging or accommodation is counted as rent for rent assistance purposes. If the student is unable to identify an amount for lodging, two-thirds of the total amount paid for board and lodging will be considered as the rent component.

The maximum rate of rent assistance for single people who are sharing a house, unit or flat is two-thirds of the maximum rate for singles living independently.

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## **What is additional tuition?**

Where an education authority has established that a discrepancy exists between the student's intellectual potential and the student's actual academic achievement, the Repatriation Commission may arrange for the provision of additional tuition for the student. Assistance may only be provided where the need for additional tuition is certified by a qualified and responsible person at the institution where the student is studying. Reviews are conducted to determine the continuing need for tuition.

## **What guidance and counselling is available?**

Guidance and counselling may be arranged for students in relation to matters affecting the student's continuing progress in a course of study.

Guidance and counselling can be arranged at the request of the student or at the discretion of the Repatriation Commission. In the case of a student under 18, the request can also be made by:

- the student's parent, guardian or trustee; or
- the principal of the school, college or institution at which the student is enrolled.

## **What is the Veterans' Children Education Board (VCEB)?**

In each State there is a VCEB which is responsible for assisting the Repatriation Commission with the administration of the VCES. Board members serve in an honorary capacity and include respected members of the community experienced in matters relating to the welfare and education of children. Board members are appointed by the Repatriation Commission. The Board oversees each student's progress and provides educational guidance and counselling where necessary.

## **Can I get assistance under the VCES if I'm receiving youth allowance or another education assistance payment?**

No. Benefits will not be paid for a student who receives financial assistance under another Australian Government education assistance, income support or similar scheme such as Youth Allowance. Assistance provided by DVA (such as an orphan's pension under the VEA) does not affect eligibility for benefits under the VCES.

Receipt of the Commonwealth Education Costs Scholarship or Commonwealth Accommodation Scholarship, or the Student Start-up Scholarship or Relocation Scholarship does not affect eligibility for benefits under the VCES.

## **How can I make a claim?**

Claims for assistance under the VCES can be made on the relevant Veterans' Children Education Scheme claim form:

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- *D2697 – VCES Application for Assistance – Students under the age of 16 years; or*
- *D2566 - VCES Application for Assistance – Students aged 16 to 24 years.*

Rent assistance should be claimed on form:

- *D742 – VCES Application for Rent Assistance.*

The forms can be downloaded and completed from the DVA's website:

<http://clientforms.dva.gov.au/clientforms/>

Alternatively, you can get a form by contacting your nearest DVA office.

All completed forms should be posted to DVA in your capital city. The addresses are provided on the form.

A claim for benefits may be made by:

- the veteran; *or*
- a dependant of the veteran who has attained the age of 16 years; *or*
- another person on behalf of the veteran or dependant with the approval of the veteran or dependant; *or*
- a person approved by the Repatriation Commission if the veteran or dependant is unable to claim because of physical or mental incapacity.

A claim for benefits under the Scheme may be made on behalf of a dependant who has not turned 16 by:

- a parent or guardian of the dependant; *or*
- another person approved by the parent or guardian of the dependant; *or*
- another person approved by the Repatriation Commission if there is no parent, guardian or person approved by the parent or guardian of the dependant alive, willing, or able to make the application.

### Other Factsheets

Other Factsheets related to this topic include:

- *DP 43: Disability Pension and War Widow's/Widower's Pension Rates and Allowances*
- *MRC 32: Military Rehabilitation and Compensation Act Education and Training Scheme*
- *MRC 45: Student Start-up Scholarship and Relocation Scholarship*

### More information

All DVA Factsheets are available from DVA offices, and on the DVA website at

[www.dva.gov.au](http://www.dva.gov.au).

You can phone DVA for the cost of a local call on:

133 254, or 1800 555 254, if you are outside a major city

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Use a normal landline phone if you can. Mobile phone calls may cost you more  
You can send an email to DVA at: [GeneralEnquiries@dva.gov.au](mailto:GeneralEnquiries@dva.gov.au)

You can get more help from any DVA office.