

Australia

Exchange rate: US\$1.00 =
1.12 Australian dollars (A\$).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1908 (old-age and disability pensions) and 1942 (widow pension).

Current laws: 1991 (social security), 1992 (superannuation administration), and 1999 (family tax).

Type of program: Universal and mandatory occupational pension system.

Coverage

Age Pension (universal, means tested unless blind): All residents of Australia.

Mandatory occupational pension (Superannuation Guarantee): Employed persons aged 18 to 69 earning more than A\$450 a month.

Voluntary coverage for self-employed persons.

Source of Funds

Insured person

Age Pension (universal): None.

Mandatory occupational pension: None required, but voluntary contributions are encouraged through tax incentives.

Self-employed person

Age Pension (universal): None.

Mandatory occupational pension: Contributions are encouraged through tax incentives.

Employer

Age Pension (universal): None.

Mandatory occupational pension: 9.5% of employees' earnings (gradually rising by 0.5% a year from 2021 until reaching 12% by 2025).

Employer contributions are tax deductible.

Government

Age Pension (universal): The total cost is financed from general revenue.

Mandatory occupational pension: Co-contribution, matches A\$0.50 for each A\$1 of the insured's voluntary contributions from a minimum of A\$20 up to A\$500 a year for annual after-tax incomes up to A\$34,488. The

co-contribution gradually decreases to 0 for annual incomes from A\$34,488 to A\$49,488.

Qualifying Conditions

Old-age pension

Age Pension (universal, means tested unless blind): Age 65 (gradually rising to age 67 from 2017 to 2023). Must have been an Australian resident for at least 10 years, including at least five continuous years.

Work bonus (income tested): Over pensionable age and working for short periods of time.

The old age pension is payable abroad indefinitely if the pension begins before the insured leaves the country. The pension benefit may be reduced after 26 weeks.

Old-age pension supplement: Paid to old-age pensioners to assist with general living expenses, including utilities.

Commonwealth seniors health card (CSHC, income tested): Issued to Australian residents of pensionable age.

Energy supplement: Paid to assist with household expenses, including energy costs.

Caregiver payment (means tested): Paid to providers of constant at-home care. Care recipients must be of frail age (aged 65 or older and in need of a substantial level of care and support) with a severe disability or medical condition.

Caregiver allowance: Paid to providers of constant at-home care. Care recipients must be of frail age (aged 65 or older and in need of a substantial level of care and support) with a severe disability or medical condition. There is no means test.

Caregiver supplement: Paid to recipients of the caregiver payment or caregiver allowance to assist with general costs of caring.

Rent assistance (means tested): Paid based on family situation and level of rent. Special rules apply to people living in retirement villages.

Remote area allowance: Paid to social security recipients who permanently live in remote tax zones for at least 12 months.

Pensioner concession card: Provided to persons receiving an old-age pension.

Mandatory occupational pension: Age 55 (gradually rising to age 60 from 2015 to 2025) and permanently retired.

Disability pension

Disability Support Pension (means tested unless blind): Age 16 to 65 (gradually rising to age 67 from 2017 to 2023). Must be an Australian citizen, permanently blind or have a severe physical, intellectual, or psychiatric impairment, be unable to work at least 15 hours a week for at least the minimum wage, and be unable to be retrained for such work for at least two years due to the impairment. Must have actively participated in a program of support for at least 18 months

within the three years prior to claiming the DSP. Compulsory work-focused activities for DSP recipients younger than age 35 with an assessed work capacity of at least eight hours per week.

If the assessed disability began before becoming an Australian resident, the person must reside in Australia at the time of the claim and have at least 10 years of residence, including at least five continuous years.

The disability pension is payable abroad in some circumstances.

Disability pension supplement: Paid to recipients of the disability pension to assist with general living expenses, such as utilities, telephone and pharmaceuticals.

Energy supplement: Paid to assist with household expenses, including energy costs.

Mobility allowance: Paid to a person aged 16 or older with a disability who cannot use public transportation without substantial assistance and who must travel to work (either paid or voluntary), receive training, or search for a job. There is no means test.

Caregiver payment (means tested): Paid to providers of constant at-home care. Care recipients must be of frail age (aged 65 or older and in need of a substantial level of care and support) with a severe disability or medical condition. The caregiver and the person receiving care must meet residency requirements.

Caregiver allowance: Paid to providers of constant at-home care. Care recipients must be of frail age (aged 65 or older and in need of a substantial level of care and support) with a severe disability or medical condition. The caregiver and the person receiving care must meet residency requirements. There is no means test.

Caregiver supplement: Paid to recipients of the caregiver payment or caregiver allowance to assist with general costs of caring.

Assistance for isolated children scheme: Paid for students who cannot attend a local state school because of geographic isolation, disability, or special health needs. Must normally be enrolled in an approved full-time primary or secondary program. The parents and the student (from the minimum school entry age up to age 18) must be citizens, meet the residency requirement, or have a permanent resident visa. A boarding allowance, second home allowance, and distance education allowance may be paid. An assistance for isolated children pensioner education supplement is paid to students aged 20 and younger who are studying at the primary level and receiving either the disability support pension or parenting payment (see *Sickness and Maternity*).

Child disability assistance payment: Paid to recipients of the caregiver allowance who are caring for a child younger than age 16.

Rent assistance (means tested): Paid based on family situation and level of rent.

Telephone allowance: Paid to disability pensioners younger than age 21 and without children to assist with maintaining a fixed telephone line, mobile phones, and home Internet connection.

Pharmaceutical allowance: Paid to disability pensioners younger than age 21 and without children to assist with the cost of medicine.

Youth disability supplement: Paid to disability pensioners younger than age 21 and without children.

Remote area allowance: Paid to social security recipients who permanently live in remote tax zones for at least 12 months.

Utilities allowance: Paid to recipients of disability pension younger than age 21 and without children to assist with utility bills.

Pensioner concession card: Provided to all pensioners.

Mandatory occupational pension: The account balance may be withdrawn when a superannuation fund member leaves the workforce as the result of a total and permanent disability.

Survivor pension

Widow B Pension (means tested): A widow(er) with dependent children is entitled to benefits under the family tax benefit (Part B). New grants of the Widow B Pension stopped in March 1997.

Widow allowance (means tested): Paid to a woman born on or before July 1, 1955, who is not currently a member of a couple and has been widowed, divorced, or separated since age 40. Must be a resident of Australia and have no recent gainful employment.

Widow allowance supplement: Paid to widow allowance recipients of pensionable age.

Rent assistance (means tested): Paid based on family situation and level of rent. Special rules apply to people living in retirement villages.

Telephone allowance: Paid to widow allowance recipients aged 60 or older but younger than pensionable age who have received continuous income support for at least nine months.

Pharmaceutical allowance: Paid to widow allowance recipients younger than pensionable age with partial ability to work, or aged 60 or older who have received income support for at least nine months.

Pensioner concession card: Aged 60 or older and receiving the income support for at least nine months.

Utilities allowance: Paid to widow allowance recipients to assist with utility bills.

Energy supplement: Paid to assist with household expenses, including energy costs.

Double orphan payment: Paid for a child younger than age 16 (aged 16 to 21 if a student not receiving the youth

allowance) if both parents are deceased or if one parent is deceased and the other is in a hospital or an institution on a long-term basis, has been in prison for at least 10 years, or whose whereabouts are unknown.

Bereavement payment: Paid to a surviving partner, caregiver, or parent of a young child following the death of a pensioner, long-term income support recipient, child of a family tax benefit recipient, or care recipient.

Bereavement allowance (means tested): Generally paid to a surviving partner for up to 14 weeks to assist with settling financial affairs and provide ongoing support, subject to residency requirements.

Benefits are generally payable abroad for up to six weeks.

Mandatory occupational pension (superannuation): Paid to the survivors of a superannuation fund member.

Old-Age Benefits

Old-age pension

Age Pension (universal, means tested unless blind): Up to A\$766.70 is paid every two weeks for a single person; A\$585.50 for each member of a couple (September 2014).

Work bonus: Eligible pensioners can earn up to \$250 every two weeks without it being counted as income under the pension means test. In addition, any unused amount of the \$250 work bonus accumulates in an employment 'income bank', up to \$6,500. Credit in the 'income bank' can then be carried forward to future years and used to offset employment income that would otherwise be taken into account under the pension means test.

Old-age pension supplement: Up to A\$63.50 is paid every two weeks for a single person; A\$47.90 for each member of a couple (September 2014).

Commonwealth seniors health card (CSHC): Provides access to reduced-cost medicine and medical services.

Energy supplement: A\$14.10 for a single person is paid every two weeks; A\$10.60 for each member of a couple (September 2014).

Caregiver payment (means tested): Paid every two weeks at the same rate as the old-age pension.

Caregiver supplement: A\$600 is paid once a year.

Caregiver allowance (not means tested): A\$118.20 is paid every two weeks for each person receiving care.

Caregiver supplement: A\$600 is paid once a year.

Rent assistance (means tested): Up to A\$127.60 is paid every two weeks, according to marital status, number of dependents, and the level of rent. Special rules apply to people living in retirement villages (September 2014).

Remote area allowance: A\$18.20 is paid every two weeks for a single person; A\$15.60 for each member of a couple. An additional A\$7.30 is paid every two weeks for each dependent child.

Pensioner concession card: Provides cardholders with reduced costs for medical services, medicine, and for certain Commonwealth, state or territory and local government services.

Benefit adjustment: Pensions are adjusted in March and September according to the greater of the increase in the consumer price index or the pensioner and beneficiary living cost index. The combined couple rate of the old-age pension is benchmarked to the male total average weekly earnings.

The caregiver allowance is indexed on January 1 each year according to changes in the consumer price index.

Other supplementary payments are adjusted according to changes in the consumer price index.

Mandatory occupational pension: Generally, the account balance is paid as a lump sum. Alternatively, pensioners can choose to receive pension payments from their superannuation account.

Permanent Disability Benefits

Disability pension

Disability Support Pension (means tested unless blind): Up to A\$776.70 is paid every two weeks for a single person aged 21 or older; A\$585.50 is paid for each member of a couple. Different rates are payable to recipients under 21 years of age without dependent children. Up to A\$532.60 is paid every two weeks for a single person up to age 20 and living away from the family home; A\$391 if aged 18 to 20 and living in the family home; and A\$345 if younger than age 18 and living in the family home. **Youth disability supplement:** Up to A\$118.20 is paid every two weeks. (The combined youth disability supplement and the disability support pension may not exceed the amount a person aged 22 or older would be paid.)

Disability pension supplement: Up to A\$63.50 is paid every two weeks for a single person aged 21 or older; A\$47.90 for each member of a couple (September 2014).

Mobility allowance: A standard rate of A\$89.10 or a higher rate of A\$124.70 is paid every two weeks (September 2014). There is no means test.

Caregiver payment (means tested): Paid at the same rate as the old-age or disability pension.

Caregiver supplement: A\$600 is paid once a year.

Caregiver allowance (not means tested): A\$118.20 is paid every two weeks for each person receiving care.

Caregiver supplement: A\$600 is paid once a year.

Assistance for isolated children scheme: Four separate benefits may be paid.

Boarding allowance: A basic allowance of A\$7,667 a year is paid. An additional allowance (income tested and asset tested) of A\$1,466 may be paid.

Second home allowance: A\$223.31 is paid every two weeks.

Distance education allowance: A\$3,833 a year is paid.

Benefits are adjusted according to increases in the consumer price index.

Child disability assistance payment: Up to A\$1,000 is paid to the caregiver for each child aged younger than 16 in their care.

Rent assistance (means tested): Up to A\$168.98 is paid every two weeks, according to marital status, number of dependents, and the level of rent. Special rules apply to people living in retirement villages (September 2014).

Telephone allowance: Up to A\$157.60 a year is paid.

Pharmaceutical allowance: A\$6.20 is paid every two weeks for a single person; A\$3.10 for each member of a couple.

Remote area allowance: A\$18.20 is paid every two weeks for a single person; A\$15.60 for each member of a couple. An additional A\$7.30 is paid every two weeks for each dependent child.

Utilities allowance: A\$588.40 a year is paid for a single person; A\$294.20 a year for each eligible member of a couple.

Pensioner concession card: Provides cardholders with reduced costs for medical services, medicine, and for certain Commonwealth, state or territory and local government services.

Benefit adjustment: Pensions are adjusted in March and September according to the greater of the increase in the consumer price index or the pensioner and beneficiary living cost index. The combined couple rate of the disability pension is benchmarked to the male total average weekly earnings. Disability pensions for people under the age 21 and other supplementary payments are adjusted according to changes in the consumer price index in January each year.

Mandatory occupational pension: Generally, the account balance is paid as a lump sum. Alternatively, pensioners can choose to receive pension payments from their superannuation account.

Survivor Benefits

Survivor pension

Widow B Pension (means tested): Up to A\$712 is paid every two weeks. New grants of the Widow B Pension stopped in March 1997.

Widow allowance (means tested): A\$515.60 is paid every two weeks for a single widow with no dependents; A\$557.90 with dependents, or if aged 60 or older more who receive income support for at least nine months.

Widow allowance supplement: Up to A\$62.90 is paid every two weeks.

Rent assistance: Up to A\$167.30 is paid every two weeks, according to marital status, number of dependents, and the

level of rent. Special rules apply to people living in retirement villages.

Telephone allowance: Up to A\$39.40 a quarter is paid.

Pharmaceutical allowance: A\$6.20 is paid every two weeks.

Pensioner concession card: Provides cardholders with reduced costs for medical services, medicine, and for certain Commonwealth, state or territory and local government services.

Utilities allowance: A\$147.10 is paid quarterly for a single person; A\$73.55 a quarter for each eligible member of a couple.

Double orphan payment: See Family Allowances.

Bereavement payment: A lump sum may be paid.

Bereavement allowance: Paid for up to 14 weeks from the date of the partner's death; may be paid for a longer period if the surviving partner is pregnant.

Benefit adjustment: Benefits are adjusted in March and September according to changes in the consumer price index.

Mandatory occupational pension: Generally, the account balance is paid as a lump sum.

Administrative Organization

Social security

Department of Social Services (<http://www.dss.gov.au>) provides general supervision.

Department of Human Services (<http://www.humanservices.gov.au>) delivers social and health-related payments and services.

Mandatory occupational pension

Australian Taxation Office (<http://www.ato.gov.au>) ensures employers make compulsory superannuation contributions.

Australian Prudential Regulation Authority (<http://www.apra.gov.au>) and the Australian Taxation Office (<http://www.ato.gov.au>) regulate private superannuation funds.

Sickness and Maternity

Regulatory Framework

First laws: 1944 (cash sickness benefits), 1947 (pharmaceutical benefits), and 1948 (national health).

Current laws: 1973 (national health), 1991 (social security) and 2010 (parental leave).

Type of program: Social assistance (cash sickness benefits) and universal (medical benefits) system.

Coverage

Cash sickness benefits: Gainfully employed persons, including self-employed persons, with limited income; and certain others.

Cash maternity benefits: See Family Allowances.

Medical and pharmaceutical benefits: All residents of Australia who are citizens of Australia or New Zealand, or who have applied for or hold a permanent visa (excludes applications for a parent visa).

Source of Funds

Insured person

Sickness benefits: None.

Medical benefits: 1.5% levy on taxable income.

The maximum earnings used to calculate the levy are A\$90,000 (single persons) and A\$180,000 (couples or families) plus \$1,500 for the second and each subsequent dependent child. A 1% surcharge applies to families with income above the maximum who do not have private insurance hospital coverage.

Exemption from the levy: Veterans, war widows, and military personnel with dependents (half levy if no dependents).

Pharmaceutical benefits scheme: Cost sharing for prescription drugs.

Self-employed person

Sickness benefits: None.

Medical benefits: 1.5% levy on taxable income.

The maximum earnings used to calculate the levy are A\$90,000 (single persons) and A\$180,000 (couples or families) plus \$1,500 for the second and each subsequent dependent child. A 1% surcharge applies to families with income above the maximum who do not have private insurance hospital coverage.

Exemption from the levy: Veterans, war widows, and military personnel with dependents (half levy if no dependents).

Pharmaceutical benefits scheme: Cost sharing for prescription drugs.

Employer

Sickness benefits: None.

Medical benefits: None.

Pharmaceutical benefits scheme: None.

Government

Sickness benefits: The total cost of cash benefits.

Medical benefits: Rebates for medical and hospital costs.

Federal government general revenue grants and medicare grants provided to states and territories for public hospital operating costs represent approximately 40% to 50% of the total funding of the medical benefits program.

Pharmaceutical benefits scheme: Cost sharing for prescription drugs.

The government provides funding for residential and community aged care and pays for the total cost of parenting payment.

Qualifying Conditions

Cash sickness benefits (means tested): Aged 22 or older, not receiving an old-age pension, and residing in Australia. The sickness or injury must prevent the insured from working; the insured must have a job to return to or must intend to resume full-time studies.

Cash maternity benefits: See Family Allowances.

Medical and pharmaceutical benefits: All persons residing in Australia who are citizens of Australia or New Zealand, or who have applied for or hold a permanent visa (excludes applications for a parent visa). Other requirements apply.

Rent assistance (means tested): Paid based on family situation and level of rent.

Income support bonus: Paid to recipients of the parenting payment or sickness allowance.

Telephone allowance: Paid to recipients of the parenting payment to assist with maintaining a fixed telephone line, mobile phones, and home Internet connection, or to a single person or couple, older than age 60 but younger than the pensionable age and received continuous income support for at least nine months.

Pharmaceutical allowance: Paid to recipients of the sickness allowance or the parenting payment to assist with the cost of medicine.

Remote area allowance: Paid to recipients of social security who permanently live in remote tax zones for at least 12 months.

Energy supplement: Paid to assist with household expenses, including energy costs.

Pensioner concession card: Paid to recipients of the parenting payment and to sickness allowance recipients who are older than age 60 and have received continuous income support for at least nine months.

Health care card: Paid to recipients of the parenting payment or sickness allowance.

Parental leave pay: Must have worked for at least 10 of the 13 months prior to the birth or adoption of their child including at least 330 hours in that 10 month period, with no more than an eight week gap between two consecutive working days. Must be residing in Australia and be an Australian citizen, holder of a permanent visa or a New Zealand citizen living in Australia. Eligible primary caregivers must meet an income test and be on leave and not working after the birth or adoption of their child.

Sickness and Maternity Benefits

Sickness benefit (means tested): Up to A\$465.50 is paid every two weeks for each member of a couple; up to A\$515.60 for a single person aged 22 or older with no dependents; up to A\$557.90 if single with dependents or if single and aged 60 or older and have income support for at least nine months. Benefits are paid after a seven-day waiting period (September 2014).

For children's benefits, see Family Allowances.

Rent assistance (means tested): Up to A\$167.30 is paid every two weeks, according to marital status, number of dependents, and the level of rent. Special rules apply to people living in retirement villages.

Income support bonus: A\$108.90 is paid biannually for a single person; A\$90.80 for each member of a couple (September 2014).

Telephone allowance: Up to A\$39.40 a quarter is paid.

Pharmaceutical allowance: A\$6.20 is paid every two weeks for a single person; A\$3.10 for each member of a couple.

Remote area allowance: A\$18.20 is paid every two weeks for a single person; A\$15.60 for each member of a couple. In addition, A\$7.30 is paid every two weeks for each dependent child.

Energy supplement: Up to A\$14.10 is paid every two weeks for a single person; A\$10.60 for each member of a couple, according to marital status, dependents status, age and duration on income support (September 2014).

Pensioner concession card: Provides cardholders with reduced costs for medical services, medicine, and for certain Commonwealth, state or territory and local government services.

Health care card: Provides sickness benefit recipients with reduced medical and pharmaceutical costs.

Benefit adjustment: Most benefits are adjusted in March and September according to changes in the consumer price index.

Parental leave pay: The weekly national minimum wage is paid for up to 18 weeks. Parents receiving parental leave pay for a single birth are ineligible for the family tax benefit Part A Newborn upfront payment and newborn supplement (except for cases of multiple births) or family tax benefit Part B during the 18 week period of parental leave pay. For multiple births, an eligible parent can receive parental leave pay for one child, and the family tax benefit Part A Newborn upfront payment and newborn supplement for each additional child, subject to also meeting the family tax benefit income test (see Family Allowances).

The weekly national minimum wage is A\$640.90.

Workers' Medical Benefits

Medical benefits: Benefits include primary and specialist care and inpatient and outpatient services. Medicare, the

universal health insurance scheme, pays benefits according to the Medicare Schedule Fee, a list of standard fees for medical services. Medicare reimburses patients for 75 percent of the schedule fee and private insurance reimburses for about 25 percent for costs for up to A\$430.90; Medicare reimburses for 100% of the schedule fee for out-of-hospital services above A\$430.90. If a private provider charges more than the schedule fee, the patient is responsible for the difference between the schedule fee and the provider's charges. Medicare pays 80 percent of out-of-pocket costs of more than \$1,248.70, the extended Medicare Safety Net. Standard ward inpatient treatment provided by staff doctors in public hospitals is free.

Pharmaceutical benefit: Patients pay up to A\$36.90 for each prescription for most prescribed medicine. Persons with low-income and a current concession card pay A\$6 for each prescription. Medicine is available at a reduced cost or free above \$360 for concession card holders or A\$1,421.20 for other patients. The pharmaceutical benefit copayment and safety net threshold increase in January each year.

Dependents' Medical Benefits

Medical benefits for dependents: Medical benefits for dependents are the same as those for the insured.

Pharmaceutical benefit: Pharmaceutical benefits for dependents are the same as those for the insured.

Administrative Organization

Department of Social Services (<http://www.dss.gov.au/>) provides general supervision.

Department of Human Services (<http://www.humanservices.gov.au>) delivers social and health-related payments and services.

Department of Health (<http://www.health.gov.au>) is responsible for policy development.

Work Injury

Regulatory Framework

First laws: For the six states, enacted from 1902 (Western Australia) to 1918 (Tasmania); 1911 (seamen's compensation); 1912 (commonwealth government employees); 1931 (Northern Territory); and 1946 (Australian Capital Territory).

Current laws: 1942, 1987, and 1998 (New South Wales); 1958, 1985, and 1993 (Victoria); 1986 (South Australia); 1986 (Northern Territory); 1988 (Tasmania); 1988 (commonwealth government employees); 1989 (Australian Capital Territory); 1992 (Seafarers compensation); 2001 (Western Australia); and 2003 (Queensland).

Type of program: Employer-liability program through a public or private carrier.

Note: Some states still allow common-law actions against an employer for negligence.

Coverage

Employed persons.

Voluntary coverage for some self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: The total cost of self-insurance.

Employer: The total cost for employees is met through insurance premiums. The cost of premiums varies according to the assessed degree of risk. Some employers are permitted to self-insure.

Government: None; contributes as an employer.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: The benefit varies depending on the state, territory or jurisdiction in which the award is made. Generally, at least 95% of earnings is paid for at least 13 weeks. Benefits may be paid for an extended period at reduced levels.

The maximum benefit levels are determined by the states and territories.

Income from the temporary disability benefit is taken into account for entitlement to means-tested disability benefits paid under Old Age, Disability, and Survivors.

Benefit adjustment: Benefits are generally adjusted annually according to changes in the consumer price index.

Permanent Disability Benefits

Permanent disability pension: Lump-sum payments are made for specified permanent injuries and for pain and suffering. Payment levels vary depending on the degree of impairment, pain and suffering. They also vary among the Commonwealth, states and territories.

Income from the permanent disability lump sum for a work injury is taken into account for entitlement to means-tested disability benefits paid under Old Age, Disability, and Survivors.

Benefit adjustment: Benefits are generally adjusted annually according to changes in the consumer price index.

Workers' Medical Benefits

Benefits include the reasonable cost of medical care, hospitalization, transportation, nursing care, and rehabilitation.

Survivor Benefits

Survivor benefit: A lump sum is paid for a dependent survivor. A biweekly payment for each child under the age of 16 (up to age 25 if a full-time student).

Benefit adjustment: Benefits are generally adjusted annually according to changes in the consumer price index.

Funeral grant: The reasonable cost of a funeral is paid.

Administrative Organization

Commonwealth, state, and territory governments set up and run workers' compensation schemes. Workers' Compensation Commission administers claims in most states (except Australian Capital Territory, Northern Territory, Tasmania, and Western Australia, which have multi-insurer systems with claims administered by insurers).

Workers' Compensation Commission administers claims for Commonwealth employees.

Australian government agencies: Safety, Rehabilitation, and Compensation Commission (<http://www.srcc.gov.au>); and Seafarers Safety, Rehabilitation and Compensation Authority (Seacare Authority) (<http://www.seacare.gov.au>).

Unemployment

Regulatory Framework

First law: 1944.

Current law: 1991 (social security, job search, and newstart allowance).

Type of program: Social assistance system.

Coverage

Persons who are not gainfully employed, including the self-employed.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost is financed from general revenue.

Qualifying Conditions

Youth allowance (means tested): Unemployed young people aged 16 to 21 (aged 18 to 24 if a full-time student), in an approved education or training program, searching for a job, participating in other activities to prepare for employment, or unable to work because of an illness or injury. Recipients who have not completed secondary school must concurrently study or undergo training to complete schooling requirements. If the individual is a dependent, parental

and personal income and assets are considered in the means test.

Rent assistance (means tested): Paid according to marital status, number of dependents, and the level of rent. Special rules apply to people living in retirement villages. Single recipients younger than age 25 and living with their parents are ineligible.

Income support bonus: Paid to help on certain income support payments.

Youth disability supplement: Paid to recipients of the disability pension younger than age 21.

Telephone allowance: Paid to insured persons younger than age 21 receiving a disability pension, with a partial capacity to work or who are the single principle provider of care to a dependent child.

Pharmaceutical allowance: Paid to recipients of the disability pension; with a temporary illness or medical condition or who are the single principle provider of care to a dependent child.

Energy supplement: Paid to assist with household expenses, including energy costs.

Health care card: Job-seeking youth allowance recipients are automatically granted a health care card (or pensioner concession card if eligible). Full time students may claim a low-income health card, subject to an income test.

Pensioner concession card: Job-seeking youth allowance recipients who are either single primary caregivers of a dependent child or assessed with a partial capacity for work.

Newstart allowance (means tested): Age 22 up to the pensionable age and unemployed. Must reside permanently in Australia and be present in the country during the payment period. Must be capable of undertaking and actively seeking work, prepared to enter into an employment pathway plan and meet activity-test requirements. Must have been receiving another allowance or benefit for at least nine months.

If exempt from having to actively seek work, the newstart allowance may be payable abroad for up to six weeks for some temporary absences.

Rent assistance (means tested): Paid according to marital status, number of dependents, and the level of rent. Special rules apply to people living in retirement villages. Single recipients younger than age 25 and living with their parents are ineligible.

Telephone allowance: Paid to recipients of the parental payment (not applicable anymore if partnered); with partial ability to work; receiving partner allowance or parenting payment with a partner aged 60 or older and receiving income support continuously for nine months or who are the single principle carer for a dependent child.

Pharmaceutical allowance: Paid to insured persons under the pensionable age who have been receiving another allowance or benefit for at least nine months; with a temporary illness or medical condition or who are the single principle provider of care to a dependent child.

Energy supplement: Paid to assist with household expenses, including energy costs.

Partner allowance (means tested): Paid to a member of a couple born on or before July 1, 1955, who has a partner receiving a qualifying cash benefit. Must be Australian residents and have no recent gainful employment. This allowance is no longer open to new recipients.

Health care card: Provided to all partner allowance recipients.

Pensioner concession card: Provided to partner allowance recipients aged 60 or older and receiving income support for at least nine months.

Parenting payment (income tested): Paid to a single parent caring for at least one child younger than age 8; if caring for a least one child with a partner, the child must be younger than age 6. Must be an Australian resident.

Rent assistance (means tested): Paid according to marital status, number of dependents, and the level of rent. Special rules apply to people living in retirement villages. Single recipients younger than age 25 and living with their parents are ineligible.

Telephone allowance: Paid to insured persons aged 60 up to the pensionable age; with a partner aged 60 up to the pensionable age and receives a newstart allowance or youth allowance and has a partial ability to work; to insured persons aged 60 up to the pensionable age who are single with dependents.

Utilities allowance: Paid to assist with utility bills.

Pharmaceutical allowance: Paid to insured persons aged 60 up to the pensionable age with a partial ability to work or who are the single principal care giver of a dependent child and have been receiving another allowance or benefit for at least nine months.

Energy supplement: Paid to assist with household expenses, including energy costs.

Health care card: Provided to parenting payment recipients with partners.

Pensioner concession card: Provided to single parenting payment recipients.

Payment supplements: Paid to social security recipients depending on particular circumstances.

Unemployment Benefits

Youth allowance (means tested): A\$226.80 to A\$542.90 is paid every two weeks depending on age, living arrangements, marital status, and whether the recipient has dependent children. A child is assessed as dependent according to

specified criteria, including the legal relationship with the claimant; the child's age, income, and residency status; and whether the child is a full-time student or receives social security benefits.

Rent assistance (means tested): Up to A\$167.30 is paid every two weeks, according to marital status, number of dependents, and the level of rent. Special rules apply to people living in retirement villages.

Income support bonus: A\$107.80 for a single person is paid twice a year; A\$89.90 for each member of a couple.

Youth disability supplement: A\$118.20 is paid every two weeks to recipients younger than age 22 with partial ability to work.

Telephone allowance: Up to A\$39.40 a quarter is paid to recipients with partial ability to work or who are a single person with dependents.

Pharmaceutical allowance: A\$6.20 for a single person is paid every two weeks; A\$3.10 for each member of a couple.

Energy supplement: Up to A\$9.20 is paid every two weeks for a single person; A\$7.70 for each member of a couple, according to marital status, dependents status, age and duration on income support (September 2014).

Health care card: Provides reduced medical and prescription costs.

Pensioner concession card: Provides reduced costs for medical services, medicine, public transportation and for certain Commonwealth, state or territory and local government services.

Newstart allowance (means tested): Up to A\$460.90 is paid every two weeks for each member of a couple older than age 22; A\$510.50 if single, older than age 22, and with no dependents; A\$552.40 if single with dependents, or older than age 60.

The benefit may be reduced for up to 26 weeks or postponed for up to eight weeks if unemployment is due to voluntarily leaving, a labor dispute, or the refusal of a suitable job offer.

Rent assistance (means tested): Up to A\$167.30 is paid every two weeks, according to marital status, number of dependents, and the level of rent. Special rules apply to people living in retirement villages.

Telephone allowance: Up to A\$39.40 a quarter is paid to recipients with partial ability to work or who are a single person with dependents.

Pharmaceutical allowance: A\$6.20 for a single person is paid every two weeks; A\$3.10 for each member of a couple.

Energy supplement: Up to A\$13.90 is paid every two weeks for a single person; A\$10.50 for each member of a couple, according to marital status, dependents status, age and duration on income support (September 2014).

Partner allowance (means tested): Up to A\$460.90 is paid every two weeks.

Health care card: Provides reduced medical and prescription costs.

Pensioner concession card: Provides reduced costs for medical services, medicine, and for certain Commonwealth, state or territory and local government services.

Parenting payment: Up to A\$460.90 is paid every two weeks.

Rent assistance (means tested): Up to A\$167.30 is paid every two weeks, according to marital status, number of dependents, and the level of rent. Special rules apply to people living in retirement villages.

Telephone allowance: Up to A\$39.40 a quarter is paid.

Utilities allowance: A\$73.55 a quarter for each eligible member of a couple.

Pharmaceutical allowance: A\$6.20 for a single person is paid every two weeks; A\$3.10 for each member of a couple.

Energy supplement: Up to A\$13.90 is paid every two weeks for a single person; A\$10.50 for each member of a couple, according to marital status, dependents status, age and duration on income support (September 2014).

Health care card: Provides reduced medical and prescription costs.

Pensioner concession card: Provides reduced costs for medical services, medicine, and for certain Commonwealth, state or territory and local government services.

Administrative Organization

Department of Social Services (<http://www.dss.gov.au/>) provides general supervision.

Department of Human Services (<http://www.humanservices.gov.au>) delivers social and health-related payments and services.

Family Allowances

Regulatory Framework

First law: 1941 (child endowment).

Current laws: 1991 (orphan pension), 1999 (family assistance), and 2010 (paid parental leave).

Type of program: Universal and social assistance system.

Coverage

All residents of Australia with one or more children.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost is financed from general revenue.

Qualifying Conditions

Parenting payment (means tested): Paid to the single principle care provider to a child younger than age 8 if single, age 6 if with a partner. Only one parent can receive the payment. Must reside permanently in Australia.

Family tax benefit, Parts A and B: Paid to families with dependent children (up to age 18 if a full-time student). Must provide at least 35% of the dependent child's care. For Part A, the children must be fully immunized at ages 1, 2, and 5 and have a health exam at age 4.

Part A: The maximum family tax benefit rate is paid if annual family income is A\$50,151 or less. Families receive some benefit for annual family income up to A\$101,787 with one dependent child younger than age 18 (the income ceiling is raised for each additional dependent child younger than age 18).

Large family supplement: Paid for families with three or more children.

Multiple birth allowance: Paid for the birth of three or more children at one time. The allowance is paid until the children are age 16 (end of the calendar year in which they are age 18 if at least three children are full-time students).

Newborn upfront payment and newborn supplement: Paid to parents with a child born on or after March 1, 2014, eligible for family tax benefit Part A at a rate greater than 0; the child must be younger than age 1.

Rent assistance: Paid to people paying private rent and receiving more than the family tax benefit base rate.

Part B: The family tax benefit provides extra assistance for single parent families or two parent families where one parent is on a low income or not in paid employment. A higher rate is paid to families caring for children younger than age 5. The maximum rate is paid if the secondary earner's annual income is not greater than A\$5,329. Single parents with annual earnings above A\$150,000 are ineligible. Couples with a primary earner annual income of A\$150,000 or less receive some benefits if the secondary earner's annual income is less than A\$27,065 and the youngest child is younger than age 5 or less than A\$21,043 and the youngest child is aged 5 to 18.

Double orphan pension: Paid to a child younger than age 16 (aged 16 to 21 if a full-time student and not receiving the youth allowance) if both parents are deceased (or one parent is deceased and the other is in prison, a hospital or an institution on a long-term basis, or whose whereabouts are unknown) or for refugee children under certain circumstances. The pension is not income tested.

Paid parental leave (dad and partner pay): Paid to fathers or partners of a primary caregiver caring for a newborn child or recently adopted child, who meet work

and residency tests. Must be on unpaid leave or not working during the father and partner pay period.

Child care benefit: May be paid to families whose children have been immunized (or are exempt from immunization) and use an approved or registered child care provider.

Child care rebate: Paid to families with a child in approved child care who meet the child care benefit requirements (no income test).

Health care card: Provided to income support recipients and families receiving the maximum family tax benefit (Part A) or who meet an income test on average gross weekly income in the eight weeks immediately before the claim is made.

Income test: The income test is based on annual adjusted taxable income and maintenance (child support) income received.

Family Allowance Benefits

Parenting payment (means tested): Up to A\$465.50 is paid every two weeks for parents living as a couple; A\$720.30 for a single parent. Couples separated by illness, respite care, or prison can receive up to A\$557.90 every two weeks (September 2014).

Family tax benefit, Part A: The minimum and maximum rates of payment vary according to family income and the age of the dependent child.

The base rate for each two-week period for a child younger than age 18 and in full-time study is A\$56.70 before the income test is applied.

The maximum rate for each two-week period for a child younger than age 13 is A\$176.82; A\$230.02 if aged 13 to 19 and in secondary school. (An annual supplement of A\$726.35 for each eligible child is also paid as a lump sum at the end of the financial year.) (September 2014).

Large family supplement: A\$12.32 is paid every two weeks for the third and each subsequent child.

Multiple birth allowance: A\$147.84 is paid every two weeks for triplets; A\$196.84 for quadruplets or more.

Newborn upfront payment and newborn supplement: Parents may have their family tax benefit Part A increased by \$2,056.45 for their first child; \$1,028.15 for each subsequent child.

Rent assistance (means tested): Up to A\$160.44 is paid every two weeks, according to marital status, number of dependents, and the level of rent. Special rules apply to people living in retirement villages.

Family tax benefit, Part B: Up to A\$150.36 is paid every two weeks for a child younger than age 5; A\$105 if aged 5 to 18. (An annual supplement of A\$354.05 is also paid at the end of the financial year.)

Australia

Double orphan pension: A\$59.30 is paid every two weeks.

Paid parental leave (dad and partner pay): A\$641.05 a week is paid for up to two weeks.

Child care benefit: The benefit rate depends on family income, the number of children in care, the age of the children, and the type and amount of care.

Child care rebate: 50% of child care expenses are paid quarterly for approved care, up to A\$7,500 a year for each child.

Health care card: Provides reduced medical and prescription costs.

Income test: The income test is based on annual adjusted taxable income and child support income received.

Benefit adjustment: Most benefits are adjusted on July 1 each year according to changes in the consumer price index.

Administrative Organization

Department of Social Services (<http://www.dss.gov.au/>) provides general supervision.

Department of Human Services (<http://www.humanservices.gov.au>) delivers social and health-related payments and services.