

## Australia

Exchange rate: US\$1.00 =  
1.17 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:** Social assistance and mandatory occupational pension system.

#### Coverage

**Social assistance (social security):** Australian residents.

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

Exclusions: Self-employed persons.

#### Source of Funds

##### Insured person

*Social security:* None.

*Mandatory occupational pension (superannuation):* None required, but voluntary contributions are encouraged.

##### Self-employed person

*Social security:* None.

*Mandatory occupational pension (superannuation):* None required, but voluntary contributions are encouraged.

##### Employer

*Social security:* None.

*Mandatory occupational pension (superannuation):* 9% of basic wages, up to A\$42,220 a quarter (2010 to 2011 financial year) (gradually increasing by 0.25% in 2013-2014 and 2014-2015 then 0.5% every year to reach 12% in 2019-2020).

Employer contributions are tax deductible.

##### Government

*Social security:* The total cost from general revenue.

*Mandatory occupational pension (superannuation):* Matches voluntary contributions by the insured, up to A\$1,000 a year for those with annual incomes up to A\$31,920 (co-contribution gradually decreases to 0 for annual incomes between A\$31,920 and A\$61,920). Contributions are

calculated based on after-tax income and are not tax deductible.

### Qualifying Conditions

#### Old-age pension

*Social security (means-tested unless blind):* Age 65 (men) or age 64 (women, gradually rising to age 65 by July 2014), both gradually increasing to age 67 from July 1, 2017 to July 1, 2023, and must have been an Australian resident for at least 10 years, including at least 5 continuous years.

Deferred pension (pension bonus scheme): Closed to new entrants as of September 2009. Working insured persons could defer the pension for 1 to 5 years with at least 960 hours of work each year.

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.

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

Commonwealth seniors health card (CSHC): Issued to persons of pensionable age with taxable incomes below certain levels; must be an Australian resident and meet an income test.

Seniors supplement: Paid to CSHC holders and veterans' affairs gold card holders to assist with general living expenses, including utilities.

Caregiver payment (means-tested): Paid to providers of constant care at home who are not substantially employed due to caregiving responsibilities.

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.

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

*Mandatory occupational pension (superannuation):* Age 55 and permanently retired.

#### Disability pension

*Social security (means-tested unless blind):* Australian residents age 16 to 65 (men) or age 16 to 64 (women) with permanent physical, intellectual, or psychiatric impairments who are unable to work for at least the minimum wage for 15 hours a week or who are unable to be retrained for such work for at least 2 years due to the impairment.

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 5 continuous years.

The disability pension is payable abroad in some circumstances.

Mobility allowance (not means-tested): Paid to a person age 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.

Caregiver payment: Paid to providers of constant care at home to persons with disabilities or severe medical conditions if the caregiver is not substantially employed due to caregiving responsibilities. The caregiver and the person receiving care must meet income and asset tests and satisfy residency requirements.

Caregiver allowance: Paid to a person who provides constant at-home care to a person with disabilities or severe medical conditions. The allowance is not taxed or subject to income or asset testing and can be paid in addition to a social security income support payment. The caregiver and the person receiving care must satisfy residency requirements.

Caregiver supplement: Caregivers who receive a caregiver allowance or certain other qualifying payments.

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 disability pensioners younger than age 21, 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, without children, to assist with the cost of medicine.

Remote area supplement: Paid to social security recipients who permanently live in remote tax zones.

Utilities allowance: Paid to disability pensioners younger than age 21, without children, to assist with utility bills.

Pensioner concession card: Provided to persons receiving a disability pension.

*Mandatory occupational pension (superannuation)*: Benefits may be paid when a superannuation fund member leaves the workforce as the result of a total and permanent disability.

### Survivor pension

*Social security (means-tested)*: A widow(er) with dependent children is entitled to benefits under the family tax benefit (Part B). See Family Allowances.

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 older than age 60 but younger than pensionable age who received continuous income support for at least 9 months.

Pensioner concession card: Age 60 and receiving widow allowance for at least 9 months.

Utilities allowance: Paid to a widow or partner allowance recipient to assist with utility bills.

Double orphan payment: Paid for a child younger than age 16 (student age 16 to 21 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: May be 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 subject to residency requirements, to assist with funeral costs, financial affairs, and ongoing financial support.

Benefits are generally payable abroad for up to 13 weeks.

*Mandatory occupational pension (superannuation)*: Benefits are paid to the survivors of superannuation fund members.

## Old-Age Benefits

### Old-age pension

*Social security (means-tested unless blind)*: Up to A\$644.20 is paid every 2 weeks for a single person; A\$485.60 each for a couple.

Deferred pension (pension bonus scheme): The value of the bonus depends on the length of the deferral of the old-age pension. Eligible persons receive the bonus and the old-age pension at retirement. The bonus is paid as a lump sum.

Commonwealth seniors health card (CSHC): Provides access to reduced-cost medicine, medical services, some travel concessions and the seniors supplement.

Seniors supplement: A\$795.60 a year for a single person and A\$600.60 a year for each member of a couple is paid quarterly to commonwealth senior health card holders.

Pension supplement: Up to A\$56.90 for a single person and A\$85.80 for couples is paid every 2 weeks.

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

Rent assistance (means-tested): Up to A\$113.40 is paid every 2 weeks according to family situation and level of rent.

Remote area allowance: A\$18.20 for a single person and A\$15.60 for each member of a couple is paid every 2 weeks. An additional A\$7.30 is paid every 2 weeks for each dependent.

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

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**Benefit adjustment:** Most benefits are adjusted in March and September according to changes in the consumer price index; the single-person rate for the old-age pension is a percentage of average weekly earnings.

**Mandatory occupational pension (superannuation):** Generally, a lump sum of the value of total contributions plus interest minus administrative fees and taxes is paid.

### Permanent Disability Benefits

#### Disability pension

**Social security (means-tested unless blind):** Up to A\$644.20 is paid every 2 weeks for a single person age 21 or older; A\$485.60 each is paid for a married couple. Up to A\$483.70 is paid every 2 weeks for single people up to age 20 and living away from the family home; A\$354.80 if age 18 to 20; A\$313.00 if under age 18 and living in the family home. A youth disability supplement for single disability pensioners younger than age 21 is included in the rates of the disability pension.

**Pension supplement:** Up to A\$56.90 for a single person and A\$85.80 for couples is paid every 2 weeks.

**Mobility allowance (not means-tested):** A standard rate of A\$75.90 or a higher rate of A\$106.20 is paid every 2 weeks.

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

**Caregiver allowance:** A\$106.70 is paid every 2 weeks for each person receiving care.

**Caregiver supplement:** A\$600 is paid annually on July 1 to caregivers who receive a caregiver allowance and/or certain other qualifying payments.

**Rent assistance (means-tested):** Up to A\$101 is paid every 2 weeks, according to marital status and the level of rent. Special rules apply to people living in retirement villages.

**Telephone allowance:** A\$93.60 a year or A\$140.80 a year.

**Pharmaceutical allowance:** A\$6 is paid every 2 weeks for a single person; A\$3 each for a couple.

**Remote area allowance:** A\$18.20 is paid every 2 weeks for a single person; A\$15.60 each for a couple. An additional A\$7.30 is paid every 2 weeks for each dependent.

**Utilities allowance:** A\$530 a year is paid for a single person; A\$265 a year for each eligible member of a couple.

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

**Benefit adjustment:** Benefits are generally adjusted in March and September according to changes in the consumer price index; adult benefits also take into account the pensioners' cost of living index and average male weekly earnings.

**Mandatory occupational pension (superannuation):** Benefits may be paid for a total and permanent disability.

### Survivor Benefits

#### Survivor pension

**Social security (means-tested):** Up to A\$644.20 is paid every 2 weeks.

**Rent assistance:** Up to A\$101 is paid, according to marital status and the level of rent. Special rules apply to people living in retirement villages.

**Telephone allowance:** A\$93.60 a year or A\$140.80 a year.

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

**Utilities allowance:** A\$530 a year is paid for a single person; A\$265 a year 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 death of the partner; 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 (superannuation):** Benefits are paid to the survivors of superannuation fund members.

### Administrative Organization

Department of Families, Housing, Community Services, and Indigenous Affairs (<http://www.fahcsia.gov.au>) provides general supervision.

Centrelink (<http://www.centrelink.gov.au>) administers the programs through 401 customer service centers and 16 area support offices.

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

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#### Regulatory Framework

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

**Current laws:** 1973 (national health) and 1991 (social security).

**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 others meeting the qualifying conditions.

**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.

## Source of Funds

### Insured person

*Sickness benefits:* None.

*Medical benefits:* 1.5% levy on taxable income.

A Medicare levy surcharge of 1% may be charged for individuals of families with incomes above the medicare surcharge threshold (A\$18,488 for single persons and A\$31,196 for couples plus A\$2,865 for each dependent child) who do not have private health care coverage.

Higher income thresholds apply to senior citizens.

Exemption from the levy: Veterans, war widows, and armed forces 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.

A Medicare levy surcharge of 1% may be charged for individuals of families with incomes above the medicare surcharge threshold (A\$18,488 for single persons and A\$31,196 for couples plus A\$2,865 for each dependent child) who do not have private health care coverage.

Higher income thresholds apply to senior citizens.

Exemption from the levy: Veterans, war widows, and armed forces 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 benefits.

*Pharmaceutical benefits scheme:* Cost sharing for prescription drugs.

Government funding is provided for residential and community aged care.

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

## Qualifying Conditions

**Cash sickness benefits (means-tested):** Age 21 (age 25 if a full-time student) or older, not receiving an old-age pension, and residing in Australia. 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.

Dependent's supplement (means-tested): Paid for a cohabiting opposite-sex partner (regardless of marriage) and dependent children.

**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.

## Sickness and Maternity Benefits

**Sickness benefit (means-tested):** Up to A\$417.50 each is paid every 2 weeks for a couple; up to A\$462.80 is paid every 2 weeks for a single person age 21 or older with no dependents; up to A\$500.70 every 2 weeks if single with dependents or if single and age 60 or older.

For benefits for children, see Family Allowances.

Benefits are paid every 2 weeks after a 7-day waiting period.

Rent assistance (means-tested): Up to A\$113.40 is paid every 2 weeks, according to family situation and level of rent. Special rules apply to people living in retirement villages.

Pharmaceutical allowance: A\$6 is paid every 2 weeks for a single person; A\$3 each for a couple.

Remote area allowance: A\$18.20 is paid every 2 weeks for a single person; A\$15.60 each for a couple. In addition, A\$7.30 is paid every 2 weeks for each dependent.

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

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

**Maternity benefits:** See Family Allowances.

### **Workers' Medical Benefits**

**Medical benefits:** Public patients pay 15% of a scheduled fee for outpatient ambulatory care or A\$69.10, whichever is less; non-referred general practitioner visits are free.

Private patients pay 25% for qualified services and may receive supplementary benefits from private health funds.

Hospital benefits: Free standard ward inpatient treatment is provided by staff doctors in public hospitals.

**Pharmaceutical benefit:** A copayment of up to A\$33.30 per prescription for most prescribed medicine. Persons with low-income who have a current concession card pay A\$5.40 per prescription. Medicine is available at reduced cost or free above \$324 for concession card holders or A\$1,281.30 for other patients.

### **Dependents' Medical Benefits**

The same medical and hospital benefits as under Workers' Medical Benefits.

**Pharmaceutical benefit:** A copayment of up to A\$33.30 per prescription for most prescribed medicine. Persons with low income who have a current concession card pay A\$5.40 per prescription.

### **Administrative Organization**

**Sickness benefits:** Department of Families, Housing, Community Services, and Indigenous Affairs (<http://www.fahcsia.gov.au>) provides general supervision.

Centrelink (<http://www.centrelink.gov.au>) administers the programs through 401 customer service centers and 16 area support offices.

**Medical and pharmaceutical benefits:** Medicare Australia (<http://www.medicareaustralia.gov.au>) administers the program.

## **Work Injury**

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### **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 (federal government employees); 1989 (Australian Capital Territory); 2001 (Western Australia); and 2003 (Queensland).

**Type of program:** Employer-liability system, involving compulsory insurance with a public or private carrier under schemes established and run by state and territory governments.

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 with the assessed degree of risk. Some employers are permitted to self-insure.

**Government:** None, except as a self-insurer for its own employees.

### **Qualifying Conditions**

**Work injury benefits:** There is no minimum qualifying period.

### **Temporary Disability Benefits**

The benefit varies depending on the state or territory in which the award is made. Generally, the benefit is at least 95% of earnings and 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. Usually, the maximum benefit is set by a ceiling on the weekly benefit payment or is based on a total lump-sum value.

Entitlement to means-tested disability benefits paid under Old Age, Disability and Survivors includes income from the temporary disability benefit.

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

### **Permanent Disability Benefits**

**Permanent disability pension:** Paid for a total disability.

Partial disability pension: The pension is determined by the amount of earnings lost, subject to a limit; lump-sum payments are made for specific injuries.

Entitlement to means-tested disability benefits paid under Old Age, Disability and Survivors includes income from the permanent disability benefit.

Lump-sum payments are made for specified permanent injuries and for pain and suffering and vary among states and territories.

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 may be paid for a dependent survivor plus assistance with funeral expenses and a payment every 2 weeks 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**

Workers' Compensation Board or 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 Board or 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**

Gainfully employed persons (also paid to those not previously gainfully employed who meet the qualifying conditions), including self-employed persons.

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost from general revenue.

### **Qualifying Conditions**

**Youth allowance (means-tested):** Unemployed young people aged 16 to 20 (age 24 if a full-time student, age 15 or older if old enough to leave school) who undertake approved education, training, job search, or other activities to prepare for employment or are 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. Parental and personal income and assets are considered in the means test.

Health care card: Jobseeking youth allowance recipients.

Concession card: Jobseeking 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 21 up to the pensionable age and unemployed. Must reside permanently in Australia and be present in the country during the period of payment. Must be capable of undertaking and actively seeking work or temporarily unable to work because of an illness. If unemployed due to voluntarily leaving, a labor dispute, or the refusal of a suitable job offer, benefit may be reduced for up to 26 weeks or postponed for up to 8 weeks.

If exempt from having to actively seek work, the newstart allowance may be payable abroad for up to 13 weeks for some temporary absences.

Health care card: Provided to all newstart allowance recipients.

Concession card: Provided to newstart allowance recipients who are either single primary caregivers of a dependent child, assessed with a partial capacity to work, or older than age 60.

**Partner allowance (means-tested):** No new partner allowances have been awarded since September 20, 2003. Paid to a member of a couple (born on or before July 1, 1955) whose partner receives a social security pension or allowance. Must have had no recent workforce experience and no dependent children younger than age 16. Recipients are not required to look for work. A couple refers to cohabiting opposite-sex partners, regardless of marital status.

Health care card: Provided to all partner allowance recipients.

**Parenting payment (income-tested):** Paid for a child younger than age 16 who satisfies residency requirements.

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Rent assistance (means-tested): Paid according to marital status 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 not eligible.

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

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\$206.30 to A\$493.90 is paid every 2 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.

Health care card: Provides reduced medical and prescription costs.

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

**Newstart allowance (means-tested):** Up to A\$417.70 is paid every 2 weeks for each member of a couple older than age 21; A\$462.80 if single, older than age 21, and with no dependents; A\$500.70 if single with dependents; or A\$500.70 if single, older than age 60, and has the allowance for at least 9 months. The allowance is paid after a 7-day waiting period for as long as the person is qualified.

Health care card: Provides reduced medical and prescription costs.

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

**Partner allowance (means-tested):** Up to A\$417.70 is paid every 2 weeks. The allowance is paid after a 7-day waiting period for as long as the person is qualified.

Health care card: Provides reduced medical and prescription costs.

**Parenting payment:** Up to A\$417.70 is paid every 2 weeks for parents living as a couple; A\$601.30 for a single parent. Couples separated by illness, respite care, or prison can receive up to A\$500.70 every 2 weeks.

Rent assistance (means-tested): Up to A\$148.80 is paid every 2 weeks, according to family situation and level of rent. Special rules apply to people living in retirement villages. Single recipients younger than age 25 and living with their parents are not eligible for rent assistance.

Remote area allowance: A\$18.20 is paid every 2 weeks for a single person; A\$15.60 each for a couple. A\$7.30 is paid every 2 weeks for each dependent.

Health care card: Provides reduced medical and prescription costs.

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

Payment supplements: Various small allowances, for example for pharmaceutical costs, are paid.

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

### Administrative Organization

Department of Families, Housing, Community Services, and Indigenous Affairs (<http://www.fahcsia.gov.au>) provides general supervision.

Centrelink (<http://www.centrelink.gov.au>) administers the programs through 401 customer service centers and 16 area support offices.

Department of Education, Employment and Workplace Relations (<http://www.deewr.gov.au/>) administers newstart allowance, sickness allowance, youth allowance, partner payment, and parenting payment.

### Family Allowances

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#### Regulatory Framework

**First law:** 1941 (child endowment).

**Current laws:** 1991 (orphan pension) and 1999 (family assistance).

**Type of program:** Universal and social assistance system.

#### Coverage

All persons residing in Australia with one or more children.

#### Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost from general revenue.

#### Qualifying Conditions

**Family tax benefit, Parts A and B:** Paid to families with dependent children under age 21 (up to age 24 if a full-time student) for Part A; under age 16 (up to age 18 if a full-time student) for Part B. Only individuals providing at least 35% of the dependent child's care are eligible.

The maximum family tax benefit (Part A) rate is paid if annual family income is A\$45,114 or less. Families receive some benefit under Part A for annual family income up to A\$102,711 with one dependent child younger than age 18 (the income ceiling is raised for each additional dependent child younger than age 18 and for each dependent aged 18 to 24).

In addition, family tax benefit (Part B) provides extra assistance for single-income families with children. A higher rate is paid to families caring for children younger than age 5. The maximum Part B rate is paid if the secondary earner's annual income is not greater than A\$4,745. Single parents with annual earnings above A\$150,000 are subject to an income test. Couples with a primary earner annual income above A\$150,000 receive some benefits under Part B if the secondary earner's annual income is less than A\$24,291 and the youngest child is younger than age 5 or less than A\$18,907 and the youngest child is aged 5 to 18.

**Large family supplement:** Paid for families with three or more children. The supplement is paid as part of family tax benefit (Part A).

**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 3 children are full-time students). The supplement is paid as part of family tax benefit (Part A).

**Rent assistance:** Paid to people receiving more than the base rate of family tax benefit (Part A) and paying a minimum amount of private rent.

**Double orphan pension:** Paid to a child younger than age 16 (age 21 if a student and not receiving the youth allowance). If both parents are deceased (or 1 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) or for refugee children under certain circumstances. The pension is not income-tested.

**Baby bonus:** Paid to persons with a newborn child, including adopted and stillborn babies, and babies who died shortly after birth, where conditions for the family tax benefit for the child are met (except the income test) within 26 weeks of a child's birth.

**Paid parental leave:** Paid to primary caregivers of a newborn child, including adopted and stillborn babies, and babies who died shortly after birth, who meet work, income and residency tests.

**Maternity immunization allowance:** Paid in two installments for children who are immunized (or exempt from immunization) aged 18 to 24 months and 4 to 5 years.

**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). A low-income health care card is also provided to those satisfying an income test on average gross weekly income in the 8 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**

**Family tax benefit, Part A:** The minimum and maximum rates of payment vary with the age of the dependent child.

The minimum rate per 2-week period for a child younger than age 18 is A\$51.24 (A\$68.74 for ages 18 to 24).

The maximum rate per 2-week period for a child younger than age 13 is A\$160.30; A\$208.46 for ages 13 to 15; A\$51.24 for ages 16 to 17; and A\$68.74 for ages 18 to 24. (An annual supplement of A\$726.35 per eligible child is also paid as a lump sum at the end of the financial year.)

**Large family supplement:** A\$11.06 is paid every 2 weeks for each child after the second.

**Multiple birth allowance:** A\$133 is paid every 2 weeks for triplets; A\$177.24 for quadruplets or more. The allowance is usually added to the family tax benefit (Part A).

**Rent assistance:** A\$0.75 is paid for each A\$1 of rent paid above a determined rent threshold, up to a maximum. Rates are based on family situation and level of rent.

**Family tax benefit, Part B:** Up to A\$136.36 is paid every 2 weeks for a child younger than age 5; A\$95.06 every 2 weeks for ages 5 to 18. (An annual supplement of A\$354.05 is also paid as a lump sum at the end of the financial year.)

**Double orphan pension:** A\$53.50 is paid every 2 weeks.

**Baby bonus:** A\$5,294 is paid in 13 biweekly installments.

**Paid parental leave:** As of January 2011, eligible parents receive paid parental leave at the national minimum wage of A\$570 a week for up to 18 weeks. During this time, parents are not eligible for the baby bonus (except in cases of multiple births) or the family tax benefit part B.

**Maternity immunization allowance:** A\$125.50 is paid when the child is 18 months and again at age 4.

**Child care benefit:** The rate of benefit 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\$7,778 a year per child.

## Australia

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**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 Families, Housing, Community Services, and Indigenous Affairs (<http://www.fahcsia.gov.au>) provides general supervision.

Family Assistance Offices administer the program.