



Social Security and Veterans' Entitlements Legislation Amendment (One-off Payments and Other Budget Measures) Bill 2008

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Social Security and Veterans' Entitlements Legislation Amendment (One-off Payments and Other Budget Measures) Bill 2008

Date introduced: 14 May 2008.

House: House of Representatives

Portfolio: Families, Housing, Community Services and Indigenous Affairs.

Commencement: There are various commencement dates for different schedules and sections in this Bill and these are set out in the Table in **Clause 2** of the Bill.

Links: The [relevant links](#) to the Bill, Explanatory Memorandum and second reading speech can be accessed via BillsNet, which is at <http://www.aph.gov.au/bills/>. When Bills have been passed they can be found at ComLaw, which is at <http://www.comlaw.gov.au/>.

Purpose

To provide:

- the legislative basis for one-off payments to older Australians and carers in accordance with measures announced in the 2008-09 Budget, and
- for the continuing entitlements to concession cards for persons who are temporary absent overseas for periods of less than 13 weeks.

Background

Passage of the Bill

This Bill was presented to the House of Representatives on 14 May 2008, being the day after the 2008-09 Budget was delivered by the Treasurer on 13 May 2008. The Bill was passed by the House unamended on the same day and presented in the Senate on the next day, being 15 May 2008. The Bill was passed by the Senate unamended on the same day. The Bill was granted the Royal Assent on 26 May 2008.¹

1. House of Representatives, *Daily Bills List*, 42nd Parliament – 1st Session 2008, as at 26 June 2008. <http://www.aph.gov.au/bills/index.htm>

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Schedule 1 – 2008 one-off payments to older Australians

Seniors bonus – Budget announcement

The Government announced in the 2008-09 Budget, a one-off \$500 bonus payment to some senior Australians.² The seniors' bonus is to be paid to seniors on a government income support payment or entitled to the Seniors Concession Allowance (SCA)³, as at 13 May 2008.

Recipients provided for under the *Social Security Act 1991*

The older persons entitled to the seniors one-off bonus payment of \$500 under the *Social Security Act 1991* (SSA) will be those aged who, on 13 May 2008 are:

- aged over age pension age (that is 65 years for males and 63 1/2 years for females), and
- are qualified to receive an income support payment as defined in subsection 23(1) of the *Social Security Act 1991* (SSA).⁴

Recipients provided for under the *Veterans' Entitlements Act 1986*

The older Australians entitled to the one-off bonus payment of \$500 under the *Veterans' Entitlements Act 1986* (VEA) will be those who, on 13 May 2008 have reached pension age as defined in section 5Q of the VEA, being:

- for a veteran⁵ this is 60 for males and 58 ½ for females,

2. The Hon. Mr Wayne Swan, MP, Treasurer, 2008-09 Budget, Budget Paper No. 2, *Helping Seniors Make Ends Meet – Seniors Bonus*, Canberra 13 May 2008, pp. 178-179.

<http://www.budget.gov.au/>

3. The Seniors Concession Allowance is payable to a person entitled to a Commonwealth Seniors Health Card. These are persons aged over age pension age but are not in receipt of an income support payment and have an annual adjusted taxable income of less than \$50 000 (single) or \$80 000 (partnered combined).

4. income support payment means a payment of:

- (a) a social security benefit,
- (aa) a job search allowance,
- (b) a social security pension,
- (c) a youth training allowance,
- (d) a service pension; or
- (e) Income Support Supplement (ISS).

5. Under section 7 the *Veterans Entitlement Act 1986* a 'veteran' is a person with qualifying war or warlike service.

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- for those who are not veterans, the pension age under the VEA is the same as for the age pension provided under the SSA; that is 65 for males and 63½ for females.

The income support recipients eligible for the seniors bonus provided for under the VEA will need to be on a service pension or ISS on 13 May 2008.

Recipients of Seniors Concession Allowance

The other group also qualified for the one-off \$500 bonus payment are those eligible to the Seniors Concession Allowance (SCA) on 13 May 2008. The SCA is a \$125 payment paid quarterly to holders of a Commonwealth Seniors Health Card (CSHC). Persons who qualify for a CSHC are those aged over age pension age who have an annual adjusted taxable income⁶ of less than \$50 000 (single) or \$80 000 (partnered – combined).

Purpose of the bonus

The Minister for Families, Housing, Community Services and Indigenous Affairs the Hon. Jenny Macklin, MP has stated that the Government's purpose in making the one-off \$500 payment for older Australians was:

that the government understands that the rising cost of living is putting many Australians, especially seniors and carers, under increasing financial pressure. The government's commitment to providing the bonus payments to carers and seniors is a modest measure to relieve some of this financial pressure.⁷

Cost

In the Financial Impact Statement in the Explanatory Memorandum the costs of the one-off \$500 payment to older Australians is estimated to be \$1 374.5 million in 2007-08, \$0.5 million in 2008-09, and \$0.0 million thereafter.⁸ The \$0.5 million in the 2008-09 year largely arises from payments to eligible older Australians which are made at a later date. For example, where a person claims an age pension on 10 May 2008 and it may take some weeks to determine their qualification and the rate payable. When payments commence, the one-off \$500 will also be paid.

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6. Adjusted taxable income is taxable income with foreign income, negatively geared property losses and employer provided fringe benefits added back in.
 7. The Hon. Jenny Macklin, MP, Minister for Families, Housing, Community Services, and Indigenous Affairs, 'Second reading speech', *Social Security and Veterans' Entitlements Legislation Amendment (One-off Payments and Other Budget Measures) Bill 2008*, House of Representatives, *Debates*, 14 May 2008, p. 2623.
<http://www.aph.gov.au/hansard/hansreps.htm>
 8. Explanatory Memorandum, Financial Impact Statement.

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Previous one-off payments

The one-off \$500 payment announced in the Budget is very much like one-off payments in previous Budgets. These payments have been:

- July 2000. An aged persons savings bonus of up to \$1 000 and a self-funded retirees supplementary bonus of up to \$2 000. These bonuses were paid as a part of the compensation measures for the introduction of the Goods and Services Tax (GST).⁹
- 2001-02 Budget. A one-off aged persons' bonus of \$300 to all persons who were over age pension age and on an income support payment.¹⁰
- 2004-05 Budget. A one-off lump sum payment of \$600 to families for each qualifying child for the Family Tax Benefit Part A (FTB-A) and for each child aged up to 18 years to whom youth allowance was paid.¹¹
- 2004-05 Budget. A one-off carer bonus payment of \$1 000 to each person in receipt of carer payment and \$600 to each recipient of carer allowance.¹²
- 2005-06 Budget. A one-off carer bonus payment of \$1 000 to each person in receipt of carer payment and \$600 to each recipient of carer allowance for each person in their care.¹³
- 2006-07 Budget. A one-off carer bonus payment of \$1 000 to each person in receipt of carer payment and \$600 to each recipient of carer allowance for each person in their care.¹⁴

9. Lesley Lang, *A New Tax System (Bonuses for Older Australians) Bill 1998*, *Bills Digest No. 93, 1998-99*, Department of the Parliamentary Library, Canberra.

<http://www.aph.gov.au/library/pubs/bd/1998-99/99bd093.htm>

10. Department of Treasury, 2001-02 Budget papers, Portfolio Budget Statement, Department of Family and Community Services Portfolio, *Budget Related Paper No. 1.8*, Canberra, 14 May 2001, p. 176. <http://www.budget.gov.au/2001-02/>

11. Department of Treasury, 2004-05 Budget papers, Portfolio Budget Statement, Department of Family and Community Service Portfolio, *Budget Related Paper No. 1.8*, Canberra, 11 May 2004, p. 51.

<http://www.facs.gov.au/internet/facsinternet.nsf/aboutfacs/budget/budget2004-pbs.htm#budget>

12. *ibid.* p. 57.

13. Department of Treasury, 2005-06 Budget papers, *Budget Paper No. 2 - Budget Measures*, Canberra, Australia, 10 May 2005, p. 160. <http://www.budget.gov.au/2005-06/bp2/html/index.htm>

14. Department of Treasury, 2006-07 Budget papers, *Budget Paper No. 2 - Budget Measures*, Canberra, Australia, 9 May 2006, p. 209. <http://www.budget.gov.au/2006-07/bp2/html/index.htm>

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- 2007-08 Budget. A one-off \$500 payment to senior Australians over age pension age and on an income support payment or to a holder of a CSHC.¹⁵
- 2007-08 Budget. A one-off carer bonus payment of \$1 000 to each person in receipt of carer payment and \$600 to each recipient of carer allowance for each person in their care.¹⁶

The last one-off payment to senior Australians was provided in the 2007-08 Budget.¹⁷

Comment

The provision of a one-off tax-free bonus payment, that is also not included as income under the income test applied under the SSA or the VEA, provides financial assistance to recipients. There is now a pattern of one-off payments being provided by governments and they have been a feature of the last four Budgets. The benefits of one-off payments are temporary. Once the money has been expended there is no more benefit. If recipients of income support payments and the SCA are considered by a government to require this consistent financial assistance, perhaps an increase in the on-going rate of payments or assistance provided might be a better way of providing assistance.

Schedule 2 – Administrative schemes for 2008 one-off payments to older Australians

Schedule 2 proposes to insert into the SSA and the VEA provisions to empower the respective Minister to set up an administrative scheme under which one-off payments could be made to senior Australians in particular circumstances. The Minister would be able, by way of a legislative instrument, to prescribe who should be paid and how much they should be paid. Under the *Legislative Instruments Act 2003* (LIA), legislative instruments are generally disallowable by the Parliament.¹⁸

The need for the administrative scheme provisions in Schedule 2

Provisions, like those in **Schedule 2**, have been presented in other one-off payment Bills in the past. **Schedule 2** is basically an insurance policy empowering the Minister to

15. Peter Yeend, *Social Security and Veterans Affairs Legislation Amendment (One-off Payments and Other 2007 Budget Measures) Bill 2007*, op. cit.

16. *ibid.*

17. Peter Yeend, *Social Security and Veterans Affairs Legislation Amendment (One-off Payments and Other 2007 Budget Measures) Bill 2007*, *Bills Digest No. 1, 2007-08*, Parliamentary Library, Canberra, 30 August 2007.
<http://www.aph.gov.au/library/pubs/bd/bd07-08n.htm>

18. Moira Coombs, *Acts Interpretation Amendment (Legislative Instruments) Bill 2005*, *Bills Digest No. 11, 2005-06*, Parliamentary Library, Canberra, 8 August 2005.
<http://www.aph.gov.au/library/pubs/bd/2005-06/06bd011.pdf>

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provide a bonus payment to an older Australian, by way of an administrative scheme, who some unforeseen reason was not captured by the legislative intention of the Bill and so did not get a payment under the provisions in **Schedule 1**. Use of an administrative scheme provides for the payment without having to come back to the Parliament with another Bill to provide for the payment.

Note that **Schedule 2 (at sub-items 1(4) and 2(4))** contain standing appropriations. That is, they authorise as much money as necessary to be drawn from the Consolidated Revenue Fund to make the one-off payments under the relevant administrative schemes. There is no upper limit to these appropriations, although in practice the amount needed to fund such one-off payments under the schemes is likely to be modest.

Schedule 3 – 2008 one-off payment to carers

Schedule 3 provides for one-off bonus payments of \$1 000 and also \$600 to different categories of carers. Some carers can receive both bonus payments.

Carers entitled to the \$1 000 bonus

A \$1 000 one-off bonus payment is to be provided to:

Carer Payment (CP)¹⁹ recipients qualified to CP on 13 May 2008,

19. A person get Carer Payment (adult) if they provide constant care in the home of the person they care for and they are:

- a person aged 16 or over with a severe disability or medical condition, or
- an adult with moderate care needs and supervision of their dependent child if this child is under six years of age, or between six and 16 years of age and attracts payment of Carer Allowance

The person cared for needs to:

- be over 16 and getting an income support payment from Centrelink, a Veterans' Affairs Service Pension or Partner Service Pension, or
- be unable to get any of these payments because they have not lived in Australia long enough to qualify, or
- meet the special care receiver income and assets limits.

A person may get Carer Payment (child) if they provide constant care in the home of the person they care for and they are:

- a child under the age of 16 with a profound disability or medical condition who has extremely high care needs, or

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Carer Service Pension recipients qualified to payment on 13 May 2008,

Wife Pension recipients also entitled to Carer Allowance (CA) on 13 May 2008, and

Partner Service Pension recipients also entitled to CA on 13 May 2008.

Carers who claim one of the qualifying income support payments (CP or Carer Service Pension) on or shortly before 13 May 2008 and are subsequently paid in respect of 13 May 2008 will be eligible for the bonus payment.

Carers entitled to the \$600 bonus

A one-off \$600 bonus payment will also be provided to each recipient of CA qualified to CA payment on 13 May 2008. However, unlike the \$1 000 bonus payments to designated income support recipients, carers who claim CA after 13 May 2008 and are subsequently paid in respect of 13 May 2008 by way of the CA backdating processes, will not be entitled to the \$600 bonus payment. Under the start date provisions for CA, the start date of payment can be up to 12 weeks prior to the date of lodgement of the CA claim.²⁰ This backdating of payment prior to the date of claim for CA does not apply to the pension income support payments, for which payment can only commence from the date of claim.

Purpose of the bonus

The Government has described the purpose of the bonus payments to carers as follows:

The Government's commitment to providing the carers bonus is a modest measure to relieve some of the financial pressure on carers.²¹

and

The Rudd Government recognises the invaluable role of carers in our community, and the personal and financial pressures they face. We are currently examining ways of providing greater security to carers.²²

• two or more children under the age of 16 with severe disabilities or medical conditions who together require an extremely high level of care (this rule does not apply if the children have severe intellectual, psychiatric or behavioural medical/disability conditions).

20. Schedule 2, clause 16 of the Family Assistance (Administration) Act 1999.

21. The Hon. Jenny Macklin, MP, Minister for Families, Housing, Community Services and Indigenous Affairs, \$822 Million to Support and Recognise Carers, *media release*, Canberra, 13 May 2008.

http://www.jennymacklin.fahcsia.gov.au/internet/jennymacklin.nsf/content/budget08_carers_13may08.htm

22. *ibid.*

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Cost

In the Financial Impact Statement in the Explanatory Memorandum the one-off \$1 000 and \$600 payments to carers were estimated to cost \$426.7 million in 2007-08, \$1.4 million in 2008-09 and \$0.0 million thereafter.²³ The \$1.4 million in the 2008-09 year largely arises from later payments to eligible CP recipients paid at a later date who are eligible for the payment. For example, where a person claims a CP on 10 May 2008, it may take some weeks to determine their qualification and the rate payable. When payments do eventually commence, payment is back paid to the date of claim.

Comment

This is the fourth successive Budget that carers have received a one-off cash bonus payment. As said about the one-off cash bonus to older Australians, the benefits of one-off payments are temporary. Once the money has been expended there is no more benefit. If carers are considered by a government to require this consistent extra financial assistance, perhaps an increase in the on-going rate of payments or assistance provided might be a better way of providing assistance.

Schedule 4 – Administrative scheme for 2008 one-off payments to carers

Schedule 4 provides for an administrative scheme that can be implemented by the Minister by way of a legislative instrument. This is very much like the administrative scheme arrangements provided for by **Schedule 2** for the lump sum payments to senior Australians as set out in **Schedule 1**. The comments provided about **Schedule 2** above, referring to an administrative scheme also apply to **Schedule 4** of the Bill; that is, it allows the Minister to pay a carer a lump sum payment at a later date, using an administrative scheme, where it is considered the carer should receive a payment. Under the *Legislative Instruments Act 2003* (LIA), legislative instruments are generally disallowable by the Parliament.²⁴

Note that, like **Schedule 2**, **Schedule 4 (at sub-item 1(4))** contains a standing appropriation. That is, it authorises as much money as necessary to be drawn from the Consolidated Revenue Fund to make the one-off payments under the administrative scheme. There is no upper limit to these appropriations, although in practice the amount needed to fund such one-off payments under the scheme is likely to be modest.

23. Explanatory Memorandum, Financial Impact Statement.

24. Moira Coombs, Acts Interpretation Amendment (Legislative Instruments) Bill 2005, *Bills Digest No. 11, 2005-06*, Parliamentary Library, Canberra, 8 August 2005.
<http://www.aph.gov.au/library/pubs/bd/2005-06/06bd011.pdf>

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Schedule 5 – Non-cancellation of concession cards for temporary overseas absences

This measure to cease the automatic cancellation of a concession card where a person goes overseas was announced in the 2008-09 Budget.²⁵ Prior to the amendments to the SSA and the VEA presented in **Schedule 5**, concession cards were cancelled where a person departed Australia. The reason for this is that the cards purpose is for the card holder to access concessions while the person is present in Australia.

Purpose

The government said when announcing the measure in the 2008-09 Budget that:

Introducing portability of concession cards will reduce the administrative burden for customers and the cost attached to cancelling and reissuing cards.²⁶

Cost

In the Financial Impact Statement in the Explanatory Memorandum the extension of access to a concession card while temporarily overseas for up to 13 weeks is estimated to cost \$2.2 million in 2007-08, \$4.5 million in 2008-09, \$4.9 million in 2009-10 and \$4.9 million in 2010-2011.²⁷

Main provisions

Schedule 1 – 2008 one-off payments to older Australians

Part 1 – Main amendments

Item 1 inserts a new Division 4 at the end of Part 2.2B of the SSA which provides for the one-off bonus payment for older Australians on a prescribed income support payment under the SSA or to the holder of a CSHC issued under the SSA. **Items 3 to 10** amend provisions in the SSA for the treatment of debts, arising from the one-off lump sum payments. This means that the 2008-09 Budget one-off lump sum payment will be subject to the existing debt provisions for the previous one-off lump sum payments.

25. The Treasurer, Budget Measures Budget Paper No. 2 2008-09 Budget, Canberra, 13 May 2008, *Responsible Economic Management - Concession Cards - retention while overseas*, p. 382. <http://www.budget.gov.au/2008-09/content/bp2/html/index.htm>

26. The Hon. Jenny Macklin, MP, Minister for Families, Housing, Community Services and Indigenous Affairs, Support for Older Australians, *media release*, Canberra, 13 May 2008. http://www.jennymacklin.fahcsia.gov.au/internet/jennymacklin.nsf/content/budget08_seniors_13may08.htm

27. Explanatory Memorandum, Financial Impact Statement.

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Items 11 to 14 amend the *Social Security (Administration) Act 1999* (SSAA) to prescribe that there need not be a claim required for the lump sum payments and to pay the bonus amount in a lump sum.

Item 15 inserts a new Part VIIF into the VEA which provides for the one-off bonus payment for older Australians on a prescribed income support payment under the VEA or to the holder of a CSHC issued under the VEA.

Part 2 – Related amendments

Item 16 amends **existing subsection 159J(6)** of the *Income Tax Assessment Act 1936* (ITAA1936) and **Item 17** amends **existing section 11-15** of the *Income Tax Assessment Act 1997* (ITAA1997), so that the one-off bonus payments to older Australians are not taxable income and are also exempt from income tax respectively. This is consistent with the tax treatment of previous one-off bonus payments. **Items 18 to 21** do the same in respect of any one-off bonus payments provided under the administrative scheme arrangements which are set out in Schedule 2 of the Bill.

Item 26 amends the SSA to insert **proposed paragraphs 8(8)(yf) and (yg)** so that the one-off bonus payments to older Australians are not income for the income test under the SSA. This is consistent with the income test treatment of previous one-off bonus payments. **Item 37** amends the VEA to insert **proposed paragraphs 5H(8)(zzae) and (zzaf)** so that the one-off bonus payments to senior Australians are not income for the income test under the VEA. This is consistent with the income test treatment of previous one-off bonus payments to older Australians.

Schedule 2 – Administrative schemes for 2008 one-off payments to older Australians

Item 1 provides for an administrative scheme for the payment of the \$1 000 one-off bonus payment to older Australians. The scheme empowers the Minister for Families, Housing, Community Services and Indigenous Affairs to may make a one-off bonus payment to an older Australian by way of an administrative scheme set up by a legislative instrument.²⁸ This would be for cases where it is considered the person should get a payment but the provisions in **Schedule 1** do not provide for a payment. **Item 2** does the same as **Item 1** but for the VEA and the Minister for Veterans' Affairs.

Schedule 3 – 2008 one-off payment to carers

Part 1 – Main amendments

Item 1 inserts **proposed sections 269-276** into the SSA for the payment of the \$1 000 one-off bonus payment to carers on a designated income support payment. **Proposed**

28. Moira Coombs, *Acts Interpretation Amendment (Legislative Instruments) Bill 2005*, *Bills Digest No. 11, 2005-06*, op. cit.

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section 269 stipulates the person is qualified for the one-off payment if they were qualified for carer payment on 13 May 2008. **Proposed section 271** does the same for a person qualified to wife pension and also to CA on 13 May 2008. **Proposed section 273** does the same for a person qualified to partner service pension under Part III of the VEA and also to CA on 13 May 2008. **Proposed section 275** does the same for a person qualified to carer service pension under subclause 8(2) or (4) of Schedule 5 to the VEA on 13 May 2008.

Item 2 inserts **proposed sections 992WD-992WF** for the payment of the one-off \$600 payment to CA recipients qualified to CA on 13 May 2008. **Item 3** inserts provisions to provide that where a CA claim is backdated to commence payment before the actual date of claim, and this backdating crosses over 13 May 2008, this person is not qualified to the one-off payment. **Item 7** amends the SSAA by repealing the existing sections 12AA-12AD and **inserting proposed section 12AA**. The effect of the amendments is to consolidate provisions not requiring a claim for the one-off payments.

Item 8 amends subsection 47(1) of the SSAA by inserting **proposed paragraphs 47(1)(ho)-47(1)(hs)**. This adds in the one-off payments to carers to the list of lump sum payments that are exempt as income for the income test applied under the SSA. This is consistent with the income test treatment of previous one-off bonus payments to carers.

Part 2 – Related amendments

Items 11 and 12 amend **existing subsection 159J(6)** of the ITAA1936 so that the one-off bonus payments to carers on CA are not taxable income. CA is not taxable income but these provisions make it clear that the bonus payments to CA recipients are also not taxable income. **Item 13** which also amends **existing subsection 159J(6)** does likewise for administrative scheme payments as provided for in **Schedule 4 of the Bill**. **Item 14** amends **existing section 11-15** of the ITAA1997, so that the one-off bonus payments to carers on CA are exempt from income tax. This is consistent with the tax treatment of previous one-off bonus payments to carers.

Item 33 inserts **proposed paragraph 8(8)(jae)** into the SSA so that the one-off bonus payments to carers on CA paid under an administrative scheme are not income for the income test under the SSA. This is consistent with the income test treatment of previous one-off bonus payments.

Items 34 to 67 are consolidation provisions in the SSA referring to the one-off payments to carers.

Item 71 amends the VEA to insert **proposed paragraph 5H(8)(zze)** so that any one-off bonus payment to carers under an administrative scheme as described in **Schedule 4** of the Bill, is not income for the income test applied under the VEA. This is consistent with the income test treatment of previous one-off bonus payments to carers.

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However, this amendment only refers to a one-off lump sum payment to a carer made under **Schedule 4** of the Bill. There is no corresponding reference to a lump-sum payment to a carer, provided under **Schedule 3** of the Bill, to be likewise exempt as income. There are amendments to the SSA and the SSAA in this Bill to exempt a lump-sum payment to a carer made under **Schedules 2 and 3** of the Bill as income for the income test applied under the SSA. There should be like provisions for the VEA income test provisions. This may be an oversight in the drafting of the Bill.

Schedule 4 – Administrative scheme for 2008 one-off payments to carers

Item 1 provides for an administrative scheme for the payment of the \$600 one-off bonus to carers. The scheme empowers the Minister for Families, Housing, Community Services and Indigenous Affairs to make a one-off bonus payment to a carer by way of an administrative scheme set up by a legislative instrument.²⁹ This would be for cases where it is considered the carer should get a \$600 payment but the provisions in **Schedule 3** of the Bill do not provide for a payment.

Schedule 5 – Non-cancellation of concession cards for temporary overseas absences

Part 1 – Main amendments

Amendments to the *Social Security Act 1991*

Item 1 inserts into **subsection 6A(1)** of the SSA, the proposed definition of the term 'concession card', which includes a pensioner concession card, a health care card and a seniors health card.

Items 2 to 11 insert notes into various sections in the SSA, stating that a person continues to be entitled to the various different concession cards for a maximum period of up to 13 weeks while the person is temporary absent from Australia.

Item 12 inserts **new Division 4 of Part 2A.1** of the SSA. **Proposed sections 1061ZUA-1061UZC** set out the qualification criteria where a concession card is not to be cancelled during a temporary absence from Australia.

Amendments to the *Veterans' Entitlements Act 1986*

Items 15 to 21 amend **existing section 118V** of the VEA. Section 118V sets out the qualification criteria for eligibility to the CSHC. The amendments will allow qualification for the CSHC during temporary absences overseas of up to 13 weeks.

29. *ibid.*

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Part 2—Amendments contingent on the Veterans' Entitlements Legislation Amendment (2007 Election Commitments) Act 2008

Part 2 of Schedule 5 of the Bill contains provisions contingent on the passage of the *Veterans' Entitlements Legislation Amendment (2007 Election Commitments) Act 2008*³⁰ prior to the passage of this Bill. The *Veterans' Entitlements Legislation Amendment (2007 Election Commitments) Act 2008* gained Royal Assent on 25 June 2008.³¹

The *Veterans' Entitlements Legislation Amendment (2007 Election Commitments) Act 2008* changed the qualification criteria to ISS expanding access to all War Widow's/er's Pension (WWP) recipients. That Act changed references to when a person, who is not a veteran, reaches qualifying age for age pension.³² The VEA now has the same qualifying

30. Peter Yeend, *Veterans' Entitlements Legislation Amendment (2007 Election Commitments) Act 2008, Bills Digest No. 96 2007-08*, Parliamentary Library, Canberra, 16 April 2008. <http://www.aph.gov.au/library/pubs/bd/2007-08/08bd96.htm>

31. House of Representatives, *Daily Bills List*, 42nd Parliament – 1st Session 2008, as at 26 June 2008. <http://www.aph.gov.au/bills/index.htm>

32. **VETERANS' ENTITLEMENTS ACT 1986 SECT 5QB - Pension age for persons other than veterans**

(1) This section deals with the pension age for persons other than veterans.

Men

(2) A man reaches *pension age* when he turns 65 years.

Women

(3) A woman born before 1 July 1935 reaches *pension age* when she turns 60 years.

(4) A woman born within the period specified in column 2 of an item in the following Table reaches *pension age* when she turns the age specified in column 3 of that item.

Column 1 Item no.	Column 2 Period within which woman was born (both dates inclusive)	Column 3 Pension age
1.	From 1 July 1935 to 31 December 1936	60 years and 6 months
2.	From 1 January 1937 to 30 June 1938	61 years
3.	From 1 July 1938 to 31 December 1939	61 years and 6 months
4.	From 1 January 1940 to 30 June 1941	62 years
5.	From 1 July 1941 to 31 December 1942	62 years and 6 months
6.	From 1 January 1943 to 30 June 1944	63 years
7.	From 1 July 1944 to 31 December 1945	63 years and 6 months

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age for women (non-veterans) as applies in the SSA. These are being incrementally moved up to age 65.³³ As a result the provisions in **Part 2 of Schedule 5** referring to the qualifying age for persons other than veterans, were contingent on the changes to this age that were made to the VEA by the *Veterans' Entitlements Legislation Amendment (2007 Election Commitments) Act 2008*.

Concluding comments

The bonus payments to some older Australians and to some carers presented in this Bill are beneficial and will be welcomed by the recipients. The Bill mirrors like bonus payment Acts arising from previous Budgets, the carer bonus payments in particular having also been made in the previous four Budgets.

There is no provision for on-going bonus payments in future Budgets. The government has announced a tax review to:

report on the tax system and also on take into account the relationships of the tax system with the transfer payments system and other social support payments, rules and concessions, with a view to improving incentives to work, reducing complexity and maintaining cohesion.³⁴

The government has said it is currently examining ways to further assist carers.³⁵ The House of Representatives Standing Committee on Family, Community, Housing and Youth also announced on 14 May 2008 a parliamentary inquiry to investigate how carers can be better supported in their vital role.³⁶

8.	From 1 January 1946 to 30 June 1947	64 years
9.	From 1 July 1947 to 31 December 1948	64 years and 6 months

(5) A woman born on or after 1 January 1949 reaches *pension age* when she turns 65 years.

33. *ibid.*

34. The Hon. Mr Wayne Swan, MP, Treasurer, Australia's Future Tax System, *media release*, Canberra, 13 May 2008.
<http://www.treasurer.gov.au/DisplayDocs.aspx?doc=pressreleases/2008/036.htm&pageID=003&min=wms&Year=&DocType=0>

35. The Hon. Jenny Macklin, MP, Minister for Families, Housing, Community Services and Indigenous Affairs, \$822 Million to Support and Recognise Carers, *op. cit.*

36. The House of Representatives Standing Committee on Family, Community, Housing and Youth, *Inquiry into better support for carers*, Canberra, 14 May 2008.
<http://www.aph.gov.au/house/committee/fchy/carers/index.htm>

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