

Australia

Exchange rate: US\$1.00 equals
1.05 Australian dollars (A\$).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1908 (old-age and disability) and 1942 (widows).

Current laws: 1991 (social security), 1992 (superannuation guarantee), and 1999 (new tax system).

Type of program: Social assistance and mandatory occupational pension system.

Coverage

Social assistance (social security): All persons residing in Australia.

Mandatory occupational pension (superannuation): Employed persons older than age 17 but younger than age 70 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): Voluntary contributions are tax deductible up to A\$5,000 plus 75% of contributions in excess of this amount or the age-based contribution (younger than age 35, A\$15,260; aged 35 to 49, A\$42,385; aged 50 or older, A\$105,113), whichever is lower. There is no upper limit for voluntary contributions.

Employer

Social security: None.

Mandatory occupational pension (superannuation): 9% of basic wages, up to A\$35,240 per quarter.

Employer contributions are tax deductible up to certain limits, depending on the age of the employee. For an employee younger than age 35, the maximum annual tax deductible wage is A\$15,260; if aged 35 to 49, A\$42,385; or if aged 50 or older, A\$105,113.

Government

Social security: The total cost from general revenue.

Mandatory occupational pension (superannuation): Matches voluntary contributions made by the insured of A\$1.50 for each A\$1.00 contributed, up to A\$1,500 a year for low-income earners.

Qualifying Conditions

Old-age pension

Social security (means-tested unless blind): Age 65 (men) or age 63 (women, as of July 1, 2005, and rising gradually to age 65 by July 1, 2013), must reside in Australia at the time of the claim and have 10 years of continuous residence (5 continuous years if the total residence period exceeds 10 years).

Deferred pension (pension bonus scheme): People who work may defer claiming the pension. The minimum deferral period is 12 months, and the covered person must complete at least 960 hours of work each year. The maximum deferral period is 5 years. The bonus is not paid to persons receiving income support or for deferred years after age 75.

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

Commonwealth seniors health card: Issued to people of pensionable age with an income below certain levels for reduced-cost prescriptions and medical services.

Pensioner concession allowance: Paid to commonwealth seniors health card holders to assist in meeting household expenses.

Carer payment (means-tested): Paid to the provider of constant care at home to a frail and elderly person or a person with an assessed disability or a severe medical condition.

Rent assistance (means-tested): Paid according to marital status and the level of rent. Special rules apply to people living in retirement villages.

Telephone allowance: Paid to commonwealth seniors health card holders to assist with maintaining a fixed telephone line, mobile phone, and a home Internet connection.

Pharmaceutical allowance (means-tested): Flat-rate allowances paid automatically to pensioners.

Remote area allowance: A tax-free allowance, subject to residence requirements.

Utilities allowance: Paid to pensioners to assist with utility bills.

Pensioner concession card: Provides social security recipients with reduced costs for certain federal, state or territory, and local government services.

Mandatory occupational pension (superannuation): Aged 55 or older and permanently retired.

Disability pension

Social security (means-tested unless blind): Aged 16 to 65 (men) or aged 16 to 61 (women). A minimum degree of

assessed disability of 20% and an inability to work for at least 15 hours a week, or the inability to be retrained for such work for at least the next 2 years due to a physical or mental impairment or permanent blindness. The person must reside in Australia.

If the assessed disability began before becoming an Australian resident, the person must reside in Australia at the time of the claim and have 10 years of continuous residence (5 continuous years if the total residence period exceeds 10 years); there is no minimum residence requirement for an Australian resident with an assessed disability.

The pension is payable abroad under specific circumstances but may be reduced.

Mobility allowance (not means-tested): Paid to a disabled person aged 16 or older 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.

Carer payment (means-tested): Paid to the provider of constant care at home to a frail and elderly person, a person with an assessed disability (including a child with a severe disability) or a severe medical condition, or two or more children with an assessed disability or a severe medical condition.

Carer allowance: Paid to the provider of constant care at home to a frail and elderly person or a person with an assessed disability or a severe medical condition. The carer and the person receiving care must satisfy residency requirements.

Rent assistance (means-tested): Paid according to marital status and the level of rent. Special rules apply to people living in retirement villages.

Telephone allowance: Paid to pensioners to assist with maintaining a fixed telephone line, a mobile phone, and a home Internet connection.

Pharmaceutical allowance (means-tested): Flat-rate allowances paid automatically to pensioners.

Remote area supplement: A tax-free allowance, subject to residency requirements.

Utilities allowance: Paid to pensioners to assist with utility bills.

Pensioner concession card: Provides social security recipients with reduced costs for certain federal, state or territory, and local government services.

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, below.

Rent assistance (means-tested): Paid according to the level of rent. Special rules apply to people living in retirement villages.

Telephone allowance: Paid to pensioners to assist with maintaining a fixed telephone line, mobile phone, and a home Internet connection.

Pensioner concession card: Provides social security recipients with reduced costs for certain federal, state or territory, and local government services.

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 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) or for refugee children under certain circumstances.

Bereavement payment: Paid in a lump sum to a surviving partner, carer, 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): Paid to a surviving partner, subject to residence requirements. It is generally paid for a maximum of 14 weeks from the date of the death of the partner.

Benefits are payable abroad indefinitely if payment begins before the person leaves the country. The benefit may be reduced after 26 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\$546.80 is paid every 2 weeks for a single person; A\$456.80 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. The maximum bonus is paid for 5 bonus years.

Commonwealth seniors health card: Reduced-cost prescriptions and medical services.

Pensioner concession allowance: A\$500.00 a year paid.

Carer payment (means-tested): Up to A\$546.80 for singles and A\$456.80 each for couples is paid every 2 weeks.

Rent assistance (means-tested): Up to A\$101.00 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\$88.00 a year is paid; A\$132.00 with a home Internet connection.

Australia

Pharmaceutical allowance: A\$5.80 is paid every 2 weeks for a single person; A\$2.90 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: \$500 a year is paid for singles; \$250 a year for each eligible member of a couple.

Pensioner concession card: Up to A\$500 is paid annually.

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

Mandatory occupational pension (superannuation): Usually a lump sum equal to the value of total contributions, plus interest minus administrative fees and taxes.

Permanent Disability Benefits

Disability pension

Social security (means-tested unless blind): Up to A\$546.80 is paid every 2 weeks for a single person aged 21 or older; A\$456.80 each is paid for a married couple. For single people younger than age 18 and living away from the family home, up to A\$456.00 is paid every 2 weeks; A\$295.10 if living in the family home. For single people aged 18 to 20 and living away from the family home, up to A\$456.00 is paid every 2 weeks; A\$334.50 if living in the family home. Single disability pensioners younger than age 21 are eligible for the youth disability supplement of A\$100.60 every 2 weeks, which is included in the rates of the disability pension paid to pensioners younger than age 21.

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.

Carer payment (means-tested): Up to A\$546.80 is paid every 2 weeks for a single person; A\$456.80 each for couples.

Carer allowance: A\$100.60 is paid every 2 weeks for each person receiving care.

Rent assistance (means-tested): Up to A\$101.00 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\$88.00 a year is paid; A\$132.00 with a home Internet connection.

Pharmaceutical allowance: A\$5.80 is paid every 2 weeks for a single person; A\$2.90 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: \$500 a year is paid for singles; \$250 a year for each eligible member of a couple.

Pensioner concession card: Up to A\$500 is paid annually.

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

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\$546.80 is paid every 2 weeks.

Rent assistance: Up to A\$101.00, according to marital status and the level of rent. Special rules apply to people living in retirement villages.

Pensioner concession card: Up to A\$500 is paid annually.

Double orphan payment: See Family Allowances, below.

Bereavement payment: A lump sum is paid to a surviving partner, carer, or parent of a young child to adjust to changed financial circumstances following the death of a pensioner, long-term income support recipient, child of a Family Tax recipient, or care recipient.

Bereavement allowance: The difference between the value of the social security pension paid to a single person and that paid to a member of a couple is paid to the surviving partner for 14 weeks after a pensioner's death; one pension payment is credited to the estate of a single pensioner.

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, Community Services, and Indigenous Affairs (<http://www.facsia.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 Regulatory 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), with 1983 (health amendment; 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, below.

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 and who do not have private health care coverage.

Higher income thresholds apply to low-income earners and 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 and who do not have private health care coverage.

Higher income thresholds apply to low-income earners and 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 the old-age pension, and residing in Australia. Sickness or injury prevents work and the claimant must have a job to return to or intends 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, below.

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\$351.10 each is paid every 2 weeks for a couple; up to A\$389.20 is paid every 2 weeks for a single person aged 21 or older with no dependents, up to A\$421 every 2 weeks if single with dependents, or up to A\$426.80 if single and aged 60 or older.

For benefits for children, see Family Allowances, below.

Benefits are paid every 2 weeks after a 7-day waiting period for as long as the person is qualified.

Rent assistance (means-tested): Up to A\$101.00 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\$88.00 a year is paid; A\$132.00 with a home Internet connection.

Pharmaceutical allowance: A\$5.80 is paid every 2 weeks for a single person; A\$2.90 each for a couple.

Remote area supplement: 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.

Concession card: Provided with a health care card that makes available additional health, household, and transportation assistance from state, territory, and local governments, up to A\$500 per year.

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

Maternity benefits: See Family Allowances, below.

Workers' Medical Benefits

The patient pays 15% of the scheduled fee for outpatient ambulatory care or A\$50.10, whichever is less (indexed annually for price changes).

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

Private benefit organizations pay for private hospital stays, or public hospitals charge for those who choose treatment by their own physician in public hospitals.

Pharmaceutical benefit: A fee of up to A\$29.50 per prescription applies to most prescribed medicines. Pensioners, benefit recipients, and low-income persons pay a A\$4.70 fee per prescription.

Dependents' Medical Benefits

The same medical and hospital benefits as for the head of the family. The patient pays 15% of the scheduled fee for outpatient ambulatory care or A\$50.10, whichever is less (indexed annually for price changes).

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

Family membership in a private benefit organization will also cover dependents. Private benefit organizations pay for private hospital stays, or public hospitals charge for those who choose treatment by their own physician in public hospitals.

Pharmaceutical benefit: A fee of up to A\$29.50 per prescription applies to most prescribed medicines. Pensioners, benefit recipients, and low-income persons pay a A\$4.70 fee per prescription.

Administrative Organization

Sickness benefits: Department of Families, Community Services, and Indigenous Affairs (<http://www.facsia.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.

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

Work Injury

Regulatory Framework

First laws: For the six states, enacted between 1902 (Western Australia) and 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); 1996 (Queensland); and 2001 (Western Australia).

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.

Self-employed persons may self-insure.

Exclusions: Self-employed persons are not usually covered.

Source of Funds

Insured person: None.

Self-employed person: The total cost of self-insurance on a voluntary basis.

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 equal to at least 95% of earnings and is paid for at least 26 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, above, includes income from the temporary disability benefit.

Benefit adjustment: Benefits are adjusted in March and September 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, above, includes income from the permanent disability benefit.

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

Benefit adjustment: Benefits are adjusted in March and September according to changes in the 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 the survivor, plus a lump sum or a weekly payment for each child. In some cases, the benefit for a child may include a lump sum as well as a weekly payment.

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

Funeral grant: The reasonable cost of a funeral.

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), with 1998 (youth allowance) amendment.

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, aged 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 incapacitated for work because of an illness or injury. Both parental and personal income and assets are considered in the means test.

Newstart allowance (means-tested): Aged 21 or older but younger than the pensionable age and unemployed. Must reside permanently in Australia and be present in the country during the period of payment. Must be unemployed, capable of undertaking and actively seeking work, or temporarily incapacitated for work because of an illness. Unemployment is not due to voluntary leaving, a labor dispute, or the refusal of a suitable job offer. Otherwise, the benefit may be paid at a reduced rate for up to 26 weeks or postponed for up to 8 weeks.

Mature age allowance (means-tested): Paid to an unemployed person who is aged 60 or older but younger than the pensionable age. Must have received the newstart allowance for the preceding 9 months, or a nonactivity-tested payment in the 13 weeks before the claim, and have no recent workforce experience. Recipients are not required to look for work. (No new mature age allowances have been awarded since September 20, 2003.)

Partner allowance (means-tested): 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 no recent workforce experience, no dependent children younger than age 16, and must not have received unemployment allowances or the sickness benefit in the 13 weeks prior to the claim. Recipients are not required to look for work. A couple refers to cohabiting opposite-sex partners, regardless of marriage. (No new partner allowances have been awarded since September 20, 2003.)

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

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 for rent assistance.

Remote area supplement: A tax-free allowance, subject to residence requirements.

Concession card: Provided with a health care card, or a senior's concession card if older than age 60, after receiving social security benefits for 9 months.

Unemployment Benefits

Youth allowance (means-tested): Between A\$194.50 and A\$465.60 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 is receiving social security benefits.

Newstart allowance (means-tested): Up to A\$394.40 is paid every 2 weeks for each member of a couple older than age 21; A\$437.10 if single, older than age 21, and with no dependents; A\$472.81 if single with dependents, or A\$437.10 if single, older than age 60, and after receiving the allowance for 9 months. The allowance is paid after a 7-day waiting period for as long as the person remains qualified.

If exempt from having to actively seek work, a recipient of the newstart allowance may be paid for up to 26 weeks of temporary overseas absence in certain circumstances.

Mature age allowance (means-tested): Up to A\$405.40 is paid every 2 weeks for each member of a couple; A\$449.30 if single with no dependents; A\$486 if single with dependents. The allowance is paid after a 7-day waiting period for as long as the person remains qualified.

Partner allowance (means-tested): Up to A\$405.40 is paid every 2 weeks. The allowance is paid after a 7-day waiting period for as long as the person remains qualified.

Parenting payment: Up to A\$405.40 is paid every 2 weeks for parents living as a couple; A\$562.10 for a single parent.

Rent assistance (means-tested): Up to A\$101.00 is paid every 2 weeks, 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 for rent assistance.

Remote area supplement: 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.

Concession card: Provided with a health care card, or a senior's concession card if older than age 60, after receiving social security benefits for 9 months, up to A\$500 a year.

Benefit adjustment: The youth allowance and newstart allowance are adjusted in March and September according to changes in the consumer price index.

Administrative Organization

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

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

Family Allowances

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 up to and including age 20 (age 24 if a full-time student) for Part A; younger than age 16 (up to age 18 if a full-time student) for Part B. From July 1, 2008, 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 not greater than A\$42,559. Families receive some benefit under Part A for annual family income up to A\$100,801 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 (including single parents) 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 annual income of the secondary earner is not greater than A\$4,526. (Single parents are not subject to an income test.) Couples receive some benefit under Part B if the secondary earner's annual income is less than A\$22,995 and the youngest child is younger than age 5; less than A\$17,904 and the youngest child is between ages 5 and 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. The allowance is paid every 2 weeks until the children are age 16 or until the end of the calendar year in which they are age 18 if at least 3 children are in full-time study. The supplement is paid as part of family tax benefit (Part A).

Rent assistance: Paid to people receiving the family tax benefit (Part A) and paying rent to private landlords.

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 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) or for refugee children under certain circumstances. The pension is not income-tested.

Maternity payment: A universal payment for persons with a newborn child, including persons with adopted babies, stillborn babies, and babies who died shortly after birth.

Maternity immunization allowance: A universal payment for persons who are caring for a child aged 24 months or younger. The allowance is paid after the child receives all immunizations recommended for a child up to age 18 months or valid exemption from immunization.

Child care benefit: Paid to families with children residing in Australia who meet the immunization requirements or are exempt and who pay for child care with an approved or registered care provider.

Health care card: Provided to recipients of 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\$48.30 (for ages 18 to 24, A\$64.96).

The maximum rate per 2-week period for a child younger than age 13 is A\$151.34; for ages 13 to 15, A\$196.84; for ages 16 to 17, A\$48.30; and for ages 18 to 24, A\$64.96. (An annual supplement of A\$686.20 per eligible child is also paid as a lump sum at the end of the financial year.)

Large family supplement: A\$10.36 is paid every 2 weeks for each child after the second.

Multiple birth allowance: A\$125.58 is paid every 2 weeks for triplets; A\$167.00 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\$1.00 of rent paid above a determined rent threshold. The maximum rate of assistance for each 2-week period depends on whether the claimant is single or partnered, the number of children, and the level of the rent.

Family tax benefit, Part B: The maximum rate for a child younger than age 5 is A\$128.80 every 2 weeks; for ages 5 to 18, A\$89.74 every 2 weeks. (An annual supplement of A\$335.80 is also paid as a lump sum at the end of the financial year.)

Double orphan pension: A\$50.40 is paid every 2 weeks.

Maternity payment: Generally, a lump sum of A\$5,000 is paid for each child. As of January 1, 2009, the sum will be paid as 13 equal biweekly installments.

Maternity immunization allowance: A single lump-sum of A\$222.30 is paid. As of January 1, 2009, the allowance will be made in two payments.

Child care benefit: The rate of benefit depends on family income, the number of children, the number of hours of care paid for each week, the age of the children, and the status of the care provider. Low-income families using approved services receive higher benefits.

Health care card: The card is issued automatically to income support recipients and families receiving the maximum rate of the Family Tax Benefit Part A, primarily to access prescriptions and medical services at a reduced cost. The card makes available additional health, household, and transportation assistance from state, territory, and local governments.

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

Benefit adjustment: Most benefits are adjusted on July 1 each year according to changes in the consumer price index. Some benefits are also adjusted according to wage growth, as measured by average weekly earnings.

Administrative Organization

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

Family Assistance Offices administer the program.