Date Introduced: 15 May 1985
House: House of Representatives
Presented by: Hon. Brian Howe, M.P., Minister for Social Security

Short Digest of Bill

Purpose

The Bill is an omnibus bill which amends 19 Acts. The amendments aim to improve the efficiency in the administration of Government welfare programs and to correct drafting anomalies found in some Acts.

Main Provisions

The major effects of the Bill will be felt in the following areas:

1. Aged and Disabled Persons Homes and Hostels

The administration of such bodies will be altered to give the Secretary greater powers to approve such homes and hostels (clause 5). As well, the terms and conditions of grants to such bodies will be able to be varied by agreement between the Secretary and the body involved (clause 6).

2. Child Care

A number of areas currently administered under the Children's Services Program (CSP) will be given a legislative basis. The most important areas transferred are:

- certain grants to child care centres currently made under CSP will in future be made under the Child Care Act 1972 (clause 15);
- the 'fee relief' scheme currently administered under CSP will be given a statutory basis under the Child Care Act 1972 (clause 19);
- a provision will be inserted in the Child Care Act 1972 for payment of subsidies for the
employment of people to establish a new child care centre for up to 6 weeks prior to the centre's opening (clause 19);

In addition, the Bill will update and streamline equipment purchasing procedures (clause 16), and clarify the criteria for subsidies for staff hire (clause 18). As well, the Bill will provide a legislative basis for grants to the States for the development of child care facilities (clause 21). The Minister's ability to delegate his powers has been extended to include delegation to officers of the Department (clause 27).

3. Commonwealth Employee's Compensation

The major changes in this area increase the circumstances in which a Commonwealth employee will be entitled to compensation. The definition of employment is widened to include attendance at a place, other than the place of work, during an authorised absence or recess (clause 35). The journey to and from such a place during an authorised absence or recess is also included (clause 37). As well the Bill allows compensation to be paid at the totally incapacitated rate for those partially incapacitated and unable to find employment (clause 36). Also, the situations in which vocational training will be offered are to be extended (clause 38). Provision is made for lump sum compensation for the partial loss of genitals or, for females, the loss of one or both breasts (clause 39).

4. Repatriation

Major amendments to Repatriation legislation allow the Repatriation Commission to delegate to include public servants stationed overseas (this will enable certain overseas public servants to operate as agents of the Commission) and to clear up anomalies that exist between the Repatriation Act 1920 and the Social Security Act 1947.

As well the Bill addresses the position of recipients of both social security and repatriation pensions. Although new double pensions were abolished in 1973, a substantial number of people are in receipt of double pensions from pre-1973 years. A person in receipt of dual pensions may nominate either pension as the primary pension (largely decided on the differing income test provisions). This Bill will freeze the secondary pension received at the level operating immediately before the commencement of the Bill. In addition, a repatriation pension will be taken as income for social security calculations (clauses 82 and 83).
5. Social Security

A number of amendments are consequential upon the forthcoming introduction of the New Enterprise Incentive Scheme (NEIS). Payments under this scheme will generally not be treated as income for the purposes of the Social Security Act 1947, but (by clause 112) such payments are to be treated as income for the calculation of sickness benefits. As well, for other income support benefits there will be a dollar for dollar deduction of NEIS payments from an income security payment (clause 121).

Further changes to social security legislation include an extension of the provisions whereby convicted persons in prison are ineligible for social security benefits to those in mental hospitals awaiting trial (clause 118), and a change in procedure for the prosecution of major offenders against the Social Security Act 1947. In future major offences will be tried summarily with maximum penalty of $2000 fine or 12 months imprisonment (clauses 119 and 120).

The name of the supplementary allowance is to be changed to rent assistance to reflect the true purpose of the payment.

6. Health

Minor changes are made to the definition of income for determining eligibility for a Health Care Card. Payments under the New Enterprise Incentive Scheme will be included in income for this purpose.

The Bill also clarifies the rules for determining when days of absence from nursing home begin and end (clause 63).

For further information, if required, contact:

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