



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**HOUSE OF REPRESENTATIVES**

**BILLS**

**Social Services Legislation  
Amendment (No. 2) Bill 2015**

**Second Reading**

**SPEECH**

**Thursday, 28 May 2015**

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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## SPEECH

**Date** Thursday, 28 May 2015  
**Page** 4969  
**Questioner**  
**Speaker** Morrison, Scott, MP

**Source** House  
**Proof** No  
**Responder**  
**Question No.**

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**Mr MORRISON** (Cook—Minister for Social Services) (09:02): I move:

That this bill be now read a second time.

This bill will introduce three measures in the Social Services portfolio.

Firstly, the bill will amend the social security law to streamline the current income management program under a two-year continuation.

Income management and the BasicsCard will continue for two additional years to maintain support for the existing income management participants. The streamlining amendments made by this bill will enable more effective operation of the income management program.

In particular, the bill provides for the abolition of certain incentive payments relating to income management, amends the operation of the vulnerable measure of income management, and makes minor streamlining amendments to remove ambiguities and improve the program's effectiveness.

The bill also makes amendments to reflect two measures relating to aged care, which were included in the 2014-15 Mid-Year Economic and Fiscal Outlook announcement.

From 1 July 2015, the bill will cease payment of residential care subsidy to residential aged-care providers for holding a place for up to seven days before a care recipient enters care. This will ensure the subsidy is appropriately targeted to people actually receiving care.

Currently, this subsidy is paid to providers at a reduced rate of 30 per cent of the full residential care subsidy that will be payable once the care recipient enters care.

When the subsidy is ceased under this measure, the provider will not be able to recoup any lost residential care subsidy from the care recipient. However, the provider will still be able to charge the care recipient the standard resident contribution for the pre-entry period.

Lastly, the bill will reflect the government's decision to abolish the Aged Care Planning Advisory Committees as part of the Smaller Government initiative.

The Smaller Government reforms are reducing the size and complexity of government. They are eliminating duplication and waste, streamlining services and reducing the cost of government administration.

The Aged Care Planning Advisory Committees' role was to provide advice in relation to the distribution of aged-care places. However, the last of these committees expired in September 2014. These amendments repeal the now-redundant relevant provisions in the Aged Care Act 1997.

Debate adjourned.