



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

BILLS

**Family Assistance and Other
Legislation Amendment Bill 2012**

Second Reading

SPEECH

Wednesday, 29 February 2012

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

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Speaker Macklin, Jenny, MP	Question No.

Ms MACKLIN (Jagajaga—Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform) (17:24): I thank the House for its indication that it will be supporting this legislation. The bill implements the government's changes to family payments that were announced in the Mid-Year Economic and Fiscal Outlook. It also introduces the improved support for carers that was outlined in the government's National Carer Strategy.

Firstly, the bill delivers stronger incentives for parents to have their children immunised, by linking family tax benefit part A end-of-year supplement with immunisation, in place of the existing maternity immunisation allowance arrangements. Immunisation is fundamentally important to the health of a child throughout its life and to the health of other children in the community. The government wants to make sure that children have the best start in life and are immunised at the right time. From 1 July 2012 the family tax benefit part A end-of-year supplement, which is currently set at \$726 a child each year, will only be paid once a child is fully immunised for the financial year a child turns one, two and five years of age. As a result, over the three immunisation checkpoints of one, two and five years of age, families will have an incentive of more than \$2,100 to ensure that children are fully immunised. This initiative aims to improve immunisation coverage rates over time, giving greater protection to Australian children and continuing the government's reforms using family payments to help drive better outcomes for families and children.

Secondly, the bill will help make sure that the baby bonus, an important part of our targeted family payments system, is sustainable for the long term. Under the amendments, the indexation of the baby bonus will be paused for three years from 1 July 2012, and the payment rate will be reset to \$5,000 per child from 1 September 2012. The baby bonus has increased by 67 per cent since it was introduced in 2004. This measure will provide a saving to the budget of \$358 million over four years.

Thirdly, the bill will improve the targeting of family tax benefit and reduce the risk of debts by ending fortnightly family tax benefit instalments for recipients who claim family tax benefit but are found to have no actual entitlement for two consecutive years following the end-of-year reconciliation with their income tax return. Families will still be able to make a lump sum claim at the end of the financial year instead of receiving instalments. Exceptions will apply so that families are not put at risk of hardship.

Through the National Carer Strategy, announced on 3 August 2011, the government is committed to improving carers' opportunities to take part in all aspects of society, including the chance to participate in work, community and family life. This bill provides the legislative support for two elements of that commitment. One amendment addresses the situation of certain carers who combine paid employment with their caring responsibilities. These carers currently cannot receive the annual carer supplement, set at \$600 a person that they care for, if, due to the income test, their or their partner's income has reduced their rate of payment to nil during a period that includes 1 July. This bill preserves a carer's entitlement to their carer supplement in that situation, and so reduces the disadvantage and uncertainty the carers or their partners who may be offered extra employment in the period that includes 1 July. A second amendment for carers will make sure that a low-income carer receiving income support payment as well as a carer allowance for care of an adult will be paid a bereavement payment on the death of the person they care for.

Once again, I thank the contributors to the debate this afternoon, and also thank the House in anticipation of the support it will provide to these important measures.

The SPEAKER: The immediate question is that the amendment moved by the member for Menzies be agreed to.

The SPEAKER: The question now is that this bill be now read a second time.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.