



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



THE SENATE

FAMILY AND COMMUNITY SERVICES LEGISLATION (SIMPLIFICATION AND OTHER MEASURES) BILL 2001

Second Reading

SPEECH

Wednesday, 20 June 2001

BY AUTHORITY OF THE SENATE

SPEECH

Date Wednesday, 20 June 2001
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Questioner
Speaker Vanstone, Sen Amanda

Source Senate
Proof No
Responder
Question No.

Senator VANSTONE (South Australia—Minister for Family and Community Services and Minister Assisting the Prime Minister for the Status of Women) (12.28 pm)—I move:

That this bill be now read a second time.

I seek leave to have the second reading speech incorporated in *Hansard*.

Leave granted.

The speech read as follows—

Since its election in 1996, this Government has set about simplifying the social security system.

How have we done this? We have ensured that social security legislation is routinely reviewed so it is simpler, easier to read and to ensure that it does what this Government wants it to do.

This bill is the third bill that seeks to improve the social security laws that underpin Australia's social welfare safety net.

This bill deals primarily with compensation recovery. It simplifies that part of the Social Security Act 1991 that deals with compensation recovery. It also implements 2000-2001 Budget measures relating to the treatment of a person's partner's periodic compensation payments and the recovery of certain debts directly from compensation payers and insurers.

This bill is a spending bill. It removes a source of irritation to partners of people who receive periodic compensation payments, such as regular fortnightly compensation from an insurance company. It implements a more generous approach.

Currently, if a person gets a compensation affected payment, which are defined in the Act, then they lose one dollar for every dollar of periodic compensation received. If this amount is reduced to zero then any excess compensation counts against their partner's compensation affected payment dollar for dollar.

In future, if a person's partner's periodic compensation has to be taken into account in working out the person's income for social security purposes, it will be treated as ordinary income of the person.

It is expected that this measure will result in an increase in the amount of social security pensions and benefits paid to couples with low levels of income derived largely, or solely, from compensation payments.

The bill also includes a number of minor simplification measures relating to Chapter 3 of the Social Security Act 1991 that were outlined in the 2000-2001 Budget and some amendments of a technical nature.

This bill demonstrates the Government's commitment to a simpler and fairer social security system.