

1993-94

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

SENATE

SOCIAL SECURITY
LEGISLATION AMENDMENT BILL 1994

SUPPLEMENTARY EXPLANATORY MEMORANDUM

Amendments to be moved on behalf of the Government

(Circulated by authority of the Hon Con Sciacca MP
Parliamentary Secretary to the Minister for Social Security
representing the Minister for Social Security)

SOCIAL SECURITY LEGISLATION AMENDMENT BILL 1994

OUTLINE AND FINANCIAL IMPACT STATEMENT

These amendments affect the *Social Security Act 1991*.

The *Social Security (Budget and Other Measures) Legislation Amendment Act 1993* introduced mature age allowance. From 20 March 1994, any person aged 60 and over

- who is in Australia;
- has 10 years qualifying residence in Australia;
- has not reached pension age;
- is unemployed;
- has been continuously registered with the CES in an allowance category as unemployed for the last 12 months; and
- who has been continuously receiving income support payments for the last 12 months

will be able to claim mature age allowance.

The requirement that a person be continuously registered with the CES for 12 months will be modified by allowing breaks in registration of less than 13 weeks to be disregarded for the purpose of calculating the 12 month registration period.

The requirement that a person be continuously receiving income support payments for 12 months will also be modified by allowing breaks in receipt of less than 13 weeks to be disregarded for the purpose of determining the 12 month receipt period.

These amendments have no costs additional to those specified in the Explanatory Memorandum to *Social Security (Budget and Other Measures) Legislation Amendment Act 1993* relating to mature age allowance.

NOTES ON AMENDMENTS

SOCIAL SECURITY LEGISLATION AMENDMENT BILL 1994

General description of Amendments

The amendments will insert two new subsections 660XBA(1A) and (1B) into the *Social Security Act 1991* (the Principal Act). The new subsections will allow a person first claiming mature age allowance to meet the qualification requirements of having 12 month continuing periods of registration with the CES and receipt of income support (paragraphs 660XBA(1)(c) and(d)) despite breaks in the registration or receipt of income support, providing the breaks are of less than 13 weeks duration.

The amendments will commence on 20 March 1994.

Technical description of Amendments

The *Social Security Legislation Amendment Bill 1994* (the Bill) will be amended as follows:

Amendment (1)

Subclause 10 will be inserted in clause 2 of the Bill indicating that a new Part 14 (Mature Age Allowances) will commence or will be taken to commence on 20 March 1994, immediately after the commencement of Division 2 of Part 2 of the *Social Security (Budget and Other Measures) Legislation Amendment Act 1993*.

This will ensure that these amendments will apply to claims for mature age allowance from the date of commencement of the mature age allowance provisions, that is, from 20 March 1994.

Amendment (2)

A new Part 14 (Mature Age Allowances) will be inserted in the Bill providing for the following changes to section 660XBA of the Principal Act (Qualification for mature age allowance):

- subsection 660XBA(1A) (CES registration) will be inserted in section 660XBA of the Principal Act providing that a person who ceases to be registered with the CES for a period of less than 13 weeks is taken to have been registered for that period for the purposes of paragraph 660XBA(1)(c); and

- subsection 660XBA(1B) (Receipt of benefits) will be inserted in section 660XBA of the Principal Act providing that a person who, for a period of less than 13 weeks, ceases to receive a social security pension or a social security benefit or a service pension or ceases to be a benefit increase partner is taken to have been receiving the pension or benefit or to be a benefit increase partner for that period.

