



Social Security and Veterans' Entitlements Amendment Act (No. 2) 1987

No. 130 of 1987

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Social Security and Veterans' Entitlements Amendment Act (No. 2) 1987

No. 130 of 1987

An Act relating to social security and veterans' entitlements and other related matters

[Assented to 16 December 1987]

BE IT ENACTED by the Queen, and the Senate and the House of Representatives of the Commonwealth of Australia, as follows:

PART I—PRELIMINARY

Short title

1. This Act may be cited as the *Social Security and Veterans' Entitlements Amendment Act (No. 2) 1987*.

Commencement

2. Each provision of this Act comes into operation, or is deemed to have come into operation, as the case requires, on the day, or at the time, shown by the note in italics at the foot of that provision.

Commencement: Day of Royal Assent

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Application provisions

3. (1) The amendment made by subsection 10 (2) applies to payments under the *Social Security Act 1947* that fall due after 13 November 1987, being payments that are affected by a disposition of property or income within the meaning of section 6 of that Act that took place before or after that day.

Commencement: Day of Royal Assent

(2) The amendments made by subsections 7 (3), 10 (1), 11 (3), 18 (1) and 38 (3) and sections 12 and 42 apply to payments under the *Social Security Act 1947* that fall due on or after 13 December 1987.

Commencement: Day of Royal Assent

(3) The amendments made by subsection 18 (2) apply to payments under the *Social Security Act 1947* that fall due on or after 24 December 1987.

Commencement: Day of Royal Assent

(4) The amendments made by subsections 18 (3) and 38 (5) and section 41 apply to payments under the *Social Security Act 1947* that fall due on or after 1 January 1988.

Commencement: Day of Royal Assent

(5) The amendments made by subsection 38 (2) and section 40 apply to benefit under Part XIII of the *Social Security Act 1947* granted on or after 13 December 1987.

Commencement: Day of Royal Assent

(6) The amendment made by section 44 applies to payments under the *Social Security Act 1947* that fall due after the commencement of section 21 of the *Social Security and Veterans' Entitlements Amendment Act 1987*.

Commencement: Day of Royal Assent

(7) The amendments made by subsection 73 (1) and sections 66, 84, 85 and 87 apply to payments under the *Veterans' Entitlements Act 1986* that fall due on or after 17 December 1987.

Commencement: Day of Royal Assent

(8) The amendments made by subsection 73 (2) apply to payments under the *Veterans' Entitlements Act 1986* that fall due on or after 1 January 1988.

Commencement: Day of Royal Assent

(9) The amendment made by section 75 applies to payments under the *Veterans' Entitlements Act 1986* that fall due after 13 November 1987, being payments that are affected by a disposition of property or income

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within the meaning of section 52 of that Act that took place before or after that day.

Commencement: Day of Royal Assent

(10) The amendment made by subsection 76 (2) applies to payments under the *Veterans' Entitlements Act 1986* that fall due on or after 13 November 1987.

Commencement: Day of Royal Assent

(11) The amendment made by section 79 applies to payments of special temporary allowance under section 65 of the *Veterans' Entitlements Act 1986* in respect of deaths occurring on or after the day on which this Act receives the Royal Assent.

Commencement: Day of Royal Assent

(12) The amendment made by section 90 applies to amounts of pension, allowance or other pecuniary benefit under the *Veterans' Entitlements Act 1986* that have accrued at the day on which this Act receives the Royal Assent or that accrue after that day.

Commencement: Day of Royal Assent

(13) The amendments made by sections 104 and 113 apply to payments under the *Seamen's War Pensions and Allowances Act 1940* that fall due on or after 17 December 1987.

Commencement: Day of Royal Assent

Transitional and savings provisions

4. (1) Where, on 13 December 1987, a person who is in receipt of an unemployment benefit or a sickness benefit is absent from the principal home of the person, subsection 4 (8) of the *Social Security Act 1947* applies to the person as if that period of absence had commenced on that day.

Commencement: Day of Royal Assent

(2) Section 11 of the *Social Security Act 1947* continues to apply to a person who ceases to receive full time education at a school, college or university after 1 September 1987 and before 1 January 1988 for a period of 6 weeks after the person so ceases.

Commencement: Day of Royal Assent

(3) A person who was, immediately before 17 December 1987, receiving payments under Part IX of the *Social Security Act 1947* in respect of a child shall, subject to Part IX of that Act as amended by this Act, continue to be entitled to receive payments under the last-mentioned Part in respect of that child for the period during which the person was entitled to receive payments in respect of that child under the first-mentioned Part.

Commencement: Day of Royal Assent

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(4) A person who is or becomes entitled to receive a handicapped child's allowance in respect of a child in respect of the period ending on 14 November 1987 is, subject to Part XII of the *Social Security Act 1947*, entitled to receive a child disability allowance in respect of that child.

Commencement: Day of Royal Assent

(5) A reference in a law of the Commonwealth or of a Territory, or in an instrument or document, to a handicapped child's allowance shall, in relation to things done on and after 15 November 1987, be read as a reference to a child disability allowance.

Commencement: Day of Royal Assent

(6) Where:

- (a) a person was receiving a sickness benefit immediately before 13 December 1987; and
- (b) the rate of benefit applicable to the person at that time was the rate referred to in paragraph 118 (1) (e) of the *Social Security Act 1947* as in force at that time;

that paragraph continues, while the person continues to be qualified to receive a sickness benefit, to apply to the person until:

- (c) the person ceases to be a person referred to in that paragraph; or
- (d) paragraph 118 (1) (c) of that Act becomes applicable to the person.

Commencement: Day of Royal Assent

(7) Section 119 of the *Social Security Act 1947* shall, notwithstanding the amendments made by subsection 37 (2) of the *Social Security and Veterans' Affairs (Miscellaneous Amendments) Act 1986*, be deemed not to affect the rate of benefit referred to in paragraph 118 (1) (a) or (b) in relation to the year commencing on 1 January 1988.

Commencement: Day of Royal Assent

(8) Where:

- (a) a person was receiving a sickness benefit immediately before 13 December 1987; and
- (b) the rate of that benefit was increased under section 120 of the Principal Act;

the rate of that increase shall, until a higher rate of increase becomes applicable to the person under section 120 of the *Social Security Act 1947* as amended by this Act, continue to be calculated under section 120 of that Act before it was so amended.

Commencement: Day of Royal Assent

(9) Notwithstanding the amendment made by section 44, section 127 of the *Social Security Act 1947*, as in force before 1 September 1987 continues to apply to a person who ceased to undertake a course of education on a full time basis before 1 September 1987.

Commencement: Day of Royal Assent

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(10) The agreement between the Government of Australia and the Government of New Zealand providing for reciprocity in matters relating to social security that was signed at Sydney on 15 April 1949 shall, during the period commencing on 1 July 1987 and ending on the day before the day on which the agreement set out in Schedule 3 to the *Social Security Act 1947* comes into force, be deemed to have had the same effect in relation to that Act as it had immediately before the commencement of that period.

Commencement: Day of Royal Assent

(11) Subsection 19 (2A) of the *Veterans' Entitlements Act 1986* does not operate to prevent a pension being payable, or to reduce the rate of a pension that is payable, to a veteran who was receiving a pension on the day on which this Act received the Royal Assent.

Commencement: Day of Royal Assent

(12) Notwithstanding the amendment made by section 96, an instrument in force under subsection 202 (1) of the *Veterans' Entitlements Act 1986* immediately before the commencement of this subsection continues in force, subject to subsection 202 (4) of that Act, on and after that commencement.

Commencement: Day of Royal Assent

(13) Subsection 6 (2) of the *Seamen's War Pensions and Allowances Act 1940* does not operate to prevent a pension being payable, or to reduce the rate of a pension that is payable, to an Australian mariner who was receiving a pension on the day on which this Act received the Royal Assent.

Commencement: Day of Royal Assent

(14) Subsection 129 (3) of the *Social Security Act 1947* does not apply to a person who was receiving a special benefit immediately before 1 October 1987.

Commencement: 1 October 1987

(15) Section 109 of the *Social Security Act 1947* is repealed on a day to be fixed by Proclamation.

Commencement: Day of Royal Assent

(16) The sections inserted in the *Social Security Act 1947* by section 15 of the *Social Security and Veterans' Entitlements Amendment Act 1987* shall be deemed to be sections 85 and 85A.

Commencement: 1 October 1987

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Repeals

5. (1) The following provisions of the *Social Security and Veterans' Affairs (Miscellaneous Amendments) Act 1986* are repealed:

Subsection 12 (3)

Paragraphs 36 (5) (b) and (c)

Section 56

Subsection 72 (3).

Commencement: Royal Assent

(2) Subsection 3 (3) of the *Social Security Amendment Act 1987* is repealed.

Commencement: 5 June 1987

PART II—AMENDMENTS OF THE SOCIAL SECURITY ACT 1947

Principal Act

6. In this Part, "Principal Act" means the *Social Security Act 1947*.

Commencement: Day of Royal Assent

Interpretation

7. (1) Section 3 of the Principal Act is amended:

(a) by omitting from subsection (8) "Where" and substituting "Subject to subsection (8A), where";

(b) by inserting after subsection (8) the following subsection:

“(8A) Subsection (8) does not apply to a person if the person and the person’s former spouse are each receiving:

(a) an age pension, an invalid pension, a carer’s pension or a sheltered employment allowance;

(b) a rehabilitation allowance in place of such a pension or allowance; or

(c) a service pension under the *Veterans' Entitlements Act 1986*.”.

Commencement: 1 July 1987

(2) Section 3 of the Principal Act is amended:

(a) by omitting subparagraph (b) (ii) of the definition of "Australian resident" in subsection (1) and substituting the following subparagraph:

“(ii) a return endorsement, or a resident return visa, in force under the *Migration Act 1958*; or”; and

(b) by omitting paragraph (10) (b) and substituting the following paragraph:

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“(b) the child is living with the person while the person is an Australian resident.”.

Commencement: Immediately after the commencement of section 29 of the Social Security and Veterans' Entitlements Amendment Act 1987

(3) Section 3 of the Principal Act is amended by inserting after subsection (5) the following subsection:

“(5A) For the purposes of this Act, where a person who is qualified to receive an unemployment benefit or a sickness benefit is a married person whose spouse is not in receipt of a prescribed pension, the value of the property of, or of the property of a particular kind of, the person includes the value of the property of, or of the property of that kind of, the person's spouse.”.

Commencement: Day of Royal Assent

(4) Section 3 of the Principal Act is amended by inserting in subsection (1) the following definitions in their respective alphabetical positions (determined on a letter-by-letter basis):

“‘job search allowance’ means a benefit under section 117A;
‘sickness benefit’ means a benefit under section 117;
‘special benefit’ means a benefit under Division 6 of Part XIII;
‘unemployment benefit’ means a benefit under section 116;”.

Commencement: 1 January 1988

8. After section 3 of the Principal Act the following section is inserted:

Treatment of certain income

“3A. (1) In this section:

‘accruing return investment’ means an arrangement made by a person that consists of or includes an investment of money, being an investment:

(a) that produces:

- (i) a fixed rate or quantifiable rate of return, whether or not that rate varies from time to time; or
- (ii) a rate of return that may be reasonably approximated;
and

(b) the value of which from time to time is unlikely to decrease as a result of market changes;

‘friendly society’ means:

- (a) a society registered as a friendly society under a law in force in a State or Territory; or
- (b) a society that had, before 13 December 1987, been approved for the purposes of the definition of ‘friendly society’ in subsection 115 (1);

‘return’, in relation to an investment, means any increase, whether of a capital or income nature, in the amount of the investment and, in

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the case of an investment of the kind referred to in subparagraph (a) (ii) of the definition of 'accruing return investment', means a reasonable approximation of such an increase.

"(2) Where a person makes, whether before or after the commencement of this subsection, an accruing return investment, being an investment to which subsections (3) and (5) do not apply, the person shall, for the purposes of this Act, be taken to receive the rate of return on that investment as income of the person from the day on which that investment was made.

"(3) Where a person makes, on or after 1 January 1988, an accruing return investment:

- (a) with a friendly society; or
- (b) of a kind where a return is not available until the end of a period of at least 12 months after that investment was made or until realisation of that investment;

the person shall, for the purposes of this Act, be taken to receive the rate of return on that investment as income of the person from the day on which that investment was made.

"(4) Where a person becomes entitled, whether before or after the commencement of this subsection, to receive an amount of income, being an amount of a capital nature but not being:

- (a) income from remunerative work undertaken by the person; or
- (b) a return from an accruing return investment;

the person shall, for the purposes of this Act, be taken to receive one fifty-second of that amount as income of the person during each week in the period of 12 months commencing on the day on which the person becomes entitled to receive that amount.

"(5) Where a person makes, at any time before 1 January 1988, an accruing return investment:

- (a) with a friendly society; or
- (b) of a kind where a return is not available until the end of a period of at least 12 months after that investment was made or until realisation of that investment;

and the person becomes entitled to receive an amount by way of a return on that investment, the person shall, for the purposes of this Act, be taken to receive one fifty-second of that amount as income of the person during each week in the period of 12 months commencing on the day on which the person becomes entitled to receive that amount.

"(6) A reference in subsection (4) or (5) to a person becoming entitled to receive an amount includes a reference to the person becoming entitled to receive an amount under an arrangement of the kind referred to in the definition of 'accruing return investment' in subsection (1) to the extent that subsection (2) or (3) does not apply to that entitlement."

Commencement: 13 December 1987

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Pension loans scheme

9. Section 5 of the Principal Act is amended by omitting from paragraph (2) (b) “, 38 (4) (b)”.

Commencement: 24 December 1987

Disposal of income or property

10. (1) Section 6 of the Principal Act is amended:

- (a) by omitting from subsections (4) and (5) “or XIII”;
- (b) by substituting for subparagraphs (10) (b) (i) and (11) (b) (i) the following:

“(i) to obtain or enable the person’s spouse to obtain a prescribed pension;”;

- (c) by omitting from subparagraphs (10) (b) (ii) and (11) (b) (ii) “such a pension, benefit or allowance” and substituting “a prescribed pension”;
- (d) by omitting from subsection (13) all the material before paragraph (a) and substituting:

“(13) A reference in this section to a pension year, in relation to a person who is receiving a prescribed pension, is a reference to:”;

- (e) by omitting from paragraphs (13) (b) and (c) “pension pay-day” and substituting “day”; and
- (f) by adding at the end the following subsection:

“(15) For the purposes of the application of this section to Part XIII, references in this section to 1 June 1984 shall be read as references to 14 May 1987.”.

Commencement: Day of Royal Assent

(2) Section 6 of the Principal Act is amended by omitting from subsections (10) and (11) “(not being a course of conduct under which the person ceases employment or ceases to engage in a business or profession or reduces the extent to which the person is employed or the extent to which the person engages in a business or profession)”.

Commencement: 13 November 1987

Financial hardship

11. (1) Section 7 of the Principal Act is amended:

- (a) by omitting from subsection (2) “determination” and substituting “decision”; and
- (b) by omitting from paragraph (2) (b) “determines” and substituting “decides”.

Commencement: Day of Royal Assent

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(2) Section 7 of the Principal Act is amended by omitting subsection **(4)** and substituting the following subsection:

“(4) Where:

(a) the amount per annum of the reduction under subsection (3) in the maximum annual rate of pension, benefit (other than a benefit under Part XIII) or allowance applicable to a person in respect of property of the person or the person's spouse that is property referred to in paragraph (1) (c) is less than the lesser of the following amounts per annum:

(i) the amount per annum equal to 2.5% of the value of that property;

(ii) the amount per annum that could reasonably be expected to be obtained from a purely commercial application of that property; or

(b) there is no reduction under subsection (3) in respect of that property; the maximum annual rate of pension, benefit or allowance applicable to the person shall:

(c) in a case to which paragraph (a) applies—be further reduced by the difference between that first-mentioned reduction and that lesser amount per annum; or

(d) in a case to which paragraph (b) applies—be reduced by that lesser amount per annum.”.

Commencement: 13 November 1987

(3) Section 7 of the Principal Act is amended:

(a) by adding at the end of paragraph (1) (a) “, or a benefit under Part XIII is not payable to a person because of the application of subsection 122 (10), being a person who is not receiving and is not eligible to apply for and whose spouse is not receiving and is not eligible to apply for payments made available by the Commonwealth by way of income support where the payments are made or calculated at a rate not less than the rate of unemployment benefit that would be applicable to the person if the person were eligible to receive such a benefit”;

(b) by inserting in paragraph (1) (c) “in the case of a person who is not qualified to receive an unemployment benefit or a sickness benefit—” before “any of the property”;

(c) by inserting after paragraph (1) (c) the following paragraph:

“(ca) in the case of a person who is qualified to receive an unemployment benefit or a sickness benefit—any of the property of the person or, if the person is a married person, of the person and the person's spouse, is property that the person or the spouse cannot sell or realise and cannot use as security for borrowing;”;

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- (d) by omitting from paragraph (1) (d) “that” (last occurring) and substituting “this”;
- (e) by inserting in subsection (3) “(other than a person who is qualified to receive a benefit under Part XIII)” after “person” (first occurring);
- (f) by inserting after subsection (3) the following subsection:

“(3A) Subject to subsections (4A) and (5), where this section applies to a person who is qualified to receive a benefit under Part XIII, the weekly rate of the benefit shall, notwithstanding section 122, be determined in the following manner:

- (a) the value of the property of the person that is property referred to in paragraph (1) (c) shall be disregarded;
- (b) there shall be deducted from the weekly rate of the benefit that would be payable to the person apart from the operation of section 122 an amount per week equal to the sum of:
 - (i) the weekly rate of income of the person (other than income from property of the person that is not property referred to in paragraph (1) (c) or property to which paragraph 4 (1) (a) applies); and
 - (ii) an amount per week equal to 50 cents for each \$250 of the value of the property of the person (other than property referred to in paragraph (1) (c) or property to which paragraph 4 (1) (a) applies).”;

- (g) by inserting after subsection (4) the following subsection:

“(4A) Where:

- (a) the amount per week of the reduction under subsection (3A) in the maximum weekly rate of a benefit under Part XIII applicable to a person in respect of property of the person or the person’s spouse that is property referred to in paragraph (1) (c) is less than the lesser of the following amounts per week:
 - (i) the amount per week equal to one fifty-second of 2.5% of the value of that property;
 - (ii) one fifty-second of the amount per annum that could reasonably be expected to be obtained from a purely commercial application of that property; or
- (b) there is no reduction under subsection (3A) in respect of that property;

the maximum weekly rate of benefit applicable to the person shall:

- (c) in a case to which paragraph (a) applies—be further reduced by the difference between that first-mentioned reduction and that lesser amount per week; or
- (d) in a case to which paragraph (b) applies—be reduced by that lesser amount per week.”;

- (h) by inserting in subsection (5) “, (3A)” after “subsections (3)”; and

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(j) by omitting subsection (6) and substituting the following subsection:

“(6) Where:

- (a) the sum of the annual rate of pension, benefit or allowance that would, apart from this subsection, be payable to a person (other than a person who is in receipt of an unemployment benefit or a sickness benefit) and the annual rate of income of the person exceeds the maximum rate; or
- (b) the sum of the weekly rate of benefit that would, apart from this subsection, be payable to a person who is in receipt of an unemployment benefit or a sickness benefit and the weekly rate of income of the person exceeds the applicable rate;

the rate so payable shall be reduced by the amount per annum of the excess.”.

Commencement: Day of Royal Assent

(4) Section 7 of the Principal Act is amended:

- (a) by omitting from paragraph (1) (a) “, 38 (4) (b)”;
- (b) by omitting from subsection (3) “, 38”; and
- (c) by omitting from paragraph (3) (b) “, 38 (4)”.

Commencement: 24 December 1987

Pension reduction amounts

12. Section 8 of the Principal Act is amended by inserting “or Part XIII” after “Part VI”.

Commencement: Day of Royal Assent

Certain persons to be disregarded for certain purposes

13. Section 10 of the Principal Act is amended by inserting in paragraph (3) (a) “(or child disability allowance)” after “handicapped child’s allowance” (last occurring).

Commencement: 15 November 1987

Certain persons deemed to continue to receive full time education

14. Section 11 of the Principal Act is amended:

- (a) by omitting paragraph (b) and substituting the following paragraph:
 - “(b) an unemployment benefit is not payable to the person during a period because of the operation of section 127 or 136;”;
 - and
- (b) by inserting “116, 117,” after “other than sections”.

Commencement: 1 September 1987

15. (1) After section 12 of the Principal Act the following section is inserted in Part I:

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Earnings credit

“12A. (1) In this section:

‘annual permissible income’, in relation to a person, means:

- (a) the annual rate specified in paragraph 33 (12) (a), 38 (4) (a) or 48 (3) (a) that is applicable to the person; or
- (b) if the person has a dependent child or children—the rate referred to in paragraph (a) increased by the annual rate applicable to the person under subsection 35 (1) or 49 (1);

‘annual rate of income’, in relation to a person who is receiving a pension the rate of which is calculated under or by reference to Part IV or V, means the annual rate of income of the person for the purposes of those Parts calculated without regard to subsection 35 (1) and paragraph 49 (1) (a);

‘credit amount’, in relation to a person whose annual permissible income in a particular week ending on a Wednesday exceeds the person’s annual rate of income in that week, means one fifty-second of an amount equal to that excess;

‘earnings credit’, in relation to a person who is receiving a pension, in relation to the week commencing on 5 November 1987 and in relation to each succeeding week, means:

- (a) in the case of a person who is receiving a pension on 4 November 1987:
 - (i) in relation to the week commencing on 5 November 1987—the sum of the credit amounts (if any) in relation to the person calculated from 1 January 1987 or from the day on which the person commenced to receive the pension, whichever is the later; or
 - (ii) in relation to each later week—the amount of the earnings credit (if any) of the person for the preceding week increased, if there is a credit amount in relation to the person for that later week, by that credit amount or decreased, if subsection (3) applied to the person in that later week, by the amount by which the person’s earnings credit was reduced under that subsection in that later week;

or \$1,000, whichever is the lesser amount; or

- (b) in the case of a person who commences to receive a pension after 4 November 1987:
 - (i) in relation to the week in which the person commences to receive the pension—the credit amount (if any) of the person for that week; or
 - (ii) in relation to each later week—the amount of the earnings credit (if any) of the person for the preceding week increased, if there is a credit amount in relation

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to the person for that later week, by that credit amount or decreased, if subsection (3) applied to the person in that later week, by the amount by which the person's earnings credit was reduced under that subsection in that later week;

or \$1,000, whichever is the lesser amount;

'pension' means a prescribed pension under this Act, other than a carer's pension or a benefit under Part XIII.

"(2) For the purposes of the definition of 'earnings credit' in subsection (1):

(a) where:

- (i) a person was, immediately before becoming entitled to receive a pension, receiving a payment under Part III of the *Veterans' Entitlements Act 1986*; and
- (ii) the person had an earnings credit under section 49B of that Act at that time;

the earnings credit shall be treated as if it were an earnings credit under this section; and

- (b) where a person who has ceased to be qualified to receive a pension again becomes entitled to receive a pension, no account shall be taken of any earnings credit of the person before the person again became so entitled.

"(3) Where:

- (a) there is an earnings credit in relation to a person (not being a person to whom subsection 33 (15) or (16) applies);
- (b) the person becomes entitled to a payment for remunerative work undertaken by the person during a particular week; and
- (c) in that week, the annual rate of income of the person exceeds the annual permissible income of the person;

the person shall be taken, for the purposes of sections 33, 38 and 48 and Part VIII, not to have received so much of the payment referred to in paragraph (b) as does not exceed the person's earnings credit and the earnings credit shall be reduced accordingly."

Commencement: 1 November 1987

(2) Section 12A of the Principal Act is amended:

- (a) by omitting ", 38 (4) (a)" from paragraph (a) of the definition of "annual permissible income" in subsection (1); and
- (b) by omitting from subsection (3) ", 38".

Commencement: 24 December 1987

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Rate of remote area allowance

16. (1) Section 22 of the Principal Act is amended by omitting from paragraph (2) (a) "or 38 (2)".

Commencement: 24 December 1987

(2) Section 22 of the Principal Act is amended by inserting in paragraph (2) (a) "or to whom subsection 118 (1A) applies" after "in force".

Commencement: 1 February 1988

Conditions of grant of invalid pension

17. Section 30 of the Principal Act is amended by omitting paragraph (4) (b) and substituting the following paragraph:

"(b) at that time, the person was a dependent child of an Australian resident and the person becomes an Australian resident while the person is a dependent child of an Australian resident;"

Commencement: 1 October 1987

Rate of pension

18. (1) Section 33 of the Principal Act is amended:

(a) by omitting paragraph (4) (a) and substituting the following paragraphs:

"(a) \$1,144 per annum in respect of each dependent child who has not attained the age of 13 years;

(aa) \$1,456 per annum in respect of each dependent child who has attained the age of 13 years but has not attained the age of 16 years;

(ab) \$884 per annum in respect of each dependent child who is not a prescribed student child of the person and who has attained the age of 16 years; and";

(b) by omitting from paragraph (10) (a) "\$884 per annum" and substituting "the greater or greatest amount per annum that could be applicable to the person under a paragraph of subsection (4) if subsection (6) did not apply to the person";

(c) by omitting from paragraph (10) (b) all the material after "is less than" and substituting "the greater or greatest amount per annum that could be applicable to the person under a paragraph of subsection (4) if subsection (6) did not apply to the person—the rate of pension applicable to the person shall be increased by the amount per annum by which that increase in the maximum rate is less than that greater or greatest amount per annum."; and

(d) by omitting from subsection (11) "\$884 were references to \$728" and substituting "the greater or greatest amount per annum that could be applicable to the person under a paragraph of subsection (4) if subsection (6) did not apply to the person were references to \$728".

Commencement: 13 December 1987

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- (2) Section 33 of the Principal Act is amended:
- (a) by omitting from subsections (1) and (2) "age pension or invalid pension" and substituting "pension under this Part";
 - (b) by omitting from subsections (7), (8) and (9) "age or invalid pension" (wherever occurring) and substituting "pension under this Part";
 - (c) by omitting from paragraphs (8) (a) and (9) (a) "of this section and subsection 38 (4)";
 - (d) by omitting from paragraph (8) (b) "of this section or paragraph 38 (4) (b)";
 - (e) by omitting from paragraph (9) (b) "of this section or paragraph 38 (4) (a)";
 - (f) by omitting from subsections (12) and (13) "an age or invalid pension" and substituting "a pension under this Part";
 - (g) by inserting in subsection (12) "and who is qualified to receive an age or invalid pension" after "blind"; and
 - (h) by omitting subsections (19), (20) and (21) and substituting the following subsections:

"(19) Subject to subsection (21), a dependent child of a husband shall, for the purposes of this section, be taken to be a dependent child of the husband's spouse and not of the husband.

"(20) Where a wife is not receiving a pension under this Part, a supporting parent's benefit or an allowance under Part XIV or XVI, then, for the purposes of the application of this section to the wife's spouse:

- (a) subsection (19) does not apply; and
- (b) a dependent child of the wife shall be taken to be a dependent child of the wife's spouse and not of the wife.

"(21) For the purposes of the application of this section to a person in relation to whom a direction under subsection (2) is in force and to the spouse of that person, where each of those persons is receiving a prescribed pension and the direction was given because of the illness or infirmity of the wife, a dependent child of the wife shall be taken to be a dependent child of the husband and not of the wife."

Commencement: 24 December 1987

- (3) Section 33 of the Principal Act is amended:
- (a) by omitting paragraph (4) (b) and substituting the following paragraph:
 - "(b) \$260 per annum in respect of each dependent child:
 - (i) who is a prescribed student child of the person;

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- (ii) who was, immediately before 1 January 1988, a student child to whom or in respect of whom a payment of a kind referred to in paragraph 3 (13) (a), (b) or (c) was being made; and
 - (iii) who was, immediately before that day, a person in respect of whom an increase in the maximum rate of a prescribed pension was applicable.”; and
- (b) by omitting subsection (11) and substituting the following subsection:
- “(11) Subsection (10) applies to a person who:
- (a) has at least one dependent child:
 - (i) who is a prescribed student child of the person;
 - (ii) who was, immediately before 1 January 1988, a student child to whom or in respect of whom a payment of a kind referred to in paragraph 3 (13) (a), (b) or (c) was being made; and
 - (iii) who was, immediately before that day, a person in respect of whom an increase in the maximum rate of a prescribed pension was applicable; and
 - (b) does not have a dependent child who is not a child to whom paragraph (a) applies;
- as if references in that subsection to the greater or greatest amount per annum that could be applicable to the person under a paragraph of subsection (4) if subsection (6) did not apply to the person were references to \$260.”.

Commencement: 1 January 1988

Rent assistance

19. Section 36 of the Principal Act is amended by omitting from paragraph (2) (b) “or subsection 38 (2)”.

Commencement: 24 December 1987

Repeal of section 38

20. Section 38 of the Principal Act is repealed.

Commencement: 24 December 1987

Carer's pension

21. Section 39 of the Principal Act is amended:

- (a) by omitting from paragraph (1) (a) “a relative of the person” and substituting “another person”;
- (b) by omitting from subsection (1) “the relative” (wherever occurring) and substituting “the other person”;
- (c) by omitting from subsection (2) “a relative” and substituting “another person”;
- (d) by omitting from subsection (3) the definition of “relative”; and

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(e) by omitting paragraphs (a), (b) and (c) of the definition of "severely handicapped person" in subsection (3) and substituting the following paragraphs:

- "(a) has a physical, intellectual or psychiatric disability; and
- (b) because of that disability, requires:
 - (i) frequent attention in connection with the person's bodily functions; or
 - (ii) constant supervision to prevent injury to the person or to another person;permanently or for an extended period."

Commencement: 1 February 1988

Repeal of section 40

22. Section 40 of the Principal Act is repealed.

Commencement: 24 December 1987

Interpretation

23. Section 53 of the Principal Act is amended by omitting subsection (4) and substituting the following subsection:

"(4) Division 4 of Part V applies to a beneficiary as if the beneficiary were a pensioner for the purposes of that Part."

Commencement: Day of Royal Assent

Repeal of section 57

24. Section 57 of the Principal Act is repealed.

Commencement: Day of Royal Assent

Right to be paid pension outside Australia

25. Section 60 of the Principal Act is amended:

- (a) by omitting from subsection (2) "A carer's pension" and substituting "Subject to subsection (3), a carer's pension"; and
- (b) by adding at the end the following subsection:

"(3) Subsection (2) applies to a person who was receiving a carer's pension on 13 May 1987 and was outside Australia on that day as if the reference in that subsection to 1 October 1987 were a reference to 13 May 1988."

Commencement: 1 October 1987

Pension payable under Reciprocal Agreement

26. (1) Section 63 of the Principal Act is amended by adding at the end the following subsections:

“(2) Where:

- (a) a person is receiving an invalid pension by reason only of the agreements set out in Schedule 1;
- (b) immediately before 1 July 1987, the person was receiving such a pension and an allowance by way of rent assistance under section 30A of the *Social Security Act 1947* as in force at that time; and
- (c) if that section were still in operation, the person would be receiving such an allowance;

the person is, subject to subsection (3), entitled to an allowance under this section at the rate (not exceeding the rate of rent assistance payable to the person immediately before 1 July 1987) equal to the difference between:

- (d) the rate of pension payable to the person from time to time or, if that rate is less than the rate of pension that was payable to the person immediately before 1 July 1987, the rate that was so payable; and
- (e) the sum of:
 - (i) the rate of pension that was payable to the person immediately before 1 July 1987; and
 - (ii) the rate of the allowance by way of rent assistance that was payable to the person at that time or, if the rate of the allowance by way of rent assistance that would be payable to the person if that section were still in operation is lower, that lower rate.

“(3) An allowance under subsection (2) ceases to be payable to a person when the rate referred to in paragraph (2)(d) becomes equal to, or exceeds, the sum of the rates referred to in paragraph (2)(e).”.

Commencement: 1 July 1987

(2) Section 63 of the Principal Act is amended by adding at the end the following subsection:

“(4) This Act applies to a person to whom an agreement set out in a Schedule on 1 October 1987 applies as if the amendments made by section 29 of the *Social Security and Veterans' Entitlements Amendment Act 1987* had not been made.”.

Commencement: 1 October 1987

Prescribed persons

27. (1) Section 69 of the Principal Act is amended by omitting from paragraph (1) (b) “, 38 (4) (b)”.

Commencement: 24 December 1987

(2) Section 69 of the Principal Act is amended by inserting after subsection (3) the following subsections:

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“(3A) Notwithstanding subsections (2) and (3), where:

- (a) on or after 1 January 1988, the annual rate of income of a person increases so that it exceeds the prescribed rate of income applicable to the person;
- (b) immediately before that increase, the annual rate of the person's income did not exceed that prescribed rate of income; and
- (c) the amount of that excess is not more than 25% of that prescribed rate of income;

the person is not, while the amount of that excess continues to be not more than 25% of that prescribed rate of income, a prescribed person for the purposes of section 66 or 67 at any time during the period of 13 weeks commencing on the first pension pay day after that increase occurred.

“(3B) Where:

- (a) subsection (3A) applies to a person; and
- (b) the annual rate of income of the person increases so that it exceeds by more than 25% the prescribed rate of income applicable to the person;

the person becomes a prescribed person for the purposes of sections 66 and 67 and subsection (3A) does not apply to the person on a further occasion unless the annual rate of income of the person falls below that prescribed rate of income.”

Commencement: 1 January 1988

28. Part IX of the Principal Act is repealed and the following Part is substituted:

“PART IX—FAMILY ALLOWANCE SUPPLEMENT

Interpretation

“72. (1) In this Part, unless the contrary intention appears:

‘allowable income’, in relation to a person who is receiving a family allowance in respect of a child in relation to a period of 4 weeks, means \$1,200 increased by \$48 for each additional dependent child of the person;

‘allowance’ means family allowance supplement under this Part;

‘allowance pay day’ means Thursday, 17 December 1987 and each succeeding alternate Thursday;

‘allowance period’ means a period during which an allowance is payable in accordance with subsection 76 (1);

‘compensation payment’ means a payment under section 45, 46 or 50 of the *Compensation (Commonwealth Government Employees) Act 1971* or section 5 of the *Seamen's Compensation Act 1911*;

‘income’ means income within the meaning of this Act, but including:

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- (a) a payment under Part IV, V, VI, XIII, XIV or XVI or under section 172;
- (b) a payment under Part III of the *Veterans' Entitlements Act 1986*;
- (c) a payment of an allowance under Part III of the *Disability Services Act 1986*; and
- (d) a payment of the kind referred to in paragraph (n) or (o) of the definition of 'income' in subsection 3 (1).

“(2) For the purposes of this Part, the income of a married person shall include the income of the person's spouse.

Qualification to receive allowance

“73. Subject to this Part, a person who:

- (a) is not receiving, and whose spouse is not receiving:
 - (i) a payment under Part IV, V, VI, XIII, XIV or XVI;
 - (ii) any other periodic payment under a law of the Commonwealth, other than a compensation payment, or under a scheme administered by the Commonwealth that provides for increases in rate in respect of a child of a person; or
 - (iii) a payment under the law of a foreign country that is similar in character to a payment referred to in subparagraph (i) or (ii); and
- (b) is receiving a family allowance in respect of a child or whose spouse is outside Australia and is receiving a family allowance in respect of a child;

is, if the person and the child are in Australia, qualified to receive an allowance, to be known as family allowance supplement, in respect of the child.

Rate of allowance

“74. (1) Subject to this section, the rate of an allowance payable to a person who is qualified to receive an allowance in respect of a child is:

- (a) if the child is under 13 years—\$22 per week;
- (b) if the child has attained the age of 13 years but is under the age of 16 years—\$28 per week;
- (c) if the child is a student child but is not a prescribed student child—\$17 per week;
- (d) if the child is a prescribed student child and the allowance is payable before 1 January 1988—\$14 per week; or
- (e) if:
 - (i) the child is a prescribed student child to whom or in respect of whom an allowance is payable under the Aboriginal Secondary Assistance Scheme, the Assistance for Isolated Children Scheme or the Veterans' Children Education Scheme;

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- (ii) immediately before 1 January 1988, the child was a student child to whom or in respect of whom such an allowance was payable;
- (iii) an amount of a family income supplement was being paid in respect of the child immediately before 17 December 1987; and
- (iv) the allowance is payable on or after 1 January 1988; \$5 per week.

“(2) Subject to this section, where:

- (a) an allowance is payable to a person;
- (b) the person has a dependent child who is under the age of 16 years; and
- (c) the person pays or is liable to pay rent at a rate exceeding \$15 per week;

the total amount of allowances payable to that person shall be increased by \$15 per week or 50% of the amount by which the weekly rent paid or payable by the person exceeds \$15, whichever is the lesser amount.

“(3) Where:

- (a) a person who has lodged a claim for an allowance is qualified to receive an allowance; and
- (b) the income of the person during:
 - (i) if the person was not receiving an allowance immediately before the day on which the claim was lodged—the period of 4 weeks ending on that day; or
 - (ii) in any other case—the period of 4 weeks commencing 8 weeks before that day;

exceeds the amount of the allowable income of the person in relation to that period of 4 weeks;

the rate per week of the allowance that is payable to the person during the allowance period is the maximum rate per week that could be payable to the person reduced by an amount per week equal to one-eighth of the amount of that excess.

“(4) Where:

- (a) a person is receiving an allowance; and
- (b) at any time during the allowance period, the income of the person during a period of 4 weeks that ends on a day within the allowance period, being a period of 4 weeks that ended within one month of that time, exceeded 125% of each of:
 - (i) the amount of the income of the person that was last taken into account for the purposes of determining the total rate per week of allowance payable to the person during that allowance period; and

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- (ii) the amount of the allowable income of the person in that period of 4 weeks;

the rate per week of the allowance payable to the person during the remainder of the allowance period is the maximum rate per week that could be payable to the person reduced by an amount per week equal to one-eighth of the amount by which the income of the person during that period of 4 weeks exceeds the allowable income of the person in that period of 4 weeks.

“(5) The rate of an allowance payable to a person shall not be reduced during an allowance period because of the income of the person otherwise than under subsection (4).

“(6) Where the amount of an allowance payable to a person in respect of a fortnight would include 0.5 cent, that amount shall be increased by 0.5 cent.

“(7) For the purposes of the application of subsection (2) to a married person who is living with his or her spouse in their home, any rent paid or payable by the spouse shall be taken to be paid or payable by the person.

Claim for allowance

“75. (1) Where:

- (a) an allowance is payable to a person; and
- (b) the person lodges another claim for an allowance during the allowance period;

that other claim shall be taken to be lodged on the day after the last day of the allowance period.

“(2) Where:

- (a) a person has been paid an allowance during the whole or a part of an allowance period; and
- (b) the person lodges another claim for an allowance within the period of 4 weeks after the end of that allowance period;

the other claim shall be taken to have been lodged on the day after the last day of that allowance period.

Payment of allowance

“76. (1) Subject to this Part, where a claim by a person for an allowance is granted, the allowance shall be paid:

- (a) if the person was entitled to receive an allowance immediately before the claim was lodged—during the period of 6 months commencing on the day on which the claim was lodged; or
- (b) in any other case—during the period of 6 months commencing on the day on which the claim was lodged or during such shorter period commencing on that day as the Secretary decides;

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and shall commence to be paid from the first allowance pay day after the day before the day on which the claim was lodged.

“(2) Where:

- (a) a person or the person's spouse ceases, on or after 17 December 1987, to receive periodic payments under a law of the Commonwealth other than compensation payments or under a scheme administered by the Commonwealth that provides for an increase in rate in respect of a child of the person;
- (b) the person lodges a claim for an allowance in respect of that child before the end of 6 weeks after ceasing to receive those payments; and
- (c) the person was qualified to receive an allowance in respect of that child on the day on which those payments ceased;

the claim shall be taken to have been lodged on the day after the day on which those payments ceased.

Cessation of allowance

“77. (1) If a person to whom an allowance is payable in respect of a child ceases to be qualified to receive an allowance in respect of the child, the allowance ceases to be payable to the person in respect of the child in respect of any period after the allowance pay day before the day on which the person so ceased.

“(2) If the total amount of allowances payable to a person is increased under subsection 74 (2) and the person ceases to be a person to whom that subsection applies, the increase ceases to be payable to the person in respect of any period after the allowance pay day before the day on which the person so ceased.

Sharing of allowance between 2 persons

“78. (1) An allowance is not payable to more than one person in respect of the same child except in accordance with this section.

“(2) If 2 persons are each qualified to receive, and have claimed, an allowance in respect of the same child, the Secretary shall:

- (a) decide that the allowance is payable to one of those persons; or
- (b) decide that the allowance is to be shared between those persons in a manner decided by the Secretary.

“(3) Where the Secretary makes a decision under subsection (2), the Secretary shall inform the persons to whom the decision relates in writing of the details of the decision.”.

Commencement: 17 December 1987

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Qualification for family allowance

29. Section 82 of the Principal Act is amended by omitting subsection (2) and substituting the following subsection:

“(2) This section applies to a person if the person is:

- (a) an Australian resident; or
- (b) a dependent child of an Australian resident who is living with the Australian resident.”.

Commencement: Immediately after the commencement of section 29 of the Social Security and Veterans' Entitlements Amendment Act 1987

Family allowance not payable in respect of certain student children

30. (1) Section 84 of the Principal Act is amended by omitting from paragraph (2) (a) “handicapped child’s allowance” and substituting “child disability allowance”.

Commencement: 15 November 1987

(2) Section 84 of the Principal Act is amended by omitting from subsection (2) “family income supplement” (wherever occurring) and substituting “family allowance supplement”.

Commencement: 17 December 1987

Income test for family allowances

31. Section 85 of the Principal Act is amended:

(a) by omitting paragraph (b) of the definition of “income threshold” in subsection (1) and substituting the following paragraph:

“(b) if a family allowance would, apart from this subsection, be payable to the person at that time in respect of more than one child—\$2,500 multiplied by one less than the number of those children;”;

(b) by omitting subsection (4) and substituting the following subsection:

“(4) Where the amount calculated under subsection (3) is not a multiple of 5 cents, that amount shall be reduced to the nearest multiple of 5 cents.”;

(c) by omitting from subsection (5) “who is under the age of 16 years”;

(d) by omitting from subsection (7) “the first family allowance period after” and substituting “the family allowance period in which”;

(e) by omitting from subsection (8) “14 December 1989” and substituting “14 January 1989”; and

(f) by omitting subsection (9) and substituting the following subsection:

“(9) Where:

(a) a family allowance is payable to an unmarried person in respect of a child; and

(b) the person becomes a married person;

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subsection (2) does not apply to the person until the commencement of the calendar year following the day on which the person became a married person.”.

Commencement: 1 October 1987

Date from which family allowance payable

32. Section 88 of the Principal Act is amended by omitting subsection (3) and substituting the following subsection:

“(3) A family allowance granted to an institution in respect of a child is payable:

- (a) from the day on which the claim for the family allowance was lodged; or
- (b) if the institution was qualified to receive a family allowance in respect of the child before that day—from the day on which the institution became qualified to receive the family allowance in respect of the child or, if the institution became so qualified more than 4 weeks before the claim was lodged, from the day occurring 4 weeks before the day on which the claim was lodged.”.

Commencement: Day of Royal Assent

Family allowances to cease in certain circumstances

33. Section 89 of the Principal Act is amended by omitting from subsection (6) “Where” and substituting “Subject to subsection 85 (7), where”.

Commencement: Day of Royal Assent

Interpretation

34. Section 94 of the Principal Act is amended:

- (a) by inserting after the definition of “double orphan” in subsection (1) the following definitions:
 - “ ‘mental hospital’ includes a nursing home;
 - ‘mental hospital patient’ includes a nursing home patient;”;
- (b) by omitting from subsection (4) “, whether in that hospital or in a similar hospital,”.

Commencement: 15 January 1988

Qualification for double orphan’s pension

35. Section 95 of the Principal Act is amended by inserting in paragraph (1) (a) “or 85” after “section 81”.

Commencement: 1 October 1987

36. Part XII of the Principal Act is repealed and the following Part is substituted:

“PART XII—CHILD DISABILITY ALLOWANCE

Interpretation

“101. In this Part, unless the contrary intention appears:

‘allowance’ means a child disability allowance under section 102;

‘disabled child’ means a child who:

- (a) has a physical, intellectual or psychiatric disability;
- (b) because of that disability, needs care and attention provided by another person on a daily basis that is substantially more than the care and attention needed by a child of the same age who does not have such a disability; and
- (c) is likely to need that care and attention permanently or for an extended period;

‘family allowance period’ has the same meaning as in section 87.

Qualification for allowance

“102. Where:

- (a) a family allowance under Part X is payable or would, apart from sections 81 and 85, subsection 82 (6) and paragraph 89 (1) (b), be payable to a person in respect of a child;
- (b) the child is a disabled child; and
- (c) the person provides, in a private home that is the residence of the person and the child, care and attention for the child on a daily basis;

the person is qualified to receive an allowance, to be known as a child disability allowance, in respect of the child.

Temporary absences from home

“103. (1) A person does not cease to be qualified to receive an allowance in respect of a child only because the child is or has been absent from the child’s home for a period not exceeding 28 days, or for periods which in the aggregate do not exceed 28 days, during any calendar year.

“(2) Where:

- (a) a person is qualified to receive an allowance in respect of a child;
- (b) the child is or has been absent from the child’s home for a period of more than 28 days, or for periods which in the aggregate exceed 28 days, during any calendar year; and
- (c) the absence is or was temporary;

the Secretary may decide that the person does not cease to be qualified to receive that allowance, or does not cease to be so qualified during a period determined by the Secretary.

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“(3) Where:

- (a) a person is qualified to receive an allowance in respect of a child; and
- (b) the child is, or is likely to be, absent from the child's home during normal school days for the purpose of receiving education, training or treatment;

the person does not cease to be qualified to receive that allowance but an allowance is not payable to the person in respect of those days.

Rate of allowance

“104. (1) The rate of an allowance is \$112 per month.

“(2) Where it is necessary to calculate the daily rate of an allowance, that daily rate shall be calculated by multiplying the rate specified in subsection (1) by 12 and dividing the product by 365.

“(3) The daily rate of an allowance calculated under subsection (2) shall, if that rate includes a fraction of a cent, be increased or decreased to the nearest whole cent or, if that rate includes one half of one cent, be increased by one half of one cent.

Day from which allowance payable

“105. (1) Where an allowance is granted to a person, the allowance is payable:

- (a) if the person was qualified to receive an allowance on a day (including a day before the commencement of this subsection) before the first day of the family allowance period during which the claim was lodged—from the commencement of the earliest family allowance period, being a family allowance period that commenced within 12 months of the day on which the claim was lodged, during which the person was qualified to receive the allowance; or
- (b) in any other case—from the commencement of the next family allowance period after the day on which the claim was lodged.

“(2) Where an allowance becomes payable to a person in respect of a period before the commencement of this subsection, the rate of the allowance payable in respect of any period before that commencement shall be the rate at which a handicapped child's allowance was payable under this Act at that time.

“(3) For the purposes of paragraph (1) (a), a person to whom a family allowance was not payable on a particular day but to whom a family allowance could have been granted on that day if the person had lodged a claim for a family allowance before that day shall be taken to have satisfied the condition set out in paragraph 102 (a) on that day.

Reduction for periods in institution

“106. Where, on a day in a family allowance period:

- (a) a child in respect of whom an allowance would, apart from this subsection, be payable is an inmate of an institution;

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- (b) a benefit is payable in relation to the child under Part VA of the *National Health Act 1953* or Part VIII of the *Handicapped Persons Assistance Act 1974* in respect of that day because the child is such an inmate; and
 - (c) subsection 103 (2) or (3) applies in respect of the child;
- an allowance is not payable in respect of the child in respect of that day.

Cessation of allowance

“107. Where a person ceases to be qualified to receive an allowance in respect of a child, the allowance ceases to be payable to the person in respect of the child from the end of the family allowance period in which the person ceased to be so qualified.

Allowance periods

“108. An allowance is payable in respect of the same periods as a family allowance is payable.

Notification

“109. Where a person ceases to be qualified to receive an allowance in respect of a child, the person shall notify the Department accordingly within 14 days of so ceasing.

Penalty: \$1,000 or imprisonment for 6 months, or both.”.

Commencement: 15 November 1987

37. After section 117 of the Principal Act the following section is inserted in Division 2 of Part XIII:

Job search allowance

“117A. (1) A person who:

- (a) has attained the age of 16 years but has not attained the age of 18 years;
- (b) is not in receipt of a sickness benefit; and
- (c) would, apart from this subsection, be qualified to receive an unemployment benefit in respect of a period;

is not qualified to receive an unemployment benefit in respect of that period but is qualified to receive a benefit, to be known as a job search allowance, in respect of that period.

“(2) Where, apart from this subsection, a person would cease to be qualified to receive a job search allowance in respect of a period and become qualified to receive a sickness benefit in respect of that period, the person is not qualified to receive a sickness benefit, but continues to be qualified to receive a job search allowance, in respect of that period.

“(3) Where, under subsection (1) or (2), a person is not qualified to receive an unemployment benefit or a sickness benefit, as the case may be, in respect of a period, this Act applies to the person as if references in this

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Act (other than in section 116 or 117, as the case may be) to unemployment benefit or to sickness benefit, as the case may be, were references to job search allowance.

“(4) Where a person who is receiving a job search allowance attains the age of 18 years and becomes qualified to receive an unemployment benefit or a sickness benefit, the person shall, subject to this Act, be paid an unemployment benefit or a sickness benefit, as the case may be, from the day on which the person becomes so qualified.”.

Commencement: 1 January 1988

Rate of unemployment or sickness benefit

38. (1) Section 118 of the Principal Act is amended by omitting paragraph (4) (a) and substituting the following paragraph:

- “(a) the rate of an unemployment benefit or a sickness benefit applicable to a married person under the preceding provisions of this section is less than:
- (i) if the person has a dependent child—the amount per week specified in paragraph (1) (d); or
 - (ii) in any other case—the amount per week specified in paragraph (1) (e); and”.

Commencement: 13 June 1987

(2) Section 118 of the Principal Act is amended:

- (a) by omitting from paragraphs (1) (b) and (c) “the benefit is an unemployment benefit and”;
- (b) by adding “or” at the end of paragraph (1) (d);
- (c) by omitting paragraph (1) (e); and
- (d) by omitting from subparagraph (4) (a) (ii) “paragraph (1) (e)” and substituting “paragraph (1) (c)”.

Commencement: 13 December 1987

(3) Section 118 of the Principal Act is amended:

- (a) by omitting paragraph (11) (c) and substituting the following paragraphs:
 - “(c) \$22 per week in respect of each such child who has not attained the age of 13 years;
 - (ca) \$28 per week in respect of each such child who has attained the age of 13 years but has not attained the age of 16 years;
 - (cb) \$17 per week in respect of each such child who is not a prescribed student child of the person and who has attained the age of 16 years; and”;
- (b) by omitting paragraph (12) (c) and substituting the following paragraph:
 - “(c) to a person in respect of a child by virtue of that person making regular contributions towards the maintenance of

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the child at a rate less than the rate per week of the increase (if any) that would be applicable in respect of the child under subsection (11);”.

Commencement: 13 December 1987

(4) Section 118 of the Principal Act is amended by omitting from paragraph (1) (b) “\$95” and substituting “\$91.20”.

Commencement: Immediately after the commencement of subsection 36 (5) of the Social Security and Veterans' Affairs (Miscellaneous Amendments) Act 1986

(5) Section 118 of the Principal Act is amended:

(a) by omitting subsections (8), (9) and (10) and substituting the following subsection:

“(8) Where a person referred to in paragraph (1) (a):

(a) does not live, and for a continuous period of at least 6 weeks has not lived, at a home of the parents, or of a parent, of the person because:

(i) the parents are not, or neither parent is, prepared to allow the person to live at such a home; or

(ii) domestic violence, incestuous harassment or other such exceptional circumstances make it unreasonable to expect the person to live at such a home;

(b) is not receiving continuous support, whether directly or indirectly and whether pecuniary or otherwise, from a parent of the person or from another person who is acting as the person’s guardian on a long term basis; and

(c) is not receiving, on a continuous basis, any payment in the nature of income support (other than a benefit) from the Commonwealth, a State or a Territory;

the rate of benefit applicable to the person under subsection (1) shall be increased by an amount equal to \$26 per week reduced by the amount per week of any increase applicable to the person under section 120.”; and

(b) by omitting paragraph (11) (d) and substituting the following paragraph:

“(d) \$5 per week in respect of each dependent child:

(i) who is a prescribed student child of the person;

(ii) who was, immediately before 1 January 1988, a student child to whom or in respect of whom a payment of a kind referred to in paragraph 3 (13) (a), (b) or (c) was being made; and

(iii) who was, immediately before that day, a person in respect of whom an increase in the maximum rate of a prescribed pension was applicable.”.

Commencement: 1 January 1988

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(6) Section 118 of the Principal Act is amended by inserting after subsection (1) the following subsections:

“(1A) Where:

- (a) the living expenses of a married person who is receiving an unemployment benefit or a sickness benefit and of the person's spouse are, or are likely to be, greater than they would otherwise be because those persons are unable to live together as a result of the illness or infirmity of either or both of them;
- (b) the inability is likely to continue indefinitely; and
- (c) the person's spouse is receiving a prescribed pension;

the rate of benefit applicable to the married person shall be the rate specified in paragraph (1) (d).

“(1B) Where:

- (a) the living expenses of a married person who is receiving an unemployment benefit or a sickness benefit and of the person's spouse are, or are likely to be, greater than they would otherwise be because those persons are unable to live together as a result of the illness or infirmity of either or both of them; and
- (b) the inability is likely to continue indefinitely;

the reference in subsection (2) to the rate referred to in paragraph (1) (f) shall be read as a reference to the rate referred to in paragraph (1) (d).”.

Commencement: 1 February 1988

Indexation of unemployment and sickness benefits

39. Section 119 of the Principal Act is amended:

- (a) by omitting from subsection (1) the definition of “junior or intermediate rate” and substituting the following definition:

“‘junior or intermediate rate’ means the rate referred to in paragraph 118 (1) (a) or (b); ”; and

- (b) by omitting “1988” from the definition of “year to which this subsection applies” and substituting “1989”.

Commencement: 1 January 1988

40. Section 120 of the Principal Act is repealed and the following section is substituted:

Rent assistance

“120. (1) In this section:

‘entitlement period’ means:

- (a) in relation to a person who is receiving an unemployment or sickness benefit and who, for a continuous period of more than 26 weeks (whether that period commenced before or after the commencement of this section):

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- (i) has received or would, but for section 122, have received payments of a prescribed pension;
- (ii) has been in continuous full time training under a Labour Force Program and in receipt of payments under that scheme the amounts of which are calculated by reference to an amount of benefit;
- (iii) has been in continuous full time training under such a program and in receipt of payments by way of remuneration in respect of that training;
- (iv) has been in receipt of payments under the Adult Migrant Education Program; or
- (v) has been a person to whom 2 or more of the preceding subparagraphs applied successively;

any part of that period (not including the first 26 weeks) in respect of which the person pays, or is liable to pay, rent at a weekly rate exceeding \$15; and

- (b) in relation to a person who is qualified to receive an unemployment or sickness benefit and who, immediately before becoming so qualified, was receiving payments of a prescribed pension and:

- (i) an additional amount by way of rent assistance; or
- (ii) an incentive allowance under section 31 or 143;

any period in respect of which the person pays, or is liable to pay, rent at a weekly rate exceeding \$15;

'parent' includes a step-parent or guardian.

"(2) Where:

- (a) the amount of a benefit payable to a person includes an amount per week under subsection (5) or (7); and
- (b) the benefit ceases to be payable to the person:
 - (i) otherwise than by the operation of section 122; and
 - (ii) for a period of not more than 4 weeks;

any period after the end of that period shall be taken to be an entitlement period in relation to the person.

"(3) For the purposes of the application of this section to a married person:

- (a) where the person is living with his or her spouse in their matrimonial home—any rent that the spouse pays, or is liable to pay, in respect of that home shall be taken to be paid, or payable, by the person; and
- (b) where the Secretary is satisfied that:
 - (i) the living expenses of the person and of his or her spouse are, or are likely to be, greater than they would otherwise be

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because they are unable, as a result of illness or infirmity, to live together in a matrimonial home; and

(ii) the inability is likely to continue indefinitely;

any rent that the spouse pays, or is liable to pay, in respect of premises or lodgings occupied by the person shall be taken to be paid, or payable, by the person.

“(4) Subject to this section, where;

(a) a person is qualified to receive an unemployment or a sickness benefit;

(b) the rate of benefit applicable to the person is not increased under subsection (7);

(c) the person:

(i) is over the age of 25 years;

(ii) is a married person; or

(iii) is over the age of 18 years and living permanently or indefinitely away from the principal home of a parent of the person; and

(d) if the person is a married person who is living with his or her spouse in their home—the spouse is not in receipt of:

(i) an incentive allowance under section 31 or 143; or

(ii) a prescribed pension (other than a benefit) the rate of which is calculated by reference to rent paid or payable by the person or to an incentive allowance under section 31 or 143;

subsection (5) applies to the person during any entitlement period in relation to the person.

“(5) Subject to subsection (8), where this subsection applies to a person during an entitlement period, the maximum rate of benefit applicable to the person during that period shall be increased by:

(a) 50% of the amount by which the weekly rent paid, or payable, by the person exceeds \$15; or

(b) \$10;

whichever is the lesser.

“(6) Subsection (7) applies to a person:

(a) who is qualified to receive a benefit;

(b) who is receiving or whose spouse is receiving a family allowance in respect of a child under the age of 16 years; and

(c) if the person is a married person who is living with his or her spouse in their home—whose spouse is not in receipt of a prescribed pension (other than a benefit) the maximum rate of which is calculated by reference to rent paid or payable.

“(7) Subject to subsection (8), where this subsection applies to a person, the maximum rate of benefit applicable to the person shall be increased by:

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- (a) 50% of the amount by which the weekly rent paid or payable by the person exceeds \$15; or
- (b) \$15;

whichever is the lesser.

“(8) Where subsection (5) or (7) applies to a married person whose spouse:

- (a) is living with the person in their home; and
- (b) is also a person to whom that subsection applies;

the amount of any increase in the rate of benefit applicable to the person under that subsection shall be reduced by 50%.

“(9) Where:

- (a) subsection (5) or (7) applies to a married person whose spouse is not receiving a prescribed pension; and
- (b) the Secretary is satisfied that:
 - (i) the living expenses of the person and of his or her spouse are, or are likely to be, greater than they otherwise would be because they are unable, as a result of illness or infirmity, to live together in a matrimonial home; and
 - (ii) the inability is likely to continue indefinitely;

the amount of any increase in the rate of benefit applicable on or after 1 February 1988 to the person under that subsection shall be doubled.”.

Commencement: 13 December 1987

41. After section 121 of the Principal Act the following section is inserted:

Parental income test

“121A. (1) In this section:

‘adjusted parental income’, in relation to a person to whom this section applies in relation to a particular time, means the amount calculated in accordance with the formula $\frac{TI-CA}{52}$, where:

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TI is the sum of the taxable income of the person’s parents for the last year of income of the parents and any amounts that are exempt income of the person’s parents under paragraph 23 (1) of the *Income Tax Assessment Act 1936*; and

CA is the sum of:

- (a) \$16,000; and
- (b) \$1,200 for the first dependent child (other than the person) of the person’s parents and \$2,500 for each additional dependent child (other than the person) of the parents;

‘dependent child’ includes a person to whom this section applies;

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'last year of income', in relation to a person in relation to a particular time, means the year of income of the person that ended on 30 June in the calendar year that preceded that time;

'parent', in relation to a person (in this definition called the 'child'), means another person who is:

- (a) a natural or adoptive parent of the child;
- (b) acting as the child's guardian on a long term basis; or
- (c) the spouse of such a parent or guardian;

but does not include another person:

- (d) with whom the child does not live if the child is living with a different person to whom paragraph (a), (b) or (c) applies; or
- (e) who the Secretary decides, in the special circumstances of the case, should not be treated as a parent of the child;

'person to whom this section applies' means a person who is receiving a job search allowance, or a person who is under the age of 18 years and is receiving a sickness benefit, other than:

- (a) a married person;
- (b) a person who has a dependent child;
- (c) a person who:
 - (i) does not live, and for a continuous period of at least 6 months has not lived, at a home of the parents, or of a parent, of the person;
 - (ii) has, at a time when the person was not living at such a home, been employed on a full time basis for a period of, or for periods that in the aggregate constitute, at least 13 weeks; and
 - (iii) does not receive regular financial support from a parent of the person;
- (d) a person who has been receiving a benefit continuously since 13 May 1987;
- (e) a person who does not have a parent; or
- (f) a person who is receiving a benefit the rate of which is increased under subsection 118 (8) or would be receiving such a benefit if 'and for a continuous period of at least 6 weeks has not lived,' were omitted from paragraph 118 (8) (a);

'taxable income' has the same meaning as in the *Income Tax Assessment Act 1936*;

'year of income' has the same meaning as in the *Income Tax Assessment Act 1936*.

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“(2) Where a person is temporarily living apart from a parent of the person, the person shall, for the purposes of this section, be taken to be living with the parent.

“(3) Subject to subsection (4), where there is an amount of adjusted parental income in relation to a person to whom this section applies, the rate per week of benefit that is applicable to the person shall be reduced by an amount per week equal to 25% of that amount.

“(4) The rate of a benefit shall not be reduced under subsection (3) to a rate below \$25 per week, but nothing in this section prevents the application of section 122 to the rate of benefit remaining after the application of this section.

“(5) Where:

- (a) subsection (3) applies to a person;
- (b) the person makes a request in writing in accordance with a form approved by the Secretary that this subsection apply to the person; and
- (c) the taxable income of the person's parents for the year of income following the last year of income is, or is likely to be, at least 25% less than the taxable income of the person's parents for the last year of income;

that following year of income shall be used in determining the amount per week of the benefit that is payable to the person during the period commencing on the day on which the request is received by the Department and ending on the first anniversary of that day.”

Commencement: Day of Royal Assent

Income and assets test

42. Section 122 of the Principal Act is amended:

(a) by omitting subsection (1) and substituting the following subsection:

“(1) Subject to subsection (2), where an unemployment benefit or a sickness benefit is payable to a person whose income exceeds \$60 per fortnight, the rate per week of that benefit shall be reduced:

- (a) if the income of the person does not exceed \$140 per fortnight—by one quarter of the amount by which that income exceeds \$60 per fortnight; or
- (b) in any other case—by an amount equal to the sum of \$20 and one half of the amount by which that income exceeds \$140 per fortnight.”;

- (b) by omitting from subsection (8) “week” (wherever occurring) and substituting “fortnight”;
- (c) by omitting from subsection (8) “weeks” and substituting “fortnights”; and
- (d) by adding at the end the following subsection:

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“(10) Subject to section 7, a benefit is not payable to a person who has attained the age of 25 years if the value of the property of the person exceeds the amount specified in the paragraph of section 8 that applies to the person.”.

Commencement: Day of Royal Assent

Unemployment benefit not payable in certain cases

43. (1) Section 126 of the Principal Act is amended by omitting from paragraph (3) (b) “whether before or after the commencement of this subsection” and substituting “on or after 1 July 1987”.

Commencement: 1 July 1987

(2) Section 126 of the Principal Act is amended by inserting after paragraph (1) (c) the following paragraph:

“(ca) a person refuses or fails, without sufficient reason, to comply with a requirement made of the person under section 170;”.

Commencement: 1 September 1987

44. Section 127 of the Principal Act is repealed and the following section is substituted:

Education leavers

“127. (1) Subject to subsections (2), (3) and (6), where a person (not being a person who is receiving a prescribed pension) who is undertaking a course of education of at least 6 month's duration on a full time basis ceases to undertake that course on or after 1 September 1987 and lodges a claim for an unemployment benefit within 6 months after so ceasing, an unemployment benefit is not payable to the person in respect of any period of unemployment during:

- (a) if the person is an unmarried person who is under the age of 21 years and has no dependants and is not a person to whom paragraph (b) or (c) applies—the period of 13 weeks commencing on the day (in this subsection called the ‘lodgment day’) on which the person lodged that claim;
- (b) if the person ceases to be a person to whom paragraph (a) applies before the end of 6 weeks after the lodgment day—the period of 6 weeks commencing on the lodgment day;
- (c) if the person ceases to be a person to whom paragraph (a) applies after the end of 6 weeks after the lodgment day but before the end of 13 weeks after that day—the period commencing on the lodgment day and ending on the day on which the person so ceases; or
- (d) in any other case—the period of 6 weeks after the lodgment day.

“(2) Where a person to whom paragraph (1) (a) applies had, at any time after ceasing to undertake the course of education, been employed on a full time basis, the period referred to in that paragraph shall be reduced by so much of that period of employment as does not exceed 13 weeks.

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“(3) Where a person to whom paragraph (1) (b) or (d) applies had, at any time, been employed on a full time basis, the period referred to in that paragraph shall be reduced by so much of that period of employment as does not exceed 6 weeks.

“(4) For the purposes of subsection (1), where a person is, under another section of this Act, deemed to have lodged a claim for an unemployment benefit on a day before the day on which the person actually lodged the claim, that earlier day shall be taken to be the lodgment day.

“(5) For the purposes of subsections (2) and (3), any period commencing after a person ceases to undertake a course of education during which the person is qualified to receive a sickness benefit or has been paid special benefit shall be taken to be a period during which the person is engaged in full time employment.

“(6) Where paragraph (1) (a) ceases to apply to a person as mentioned in paragraph (1) (b) or (c) otherwise than because the person attains the age of 21 years, an unemployment benefit is not payable to the person in respect of any period of unemployment before:

- (a) the end of the period of 13 weeks referred to in paragraph (1) (a);
or
- (b) the person notifies the Department that the person has ceased to be a person to whom paragraph (1) (a) applies;

whichever first occurs.

“(7) Where:

- (a) subsection (1) applies to a person;
- (b) an unemployment benefit would not, under this section, be payable to the person during a particular period; and
- (c) that period is longer than the period (in this subsection referred to as the ‘shorter period’) commencing on the day on which the person actually lodged the claim for the unemployment benefit and ending at the end of 6 months after the person ceased to undertake the course of education;

the shorter period shall be treated as the period during which an unemployment benefit is not payable to the person under this section.

“(8) For the purposes of subsection (1) of this section, section 116 and subsection 125 (2), where a person to whom subsection (1) applies registers with the Commonwealth Employment Service as being unemployed within 4 weeks of ceasing to undertake the course of education, the person shall be taken to have become so registered on the day on which the person ceased to undertake the course.

“(9) Notwithstanding subsection (8) of this section and subsection 125 (2), where a person to whom subsection (1) applies:

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- (a) registers with the Commonwealth Employment Service as being unemployed within 4 weeks of ceasing to undertake the course of education; and
- (b) lodges a claim for an unemployment benefit within 6 weeks of ceasing to undertake the course;

the person shall, for the purposes of this Part, be taken to have lodged the claim on the first day after the person ceased to undertake the course on which the person was qualified to receive an unemployment benefit.”.

Commencement: Immediately after the commencement of section 21 of the Social Security and Veterans' Entitlements Amendment Act 1987

Benefit not payable to full time students

45. (1) Section 136 of the Principal Act is amended by inserting in paragraph (1) (b) “, otherwise than in compliance with a requirement made of the person under section 170,” after “engaged”.

Commencement: 1 September 1987

- (2) Section 136 of the Principal Act is amended:
 - (a) by omitting from subsection (1) “A benefit” and substituting “Subject to subsection (2A), a benefit”; and
 - (b) by inserting after subsection (2) the following subsection:

“(2A) Where:

- (a) a person may commence a course of education on a full time basis; and
- (b) a payment may be made to or in respect of the person under a prescribed educational scheme;

the Secretary may decide that a benefit may be granted to the person or may continue to be payable to the person but, if the person commences that course, the benefit ceases to be payable on the day on which the person commences that course.”.

Commencement: 1 January 1988

Reduction in rate of pension

46. Section 153 of the Principal Act is amended by omitting from subsection (1) “who is receiving a pension” and substituting “, or the spouse of a person, who is qualified to receive a pension”.

Commencement: Day of Royal Assent

Notice to insurers

47. Section 155 of the Principal Act is amended by omitting from subsection (2) “subsection”.

Commencement: Day of Royal Assent

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Claims

48. Section 158 of the Principal Act is amended by omitting from paragraph (1) (e) "handicapped child's allowance" and substituting "child disability allowance".

Commencement: 15 November 1987

Payment and calculation of instalments of certain pensions

49. Section 160 of the Principal Act is amended by omitting subsection (12).

Commencement: Day of Royal Assent

50. After section 160 of the Principal Act the following section is inserted:

Minimum payment

"160A. Where, apart from this section, the amount of a payment under this Act, other than a payment under Part XIII, would be less than \$1, the amount of that payment shall be increased to \$1."

Commencement: Day of Royal Assent

Manner of payment etc.

51. Section 161 of the Principal Act is amended by inserting in subsection (3) "reasonably" after "cannot".

Commencement: Day of Royal Assent

Payment of pension etc. during imprisonment etc.

52. Section 167 of the Principal Act is amended by omitting from subsection (4) "subsections (2) and (3)" and substituting "subsections (1) and (2) of this section".

Commencement: Day of Royal Assent

Cancellation, suspension or variation of pension etc.

53. Section 168 of the Principal Act is amended by omitting paragraph (4) (d) and substituting the following paragraph:

"(d) in any other case—on the day on which the determination was made or on such later day or earlier day (not being a day more than 3 months before the determination was made) as is specified in the determination."

Commencement: Day of Royal Assent

Pension etc. to cease to be payable in certain cases

54. Section 169 of the Principal Act is amended by adding at the end the following subsection:

"(5) Where:

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- (a) a person who is in receipt of a prescribed pension is required by a notice under subsection 163 (1) to notify an increase in the income of the person;
- (b) the person fails to notify the Department of that increase in accordance with the notice; and
- (c) the person has an earnings credit for the purposes of section 12A; the pension shall be reduced, or ceases to be payable, as the case requires, from the first pension pay day after the earnings credit is reduced to nil.”.

Commencement 1 November 1987

Secretary may impose certain requirements

55. Section 170 of the Principal Act is amended:

- (a) by omitting paragraph (2) (c) and substituting the following paragraph:

“(c) undertake:

- (i) a course of vocational training; or
- (ii) another course which the person could reasonably undertake and to which the person has been referred by the Commonwealth Employment Service;”;

- (b) by omitting from subsection (2) “the Secretary may refuse to grant or pay the pension to the person, or suspend or cancel the pension, as the case may be,” and substituting “the pension shall not be granted to the person, or shall cease to be payable to the person, as the case may be;” and

- (c) by adding at the end the following subsections:

“(3) The Secretary may request a person who is in receipt of a job search allowance to attend an office of the Commonwealth Employment Service and, if the person fails to attend that office in accordance with the request and does not have a reasonable excuse for failing to attend, the job search allowance ceases to be payable to the person.

“(4) Where a person is complying with a requirement made of the person under this section, the person shall, for the purposes of this Act, be deemed to be eligible or qualified to receive the pension which the person was eligible or qualified to receive before that requirement was made.”.

Commencement: 1 September 1987

Special temporary allowance

56. Section 172 of the Principal Act is amended:

- (a) by omitting all the material after paragraph (d) of the definition of “pension” in subsection (1) and substituting “and includes an allowance under section 31 or 143, a remote area allowance under

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Part III and a remote area allowance under section 57 of the *Veterans' Entitlements Act 1986*;" and

- (b) by omitting "135B (3) or 135TJ (1A)" from the definition of "pensioner" in subsection (1) and substituting "150 (2)".

Commencement: Day of Royal Assent

Rates of certain pensions affected where certain education payments made

57. (1) Section 180 of the Principal Act is amended by adding at the end "or, if the person was receiving such a pension immediately before 21 October 1986 at a higher rate, at that higher rate".

Commencement: 1 January 1987

(2) Section 180 of the Principal Act is amended by adding at the end the following subsection:

"(2) Where:

- (a) a person was receiving a widow's pension or a supporting parent's benefit immediately before 1 September 1987;
- (b) the person was, on that day, eligible to receive payments under the AUSTUDY scheme in respect of a full time course of education that the person had commenced before that day;
- (c) the person has a dependent child; and
- (d) apart from this subsection, the person would not be qualified to receive that pension or benefit at a time on or after that day because the child had attained the age of 16 years;

the person's qualification to receive that pension or benefit shall, while the person continues to be eligible to receive payments under the AUSTUDY scheme in respect of that full time course of education, continue as if the child had not attained that age."

Commencement: 1 September 1987

Recovery of overpayments

58. (1) Section 181 of the Principal Act is amended by inserting in subsection (2) "(including any amount payable by the person under subsection (3))" after "that amount" (second occurring).

Commencement: Day of Royal Assent

(2) Section 181 of the Principal Act is amended by inserting in paragraph (3) (a) ", on or after 1 September 1987," after "a person is".

Commencement: 1 September 1987

Extra-territorial operation of certain provisions

59. Section 182 of the Principal Act is amended by omitting from subsection (1) " , 135SB".

Commencement: Day of Royal Assent

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**PART III—AMENDMENTS OF THE VETERANS' ENTITLEMENTS
ACT 1986**

Principal Act

60. In this Part, "Principal Act" means the *Veterans' Entitlements Act 1986*.

Commencement: Day of Royal Assent

Interpretation

61. Section 5 of the Principal Act is amended by omitting subsection (14).

Commencement: 27 October 1986

Dependants

62. Section 11 of the Principal Act is amended by omitting subsection (4).

Commencement: Day of Royal Assent

63. Section 12 of the Principal Act is repealed and the following section is substituted:

Interpretation

"12. In this Part, unless the contrary intention appears:

'application day', in relation to a veteran who has made a claim for a pension or an application for an increase in the rate of a pension or a veteran on whose behalf such a claim or application has been made, means the day on which the claim or application was received at an office of the Department in Australia or, if subsection 20 (2) or 21 (2) applies to the veteran, the day on which the claim or application referred to in paragraph 20 (2) (a) or 21 (2) (a) was so received;

'pension' means a pension under this Part."

Commencement: 22 May 1986

Determination of claims and applications

64. Section 19 of the Principal Act is amended:

(a) by omitting from subsection (2) "Where" and substituting "Subject to subsection (2A), where"; and

(b) by inserting after subsection (2) the following subsection:

"(2A) In determining whether the rate of pension payable to a veteran should be the rate applicable under section 23 or 24, the only relevant consideration is whether the veteran was a veteran to whom that section applied on the application day in relation to the veteran."

Commencement: 22 May 1986

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65. After section 24 of the Principal Act the following section is inserted:

Continuation of rates of certain pensions

"24A. Where the Commonwealth is or becomes liable to pay a pension to a veteran at the rate applicable under section 23 or 24, that rate continues, while a pension continues to be payable to the veteran, to apply to the veteran unless:

- (a) the decision to apply that rate of pension to the veteran would not have been made but for a false statement or misrepresentation made by a person;
- (b) in the case of a veteran to whom section 23 applies:
 - (i) the veteran is undertaking or is capable of undertaking remunerative work of a particular kind for 50% or more of the time (excluding overtime) ordinarily worked by persons engaged in work of that kind on a full time basis; or
 - (ii) in a case where subparagraph (i) is inapplicable to the work which the veteran is undertaking or is capable of undertaking—the veteran is undertaking or is capable of undertaking that work for 20 or more hours per week; or
- (c) in the case of a veteran to whom section 24 applies—the veteran is undertaking or is capable of undertaking remunerative work for periods aggregating more than 8 hours per week."

Commencement: 22 May 1986

Increased rates of pension in certain cases

66. Section 27 of the Principal Act is amended by entering the table in subsection (1) as follows:

- (a) omit "83.00", substitute "91.00";
- (b) omit "56.00", substitute "61.40";
- (c) omit "48.20" (wherever occurring), substitute "52.80";
- (d) omit "24.00" (wherever occurring), substitute "26.30";
- (e) omit "12.70" (wherever occurring), substitute "13.90";
- (f) omit "18.60", substitute "20.40".

Commencement: 17 December 1987

Capacity to undertake remunerative work

67. Section 28 of the Principal Act is amended by inserting "and in determining for the purposes of section 24A whether a veteran who is so incapacitated is capable of undertaking remunerative work," after "remunerative work,".

Commencement: 22 May 1986

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Review by Commission

68. (1) Section 31 of the Principal Act is amended:

- (a) by omitting “or” from the end of paragraph (6) (b); and
- (b) by omitting all the material in subsection (6) after paragraph (6) (b) and substituting the following:

“(c) by reason of a refusal or failure of a veteran to comply with a notice served on the veteran under subsection (5A) or with a request made under paragraph 32 (1) (c); or

- (d) by reason of the circumstances referred to in a paragraph of section 24A being applicable to the veteran;

in a case to which paragraph (a), (b) or (c) applies, a pension should be cancelled or suspended or is being paid at a higher rate than it should be or, in a case to which paragraph (d) applies, a pension is being paid at a higher rate than it should be, the Commission may, by determination in writing, cancel or suspend or decrease the rate of the pension, or decrease the rate of the pension, as the case may be, with effect, subject to subsection (7), from the day on which the determination was made or such later day as is specified in the determination.”.

Commencement: 22 May 1986

(2) Section 31 of the Principal Act is amended:

- (a) by omitting from subparagraph (1) (a) (i) “or”;
- (b) by adding at the end of paragraph (1) (a) the following subparagraph:
 - “(iii) an application for attendant allowance under section 98; or”;
- (c) by inserting in paragraph (6) (a) “or attendant allowance” after “pension” (wherever occurring);
- (d) by inserting in subsection (6) “or attendant allowance” after “(c) applies, a pension”;
- (e) by omitting from subsection (6) “decrease the rate of the pension, or decrease the rate of the pension,” and substituting “decrease the rate of the pension or attendant allowance, or decrease the rate of the pension,”;
- (f) by inserting in paragraph (7) (b) “or attendant allowance” after “pension”;
- (g) by inserting in subsection (8) “or attendant allowance” after “pension” (wherever occurring);
- (h) by inserting in subsection (9) “or attendant allowance” after “pension” (wherever occurring);
- (j) by inserting in subsection (10) “or attendant allowance” after “pension”; and

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- (k) by inserting in subsection (11) "or attendant allowance" after "pension" (wherever occurring).

Commencement: Day of Royal Assent

Commission may take evidence

69. Section 32 of the Principal Act is amended by inserting in subsection (1) "or attendant allowance" after "pension".

Commencement: Day of Royal Assent

Reasons for decisions to be given

70. Section 34 of the Principal Act is amended:

- (a) by inserting in paragraph (1) (b) "or attendant allowance" after "pension" (wherever occurring);
- (b) by inserting in paragraph (1) (d) "or attendant allowance" after "pension"; and
- (c) by inserting in paragraph (1) (e) "or attendant allowance" after "pension" (wherever occurring).

Commencement: Day of Royal Assent

Interpretation

71. (1) Section 35 of the Principal Act is amended by omitting subparagraph (b) (ii) of the definition of "Australian resident" in subsection (1) and substituting the following subparagraph:

- "(ii) a return endorsement, or a resident return visa, in force under the *Migration Act 1958*; or".

Commencement: Immediately after the commencement of section 29 of the Social Security and Veterans' Entitlements Amendment Act 1987

(2) Section 35 of the Principal Act is amended by inserting after the definition of "income" in subsection (1) the following definition:

"'income support pension' means:

- (a) a veteran's service pension;
- (b) a wife's service pension;
- (c) a carer's service pension;
- (d) a pension under Part IV or V of the *Social Security Act 1947*;
- (e) a benefit under Part VI or XIII of that Act; or
- (f) an allowance under Part XIV or XVI of that Act;"

Commencement: 1 January 1988

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72. After section 35 of the Principal Act the following section is inserted:

Treatment of certain income

“35A. (1) In this section:

‘accruing return investment’ means an arrangement made by a person that consists of or includes an investment of money, being an investment:

(a) that produces:

(i) a fixed rate or quantifiable rate of return, whether or not that rate varies from time to time; or

(ii) a rate of return that may be reasonably approximated; and

(b) the value of which from time to time is unlikely to decrease as a result of market changes;

‘friendly society’ means:

(a) a society registered as a friendly society under a law in force in a State or Territory; or

(b) a society that had, before 13 December 1987, been approved for the purposes of the definition of ‘friendly society’ in subsection 115 (1) of the *Social Security Act 1947*;

‘return’, in relation to an investment, means any increase, whether of a capital or income nature, in the amount of the investment and, in the case of an investment of the kind referred to in subparagraph (a) (ii) of the definition of ‘fixed return investment’, means a reasonable approximation of such an increase.

“(2) Where a person makes, whether before or after the commencement of this subsection, an accruing return investment, being an investment to which subsections (3) and (5) do not apply, the person shall, for the purposes of this Act, be taken to receive the rate of return on that investment as income of the person from the day on which that investment was made.

“(3) Where a person makes, on or after 1 January 1988, an accruing return investment:

(a) with a friendly society; or

(b) of a kind where a return is not available until the end of a period of at least 12 months after that investment was made or until realisation of that investment;

the person shall, for the purposes of this Act, be taken to receive the rate of return on that investment as income of the person from the day on which that investment was made.

“(4) Where a person becomes entitled, whether before or after the commencement of this subsection, to receive an amount of income, not being:

(a) income from remunerative work undertaken by the person; or

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(b) a return from an accruing return investment; the person shall, for the purposes of this Act, be taken to receive one fifty-second of that amount as income of the person during each week in the period of 12 months commencing on the day on which the person becomes entitled to receive that amount.

“(5) Where a person makes, at any time before 1 January 1988, an accruing return investment:

- (a) with a friendly society; or
- (b) of a kind where a return is not available until the end of a period of at least 12 months after that investment was made or until realisation of that investment;

and the person becomes entitled to receive an amount by way of a return on that investment, the person shall, for the purposes of this Act, be taken to receive one fifty-second of that amount as income of the person during each week in the period of 12 months commencing on the day on which the person becomes entitled to receive that amount.

“(6) A reference in subsection (4) or (5) to a person becoming entitled to receive an amount includes a reference to the person becoming entitled to receive an amount under an arrangement of the kind referred to in the definition of ‘accruing return investment’ in subsection (1), to the extent that subsection (2) or (3) does not apply to that entitlement.”.

Commencement: 13 December 1987

Rate of veteran's service pension

73. (1) Section 47 of the Principal Act is amended:

- (a) by omitting subsection (3) and substituting the following subsection:

“(3) Where children are dependants of a veteran, being children who are wholly or substantially dependent on the veteran, the rate of service pension applicable to the veteran under subsection (1) shall, subject to subsection (4), be increased by the sum of:

- (a) \$1,144 per year in respect of each such child who has not attained the age of 13 years;
- (b) \$1,456 per year in respect of each such child who has attained the age of 13 years but has not attained the age of 16 years;
- (c) \$884 per year in respect of each such child who is not a prescribed student child of the veteran and who has attained the age of 16 years;
- (d) \$728 per year in respect of each such child who is a prescribed student child of the veteran; and
- (e) if the veteran is an unmarried veteran or a married veteran in relation to whom a direction under subsection (2) is in force—\$624 per year.”;

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- (b) by omitting from paragraph (7) (a) "\$884 per year" and substituting "the greater or greatest amount per year that could be applicable to the veteran under a paragraph of subsection (3) if subsection (6) did not apply to the veteran";
- (c) by omitting from paragraph (7) (b) all the material after "is less than" and substituting "the greater or greatest amount per year that could be applicable to the veteran under a paragraph of subsection (3) if subsection (6) did not apply to the veteran—the rate of service pension applicable to the veteran shall be increased by the amount per year by which that increase is less than that greater or greatest amount per year.";
- (d) by omitting from subsection (8) "\$884 were references to \$728" and substituting "the greater or greatest amount per year that could be applicable to the veteran under a paragraph of subsection (3) if subsection (6) did not apply to the veteran were references to \$728"; and
- (e) by omitting subsection (13).

Commencement: 17 December 1987

(2) Section 47 of the Principal Act is amended:

- (a) by omitting paragraph (3) (d) and substituting the following paragraph:

“(d) \$260 per year in respect of each such child:

- (i) who is a prescribed student child of the veteran;
- (ii) who was, immediately before 1 January 1988, a child referred to in paragraph (b) of the definition of 'child' in subsection 5 (1) and to whom or in respect of whom a payment of the kind referred to in paragraph 35 (15) (a), (b) or (c) was being made; and
- (iii) who was, immediately before that day, a person in respect of whom an increase in the maximum rate of an income support pension was applicable; and”;

- (b) by omitting subsection (8) and substituting the following subsection:

“(8) Subsection (7) applies to a veteran who:

- (a) has at least one child who:

- (i) is a dependant of the veteran and is wholly or substantially dependent on the veteran;
- (ii) is a prescribed student child of the veteran;
- (iii) who was, immediately before 1 January 1988, a child referred to in paragraph (b) of the definition of 'child' in subsection 5 (1) and to whom or in respect of whom a payment of the kind referred to in paragraph 35 (15) (a), (b) or (c) was being made; and

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- (iv) was, immediately before that day, a person in respect of whom an increase in the maximum rate of an income support pension was applicable; and
 - (b) does not have a child who is a dependant of the veteran who is not a child to whom paragraph (a) applies;
- as if references in that subsection to the greater or greatest amount per year that could be applicable to the veteran under a paragraph of subsection (3) if subsection (6) did not apply to the veteran were references to \$260.”.

Commencement: 1 January 1988

74. After section 49A of the Principal Act the following section is inserted:

Earnings credit

“49B. (1) In this section:

‘annual permissible income’, in relation to a person, means:

- (a) the annual rate specified in paragraph 47 (5) (a) or 48 (4) (a) that is applicable to the person; or
- (b) if the person has a dependent child or children—the rate referred to in paragraph (a) increased by the annual rate applicable to the person under subsection 37 (1) or (3);

‘annual rate of income’, in relation to a person who is receiving a pension, means the annual rate of income of the person for the purposes of this Part calculated without regard to subsections 37 (1) and (3);

‘credit amount’, in relation to a person whose annual permissible income in a particular fortnight ending on a Wednesday exceeds the person’s annual rate of income in that fortnight, means one twenty-sixth of an amount equal to that excess;

‘earnings credit’, in relation to a person who is receiving a pension, in relation to the fortnight commencing on 4 November 1987 and in relation to each succeeding fortnight, means:

- (a) in the case of a person who is receiving a pension on 4 November 1987:
 - (i) in relation to the fortnight commencing on 5 November 1987—the sum of the credit amounts (if any) in relation to the person calculated from 1 January 1987 or from the day on which the person commenced to receive the pension, whichever is the later; or
 - (ii) in relation to each later fortnight—the amount of the earnings credit (if any) of the person for the preceding fortnight increased, if there is a credit amount in relation to the person for that later fortnight, by that credit amount or decreased, if subsection (3) applied

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- to the person in that later fortnight, by the amount by which the person's earnings credit was reduced under that subsection in that later fortnight;
- or \$1,000, whichever is the lesser amount; or
- (b) in the case of a person who commences to receive a pension after 4 November 1987:
- (i) in relation to the fortnight in which the person commences to receive the pension—the credit amount (if any) of the person for that fortnight; or
 - (ii) in relation to each later fortnight—the amount of the earnings credit (if any) of the person for the preceding fortnight increased, if there is a credit amount in relation to the person for that later fortnight, by that credit amount or decreased, if subsection (3) applied to the person in that later fortnight, by the amount by which the person's earnings credit was reduced under that subsection in that later fortnight;

or \$1,000, whichever is the lesser amount;

'pension' means a veteran's service pension or a wife's service pension.

"(2) For the purposes of the definition of 'earnings credit' in subsection (1):

(a) where:

- (i) a person was, immediately before becoming entitled to receive a pension, receiving a payment under Part IV, V or VI of the *Social Security Act 1947*; and
- (ii) the person had an earnings credit under section 12A of that Act at that time;

the earnings credit shall be treated as if it were an earnings credit under this section; and

- (b) where a person who has ceased to be eligible to receive a pension again becomes eligible to receive a pension, no account shall be taken of any earnings credit of the person before the person again became so eligible.

"(3) Where:

- (a) there is an earnings credit in relation to a person (not being a person to whom subsection 47 (10) or (11) applies);
- (b) the person becomes entitled to a payment for remunerative work undertaken by the person during a particular fortnight; and
- (c) in that fortnight, the annual rate of income of the person exceeds the annual permissible income of the person;

the person shall, for the purposes of this Part and section 83, be taken not to have received so much of the payment referred to in paragraph (b) as

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does not exceed the earnings credit and the earnings credit shall be reduced accordingly.”.

Commencement: 4 November 1987

Disposal of property or income

75. Section 52 of the Principal Act is amended by omitting from subsections (10) and (11) “(not being a course of conduct under which the person ceases employment or to engage in a business or profession or reduces the extent to which the person is employed or the extent to which the person engages in a business or profession)”.

Commencement: 13 November 1987

Financial hardship

76. (1) Section 53 of the Principal Act is amended:

- (a) by omitting from paragraph (1) (c) “and” (last occurring);
- (b) by inserting after paragraph (1) (c) the following paragraph:
 - “(ca) the person lodges at an office of the Department in Australia a written request that this section apply in relation to the person; and”; and
- (c) by inserting after subsection (1) the following subsections:
 - “(1A) Where a request is lodged under paragraph (1) (ca), the Secretary shall:
 - (a) cause an investigation to be made into the matters to which the request relates; and
 - (b) upon completion of the investigation, cause the request, accompanied by:
 - (i) any evidence furnished by the person making the request in support of the request; and
 - (ii) any documents relevant to the request under the control of the Department, including any evidence or documents relevant to the request obtained in the course of the investigation;to be submitted to the Commission for its consideration and determination.
 - “(1B) A determination under subsection (1) takes effect:
 - (a) on the day on which the request under paragraph (1) (ca) was lodged; or
 - (b) if the Commission so determines in the special circumstances of the case—on a day not more than 6 months before the day referred to in paragraph (a).”.

Commencement: Day of Royal Assent

(2) Section 53 of the Principal Act is amended by omitting subsection (3) and substituting the following subsection:

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“(3) Where:

- (a) the amount per annum of the reduction under subsection (2) in the maximum annual rate of pension applicable to a person in respect of property of the person or the person's spouse that is property referred to in paragraph (1) (c) is less than the lesser of the following amounts per annum:
 - (i) the amount per annum equal to 2.5% of the value of that property;
 - (ii) the amount per annum that could reasonably be expected to be obtained from a purely commercial application of that property; or
- (b) there is no reduction under subsection (2) in respect of that property; the maximum annual rate of pension applicable to the person shall:
- (c) in a case to which paragraph (a) applies—be further reduced by the difference between that first-mentioned reduction and that lesser amount per annum; or
- (d) in a case to which paragraph (b) applies—be reduced by that lesser amount per annum.”.

Commencement: 13 November 1987

Remote area allowance

77. Section 57 of the Principal Act is amended by omitting subsection (1) and substituting the following subsection:

“(1) In this section:

‘Australia’ includes:

- (a) the Territory of Cocos (Keeling) Islands; and
- (b) the Territory of Christmas Island;

‘remote area’ means:

- (a) those parts of Australia referred to in paragraphs 1 and 2 of Part I of Schedule 2 to the *Income Tax Assessment Act 1936*;
- (b) the Territory of Cocos (Keeling) Islands; and
- (c) the Territory of Christmas Island.”.

Commencement: Day of Royal Assent

Review of decision etc.

78. Section 59 of the Principal Act is amended by omitting paragraphs (1) (a) and (b) and substituting the following paragraphs:

“(a) a claimant who is dissatisfied with a decision of the Commission:

- (i) in respect of a claim for a service pension; or
- (ii) under section 53; or

(b) a service pensioner who is dissatisfied with a decision of the Commission:

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- (i) cancelling or suspending a service pension;
- (ii) terminating the suspension of a service pension;
- (iii) reducing or increasing the rate of a service pension;
- (iv) refusing an application for an increase in the rate of a service pension; or
- (v) under section 53;”.

Commencement: Day of Royal Assent

Special temporary allowance

79. Section 65 of the Principal Act is amended by adding at the end the following subsection:

“(7) Where:

- (a) an amount of special temporary allowance is payable to a service pensioner under this section; and
- (b) an amount of pension, being an amount that would have been payable to the service pensioner’s spouse if the spouse had not died, is paid into an account that was held jointly or in common by the service pensioner and the spouse at a financial institution;

the amount of special temporary allowance payable to the service pensioner shall be reduced by the amount referred to in paragraph (b).”.

Commencement: Day of Royal Assent

Prescribed persons

80. Section 82 of the Principal Act is amended by inserting after subsection (1) the following subsections:

“(1A) Notwithstanding subsection (1), where:

- (a) on or after 1 January 1988, the annual rate of income of a person, calculated as mentioned in subsection (1), increases so that it exceeds the prescribed rate of income applicable to the person by virtue of subsection 83 (1);
- (b) immediately before that increase, the annual rate of the person’s income did not exceed that prescribed rate of income; and
- (c) the amount of that excess is not more than 25% of that prescribed rate of income;

the person is not, while the amount of that excess continues to be not more than 25% of that prescribed rate of income, a prescribed person for the purposes of this Part at any time during the period of 13 weeks commencing on the first pension pay day after that increase occurred.

“(1B) Where:

- (a) subsection (1A) applies to a person; and
- (b) the annual rate of income of the person increases so that it exceeds by more than 25% the prescribed rate of income applicable to the person by virtue of subsection 83 (1);

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the person becomes a prescribed person for the purposes of this Part and subsection (1A) does not apply to the person on a further occasion unless the annual rate of income of the person falls below that prescribed rate of income.”

Commencement: 1 January 1988

Prescribed rate of income and property value

81. Section 83 of the Principal Act is amended:

- (a) by omitting from subparagraph (2) (a) (ii) “subparagraph (b) (ii)” and substituting “paragraph 54 (d)”;
- (b) by omitting from subparagraph (2) (a) (ii) “subparagraph (b) (i)” and substituting “paragraph 54 (c)”;
- and
- (c) by omitting from subparagraph (2) (b) (ii) “\$89,250” and substituting “the amount referred to in subparagraph (i) increased by the difference between the amount referred to in paragraph 54 (d) and the amount referred to in paragraph 54 (c)”.

Commencement: Immediately after the commencement of subsection 84 (2) of the Social Security and Veterans' Affairs (Miscellaneous Amendments) Act 1986

Veterans eligible to be provided with treatment

82. Section 85 of the Principal Act is amended by inserting after paragraph (4) (a) the following paragraph:

- “(aa) a female veteran rendered, while a member of the Defence Force, service of the kind referred to in subparagraph 36 (a) (i) during the period referred to in paragraph (b) of the definition of ‘period of hostilities’ in subsection 35 (1);”.

Commencement: 1 January 1988

Treatment at hospitals and other institutions

83. Section 89 of the Principal Act is amended by omitting subsection (2) and substituting the following subsection:

“(2) In subsection (1):

- (a) a reference to a hospital or other institution shall be read as including a reference to a home, a hostel, a medical centre, an out-patient clinic and a rehabilitation or training establishment; and
- (b) a reference to this Part shall be read as including a reference to regulations made under paragraph 59 (1) (e) of the *Seamen's War Pensions and Allowances Act 1940*.”.

Commencement: Day of Royal Assent

Clothing allowance

84. Section 97 of the Principal Act is amended:

- (a) by altering the table in subsection (1) as follows:
 - (i) omit “5.30”, substitute “5.80”;

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- (ii) omit "2.50" (wherever occurring), substitute "2.70";
- (iii) omit "3.50" (wherever occurring), substitute "3.80";
- (b) by omitting from subsection (2) "\$5.30" and substituting "\$5.80";
and
- (c) by omitting from subsection (3) "\$2.50" and substituting "\$2.70".

Commencement: 17 December 1987

Attendant allowance

85. Section 98 of the Principal Act is amended:

- (a) by altering the table in subsection (1) as follows:
 - (i) omit "62.20" (wherever occurring), substitute "68.20";
 - (ii) omit "124.40" (wherever occurring), substitute "136.40"; and
- (b) by omitting from subsection (2) "\$62.20" and substituting "\$68.20".

Commencement: 17 December 1987

Decoration allowance

86. Section 102 of the Principal Act is amended:

- (a) by omitting from subsection (1) "any one or more of the decorations specified in subsection (5)" and substituting "an eligible decoration or eligible decorations";
- (b) by omitting from subsection (2) "a decoration specified in subsection (5)" and substituting "an eligible decoration";
- (c) by omitting from subsection (5) "The decorations specified in this subsection are: " and substituting the following:
 - "In this section:
'eligible decorations' means:";
- (d) by adding at the end of paragraph (5) (a) the following subparagraph:
 - "(xiii) the member of the Most Excellent Order of the British Empire (Military Division);";
- (e) by omitting "and" from paragraph (5) (b);
- (f) by adding at the end of subsection (5) the following word and paragraph:
 - "; and (d) such other decorations, awarded for gallantry during a war to which this Act applies or during warlike operations, as are prescribed."; and
- (g) by omitting from subsection (6) "a decoration specified in subsection (5)" and substituting "an eligible decoration".

Commencement: Day of Royal Assent

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Recreation transport allowance

87. Section 104 of the Principal Act is amended by altering the table in subsection (1) as follows:

- (a) omit "33.00" (wherever occurring), substitute "36.20";
- (b) omit "16.50" (wherever occurring), substitute "18.10".

Commencement: 17 December 1987

Commission not bound by technicalities

88. Section 119 of the Principal Act is amended:

- (a) by inserting in paragraph (1) (c) "or an attendant allowance under section 98" after "Part II or IV";
- (b) by inserting in paragraph (1) (d) "or an attendant allowance under section 98" after "Part II or IV"; and
- (c) by inserting in paragraph (1) (d) "or allowance" after "such a pension" (wherever occurring).

Commencement: Day of Royal Assent

Payments of pensions

89. Section 122 of the Principal Act is amended by omitting subsections (2) and (3) and substituting the following subsections:

"(2) Where the pensioner requests the Commission in writing to do so, the Commission may, in writing, approve payment of the pension to a person specified in the request for such period as is specified in the approval.

"(3) The Commission shall not approve payment of the pension to the person specified in the request unless the Commission is satisfied that the person has agreed to receive payment as agent of the pensioner.

"(3A) Where a payment of pension is made to a person in accordance with an approval under subsection (2):

- (a) the payment shall, for all purposes, be deemed to be a payment of the pension to the pensioner;
- (b) neither the Commonwealth nor the Commission is bound to oversee the application of the payment by the person; and
- (c) the person shall be taken to receive the payment as agent of the pensioner."

Commencement: Day of Royal Assent

90. Section 123 of the Principal Act is repealed and the following sections are substituted:

Interpretation

"123. (1) In this section and sections 123A to 123E (inclusive):

'applicable sections' means this section and sections 123A to 123E (inclusive);

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'child', in relation to a person who has died (in this definition called the **'deceased'**), means:

- (a) a person who is a child of the deceased within the meaning of section 10;
- (b) a person of whom the deceased was the father or mother; or
- (c) a person who was adopted by the deceased or by the deceased and the deceased's spouse;

'de facto spouse', in relation to a person, means a person of the opposite sex living as the spouse of the first person on a *bona fide* domestic basis although not legally married to the first person;

'parent', in relation to a person who has died, means someone whose child the person was;

'sibling', in relation to a person who has died, means someone who was a sister, half-sister, brother or half-brother of the person;

'spouse', in relation to the approval of a payment under section 123B or 123C in respect of a person who has died, means someone who was a spouse or de facto spouse of the person immediately before the person's death;

'waiting period', in relation to a person, means the period of 12 months commencing on:

- (a) if subparagraph 123A (2) (c) (i) applies to the person—the death of the person; or
- (b) if subparagraph 123A (2) (c) (ii) applies to the person—the date of the grant of the claim.

"(2) For the purposes of paragraph (a) of the definition of **'child'** in subsection (1), a person shall be taken to be a child even though the person is in receipt of a pension, benefit or allowance of a kind referred to in the definition of **'child'** in subsection 5 (1).

"(3) A reference in the applicable sections to an executor of a will includes a reference to:

- (a) an executor of the will by representation; and
- (b) if probate of the will has been granted and a person has subsequently been granted administration of the unadministered assets covered by the will—that person.

"(4) A reference in the applicable sections to the person to whom a grant of letters of administration with a will annexed has been made includes a reference to a person who has subsequently been granted administration of the unadministered assets covered by the will.

"(5) A reference in the applicable sections, in relation to an approval of a payment, to a person who is known is a reference to a person:

- (a) who is alive at the time of the approval; and

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- (b) whose existence and whereabouts are known to the Commission at that time.

Payment of pension etc. on death of person

“123A. (1) The objects of the applicable sections are:

- (a) to ensure that moneys payable under this Act to a person who has died are paid out as promptly as possible;
- (b) to pay those moneys, so far as is consistent with paragraph (a), in accordance with the person's will;
- (c) to ensure that not more than \$20,000, or the amount prescribed for the purposes of subsection 123B (6), is paid out without probate of the will having been obtained or letters of administration with the will annexed having been granted; and
- (d) to ensure that, in the event of intestacy, the payment of those moneys is made on principles that are uniform throughout Australia.

“(2) Where:

- (a) a person (in the applicable sections called the ‘deceased’) dies;
- (b) an amount (in the applicable sections called the ‘distributable amount’) of a pension, allowance or other pecuniary benefit is payable under this Act to the deceased; and
- (c) the distributable amount:
 - (i) has accrued, and was unpaid, on the deceased's death; or
 - (ii) has become payable after the deceased's death in respect of a period or event before that death by reason of the grant, after that death, of a claim for the pension, allowance or benefit made before that death;

the Commission shall deal with the distributable amount in accordance with the applicable sections and the distributable amount shall not, subject to subsections 123B (2) and (3), form part of the deceased's estate.

“(3) Where an amount is paid in accordance with an approval given under the applicable sections, the Commonwealth is not liable to any action, claim or demand for payment in respect of that amount.

Distribution where deceased leaves valid will

“123B. (1) This section applies where the Commission is satisfied that:

- (a) the deceased left a valid will; and
- (b) but for the applicable sections, the will would dispose of the deceased's right to the distributable amount (either expressly or as part of the residue of the deceased's estate).

“(2) Where this section applies and the Commission is satisfied that the will appointed an executor or executors, the Commission may, subject to subsection (6), approve payment of the whole or part of that amount to an executor of the will.

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“(3) Where this section applies and the Commission is satisfied that:

- (a) no-one is executor of the will; and
- (b) a person has applied for and obtained a grant of letters of administration with the will annexed;

the Commission may approve payment of the whole or part of that amount to the person to whom the grant was made.

“(4) Where this section applies and the Commission is satisfied that:

- (a) no-one is executor of the will;
- (b) letters of administration with the will annexed have not been applied for or granted; and
- (c) distribution of the whole or part of the distributable amount in accordance with the statutory order referred to in section 123D would not be inconsistent with the terms of the will;

the Commission may, subject to subsection (6), approve payment of the whole or part of that amount in accordance with the statutory order.

“(5) Where this section applies and the Commission is satisfied that:

- (a) no-one is executor of the will; and
- (b) the waiting period has elapsed without an application for letters of administration with the will annexed having been made;

the Commission may, subject to subsection (6), approve payment of the whole or part of that amount in accordance with the statutory order referred to in section 123D.

“(6) If probate of the will has not been obtained and letters of administration with the will annexed have not been granted, the Commission shall not approve a payment or payments under subsection (2), (4) or (5) in respect of the deceased if the amount of the payment, or the sum of the amounts of the payments made under those subsections, would exceed \$20,000 or such higher amount as is prescribed for the purposes of this subsection.

Intestacy

“123C. Where the Commission is satisfied that:

- (a) the deceased did not leave a valid will; or
- (b) the deceased left a valid will but, even if the applicable sections did not apply to the amount, the will would not dispose of the deceased's right to the distributable amount (either expressly or as part of the residue of the deceased's estate);

the Commission may approve payment of the whole or part of that amount in accordance with the statutory order referred to in section 123D.

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Statutory order of distribution

“123D. (1) Distribution of an amount in respect of the deceased in accordance with the statutory order shall, subject to subsections (2) and (3), be made to:

- (a) the known spouse of the deceased or the known spouses of the deceased in equal shares;
- (b) if there is no known spouse of the deceased—the known child of the deceased or the known children of the deceased in equal shares;
- (c) if there is no known spouse of the deceased and no known child of the deceased—the known parent of the deceased or the known parents of the deceased in equal shares; or
- (d) if there is no known spouse of the deceased, no known child of the deceased and no known parent of the deceased—the known sibling of the deceased or the known siblings of the deceased in equal shares.

“(2) Where:

- (a) a child (in this subsection called the ‘beneficiary’) of the deceased predeceases the deceased or dies before the approval of a payment under the applicable sections; and
- (b) there is a known child of the beneficiary or there are known children of the beneficiary;

the amount that would have been paid to the beneficiary had the beneficiary been alive at the time of approval shall be distributed to the child or to those children in equal shares.

“(3) Where:

- (a) a sibling of the deceased predeceases the deceased or dies before the approval of a payment under the applicable sections; and
- (b) there is a known child of the sibling or there are known children of the sibling;

the amount that would have been paid to the sibling had the sibling been alive at the time of approval shall be distributed to that child or to those children in equal shares.

Non-distributable amounts

“123E. Where the Commission determines in writing that it is not possible to pay the whole or part of the distributable amount in accordance with sections 123B and 123C, that amount or that part of that amount ceases to be payable to the deceased.”.

Commencement: Day of Royal Assent

Review of decisions in respect of pensions and attendant allowances

91. Section 135 of the Principal Act is amended:

- (a) by inserting in subsection (2) “or attendant allowance” after “pension”;

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- (b) by inserting in subsection (3) "or attendant allowance" after "pension" (wherever occurring); and
- (c) by inserting in subsection (5A) ", (2) or (3)" after "subsection (1)".

Commencement: Day of Royal Assent

Board not bound by technicalities etc.

92. Section 138 of the Principal Act is amended by inserting in paragraph (2) (a) "and attendant allowance" after "pension" (second occurring).

Commencement: Day of Royal Assent

Applications for review

93. Section 175 of the Principal Act is amended by inserting in subsection (2) ", 53" after "46" (wherever occurring).

Commencement: Day of Royal Assent

Application of Administrative Appeals Tribunal Act

94. Section 176 of the Principal Act is amended by inserting in subsection (7) "or attendant allowance" after "pension" (wherever occurring).

Commencement: Day of Royal Assent

Powers of Commission

95. Section 181 of the Principal Act is amended:

- (a) by omitting from subsection (3) "it" and substituting "its"; and
- (b) by adding at the end the following subsections:

"(4) The Commission may engage a person under paragraph (3) (d) even if the contract under which the person is engaged provides benefits to the person that are normally provided only to persons who are engaged as employees.

"(5) Where a person is engaged under paragraph (3) (d) and the contract under which the person is engaged provides benefits to the person that are normally provided only to persons who are engaged as employees, the contract shall, for the purposes of this Act and any other law of the Commonwealth be taken to be a contract for the performance of services and not a contract of employment."

Commencement: Day of Royal Assent

Trustees for pensioners

96. Section 202 of the Principal Act is amended by omitting subsection (1) and substituting the following subsection:

"(1) Where the Commission is satisfied that, having regard to the age, infirmity, ill health or improvidence of a pensioner, it is desirable that payment of a pension or allowance payable to the pensioner be made to another person as trustee for the pensioner, the Commission may, by

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instrument in writing, appoint a person to be the trustee, or itself assume the office of trustee, of instalments of the pension or allowance, upon trust to apply them as provided in this section.”.

Commencement: Day of Royal Assent

Recovery of overpayments

97. (1) Section 205 of the Principal Act is amended:

(a) by omitting paragraph (2) (b) and substituting the following paragraph:

“(b) from any amount that, because of the person’s death, is to be dealt with in accordance with sections 123A to 123E (inclusive); or”; and

(b) by inserting after subsection (4) the following subsection:

“(4A) Where subsection 65 (7) applies to an amount of pension, subsection (1) does not apply to that amount.”.

Commencement: Day of Royal Assent

(2) Section 205 of the Principal Act is amended by adding at the end the following subsection:

“(6) Where a person becomes liable to pay an additional amount under subsection (5), the amount may be recovered as if it were an amount that is recoverable under subsection (1).”.

Commencement: Immediately after commencement of section 42 of the Social Security and Veterans' Entitlements Act 1987

References to provisions of the Social Security Act as re-numbered and re-lettered

98. A provision of the Principal Act specified in column 1 of an item in Schedule 1 to this Act is amended by omitting the matter or matters specified in column 2 of that item and substituting the matter or corresponding matters specified in column 3 of that item.

Commencement: Day of Royal Assent

**PART IV—AMENDMENTS OF THE SEAMEN’S WAR PENSIONS
AND ALLOWANCES ACT 1940**

Principal Act

99. In this Part, “Principal Act” means the *Seamen’s War Pensions and Allowances Act 1940*³.

Commencement: Day of Royal Assent

Interpretation

100. Section 3 of the Principal Act is amended by inserting in subsection (1) the following definition in its appropriate alphabetical position (determined on a letter-by-letter basis):

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“‘application day’ in relation to an Australian mariner who has made a claim for a pension or an application for an increase in the rate of a pension or an Australian mariner on whose behalf such a claim or application has been made, means the day on which the claim or application was received at an address of the Department or, if subsection 12 (3) or 26AA (5) applies to the mariner, the day on which the claim or application referred to in paragraph 12 (3) (a) or 26AA (5) (a) was so received;”.

Commencement: 22 May 1986

Duties of Pensions Committees

101. Section 5 of the Principal Act is amended:

- (a) by omitting paragraph (b);
- (b) by omitting from paragraph (d) “and detention allowances”;
- (c) by omitting from paragraph (d) “and allowances”; and
- (d) by omitting from paragraph (e) “or detention allowance” (wherever occurring).

Commencement: Day of Royal Assent

Determinations and assessments by Commission

102. Section 6 of the Principal Act is amended by adding at the end the following subsection:

“(2) In determining whether the rate of pension payable to an Australian mariner should be the rate applicable under subsection 18 (4A) or section 22A, the only relevant consideration is whether the mariner was a mariner to whom that section applied on the application day in relation to the mariner.”.

Commencement: 22 May 1986

103. After section 24 of the Principal Act the following section is inserted:

Continuation of rates of certain pensions

“24A. Where the Commonwealth is or becomes liable to pay a pension to an Australian mariner at the rate applicable under subsection 18 (4A) or section 22A, that rate continues, while a pension continues to be payable to the mariner, to apply to the mariner unless:

- (a) the decision to apply that rate of pension to the mariner would not have been made but for a false statement or misrepresentation made by a person;
- (b) in the case of a mariner to whom subsection 18 (4A) applies:
 - (i) the mariner is undertaking or is capable of undertaking remunerative work of a particular kind for 50% or more of the time (excluding overtime) ordinarily worked by persons engaged in work of that kind on a full time basis; or

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- (ii) in a case where subparagraph (i) is inapplicable to the work which the mariner is undertaking or is capable of undertaking—the mariner is undertaking or is capable of undertaking that work for 20 or more hours per week; or
- (c) in the case of a mariner to whom section 22A applies—the mariner is undertaking or is capable of undertaking remunerative work for periods aggregating more than 8 hours per week.”.

Commencement: 22 May 1986

Allowance for attendant

104. Section 21 of the Principal Act is amended by omitting from subsection (2) “\$62.20” and substituting “\$68.20”.

Commencement: 17 December 1987

Power to obtain information

105. Section 29 of the Principal Act is amended by omitting from subsection (1) “must” and substituting “may”.

Commencement: Day of Royal Assent

Application for review

106. Section 35 of the Principal Act is amended by omitting from subsection (4) “refusing to grant” and substituting “being a decision relating to”.

Commencement: Day of Royal Assent

Application of Administrative Appeals Tribunal Act

107. Section 41 of the Principal Act is amended by inserting in subsection (7) “or attendant allowance” after “pension” (wherever occurring).

Commencement: Day of Royal Assent

Payment of pensions

108. Section 54 of the Principal Act is amended by omitting subsections (2) and (3) and substituting the following subsections:

“(2) Where the pensioner requests the Commission in writing to do so, the Commission may, in writing, approve payment of the pension to a person specified in the request for such period as is specified in the approval.

“(3) The Commission shall not approve payment of the pension to the person specified in the request unless the Commission is satisfied that the person has agreed to receive payment as agent of the pensioner.

“(3A) Where a payment of pension is made to a person in accordance with an approval under subsection (2):

- (a) the payment shall, for all purposes, be deemed to be a payment of the pension to the pensioner;

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- (b) neither the Commonwealth nor the Commission is bound to oversee the application of the payment by the person; and
- (c) the person shall be taken to receive the payment as agent of the pensioner.”.

Commencement: Day of Royal Assent

Review by Commission

109. (1) Section 55 of the Principal Act is amended:

- (a) by omitting “or” from the end of paragraph (5A) (b); and
- (b) by omitting all the material in subsection (5A) after paragraph (5A) (b) and substituting the following:

“(c) by reason of a refusal or failure of an Australian mariner to comply with a notice served on the mariner under subsection (5AA); or

- (d) by reason of the circumstances referred to in a paragraph of section 24A being applicable to the veteran;

in a case to which paragraph (a), (b) or (c) applies, a pension should be cancelled or suspended or is being paid at a higher rate than it should be or, in a case to which paragraph (d) applies, a pension is being paid at a higher rate than it should be, the Commission may, by determination in writing, cancel or suspend or decrease the rate of the pension, or decrease the rate of the pension, as the case may be, with effect, subject to subsection (5B), from the day on which the determination was made or such later day as is specified in the determination.”.

Commencement: 22 May 1986

(2) Section 55 of the Principal Act is amended by inserting after subsection (5C) the following subsection:

“(5D) Where the Commission determines that a pension be suspended:

- (a) the Commission may, in the same determination, fix the date of re-commencement of the pension; or
- (b) if the Commission does not so fix the date of re-commencement, the Commission shall, in a subsequent determination, fix the date of re-commencement of the pension unless it makes a further determination cancelling the pension.”.

Commencement: Immediately after the commencement of the provisions of the Veterans' Entitlements (Transitional Provisions and Consequential Amendments) Act 1986 (other than section 61 of that Act)

(3) Section 55 of the Principal Act is amended:

- (a) by omitting from subparagraph (1) (a) (i) “or”; and
- (b) by adding at the end of paragraph (1) (a) the following subparagraph:

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“(iii) an application for an attendant allowance in accordance with section 21; or”.

Commencement: Day of Royal Assent

Recovery of overpayments

110. Section 55A of the Principal Act is amended by adding at the end the following subsection:

“(6) Where a person becomes liable to pay an additional amount under subsection (5), the amount may be recovered as if it were an amount that is recoverable under subsection (1).”.

Commencement: Immediately after the commencement of section 42 of the Social Security and Veterans' Entitlements Amendment Act 1987

111. After section 57A of the Principal Act the following section is inserted:

Delegation by Secretary

“57B. (1) The Secretary may, either generally or as otherwise provided by the instrument of delegation, by writing signed by the Secretary, delegate to an officer or employee of the Australian Public Service all or any of the Secretary's powers under this Act or the regulations, except this power of delegation.

“(2) A power so delegated, when exercised by the delegate, shall, for the purposes of this Act and the regulations, be deemed to have been exercised by the Secretary.

“(3) A delegation of a power under this section does not prevent the exercise of the power by the Secretary.”.

Commencement: Day of Royal Assent

Regulations

112. Section 59 of the Principal Act is amended:

(a) by omitting paragraphs (1) (da), (db) and (e) and substituting the following paragraph:

“(e) medical treatment and pharmaceutical benefits for Australian mariners and other persons;”;

(b) by omitting from paragraph (1) (fa) “receiving medical benefits” and substituting “being provided with medical treatment”;

(c) by omitting paragraph (g);

(d) by inserting after subsection (1) the following subsection:

“(1A) Regulations made in pursuance of paragraph (1) (e) may apply, adopt or incorporate, with or without modification:

(a) the Treatment Principles, prepared and approved under section 90 of the *Veterans' Entitlements Act 1986*, as in

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force at a particular time, or as in force from time to time;
and

(b) the scheme, prepared and approved under section 91 of that Act, as in force at a particular time, or as in force from time to time.”;

(e) by inserting after subsection (4) the following subsections:

“(4A) The regulations may provide that nothing in the regulations shall be taken to:

(a) impose a duty on the Commission to arrange for the provision of; or

(b) confer a right on a person to be provided, under arrangements made by the Commission with;

treatment for a particular injury or disease, treatment of a particular kind for an injury or disease or treatment for an injury or disease outside Australia.

“(4B) The regulations may provide that nothing in the regulations shall be taken to confer on a person the right to be provided with treatment for an injury or disease:

(a) by the Commonwealth; or

(b) by the Commission otherwise than to the extent that, and in a manner that, it may be provided under arrangements made by, or with the approval of, the Commission.”;

(f) by omitting the definition of “medical treatment” from subsection (5); and

(g) by inserting in subsection (5) the following definitions in their respective appropriate alphabetical positions (determined on a letter-by-letter basis):

“‘medical treatment’ has the same meaning as treatment has in subsection 80 (1) of the *Veterans' Entitlements Act 1986*;

‘pharmaceutical benefits’ has the same meaning as in subsection 91 (9) of the *Veterans' Entitlements Act 1986*.”.

Commencement: Day of Royal Assent

Schedule 2

113. Schedule 2 to the Principal Act is amended:

(a) by omitting “62.20” (wherever occurring) and substituting “68.20”;
and

(b) by omitting “124.40” (wherever occurring) and substituting “136.40”.

Commencement: 17 December 1987

Amendments relating to Social Security Act as re-numbered and re-lettered

114. The Principal Act is amended as set out in Schedule 2 to this Act.

Commencement: Day of Royal Assent

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**PART IV—AMENDMENTS OF THE VETERANS' ENTITLEMENTS
(TRANSITIONAL PROVISIONS AND CONSEQUENTIAL
AMENDMENTS) ACT 1986**

Principal Act

115. In this Part, "Principal Act" means the *Veterans' Entitlements (Transitional Provisions and Consequential Amendments) Act 1986*.

Commencement: Day of Royal Assent

Assessment of rate of pension

116. Section 7 of the Principal Act is amended by omitting from subsection (1) "Entitlement" and substituting "Entitlements".

Commencement: Day of Royal Assent

Payment of pension etc. on death of person

117. Section 46A of the Principal Act is amended by omitting "section 123" and substituting "sections 123 to 123E (inclusive)".

Commencement: Day of Royal Assent

118. After section 58 of the Principal Act the following section is inserted in Part IV:

Appropriation

"58A. The Consolidated Revenue Fund is appropriated to the extent necessary for payments under this Act."

Commencement: Day of Royal Assent

References to provisions of the Social Security Act as re-numbered and re-lettered

119. A provision of the Principal Act specified in column 1 of an item in Schedule 3 to this Act is amended by omitting the matter or matters specified in column 2 of that item and substituting the matter or corresponding matters specified in column 3 of that item.

Commencement: Day of Royal Assent

**PART V—AMENDMENTS OF THE DEFENCE
(RE-ESTABLISHMENT) ACT 1965**

Principal Act

120. In this Part, "Principal Act" means the *Defence (Re-Establishment) Act 1965*.

Commencement: Day of Royal Assent

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Amendments relating to Social Security Act as re-numbered and re-lettered

121. The Principal Act is amended as set out in Schedule 4 to this Act.
Commencement: Day of Royal Assent

**PART VI—AMENDMENTS OF THE STUDENT ASSISTANCE ACT
1973**

Principal Act

122. In this Part, "Principal Act" means the *Student Assistance Act 1973*⁶.

Commencement: Day of Royal Assent

Adjustment of benefit

123. Section 31A of the Principal Act is amended:

(a) by omitting paragraph (1) (a) and substituting the following paragraph:

“(a) an amount has been paid under the *Social Security Act 1947* that:

(i) is not payable because of paragraph 136 (1) (a) of that Act; or

(ii) was paid as a result of a decision under subsection 136 (2A) of that Act; and”;

(b) by omitting from subsection (1) “section 140, or subsection 146 (1),” and substituting “section 181 or subsection 186 (1)”.

Commencement: 1 January 1988

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SCHEDULE 1

Section 98

**AMENDMENTS OF THE VETERANS' ENTITLEMENTS ACT 1986 TO
SUBSTITUTE REFERENCES TO PROVISIONS OF THE SOCIAL SECURITY
ACT 1947 AS RE-NUMBERED AND RE-LETTERED**

Item No.	Column 1 Provision of the <i>Veterans' Entitlements Act 1986</i>	Column 2 Matter to be omitted	Column 3 Matter to be substituted
1.	subsection 5 (1) (definition of "child").	Part VIII	Part XVI
2.	subsection 5 (2)	Part VII	Part XIII
3.	subsection 35 (1) (definition of "Government rent")	subsection 6 (1)	subsection 3 (1)
4.	subsection 35 (1) (subparagraph (m) (i) of the definition of "income").	Part VII	Part XIII
5.	paragraph 37 (1) (a)	Part III, Part IVAAA Part VIIA Part VIII	Part IV, Part VI Part XIV Part XVI
6.	subsection 37 (1A)	Part VI	Part X
7.	paragraph 42 (1) (b)	Part III IV Part IVAAA VII Part VIIA Part VIII	Part IV V Part VI XIII Part XIV Part XVI
8.	paragraph 47 (1B) (b)	Part VIIA Part VIII	Part XIV Part XVI
9.	subparagraph 47 (1) (a) (ii)	Part III Part VII Part VIIA Part VIII	Part IV Part XIII Part XIV Part XVI
10.	subsection 47 (4)	Part III Part IVAAA Part VIIA Part VIII Part VIII Part III	Part IV Part VI Part XVI Part IV Part XVI Part IV
11.	subsection 49 (4)	subsection 28 (1AAA)	subsection 33 (2)
12.	subsection 50 (9)	paragraph 6AA (8) (b) subsection 6AA (8)	paragraph 4 (8) (b) subsection 4 (8)
13.	subsection 51 (1) (definition of "relevant interest rate")	subsection 6AB (1)	subsection 5 (1)
14.	subparagraph 52 (10) (b) (i)	Part III IV Part IVAAA Part VIIA Part VIII	Part IV V Part VI Part XIV Part XVI

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SCHEDULE 1—continued

Item No.	Column 1 Provision of the <i>Veterans' Entitlements Act 1986</i>	Column 2 Matter to be omitted	Column 3 Matter to be substituted
15.	subparagraph 52 (10) (b) (iii)	section 83CA	section 69
16.	subparagraph 52 (11) (b) (i)	Part III Part IV Part IVAAA Part VIIA Part VIII	Part IV Part V Part VI Part XIV Part XVI
17.	subparagraph 52 (11) (b) (iii)	section 83CA	section 69
18.	subsection 52 (13)	Part III IV Part IVAAA Part VIIA Part VIII	Part IV V Part VI Part XIV Part XVI
19.	paragraph 55 (1) (b)	section 26 133JA	section 31 142
20.	paragraph 55 (3) (b)	Part III IV Part IVAAA VII Part VIIA Part VIII	Part IV V Part VI XIII Part XIV Part XVI
21.	paragraph 55 (6) (a)	Part III or IV Part IVAAA VII Part VIIA Part VIII	Part IV or V Part VI XIII Part XIV Part XVI
22.	paragraph 55 (9) (c)	Part VI	Part X
23.	subparagraph 57 (5) (a) (ii)	Part IIA	Part III
24.	paragraph 63 (4) (a)	Part III IV Part IVAAA	Part IV V Part VI
25.	subsection 65 (1) (definition of "pension")	Part III Part IVAAA Part VIIA Part VIII section 133JA Part IIA	Part IV Part VI Part XIV Part XVI section 142 Part III
26.	subsection 65 (1) (definition of "pensioner")	Part III subsection 83AAA (1) Part IVAAA section 133N subsection 135B (2) subsection 135TJ (1A)	Part IV subsection 53 (1) Part VI section 143 subsection 149 (2) subsection 167 (2)

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SCHEDULE 1—continued

Item No.	Column 1 Provision of the <i>Veterans' Entitlements Act 1986</i>	Column 2 Matter to be omitted	Column 3 Matter to be substituted
27.	subsection 65 (5)	Part IV Part IVAAA	Part V Part VI
28.	subsection 82 (1)	section 6AD	section 7
29.	subsection 82 (2)	section 6AD	section 7
30.	subparagraph 101 (4) (b) (ii)	Part IVA	Part VIII

SCHEDULE 2

Section 114

**AMENDMENT OF THE SEAMEN'S WAR PENSIONS AND ALLOWANCES
ACT 1940 TO SUBSTITUTE REFERENCES TO PROVISIONS OF THE SOCIAL
SECURITY ACT 1947 AS RE-NUMBERED AND RE-LETTERED**

Subsection 3 (1) (definition of "child"):

Omit "Part III or IV, a benefit under Part IVAAA or VII or a rehabilitation allowance under Part VIII", substitute "Part IV or V, a benefit under Part VI or XIII or a rehabilitation allowance under Part XVI".

SCHEDULE 3

Section 119

**AMENDMENTS OF THE VETERANS' ENTITLEMENTS (TRANSITIONAL
PROVISIONS AND CONSEQUENTIAL AMENDMENTS) ACT 1986 TO
SUBSTITUTE REFERENCES TO PROVISIONS OF THE SOCIAL SECURITY
ACT 1947 AS
RE-NUMBERED AND RE-LETTERED**

Item No.	Column 1 Provision of the <i>Veterans' Entitlements (Transitional Provisions and Consequential Amendments) Act 1986</i>	Column 2 Matter to be omitted	Column 3 Matter to be substituted
1.	subsection 10 (1)	Part III IV	Part IV V
2.	paragraph 10 (3) (b)	Part III IV	Part IV V
3.	paragraph 10 (4) (a)	Part III IV	Part IV V
4.	subsection 10 (6)	Part III IV	Part IV V
5.	paragraph 23 (1) (a)	Part IVAAA	Part VI
6.	paragraph 23 (1) (b)	Subsection 135B (2)	Subsection 149 (2)
7.	subsection 23 (1)	IVAAA or	VI or

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SCHEDULE 3—continued

Item No.	Column 1 Provision of the <i>Veterans' Entitlements (Transitional Provisions and Consequential Amendments) Act 1986</i>	Column 2 Matter to be omitted	Column 3 Matter to be substituted
8.	paragraph 23 (3) (a)	Part IVAAA	Part VI
9.	paragraph 23 (3) (b)	subsection 135B (2)	subsection 149 (2)
10.	subsection 23 (3)	IVAAA or	VI or
11.	subsection 30 (1)	subsection 6AB (2)	subsection 5 (2)
12.	subsection 30 (2)	subsection 6AB (2)	subsection 5 (2)
13.	subsection 30 (3)	Section 6AB	Section 5
14.	subsection 31 (2)	Section 6AC	Section 6

SCHEDULE 4

Section 121

**AMENDMENTS OF THE DEFENCE (RE-ESTABLISHMENT) ACT 1965 TO
SUBSTITUTE PROVISIONS OF THE SOCIAL SECURITY ACT 1947 AS
RE-NUMBERED AND RE-LETTERED**

Subsection 48 (4):

Omit "Part III, IV, IVAAA, VII or VIIAA", substitute "Part IV, V, VI, XIII or XIV".

Subsection 49C (2):

Omit "Part III", substitute "Part IV".

Subsection 49C (5):

Omit "Part III, IV, IVAAA, VII or VIA", substitute "Part IV, V, VI, XIII or XIV".

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NOTES

1. No. 26, 1947, as amended. For previous amendments, see Nos. 38 and 69, 1948; No. 16, 1949; Nos. 6 and 26, 1950; No. 22, 1951; Nos. 41 and 107, 1952; No. 51, 1953; No. 30, 1954; Nos. 15 and 38, 1955; Nos. 67 and 98, 1956; No. 46, 1957; No. 44, 1958; No. 57, 1959; No. 45, 1961; Nos. 1 and 95, 1962; No. 46, 1963; Nos. 3 and 63, 1964; Nos. 57 and 152, 1965; No. 41, 1966; Nos. 10 and 61, 1967; No. 65, 1968; No. 94, 1969; Nos. 2 and 59, 1970; Nos. 16 and 67, 1971; Nos. 1, 14, 53 and 79, 1972; Nos. 1, 26, 48, 103 and 216, 1973; Nos. 2, 23 and 91, 1974; Nos. 34, 56, 101 and 110, 1975; Nos. 26, 62 and 111, 1976; No. 159, 1977; No. 128, 1978; No. 121, 1979 (as amended by Nos. 37 and 98, 1982); No. 130, 1980; Nos. 61 and 170, 1981; No. 159, 1981 (as amended by No. 98, 1982); Nos. 37, 38 and 148, 1982; Nos. 4 and 36, 1983; No. 69, 1983 (as amended by No. 78, 1984); Nos. 46, 78, 93, 120, 134 and 165, 1984; Nos. 24, 52, 95, 127 and 169, 1985; Nos. 5, 28, 33, 106, 130 and 152, 1986; and Nos. 77 and 88, 1987.
2. No. 27, 1986, as amended. For previous amendments, see Nos. 106 and 130, 1986; Nos. 78 and 88, 1987.
3. No. 60, 1940, as amended. For previous amendments, see No. 77, 1946; No. 80, 1950; Nos. 17 and 75, 1952; No. 70, 1953; No. 32, 1954; No. 40, 1955; No. 45, 1957; No. 48, 1958; No. 59, 1959; No. 46, 1960; No. 47, 1961; Nos. 64 and 113, 1964; No. 65, 1965; No. 43, 1966; No. 102, 1967; No. 67, 1968; No. 96, 1969; No. 61, 1970; Nos. 18 and 69, 1971; Nos. 16 and 83, 1972; Nos. 6 and 106, 1973; Nos. 4, 25 and 90, 1974; Nos. 35 and 111, 1975; Nos. 27, 91 and 112, 1976; No. 56, 1977; No. 129, 1978; Nos. 18 and 124, 1979; No. 129, 1980; No. 160, 1981; Nos. 80 and 100, 1982; No. 70, 1983; Nos. 90 and 97, 1984; Nos. 90, 95 and 127, 1985; Nos. 28, 29 and 106, 1986; and Nos. 78 and 88, 1987.
4. No. 28, 1986, as amended. For previous amendments, see Nos. 29, 106 and 130, 1986; and No. 78, 1987.
5. No. 54, 1965, as amended. For previous amendments, see No. 93, 1966; No. 89, 1967; No. 10, 1968; Nos. 101 and 216, 1973; No. 96, 1975; No. 155, 1979; No. 70, 1980; No. 61, 1981; Nos. 98 and 153, 1982; Nos. 76 and 165, 1984; and Nos. 54, 65, 130 and 168, 1986.
6. No. 155, 1973, as amended. For previous amendments, see No. 37, 1976; No. 26, 1982; Nos. 63, 72 and 120, 1984; No. 137, 1985; and No. 114, 1986.

*[Minister's second reading speech made in—
House of Representatives on 4 November 1987
Senate on 23 November 1987]*