



# Social Security Legislation Amendment Act (No. 2) 1992

No. 229 of 1992

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**An Act to amend the *Social Security Act 1991*,  
and for related purposes**

[Assented to 24 December 1992]

The Parliament of Australia enacts:

## PART 1—PRELIMINARY

### Short title etc.

1. (1) This Act may be cited as the *Social Security Legislation  
5 Amendment Act (No. 2) 1992*.

(2) In this Act, “Principal Act” means the *Social Security Act 1991*.

### Commencement

2. (1) The following provisions commence on the day on which this  
Act receives the Royal Assent:

10 (a) Part 1;

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- (b) Divisions 1, 2, 4, 8, 12, 13, 15, 16, 17, 18, 19, 21 and 23 of Part 2;
  - (c) paragraphs 34(b) and (c);
  - (d) paragraphs 36(b) and (c);
  - (e) Part 3; 5
  - (f) Part 1 of Schedule 3;
  - (g) Part 1 of Schedule 4;
  - (h) Schedule 7;
  - (i) Schedule 8.
- (2) Part 2 of Schedule 4 is taken to have commenced on 25 June 1991, immediately after the *Social Security (Job Search and Newstart) Amendment Act 1991* received the Royal Assent. 10
- (3) Part 3 of Schedule 4 is taken to have commenced on 27 June 1991, immediately after the *Social Security (Rewrite) Amendment Act 1991* received the Royal Assent. 15
- (4) Parts 2 and 5 of Schedule 3 are taken to have commenced on 1 July 1991, immediately after the commencement of the *Social Security Act 1991*.
- (5) Part 4 of Schedule 3 is taken to have commenced on 1 July 1991, immediately after the commencement of the *Social Security (Rewrite) Amendment Act 1991*. 20
- (6) Part 3 of Schedule 3 is taken to have commenced on 1 July 1991, immediately after the commencement of the *Social Security (Job Search and Newstart) Amendment Act 1991*.
- (7) Part 4 of Schedule 4 is taken to have commenced on 9 October 1991, immediately after the *Social Security (Disability and Sickness Support) Amendment Act 1991* received the Royal Assent. 25
- (8) Part 6 of Schedule 3 and Part 5 of Schedule 4 are taken to have commenced on 12 November 1991, immediately after the commencement of Part 2 of the *Social Security (Disability and Sickness Support) Amendment Act 1991*. 30
- (9) Part 6 of Schedule 4 is taken to have commenced on 12 November 1991, immediately after the commencement of Part 5 of the *Social Security Legislation Amendment Act (No. 3) 1991*.
- (10) Part 7 of Schedule 3 is taken to have commenced on 13 December 1991 immediately after the *Social Security Legislation Amendment Act (No. 4) 1991* received the Royal Assent. 35
- (11) Division 6 of Part 2 is taken to have commenced on 1 January 1992.

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(12) Part 8 of Schedule 3 is taken to have commenced on 1 January 1992, immediately after the commencement of section 48 of the *Social Security Legislation Amendment Act (No. 4) 1991*.

5 (13) Part 9 of Schedule 3 is taken to have commenced on 2 January 1992.

(14) Part 10 of Schedule 3 is taken to have commenced on 12 March 1992.

(15) Part 11 of Schedule 3 is taken to have commenced on 20 March 1992.

10 (16) Part 1 of Schedule 2 is taken to have commenced on 26 June 1992, immediately after the *Social Security (Family Payment) Amendment Act 1992* received the Royal Assent.

15 (17) Part 12 of Schedule 3 is taken to have commenced on 30 June 1992, immediately after the *Social Security Legislation Amendment Act 1992* received the Royal Assent.

(18) Part 7 of Schedule 4 is taken to have commenced on 29 June 1992.

20 (19) Part 13 of Schedule 3 and Part 8 of Schedule 4 are taken to have commenced on 1 July 1992, immediately after the commencement of sections 76, 82, 87 and 93 of the *Social Security Legislation Amendment Act (No. 3) 1991*.

(20) Part 14 of Schedule 3 and Part 9 of Schedule 4 are taken to have commenced on 2 November 1992, immediately after the commencement of the *Social Security Amendment Act 1992*.

25 (21) The following provisions commence, or are taken to have commenced, on 1 January 1993, immediately after the commencement of the *Social Security (Family Payment) Amendment Act 1992*:

(a) Division 3 of Part 2 (except paragraphs 34(b) and (c) and 36(b) and (c));

30 (b) Divisions 5, 7, 9 (except sections 60 to 70), 10, 11, 14, 20 and 22 of Part 2;

(c) Schedule 1;

(d) Parts 2 and 3 of Schedule 2;

(e) Schedule 5;

35 (f) Schedule 6.

(22) Sections 60 to 70 commence on 20 March 1993.

### **Application**

40 3.(1) The first adjustment of the additional family payment child maximum basic rates under section 1199 of the Principal Act using the amendments made by this Act takes place on 1 January 1994.

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(2) The amendments made by sections 11 to 26 apply to payments of arrears of periodic compensation payments:

- (a) that are made on or after 1 January 1993; and
- (b) that relate to periodic payments periods that commence on or after 1 January 1993. 5

(3) The amendments made by paragraphs 34(b) and (c) and paragraphs 36(b) and (c) apply to notices sent on or after the day on which this Act receives the Royal Assent.

(4) The amendment made by paragraph 148(b) applies to a cancellation or cessation that occurs on or after the day on which this Act receives the Royal Assent. 10

(5) The indexation of pharmaceutical allowance rates that occurs on 1 January 1993 (see items 31 and 32 of the CPI Indexation Table in section 1191 of the Principal Act) operates on the amounts in the Pharmaceutical Allowance Amount Tables that are being inserted in the Principal Act by Division 9 of Part 2 of this Act. 15

Note: this subsection means that section 1206A of the Principal Act (adjustment of certain other pharmaceutical allowance rates) will operate on the basis of the rates inserted by Division 9 of Part 2 of this Act as indexed on 1 January 1993.

**PART 2—AMENDMENTS OF THE SOCIAL SECURITY  
ACT 1991**

*Division 1—Transfers from pensions to benefits*

**General definitions** 20

4. Section 23 of the Principal Act is amended by omitting from subsection (6) “that immediately follows the day on which the person ceases to receive the old pension or benefit” and substituting:

“that immediately follows:

- (d) if the person was receiving an old pension—the person’s last pension payday; or
- (e) if the person was receiving an old benefit—the day on which the person ceases to receive the old benefit.”. 25

**Qualification for job search allowance**

5.(1) Section 513 of the Principal Act is amended by adding at the end the following subsection: 30

“(4) If:

- (a) a person was receiving a social security pension or a service pension; and
- (b) the person claims a job search allowance within 14 days of the day on which the last instalment of the person’s pension was paid; and 35

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- (c) the person becomes qualified for a job search allowance at some time during the 14 day period but after the first day of that period;

5 the person is taken to be qualified for a job search allowance for the whole of the 14 day period.

Note: subsection (4) operates when a person transfers from a pension to a job search allowance and the person is not qualified for a job search allowance immediately after the day on which the person's last instalment of pension is paid. The subsection deems the person to be so qualified. As a result, the person may be paid a job search allowance for the period beginning on the day after the day on which the person's last instalment of pension was paid. The subsection aims to ensure that there is minimal disruption to a person's payments when a person transfers from a pension to a job search allowance."

(2) Subsection 513(4) of the Principal Act inserted by subsection (1) comes after subsection 513(3) of that Act inserted by paragraph 133(1)(c) of this Act.

**Qualification for newstart allowance**

10 **6.(1)** Section 593 of the Principal Act is amended by adding at the end the following subsection:

“(4) If:

- (a) a person was receiving a social security pension or a service pension; and
- 15 (b) the person claims a newstart allowance within 14 days of the day on which the last instalment of the person's pension was paid; and
- (c) the person becomes qualified for a newstart allowance at some time during the 14 day period but after the first day of that
- 20 period;

the person is taken to be qualified for a newstart allowance for the whole of the 14 day period.

Note: subsection (4) operates when a person transfers from a pension to a newstart allowance and the person is not qualified for a newstart allowance immediately after the day on which the person's last instalment of pension is paid. The subsection deems the person to be so qualified. As a result, the person may be paid a newstart allowance for the period beginning on the day after the day on which the person's last instalment of pension was paid. The subsection aims to ensure that there is minimal disruption to a person's payments when a person transfers from a pension to a newstart allowance."

(2) Subsection 593(4) of the Principal Act inserted by subsection (1) comes after subsection 593(3) of that Act inserted by paragraph 135(1)(c) of this Act.

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**Qualification for sickness allowance**

**7.** Section 666 of the Principal Act is amended by adding at the end the following subsection:

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“(10) If:

- (a) a person was receiving a social security pension or a service pension; and
- (b) the person claims a sickness allowance within 14 days of the day on which the last instalment of the person’s pension was paid; and
- (c) the person becomes qualified for a sickness allowance at some time during the 14 day period but after the first day of that period;

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the person is taken to be qualified for a sickness allowance for the whole of the 14 day period.

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Note: subsection (10) operates when a person transfers from a pension to a sickness allowance and the person is not qualified for a sickness allowance immediately after the day on which the person’s last instalment of pension is paid. The subsection deems the person to be so qualified. As a result, the person may be paid a sickness allowance for the period beginning on the day after the day on which the person’s last instalment of pension was paid. The subsection aims to ensure that there is minimal disruption to a person’s payments when a person transfers from a pension to a sickness allowance.”.

**Qualification for special benefit**

8. Section 729 of the Principal Act is amended by adding at the end the following subsection:

“(6) If:

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- (a) a person was receiving a social security pension or a service pension; and
- (b) the person claims a special benefit within 14 days of the day on which the last instalment of the person’s pension was paid; and
- (c) the person becomes qualified for a special benefit at some time during the 14 day period but after the first day of that period;

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the person is taken to be qualified for a special benefit for the whole of the 14 day period.

Note: subsection (6) operates when a person transfers from a pension to a special benefit and the person is not qualified for a special benefit immediately after the day on which the person’s last instalment of pension is paid. The subsection deems the person to be so qualified. As a result, the person may be paid a special benefit for the period beginning on the day after the day on which the person’s last instalment of pension was paid. The subsection aims to ensure that there is minimal disruption to a person’s payments when a person transfers from a pension to a special benefit.”.

**Division 2—Ordinary income test**

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**Rate of job search allowance (under 18) and sickness allowance (under 18)**

9. Section 1067 of the Principal Act is amended in point 1067-H11 of Benefit Rate Calculator A:

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- (a) by omitting from item 2 in column 2 of Table H-2 “partner not getting AUSTUDY allowance” and substituting “additional amount for partner”;
- 5 (b) by omitting from item 3 in column 2 of Table H-2 “partner getting AUSTUDY allowance” and substituting “no additional amount for partner”;
- (c) by adding at the end the following Note:

“Note 2: to work out if an additional amount for the person’s partner is payable see points 1067-C1 to 1067-C6.”.

**Rate of job search allowance (18 or over) and newstart allowance and sickness allowance (18 or over)**

10 **10.** Section 1068 of the Principal Act is amended in point 1068-G11 of Benefit Rate Calculator B:

- (a) by omitting from item 2 in column 2 of Table G-2 “partner not getting AUSTUDY allowance” and substituting “additional amount for partner”;
- 15 (b) by omitting from item 3 in column 2 of Table G-2 “partner getting AUSTUDY allowance” and substituting “no additional amount for partner”;
- (c) by adding at the end the following Note:

“Note 2: to work out if an additional amount for the person’s partner is payable see points 1068-C1 to 1068-C7.”.

***Division 3—Compensation recovery***

20 **Index of definitions**

**11.** Section 3 of the Principal Act is amended by inserting in the Index the following definition:

“compensation arrears debt 23(1)”.

**Compensation recovery definitions**

25 **12.** Section 17 of the Principal Act is amended:

- (a) by omitting from subsection (1) the definition of “periodic payments period” and substituting the following definition:
- “‘periodic payments period’ means:
- 30 (a) in relation to a series of periodic payments—the period in respect of which the payments are, or are to be, made; and
- (b) in relation to a payment of arrears of a series of periodic payments—the period in respect of which those periodic payments would have been made if they had not been
- 35 made by way of an arrears payment;

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Note: arrears of periodic compensation payments are normally treated as reducing, on a dollar for dollar basis, a payment under this Act that is covered by Part 3.14 because these compensation payments are not lump sum compensation payments: see subsection 17(4A) and sections 1168 and 1170.”;

(b) by adding at the end of subsection (4A) the following Note:

“Note: for the treatment of a payment of arrears of periodic compensation payments where, at the time of the event that gave rise to the compensation payments, the person was receiving a payment under this Act that is covered by Part 3.14, see points 1064-E3, 1066-E3, 1066A-F2A and 1068-G8A.”.

**General definitions**

13. Section 23 of the Principal Act is amended by inserting in subsection (1) the following definition:

“‘**compensation arrears debt**’ means an amount that a person is liable to pay to the Commonwealth because of an adverse determination under section 146E, 185, 234, 300, 589, 660L, 728R or 821;” 5

**Date of effect of adverse determination**

14. Section 146E of the Principal Act is amended:

(a) by omitting from subsection (3) “and (6)” and substituting “, (6), (7) and (8)”;

(b) by adding at the end the following subsections:

*Payment of arrears of periodic compensation payments—  
suspension or cancellation*

“(7) If: 15

(a) an adverse determination is made in relation to a person because of point 1064-E3 or 1066A-F2A (payment of arrears of periodic compensation payments); and

(b) the pension has been paid to the person or the person’s partner when, because of the payment of arrears of periodic compensation, the pension should have been cancelled or suspended; 20

the day specified under paragraph (2)(b) may be earlier than the day on which the determination is made.

*Payment of arrears of periodic compensation payments—rate  
reduction* 25

“(8) If:

(a) an adverse determination is made in relation to a person because of point 1064-E3 or 1066A-F2A (payment of arrears of periodic compensation payments); and 30

(b) the rate at which the pension was paid to the person or the person’s partner was, because of the payment of arrears of periodic compensation, more than the rate at which the pension should have been paid;



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the day specified under paragraph (2)(b) may be earlier than the day on which the determination is made.”.

**Date of effect of adverse determination**

15. Section 185 of the Principal Act is amended:

- 5 (a) by omitting from subsection (3) “and (6)” and substituting “, (6), (7) and (8)”;
- (b) by adding at the end the following subsections:

*Payment of arrears of periodic compensation payments—  
suspension or cancellation*

10 “(7) If:

- (a) an adverse determination is made in relation to a person because of point 1064-E3 (payment of arrears of periodic compensation payments); and
- 15 (b) the pension has been paid to the person or the person’s partner when, because of the payment of arrears of periodic compensation, the pension should have been cancelled or suspended;

the day specified under paragraph (2)(b) may be earlier than the day on which the determination is made.

20 *Payment of arrears of periodic compensation payments—rate  
reduction*

“(8) If:

- 25 (a) an adverse determination is made in relation to a person because of point 1064-E3 (payment of arrears of periodic compensation payments); and
- (b) the rate at which the pension was paid to the person or the person’s partner was, because of the payment of arrears of periodic compensation, more than the rate at which the pension should have been paid;

30 the day specified under paragraph (2)(b) may be earlier than the day on which the determination is made.”.

**Date of effect of adverse determination**

16. Section 234 of the Principal Act is amended:

- 35 (a) by omitting from subsection (3) “and (6)” and substituting “, (6), (7) and (8)”;
- (b) by adding at the end the following subsections:

*Payment of arrears of periodic compensation payments—  
suspension or cancellation*

“(7) If:

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- (a) an adverse determination is made in relation to a person because of point 1064-E3 (payment of arrears of periodic compensation payments); and
  - (b) the pension has been paid to the person or the person's partner when, because of the payment of arrears of periodic compensation, the pension should have been cancelled or suspended;
- the day specified under paragraph (2)(b) may be earlier than the day on which the determination is made.

*Payment of arrears of periodic compensation payments—rate reduction* 10

- “(8) If:
- (a) an adverse determination is made in relation to a person because of point 1064-E3 (payment of arrears of periodic compensation payments); and 15
  - (b) the rate at which the pension was paid to the person or the person's partner was, because of the payment of arrears of periodic compensation, more than the rate at which the pension should have been paid;
- the day specified under paragraph (2)(b) may be earlier than the day on which the determination is made.”. 20

**Date of effect of adverse determination**

17. Section 300 of the Principal Act is amended:

- (a) by omitting from subsection (3) “and (6)” and substituting “, (6), (7) and (8)”; 25
- (b) by adding at the end the following subsections:

*Payment of arrears of periodic compensation payments—suspension or cancellation*

- “(7) If:
- (a) an adverse determination is made in relation to a person because of point 1064-E3 or 1066-E3 (payment of arrears of periodic compensation payments); and 30
  - (b) the pension has been paid to the person or the person's partner when, because of the payment of arrears of periodic compensation, the pension should have been cancelled or suspended; 35
- the day specified under paragraph (2)(b) may be earlier than the day on which the determination is made.

*Payment of arrears of periodic compensation payments—rate reduction* 40

“(8) If:

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(a) an adverse determination is made in relation to a person because of point 1064-E3 or 1066-E3 (payment of arrears of periodic compensation payments); and

5 (b) the rate at which the pension was paid to the person or the person's partner was, because of the payment of arrears of periodic compensation, more than the rate at which the pension should have been paid;

the day specified under paragraph (2)(b) may be earlier than the day on which the determination is made.”.

**10 Date of effect of adverse determination**

**18.** Section 589 of the Principal Act is amended:

(a) by omitting from subsection (3) “and (6)” and substituting “, (6), (7) and (8)”;

(b) by adding at the end the following subsections:

15 *Payment of arrears of periodic compensation payments—  
suspension or cancellation*

“(7) If:

(a) an adverse determination is made in relation to a person because of point 1067-H8A or 1068-G8A (payment of arrears of periodic compensation payments); and

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(b) the allowance has been paid to the person or the person's partner when, because of the payment of arrears of periodic compensation, the allowance should have been cancelled or suspended;

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the day specified under paragraph (2)(b) may be earlier than the day on which the determination is made.

*Payment of arrears of periodic compensation payments—rate  
reduction*

“(8) If:

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(a) an adverse determination is made in relation to a person because of point 1067-H8A or 1068-G8A (payment of arrears of periodic compensation payments); and

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(b) the rate at which the allowance was paid to the person or the person's partner was, because of the payment of arrears of periodic compensation, more than the rate at which the allowance should have been paid;

the day specified under paragraph (2)(b) may be earlier than the day on which the determination is made.”.

**Date of effect of adverse determination**

40 **19.** Section 660L of the Principal Act is amended:

(a) by omitting from subsection (3) “and (6)” and substituting “, (6), (7) and (8)”;

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(b) by adding at the end the following subsections:

*Payment of arrears of periodic compensation payments—  
suspension or cancellation*

“(7) If:

- (a) an adverse determination is made in relation to a person because of point 1068-G8A (payment of arrears of periodic compensation payments); and 5
- (b) the allowance has been paid to the person or the person’s partner when, because of the payment of arrears of periodic compensation, the allowance should have been cancelled or suspended; 10

the day specified under paragraph (2)(b) may be earlier than the day on which the determination is made.

*Payment of arrears of periodic compensation payments—rate  
reduction*

“(8) If:

- (a) an adverse determination is made in relation to a person because of point 1068-G8A (payment of arrears of periodic compensation payments); and 15
- (b) the rate at which the allowance was paid to the person or the person’s partner was, because of the payment of arrears of periodic compensation, more than the rate at which the allowance should have been paid; 20

the day specified under paragraph (2)(b) may be earlier than the day on which the determination is made.”. 25

**Date of effect of adverse determination**

20. Section 728R of the Principal Act is amended:

- (a) by omitting from subsection (3) “and (6)” and substituting “, (6), (7) and (8)”; 30
- (b) by adding at the end the following subsections:

*Payment of arrears of periodic compensation payments—  
suspension or cancellation*

“(7) If:

- (a) an adverse determination is made in relation to a person because of point 1067-H8A or 1068-G8A (payment of arrears of periodic compensation payments); and 35
- (b) the allowance has been paid to the person or the person’s partner when, because of the payment of arrears of periodic compensation, the allowance should have been cancelled or suspended; 40

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the day specified under paragraph (2)(b) may be earlier than the day on which the determination is made.

*Payment of arrears of periodic compensation payments—rate reduction*

5

“(8) If:

(a) an adverse determination is made in relation to a person because of point 1067-H8A or 1068-G8A (payment of arrears of periodic compensation payments); and

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(b) the rate at which the allowance was paid to the person or the person’s partner was, because of the payment of arrears of periodic compensation, more than the rate at which the allowance should have been paid;

the day specified under paragraph (2)(b) may be earlier than the day on which the determination is made.”.

15 **Date of effect of adverse determination**

21. Section 821 of the Principal Act is amended:

(a) by omitting from subsection (3) “and (6)” and substituting “, (6), (7) and (8)”;

(b) by adding at the end the following subsections:

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*Payment of arrears of periodic compensation payments—suspension or cancellation*

“(7) If:

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(a) an adverse determination is made in relation to a person because of point 1064-E3 and 1066A-F2A (payment of arrears of periodic compensation payments); and

(b) the special needs pension has been paid to the person or the person’s partner when, because of the payment of arrears of periodic compensation, the special needs pension should have been cancelled or suspended;

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the day specified under paragraph (2)(b) may be earlier than the day on which the determination is made.

*Payment of arrears of periodic compensation payments—rate reduction*

35

“(8) If:

(a) an adverse determination is made in relation to a person because of point 1064-E3 and 1066A-F2A (payment of arrears of periodic compensation payments); and

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(b) the rate at which the special needs pension was paid to the person or the person’s partner was, because of the payment of arrears of periodic compensation, more than

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the rate at which the special needs pension should have been paid;  
the day specified under paragraph (2)(b) may be earlier than the day on which the determination is made.”.

**Rate of age, disability support, wife and carer pensions (people who are not blind)** 5

22. Section 1064 of the Principal Act is amended in Pension Rate Calculator A by inserting after point 1064-E2 the following point:

*Payment of arrears of periodic compensation payments*

“1064-E3. If: 10

(a) at the time of an event that gives rise to an entitlement of a person to compensation, the person is receiving disability support pension, wife pension, carer pension or sole parent pension; and

(b) in relation to that entitlement, the person receives a payment of arrears of periodic compensation; 15

the person is taken to receive on each day in the periodic payments period an amount calculated by dividing the amount received by the number of days in the periodic payments period.

Note: for ‘periodic payments period’ see section 17.”.

**Rate of sole parent pension, widowed person allowance and widow B pension** 20

23. Section 1066 of the Principal Act is amended in Pension Rate Calculator C by inserting after point 1066-E2 the following point:

*Payment of arrears of periodic compensation payments*

“1066-E3. If: 25

(a) at the time of an event that gives rise to an entitlement of a person to compensation, the person is receiving sole parent pension; and

(b) in relation to that entitlement, the person receives a payment of arrears of periodic compensation; 30

the person is taken to receive on each day in the periodic payments period an amount calculated by dividing the amount received by the number of days in the periodic payments period.

Note: for ‘periodic payments period’ see section 17.”.

**Rate of disability support pension (people under 21 who are not blind)**

24. Section 1066A of the Principal Act is amended in Pension Rate Calculator D by inserting after point 1066A-F2 the following point: 35

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“1066A-F2A. If:

- 5 (a) at the time of an event that gives rise to an entitlement of a person to compensation, the person is receiving disability support pension; and
- (b) in relation to that entitlement, the person receives a payment of arrears of periodic compensation;

10 the person is taken to receive on each day in the periodic payments period an amount calculated by dividing the amount received by the number of days in the periodic payments period.

Note: for ‘periodic payments period’ see section 17.”.

**Rate of job search allowance (under 18) and sickness allowance (under 18)**

25. Section 1067 of the Principal Act is amended in Benefit Rate Calculator A:

- 15 (a) by omitting from point 1067-H7A “point 1067-H8” and substituting “points 1067-H8 and 1067-H8A”;
- (b) by inserting before point 1067-H9 the following point:

*Payment of arrears of periodic compensation payments*

“1067-H8A. If:

- 20 (a) at the time of an event that gives rise to an entitlement of a person to compensation, the person is receiving job search allowance or sickness allowance; and
- (b) in relation to that entitlement, the person receives a payment of arrears of periodic compensation;
- 25 the person is taken to receive in a fortnight falling within, or overlapping with, the periodic payments period, an amount calculated by:
- (c) dividing the amount received by the number of days in the periodic payments period (the result is called the ‘daily rate’); and
- 30 (d) multiplying the daily rate by the number of days in the fortnight that are also within the periodic payments period.

Note: for ‘periodic payments period’ see section 17.”.

**Rate of job search allowance (18 or over) and newstart allowance and sickness allowance (18 or over)**

35 26. Section 1068 of the Principal Act is amended in Benefit Rate Calculator B:

- (a) by omitting from point 1068-G7A “point 1068-G8” and substituting “points 1068-G8 and 1068-G8A”;

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(b) by inserting before point 1068-G9 the following point:

*Payment of arrears of periodic compensation payments*

“1068-G8A. If:

(a) at the time of an event that gives rise to an entitlement of a person to compensation, the person is receiving job search allowance, newstart allowance or sickness allowance; and 5

(b) in relation to that entitlement, the person receives a payment of arrears of periodic compensation;

the person is taken to receive in a fortnight falling within, or overlapping with, the periodic payments period, an amount calculated by: 10

(c) dividing the amount received by the number of days in the periodic payments period (the result is called the ‘daily rate’); and 15

(d) multiplying the daily rate by the number of days in the fortnight that are also within the periodic payments period.

Note: for ‘periodic payments period’ see section 17.”.

**General effect of Part**

27. Section 1163 of the Principal Act is amended: 20

(a) by inserting after subparagraph (1)(a)(iii) the following subparagraph:

“(iia) carer pension;”;

(b) by adding at the end the following subsection:

“(8) The amendments of this Part relating to carer pensions made by the *Social Security Legislation Amendment Act (No. 2) 1992* affect carer pensions only if: 25

(a) the compensation is received on or after 1 January 1993; and

(b) the claim for the pension is made on or after 1 January 1993.”. 30

**Secretary may require person to take action to obtain compensation**

28. Section 1164 of the Principal Act is amended:

(a) by inserting after subparagraph (1)(a)(iii) the following subparagraph: 35

“(iia) carer pension; or”;

(b) by inserting after subparagraph (2)(a)(iii) the following subparagraph:

“(iia) carer pension; or”.



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**Pension benefit or allowance not payable during lump sum preclusion period**

29. Section 1165 of the Principal Act is amended:

- 5 (a) by inserting after subparagraph (1)(a)(iii) the following subparagraph:  
“(iia) carer pension; or”;
- (b) by omitting from the Note to subsection (1) “, (4) and” and substituting “to”;
- 10 (c) by inserting after subparagraph 2(a)(iii) the following subparagraph:  
“(iia) carer pension; or”;
- (d) by inserting after subparagraph (2)(d)(iii) the following subparagraph:  
“(iia) carer pension; or”;
- 15 (e) by omitting from subparagraph (2)(e)(v) “because of caring for the person”;
- (f) by omitting from the Note to subsection (2) “, (4) and” and substituting “to”.

20 **Person may have to repay amount where both lump sum and pension, benefit or allowance payments have been received**

30. Section 1166 of the Principal Act is amended:

- (a) by inserting after subparagraph (1)(b)(iii) the following subparagraph:  
“(iia) carer pension; or”;
- 25 (b) by omitting from the Note to subsection (1) “subsection 1165(3)” and substituting “subsections 1165(3) to (5)”;
- (c) by omitting from column 3 of item 1 in the Recoverable Amount Table in subsection (2) “DSP” and substituting:  
“CP  
30 DSP”;
- (d) by omitting from column 3 of item 2 in the Recoverable Amount Table in subsection (2) “DSP” and substituting:  
“CP  
35 DSP”;
- (e) by omitting from column 3 of item 3 in the Recoverable Amount Table in subsection (2) “DSP” and substituting:  
“CP  
40 DSP”;
- (f) by omitting from the Key to the Recoverable Amount Table in subsection (2) “CP = carer pension because of caring for the person” and substituting “CP = carer pension”;

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(g) by adding at the end (before the Examples) the following subsection:

“(7) In subsections (5) and (6):

‘family allowance supplement’ means family allowance supplement within the meaning of the *Social Security Act 1991* as in force immediately before 1 January 1993.”

5

**Rate reduction of certain pensions, benefits and allowances where periodic compensation payments received**

31. Section 1168 of the Principal Act is amended:

(a) by inserting after subparagraph (1)(b)(iv) the following subparagraph:

10

“(iva) carer pension; or”;

(b) by adding at the end of subsection (1) the following Note:

“Note 2: if a person, or a person’s partner, was, at the time of an event that gave rise to the entitlement of the person, or the person’s partner, to compensation, qualified for a pension, benefit or allowance referred to in subsection (1), the compensation is treated as ordinary income.”;

(c) by omitting from subparagraph (2)(c)(vi) “because of caring for the person”;

15

(d) by omitting from column 3 of item 1 in the Reduction Table in subsection (3) “DSP” and substituting:

“CP  
DSP”;

(e) by omitting from column 3 of item 2 in the Reduction Table in subsection (3) “DSP” and substituting:

20

“CP  
DSP”;

(f) by omitting from column 3 of item 3 in the Reduction Table in subsection (3) “DSP” and substituting:

25

“CP  
DSP”;

(g) by omitting from column 3 of item 4 in the Reduction Table in subsection (3) “DSP” and substituting:

30

“CP  
DSP”;

(h) by omitting from column 3 of item 5 in the Reduction Table in subsection (3) “DSP” and substituting:

“CP  
DSP”;

35

(i) by omitting from the Key to the Reduction Table in subsection (3) “CP = carer pension because of caring for the person” and substituting “CP = carer pension”.

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**Person may have to repay amount where both periodic compensation payments and pension, benefit or allowance payments have been received**

32. Section 1170 of the Principal Act is amended:

5 (a) by inserting after subparagraph (1)(a)(iv) the following subparagraph:

“(iva) carer pension; or”;

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

“Note: if a person was, at the time of an event that gave rise to the entitlement of the person to compensation, qualified for a pension, benefit or allowance referred to in paragraph (b), the compensation is treated as ordinary income.”;

10 (c) by omitting from column 3 of item 1 in the Recoverable Amount Table in subsection (2) “DSP” and substituting:

“CP  
DSP”;

(d) by omitting from column 3 of item 2 in the Recoverable Amount Table in subsection (2) “DSP” and substituting:

15 “CP  
DSP”;

(e) by omitting from column 3 of item 3 in the Recoverable Amount Table in subsection (2) “DSP” and substituting:

20 “CP  
DSP”;

(f) by omitting from the Key to the Recoverable Amount Table in subsection (2) “CP = carer pension because of caring for the person” and substituting “CP = carer pension”.

**Secretary may send preliminary notice to potential compensation payer**

25 33. Section 1172 of the Principal Act is amended by inserting after subparagraph (1)(b)(iii) the following subparagraph:

“(iiia) carer pension; or”.

**Secretary may send recovery notice to compensation payer**

34. Section 1174 of the Principal Act is amended:

30 (a) by inserting after subparagraph (1)(b)(iii) the following subparagraph:

“(iiia) carer pension; or”;

(b) by omitting from subsection (3) “The” and substituting “Subject to subsection (6A), the”;

35 (c) by omitting from subparagraph (5)(b)(v) “because of caring for the person”;

(d) by omitting from subparagraph (6)(b)(v) “because of caring for the person”;

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(e) by inserting after subsection (6) the following subsections:

“(6A) If:

(a) subsection (1) applies to payments of pension, benefit or allowance paid to a person for a particular period (the ‘overpayment recovery period’); and 5

(b) the Secretary is satisfied that family allowance supplement would have been payable to the person, or the person’s partner, for some or all of the overpayment recovery period if:

(i) the person or the person’s partner had claimed family allowance supplement for that period; and 10

(ii) neither the person nor the person’s partner had been receiving a social security pension or benefit during that period;

the amount specified in the notice under subsection (1) is to be reduced by the notional FAS entitlement. 15

“(6B) For the purposes of subsection (6A), the ‘notional FAS entitlement’ is the amount of family allowance supplement that the person or the person’s partner would, in the Secretary’s opinion, have received during the overpayment recovery period if: 20

(a) the person or the person’s partner had claimed family allowance supplement for that period; and

(b) neither the person nor the person’s partner had been receiving a social security pension or benefit during that period. 25

“(6C) In subsections (6A) and (6B):

‘family allowance supplement’ means family allowance supplement within the meaning of the *Social Security Act 1991* as in force immediately before 1 January 1993.”. 30

**Secretary may send preliminary notice to insurer**

35. Section 1177 of the Principal Act is amended by inserting after subparagraph (1)(a)(iii) the following subparagraph:

“(iiia) a carer pension; or”.

**Secretary may send recovery notice to insurer** 35

36. Section 1179 of the Principal Act is amended:

(a) by inserting after subparagraph (1)(b)(iii) the following subparagraph:

“(iiia) a carer pension; or”;

(b) by omitting from subsection (3) “The” and substituting “Subject to subsection (6A), the”; 40

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- (c) by omitting from subparagraph (5)(b)(v) “because of caring for the person”;
- (d) by omitting from subparagraph (6)(b)(v) “because of caring for the person”;
- 5 (e) by inserting after subsection (6) the following subsections:

“(6A) If:

(a) subsection (1) applies to payments of pension, benefit or allowance paid to a person for a particular period (the ‘overpayment recovery period’); and

10 (b) the Secretary is satisfied that family allowance supplement would have been payable to the person, or the person’s partner, for some or all of the overpayment recovery period if:

15 (i) the person or the person’s partner had claimed family allowance supplement for that period; and

(ii) neither the person nor the person’s partner had been receiving a social security pension or benefit during that period;

20 the amount specified in the notice under subsection (1) is to be reduced by the notional FAS entitlement.

“(6B) For the purposes of subsection (6A), the ‘notional FAS entitlement’ is the amount of family allowance supplement that the person or the person’s partner would, in the Secretary’s opinion, have received during the overpayment recovery period if:

25 (a) the person or the person’s partner had claimed family allowance supplement for that period; and

30 (b) neither the person nor the person’s partner had been receiving a social security pension or benefit during that period.

“(6C) In subsections (6A) and (6B):

‘family allowance supplement’ means family allowance supplement within the meaning of the *Social Security Act 1991* as in force immediately before 1 January 1993.”.

35 **General effect of Chapter**

37. Section 1222 of the Principal Act is amended:

(a) by omitting from Note 1 to subsection (1):

“• section 1226 debts—compensation payer and insurer debts;”;  
and substituting:

40 “• section 1226 debts—compensation payer and insurer debts;  
• section 1226A debts—compensation arrears debts;”;

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(b) by inserting after item 7 in the Recovery Methods Table in subsection (2) the following item:

7A.	1226A (compensation arrears debt)	deductions legal proceedings garnishee notice	1231, 1234A 1232 1233
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**Debts due to the Commonwealth**

38. Section 1222A of the Principal Act is amended by omitting “and 1226” and substituting “, 1226 and 1226A”.

5

39. After section 1226 of the Principal Act the following section is inserted:

**Compensation arrears debts**

“1226A.(1) If a person is liable to pay a compensation arrears debt, that debt is a debt due to the Commonwealth and is recoverable by the Commonwealth by means of:

10

- (a) if the person is receiving a pension, benefit or allowance under this Act—deductions from that person’s pension, benefit or allowance; or
- (b) if section 1234A applies to another person who is receiving a pension, benefit or allowance under this Act—deductions from that other person’s pension, benefit or allowance; or
- (c) legal proceedings; or
- (d) garnishee notice.

15

Note 1: for ‘compensation arrears debt’ see subsection 23(1).

Note 2: for deductions see sections 1231 and 1234A.

Note 3: for legal proceedings see section 1232.

Note 4: for garnishee notice see section 1233.

Note 5: if the person does not pay the debt within 3 months after receiving a notice of the amount of the debt, the amount of the debt will increase under section 1229.

“(2) This section extends to:

20

- (a) acts, omissions, matters and things outside Australia whether or not in a foreign country; and
- (b) all persons irrespective of their nationality or citizenship.”

**Additional amount for late payment of debt**

40. Section 1229 of the Principal Act is amended by inserting in subparagraph (1)(a)(i) “, 1226A” before “or 1227”.

25

**Garnishee notice**

41. Section 1233 of the Principal Act is amended by inserting in subsection (1) “1226A,” after “1225,”.

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**Division 4—Job search and newstart allowance**

**Persons may be treated as unemployed**

42. Section 516 of the Principal Act is amended:

- (a) by omitting from subsection (2) “is to” and substituting “may”;
- (b) by adding at the end the following subsection:

“(3) In deciding whether to treat a person as being unemployed, the Secretary is to take into account:

- (a) the nature of the activity undertaken by the person so as to comply with a requirement under subsection 522(2) (activity test); and
- (b) the duration of the activity; and
- (c) any other matters relating to the activity that the Secretary considers relevant.”.

**Secretary may require a person to attend the Department or CES etc.**

43. Section 543 of the Principal Act is amended:

- (a) by omitting subsection (2);
- (b) by inserting after subsection (4) the following subsection:

“(4A) Subsection (4) does not apply to a person:

- (a) who has started formal vocational training in a labour market program approved by the Employment Secretary; and
- (b) who has been exempted from the application of that subsection by the Employment Secretary.

Note 1: ‘CES’ means the Commonwealth Employment Service (see section 23).

Note 2: for ‘Employment Secretary’ see section 23.”.

**Persons may be treated as unemployed**

44. Section 595 of the Principal Act is amended:

- (a) by omitting from subsection (2) “is to” and substituting “may”;
- (b) by adding at the end the following subsection:

“(3) In deciding whether to treat a person as being unemployed, the Secretary is to take into account:

- (a) the nature of the activity undertaken by the person so as to comply with a requirement under subsection 601(2) (activity test) or a Newstart Activity Agreement; and
- (b) the duration of the activity; and
- (c) any other matters relating to the activity that the Secretary considers relevant.”.

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**Secretary may require a person to attend the Department or CES etc.**

**45. Section 627 of the Principal Act is amended:**

(a) by omitting subsection (2);

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

“(4A) Subsection (4) does not apply to a person: 5

(a) who has started formal vocational training in a labour market program approved by the Employment Secretary; and

(b) who has been exempted from the application of that subsection by the Employment Secretary. 10

Note 1: ‘CES’ means the Commonwealth Employment Service (see section 23).

Note 2: for ‘Employment Secretary’ see section 23.”.

***Division 5—Income test for family payment***

**Index of definitions**

**46. Section 3 of the Principal Act is amended by omitting from the Index:**

“exempt FP child 5(1)” 15

***Family relationships definitions—children***

**47. Section 5 of the Principal Act is amended by omitting from subsection (1) the definition of “exempt FP child”.**

**Rate of family payment**

**48. Section 1069 of the Principal Act is amended by omitting point 1069-B2. 20**

***Division 6—Assets test for family allowance***

**Qualification for individual family allowance**

**49. Section 838 of the Principal Act is amended:**

(a) by omitting from subsection (1) “A” and substituting “Subject to subsection (3), a”; 25

(b) by adding at the end the following subsection:

“(3) Paragraph (1)(d) does not apply to a person if the person has an exempt FA child.

Note: for ‘exempt FA child’ see subsection 5(1).”.

**CDA child status—family allowance requirement 30**

**50. Section 953 of the Principal Act is amended by inserting after subparagraph (b)(ii) the following subparagraph:**

“(iia) paragraph 838(1)(d) (assets test); or”.



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**Qualification for double orphan pension**

51. Section 999 of the Principal Act is amended by inserting after subparagraph (1)(a)(ii) the following subparagraph:

“(iia) paragraph 838(1)(d) (assets test); or”.

**5 Rate of family allowance**

52. Section 1069 of the Principal Act is amended by inserting after point 1069-B1 the following point:

*Assets test—exempt FA children*

“1069-B1A. If:

- 10 (a) the value of the person’s assets exceeds the amount referred to in paragraph 838(1)(d); and
- (b) the person has an exempt FA child;
- any FA child of the person who is not an exempt FA child is to be disregarded for the purposes of working out the person’s maximum
- 15 basic rate under point 1069-B1.”.

*Division 7—Savings provisions for certain recipients of family allowance*

53. Schedule 1A of the Principal Act is amended by adding at the end the following clauses:

**20 Family payment assets test (changes introduced on 1 January 1993)—  
child disability allowance**

“50. If:

- (a) before 1 January 1993:
- (i) a person has claimed child disability allowance and family allowance for a child; and
- 25 (ii) the person is qualified for family allowance for that child because of subsection 838(3) of this Act as in force immediately before that date; and
- (b) at all times on and after 1 January 1993 the person receives child disability allowance for that child;
- 30 the person does not have to satisfy paragraph 838(1)(d) of this Act as in force on and after that date in order to be qualified for family payment for that child.

**Family payment assets test (changes introduced on 1 January 1993)—  
double orphan pension**

35 “51. If:

- (a) before 1 January 1993:
- (i) a person (the ‘adult’) has claimed double orphan pension and family allowance for a young person; and
- (ii) the adult is qualified for family allowance for that young

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person because of subsection 838(3) of this Act as in force immediately before that date; and

- (b) at all times on and after 1 January 1993 the adult receives double orphan pension for that young person;

the adult does not have to satisfy paragraph 838(1)(d) of this Act as in force on and after that date in order to be qualified for family payment for that young person. 5

**Family payment income test (changes introduced on 1 January 1993)—  
child disability allowance**

“52. If: 10

- (a) before 1 January 1993:

(i) a person has claimed child disability allowance and family allowance for a child; and

(ii) the person is qualified for family allowance for that child because of paragraph 840A(1)(b) of this Act as in force immediately before that date; and 15

- (b) at all times on and after 1 January 1993 the person receives child disability allowance for that child;

the person does not have to satisfy paragraph 838(1)(c) of this Act as in force on and after that date in order to be qualified for family payment for that child. 20

**Family payment income test (changes introduced on 1 January 1993)—  
double orphan pension**

“53. If:

- (a) before 1 January 1993: 25

(i) a person (the ‘adult’) has claimed double orphan pension and family allowance for a young person; and

(ii) the adult is qualified for family allowance for that young person because of paragraph 840A(1)(b) of this Act as in force immediately before that date; and 30

- (b) at all times on and after 1 January 1993 the adult receives double orphan pension for that young person;

the adult does not have to satisfy paragraph 838(1)(c) of this Act as in force on and after that date in order to be qualified for family payment for that young person.”. 35

***Division 8—Education entry payment***

**Payment to a sole parent pensioner**

**54.** Section 665A of the Principal Act is amended by inserting after paragraph (b) the following paragraph:

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“(ba) either:

- (i) the Secretary is satisfied that the person intends to enrol in a full-time or part-time course of education that is an approved course under the AUSTUDY scheme; or
- (ii) the person is enrolled in such a course; and”.

**General effect of Chapter**

55. Section 1222 of the Principal Act is amended:

(a) by omitting from Note 1 in subsection (1):

“• section 1224A debts—pension loan scheme;”;  
and substituting:

“• section 1224A debts—pension loan scheme;  
• section 1224B debts—education entry payment.”;

(b) by inserting after item 5 in the Recovery Methods Table in subsection (2) the following item:

“

5A.	1224B (education entry payment)	deductions legal proceedings garnishee notice	1231, 1234A 1232 1233
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”.

**Debts due to the Commonwealth**

56. Section 1222A of the Principal Act is amended by omitting from Note 1 “1224” and substituting “1223B, 1224, 1224B”.

57. After section 1224A of the Principal Act the following section is inserted:

**Education entry payment debt**

“1224B. If:

- (a) an education entry payment is made to a person; and
- (b) the person does not pay the enrolment fees for an approved course of education under the AUSTUDY scheme in the calendar year in respect of which the education entry payment was made;

the amount of the education entry payment so made is a debt due to the Commonwealth and is recoverable by the Commonwealth by means of:

- (c) if the person is receiving a pension, benefit or allowance under this Act—deductions from that person’s pension, benefit or allowance; or
- (d) if section 1234A applies to another person who is receiving a pension, benefit or allowance under this Act—deductions from that other person’s pension, benefit or allowance; or

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- (e) legal proceedings; or
- (f) garnishee notice.

Note 1: for deductions see sections 1231 and 1234A.

Note 2: for legal proceedings see section 1232.

Note 3: for garnishee notice see section 1233.”.

**Garnishee notice**

**58.** Section 1233 of the Principal Act is amended by omitting from subsection (1) “1224A” and substituting “1224A, 1224B”. 5

***Division 9—Pharmaceutical allowance***

***Pharmaceutical allowance and advance pharmaceutical allowance definitions***

**59.** Section 19A of the Principal Act is amended:

(a) by omitting “Parts 2.22 and 2.23 of ”; 10

(b) by adding at the end the following subsections:

“(2) If:

(a) a person is paid an instalment of social security or service pension or social security benefit on a particular day; and

(b) an amount by way of pharmaceutical allowance is to be added to the person’s maximum basic rate in working out the amount of the instalment; 15

the amount of pharmaceutical allowance paid to the person on that day is worked out using subsections (3), (4), (5) and (6).

“(3) If the instalment is an instalment of social security or service pension, the amount of allowance paid is: 20

**pharmaceutical allowance rate**

26

where:

‘**pharmaceutical allowance rate**’ is the yearly amount of pharmaceutical allowance added to the person’s maximum basic rate in working out the amount of the instalment. 25

“(4) If:

(a) the instalment is an instalment of social security benefit; and

(b) the instalment is for a fortnight or a period of whole 30  
fortnights;

the amount of allowance paid is:

**pharmaceutical allowance rate × number of fortnights**

where:

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**'pharmaceutical allowance rate'** is the fortnightly amount of pharmaceutical allowance added to the person's maximum basic rate in working out the amount of the instalment;

**'number of fortnights'** is the number of fortnights in the period for which the instalment is paid.

“(5) If:

(a) the instalment is an instalment of social security benefit; and

(b) the instalment is for a period of less than a fortnight;

the amount of the allowance paid is:

pharmaceutical allowance rate × week days in period

10

where:

**'pharmaceutical allowance rate'** is the fortnightly amount of pharmaceutical allowance added to the person's maximum basic rate in working out the amount of the instalment;

**'week days in period'** is the number of week days in the period for which the instalment is paid.

“(6) If:

(a) the instalment is an instalment of social security benefit; and

(b) the instalment is for a period that consists of:

(i) a fortnight or a number of whole fortnights; and

(ii) a period of less than a fortnight;

the amount of allowance paid is:

pharmaceutical allowance rate × number of whole fortnights ×  $\frac{\text{week days in short period}}{10}$

where:

**'pharmaceutical allowance rate'** is the fortnightly amount of pharmaceutical allowance added to the person's maximum basic rate in working out the amount of the instalment;

**'number of whole fortnights'** is the number of whole fortnights in the period for which the instalment is paid;

**'week days in short period'** is the number of days in the period that is less than a fortnight.”.

#### **Calculation of amount of instalment**

60. Section 59 of the Principal Act is amended by inserting after subsection (3) the following subsections:

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“(3A) If:

(a) an amount of pharmaceutical allowance is added to a person’s maximum basic rate in working out the amount of an instalment of age pension; and

(b) apart from this subsection, the amount of the instalment would be less than the person’s fortnightly PA rate; 5

the amount of the instalment is to be increased to the person’s fortnightly PA rate.

“(3B) For the purposes of subsection (3A), the person’s **fortnightly PA rate** is: 10

**pharmaceutical allowance rate**

26

where:

‘**pharmaceutical allowance rate**’ is the yearly amount of pharmaceutical allowance added to the person’s maximum basic rate in working out the amount of the instalment.”. 15

**Calculation of amount of instalment**

61. Section 121 of the Principal Act is amended by inserting after subsection (3) the following subsections:

“(3A) If:

(a) an amount of pharmaceutical allowance is added to a person’s maximum basic rate in working out the amount of an instalment of disability support pension; and 20

(b) apart from this subsection, the amount of the instalment would be less than the person’s fortnightly PA rate;

the amount of the instalment is to be increased to the person’s fortnightly PA rate. 25

“(3B) For the purposes of subsection (3A), the person’s **fortnightly PA rate** is:

**pharmaceutical allowance rate**

26

where:

‘**pharmaceutical allowance rate**’ is the yearly amount of pharmaceutical allowance added to the person’s maximum basic rate in working out the amount of the instalment.”. 30

**Calculation of amount of instalment**

62. Section 163 of the Principal Act is amended by inserting after subsection (3) the following subsections: 35

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“(3A) If:

(a) an amount of pharmaceutical allowance is added to a woman’s maximum basic rate in working out the amount of an instalment of wife pension; and

5 (b) apart from this subsection, the amount of the instalment would be less than the woman’s fortnightly PA rate;

the amount of the instalment is to be increased to the woman’s fortnightly PA rate.

10 “(3B) For the purposes of subsection (3A), the woman’s **fortnightly PA rate** is:

pharmaceutical allowance rate

26

where:

15 ‘**pharmaceutical allowance rate**’ is the yearly amount of pharmaceutical allowance added to the woman’s maximum basic rate in working out the amount of the instalment.”.

**Calculation of amount of instalment**

63. Section 214 of the Principal Act is amended by inserting after subsection (3) the following subsections:

“(3A) If:

20 (a) an amount of pharmaceutical allowance is added to a person’s maximum basic rate in working out the amount of an instalment of carer pension; and

(b) apart from this subsection, the amount of the instalment would be less than the person’s fortnightly PA rate;

25 the amount of the instalment is to be increased to the person’s fortnightly PA rate.

“(3B) For the purposes of subsection (3A), the person’s **fortnightly PA rate** is:

pharmaceutical allowance rate

26

30 where:

‘**pharmaceutical allowance rate**’ is the yearly amount of pharmaceutical allowance added to the person’s maximum basic rate in working out the amount of the instalment.”.

**Calculation of amount of instalment**

35 64. Section 273 of the Principal Act is amended by inserting after subsection (3) the following subsections:

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“(3A) If:

(a) an amount of pharmaceutical allowance is added to a person’s maximum basic rate in working out the amount of an instalment of sole parent pension; and

(b) apart from this subsection, the amount of the instalment would be less than the person’s fortnightly PA rate; 5

the amount of the instalment is to be increased to the person’s fortnightly PA rate.

“(3B) For the purposes of subsection (3A), the person’s **fortnightly PA rate** is: 10

**pharmaceutical allowance rate**

26

where:

‘**pharmaceutical allowance rate**’ is the yearly amount of pharmaceutical allowance added to the person’s maximum basic rate in working out the amount of the instalment.”. 15

**Calculation of amount of instalment**

**65.** Section 333 of the Principal Act is amended by inserting after subsection (3) the following subsections:

“(3A) If:

(a) an amount of pharmaceutical allowance is added to a person’s maximum basic rate in working out the amount of an instalment of widowed person allowance; and 20

(b) apart from this subsection, the amount of the instalment would be less than the person’s fortnightly PA rate;

the amount of the instalment is to be increased to the person’s fortnightly PA rate. 25

“(3B) For the purposes of subsection (3A), the person’s **fortnightly PA rate** is:

**pharmaceutical allowance rate**

26

where: 30

‘**pharmaceutical allowance rate**’ is the yearly amount of pharmaceutical allowance added to the person’s maximum basic rate in working out the amount of the instalment.”.

**Calculation of amount of instalment**

**66.** Section 380 of the Principal Act is amended by inserting after subsection (3) the following subsections: 35



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“(3A) If:

- (a) an amount of pharmaceutical allowance is added to a woman’s maximum basic rate in working out the amount of an instalment of widow B pension; and
- 5 (b) apart from this subsection, the amount of the instalment would be less than the woman’s fortnightly PA rate;
- the amount of the instalment is to be increased to the woman’s fortnightly PA rate.

10 “(3B) For the purposes of subsection (3), the woman’s **fortnightly PA rate** is:

pharmaceutical allowance rate

26

where:

15 ‘**pharmaceutical allowance rate**’ is the yearly amount of pharmaceutical allowance added to the woman’s maximum basic rate in working out the amount of the instalment.”.

**Rounding off instalment**

67. Section 565 of the Principal Act is amended by inserting after subsection (2) the following subsections:

“(2A) If:

- 20 (a) an amount of pharmaceutical allowance is added to a person’s maximum basic rate in working out the amount of an instalment of job search allowance; and
- (b) apart from this subsection, the amount of the instalment would be less than the person’s fortnightly PA rate;
- 25 the amount of the instalment is to be increased to the person’s fortnightly PA rate.

“(2B) For the purposes of subsection (2A), the person’s **fortnightly PA rate** is:

**pharmaceutical allowance rate × N**

30 where:

‘**pharmaceutical allowance rate**’ is the fortnightly amount of pharmaceutical allowance added to the person’s maximum basic rate in working out the amount of the instalment;

‘**N**’ is:

- 35 (a) if the instalment is for a number of whole fortnights—the number of fortnights; or
- (b) if the instalment is for a period of less than a fortnight—equal to:

week days in period; or

10

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- (c) if the instalment is for a period that consists of a number of whole fortnights and a period of less than a fortnight—equal to:

$$\text{number of whole fortnights} + \frac{\text{week days in short period.}"}{10}$$

**Rounding off instalment**

5

68. Section 648 of the Principal Act is amended by inserting after subsection (2) the following subsections:

“(2A) If:

- (a) an amount of pharmaceutical allowance is added to a person’s maximum basic rate in working out the amount of an instalment of newstart allowance; and 10
- (b) apart from this subsection, the amount of the instalment would be less than the person’s fortnightly PA rate;

the amount of the instalment is to be increased to the person’s fortnightly PA rate. 15

“(2B) For the purposes of subsection (2A), the person’s **fortnightly PA rate** is:

$$\text{pharmaceutical allowance rate} \times N$$

where:

‘**pharmaceutical allowance rate**’ is the fortnightly amount of pharmaceutical allowance added to the person’s maximum basic rate in working out the amount of the instalment; 20

‘**N**’ is:

- (a) if the instalment is for a number of whole fortnights—the number of fortnights; or 25
- (b) if the instalment is for a period of less than a fortnight—equal to:

$$\frac{\text{week days in period; or}}{10}$$

- (c) if the instalment is for a period that consists of a number of whole fortnights and a period of less than a fortnight—equal to: 30

$$\text{number of whole fortnights} + \frac{\text{week days in short period.}"}{10}$$

**Rounding off instalment**

69. Section 718 of the Principal Act is amended by inserting after subsection (2) the following subsections: 35

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“(2A) If:

(a) an amount of pharmaceutical allowance is added to a person’s maximum basic rate in working out the amount of an instalment of sickness allowance; and

5 (b) apart from this subsection, the amount of the instalment would be less than the person’s fortnightly PA rate;

the amount of the instalment is to be increased to the person’s fortnightly PA rate.

10 “(2B) For the purposes of subsection (2A), the person’s **fortnightly PA rate** is:

$$\text{pharmaceutical allowance rate} \times N$$

where:

15 ‘**pharmaceutical allowance rate**’ is the fortnightly amount of pharmaceutical allowance added to the person’s maximum basic rate in working out the amount of the instalment;

‘N’ is:

(a) if the instalment is for a number of whole fortnights—the number of fortnights; or

20 (b) if the instalment is for a period of less than a fortnight—equal to:

$$\frac{\text{week days in period}}{10}; \text{ or}$$

10

(c) if the instalment is for a period that consists of a number of whole fortnights and a period of less than a fortnight—equal to:

25  $\text{number of whole fortnights} + \frac{\text{week days in short period}}{10}$ .”

10

**Rounding off instalment**

70. Section 751 of the Principal Act is amended by inserting after subsection (2) the following subsections:

“(2A) If:

30 (a) an amount of pharmaceutical allowance is taken into account in working out the amount of a person’s instalment of special benefit; and

(b) apart from this subsection, the amount of the instalment would be less than the person’s fortnightly PA rate;

35 the amount of the instalment is to be increased to the person’s fortnightly PA rate.

“(2B) For the purposes of subsection (2A), the person’s **fortnightly PA rate** is:

$$\text{pharmaceutical allowance rate} \times N$$

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where:

**'pharmaceutical allowance rate'** is the fortnightly amount of pharmaceutical allowance taken into account in working out the amount of the instalment;

**'N'** is:

(a) if the instalment is for a number of whole fortnights—the number of fortnights; or

(b) if the instalment is for a period of less than a fortnight—equal to:

week days in period; or

10

(c) if the instalment is for a period that consists of a number of whole fortnights and a period of less than a fortnight—equal to:

**number of whole fortnights + week days in short period**.

10

**Repeal of Part 2.22**

71. Part 2.22 of the Principal Act is repealed.

72. Division 3 of Part 2.23 of the Principal Act is repealed and the following Division is substituted:

***“Division 3—Amount of advance pharmaceutical allowance***

**Amount of advance pharmaceutical allowance**

“1061JC. Subject to section 1061JD, the amount of a person’s advance pharmaceutical allowance is:

pharmaceutical allowance rate × 7

26

where:

**'pharmaceutical allowance rate'** is the yearly amount of pharmaceutical allowance that would be added to the person’s maximum basic rate if a pharmaceutical allowance advance were not being paid to the person.

Note: pharmaceutical allowance rates are to be found at:

- point 1064-C8 of Pension Rate Calculator A
- point 1065-C8 of Pension Rate Calculator B
- point 1066-C7 of Pension Rate Calculator C
- point 1066A-D8 of Pension Rate Calculator D
- point 1066B-D8 of Pension Rate Calculator E.

**Annual limit**

“1061JD.(1) The amount paid to a person in a calendar year by way of:

- (a) pharmaceutical allowance; and
- (b) advance pharmaceutical allowance;

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is not to exceed the total amount of pharmaceutical allowance that would have been paid to the person during that year if the person had not received any advance pharmaceutical allowance.

Note: for the amount 'paid' to a person by way of pharmaceutical allowance see subsections 19A(2) to (6).

“(2) In this section:

- 5    ‘**advance pharmaceutical allowance**’ includes advance pharmaceutical allowance under the Veterans’ Entitlements Act;  
      ‘**pharmaceutical allowance**’ includes pharmaceutical allowance under the Veterans’ Entitlements Act.”.

10    **Rate of age, disability support, wife and carer pensions (people who are not blind)**

73. Pension Rate Calculator A in section 1064 is amended:

- (a) by inserting after Step 1 in the Method statement in point 1064-A1 the following Step:

15        “*Step 2.* Work out the amount per year (if any) of pharmaceutical allowance using MODULE C below.”;

- (b) by inserting after Module B the following Module:

*“MODULE C—PHARMACEUTICAL ALLOWANCE*

*Qualification for pharmaceutical allowance*

20        “1064-C1. Subject to points 1064-C2, 1064-C3, 1064-C4 and 1064-C6, an additional amount by way of pharmaceutical allowance is to be added to a person’s maximum basic rate if:

- (a) the person is an Australian resident; and  
(b) the person is in Australia.

25        *No pharmaceutical allowance if person receiving pharmaceutical allowance under the Veterans’ Entitlements Act*

“1064-C2. Pharmaceutical allowance is not to be added to a person’s maximum basic rate if the person is receiving pharmaceutical allowance under the Veterans’ Entitlements Act.

30        *No pharmaceutical allowance if partner receiving pharmaceutical allowance under the Veterans’ Entitlements Act and not a service pensioner*

“1064-C3. Pharmaceutical allowance is not to be added to a person’s maximum basic rate if:

- 35        (a) the person is a member of a couple; and  
      (b) the person’s partner is receiving pharmaceutical allowance under the Veterans’ Entitlements Act; and  
      (c) the person’s partner is not receiving a service pension.

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Note: if paragraphs (a), (b) and (c) apply to the person's partner, the partner is receiving pharmaceutical allowance under the VEA at the higher rate (rather than the person and the person's partner each receiving pharmaceutical allowance at the lower rate).

*No pharmaceutical allowance before advance payment period ends*

"1064-C4. Pharmaceutical allowance is not to be added to a person's maximum basic rate if:

- (a) the person has received an advance pharmaceutical allowance under: 5
  - (i) Part 2.23 of this Act; or
  - (ii) Division 2 of Part VIIA of the Veterans' Entitlements Act; and
- (b) the person's advance payment period has not ended. 10

Note: 'advance payment period' see point 1064-C5.

*Advance payment period*

"1064-C5. A person's advance payment period:

- (a) starts on the day on which the advance pharmaceutical allowance is paid to the person; and
- (b) ends after the number of paydays worked out using the following formula have passed: 15

$$\frac{\text{amount of advance} \times 26}{\text{pharmaceutical allowance rate}}$$

where:

'**amount of advance**' is the amount of the advance paid to the person; 20

'**pharmaceutical allowance rate**' is the yearly amount of pharmaceutical allowance which would be added to the person's maximum basic rate in working out the instalment for the day on which the advance is paid if pharmaceutical allowance were to be added to the person's maximum basic rate on that day. 25

*No pharmaceutical allowance if annual limit reached*

"1064-C6. Pharmaceutical allowance is not to be added to a person's maximum basic rate if:

- (a) the person has received an advance pharmaceutical allowance during the current calendar year; and 30
- (b) the total amount paid to the person for that year by way of:
  - (i) pharmaceutical allowance; and
  - (ii) advance pharmaceutical allowance;

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equals the total amount of pharmaceutical allowance that would have been paid to the person during that year if the person had not received any advance pharmaceutical allowance.

Note 1: for the amount 'paid' to a person by way of pharmaceutical allowance see subsections 19A(2) to (6).

Note 2: the annual limit is affected by:

- how long during the calendar year the person was on pension or benefit;
- the rate of pharmaceutical allowance the person attracts at various times depending on the person's family situation.

*VEA payments taken into account*

- 5            "1064-C7. In points 1064-C5 and 1064-C6:  
           '**advance pharmaceutical allowance**' includes advance pharmaceutical allowance under the Veterans' Entitlements Act; and  
 10            '**pharmaceutical allowance**' includes pharmaceutical allowance under the Veterans' Entitlements Act.

*Amount of pharmaceutical allowance*

"1064-C8. The amount of pharmaceutical allowance is the amount per year worked out using the following Table:

PHARMACEUTICAL ALLOWANCE AMOUNT TABLE			
column 1 item	column 2 person's family situation	column 3 amount per year	column 4 amount per fortnight
1.	Not member of a couple	\$135.20	\$5.20
2.	Partnered	\$67.60	\$2.60
3.	Member of an illness separated or respite care couple	\$135.20	\$5.20
4.	Partnered (partner getting service pension)	\$67.60	\$2.60

Note: the amounts in column 3 are adjusted annually in line with CPI increases (see section 1206A)."

**Rate of age and disability support pension (blind people)**

- 15            74. Pension Rate Calculator B in section 1065 is amended:
- (a) by omitting Step 3 of the Method statement in point 1065-A1 and substituting the following Step:
- "Step 3. Work out the amount per year (if any) of pharmaceutical allowance using MODULE C below.";
- 20            (b) by inserting after Module B the following Module:

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**“MODULE C—PHARMACEUTICAL ALLOWANCE**

*Qualification for pharmaceutical allowance*

- “1065-C1. Subject to points 1065-C2, 1065-C3, 1065-C4 and 1065-C6, an additional amount by way of pharmaceutical allowance is to be added to a person’s maximum basic rate if: 5
- (a) the person is an Australian resident; and
  - (b) the person is in Australia.

*No pharmaceutical allowance if person receiving pharmaceutical allowance under the Veterans’ Entitlements Act*

- “1065-C2. Pharmaceutical allowance is not to be added to a person’s maximum basic rate if the person is receiving pharmaceutical allowance under the Veterans’ Entitlements Act. 10

*No pharmaceutical allowance if partner receiving pharmaceutical allowance under the Veterans’ Entitlements Act and not a service pensioner* 15

- “1065-C3. Pharmaceutical allowance is not to be added to a person’s maximum basic rate if:
- (a) the person is a member of a couple; and
  - (b) the person’s partner is receiving pharmaceutical allowance under the Veterans’ Entitlements Act; and 20
  - (c) the person’s partner is not receiving a service pension.

Note: if paragraphs (a), (b) and (c) apply to the person’s partner, the partner is receiving pharmaceutical allowance under the VEA at the higher rate (rather than the person and the person’s partner each receiving pharmaceutical allowance at the lower rate).

*No pharmaceutical allowance before advance payment period ends*

- “1065-C4. Pharmaceutical allowance is not to be added to a person’s maximum basic rate if: 25
- (a) the person has received an advance pharmaceutical allowance under:
    - (i) Part 2.23 of this Act; or
    - (ii) Division 2 of Part VIIA of the Veterans’ Entitlements Act; and 30
  - (b) the person’s advance payment period has not ended.

Note: for ‘advance payment period’ see point 1065-C5.

*Advance payment period*

- “1065-C5. A person’s advance payment period:
- (a) starts on the day on which the advance pharmaceutical allowance is paid to the person; and 35



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- (b) ends after the number of paydays worked out using the following formula have passed:

$$\frac{\text{amount of advance} \times 26}{\text{pharmaceutical allowance rate}}$$

where:

5     ‘**amount of advance**’ is the amount of the advance paid to the person;

10    ‘**pharmaceutical allowance rate**’ is the yearly amount of pharmaceutical allowance which would be added to the person’s maximum basic rate in working out the instalment for the day on which the advance is paid if pharmaceutical allowance were to be added to the person’s maximum basic rate on that day.

*No pharmaceutical allowance if annual limit reached*

“1065-C6. Pharmaceutical allowance is not to be added to a person’s maximum basic rate if:

15     (a) the person has received an advance pharmaceutical allowance during the current calendar year; and

      (b) the total amount paid to the person for that year by way of:

20       (i) pharmaceutical allowance; and

      (ii) advance pharmaceutical allowance;

equals the total amount of pharmaceutical allowance that would have been paid to the person during that year if the person had not received any advance pharmaceutical allowance.

Note 1: for the amount ‘paid’ to a person by way of pharmaceutical allowance see subsections 19A(2) to (6).

Note 2: the annual limit is affected by:

- how long during the calendar year the person was on pension or benefit;
- the rate of pharmaceutical allowance the person attracts at various times depending on the person’s family situation.

*VEA payments taken into account*

25     “1065-C7. In points 1065-C5 and 1065-C6:

‘**advance pharmaceutical allowance**’ includes advance pharmaceutical allowance under the Veterans’ Entitlements Act;

‘**pharmaceutical allowance**’ includes pharmaceutical allowance under the Veterans’ Entitlements Act.

30     *Amount of pharmaceutical allowance*

“1065-C8. The amount of pharmaceutical allowance is the amount per year worked out using the following Table:

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PHARMACEUTICAL ALLOWANCE AMOUNT TABLE			
column 1 item	column 2 person's family situation	column 3 amount per year	column 4 amount per fortnight
1.	Not member of a couple	\$135.20	\$5.20
2.	Partnered	\$67.60	\$2.60
3.	Member of an illness separated or respite care couple	\$135.20	\$5.20
4.	Partnered (partner getting service pension)	\$67.60	\$2.60

Note: the amounts in column 3 are adjusted annually in line with CPI increases (see section 1206A)."

**Rate of sole parent pension, widowed person allowance and widow B pension**

75. Pension Rate Calculator C in section 1066 is amended:

(a) by inserting after Step 1 of the Method statement in point 1066-A1 the following Step: 5

“Step 2. Work out the amount per year (if any) of pharmaceutical allowance using MODULE C below.”;

(b) by inserting after Module B the following Module:

*“MODULE C—PHARMACEUTICAL ALLOWANCE*

*Qualification for pharmaceutical allowance* 10

“1066-C1. Subject to points 1066-C2, 1066-C3 and 1066-C5, an additional amount by way of pharmaceutical allowance is to be added to a person's maximum basic rate if:

(a) the person is an Australian resident; and

(b) the person is in Australia. 15

*No pharmaceutical allowance if person receiving pharmaceutical allowance under the Veterans' Entitlements Act*

“1066-C2. Pharmaceutical allowance is not to be added to a person's maximum basic rate if the person is receiving pharmaceutical allowance under the Veterans' Entitlements Act. 20

Note: a person can receive both:

(a) a disability pension under the VEA; and

(b) a pension under this Act;

and pharmaceutical allowance might be built into the disability pension rate.

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*No pharmaceutical allowance before advance payment  
period ends*

“1066-C3. Pharmaceutical allowance is not to be added to a person’s maximum basic rate if:

- 5           (a) the person has received an advance pharmaceutical allowance under:
- (i) Part 2.23 of this Act; or
- (ii) Division 2 of Part VIIA of the Veterans’ Entitlements Act; and
- 10           (b) the person’s advance payment period has not ended.

Note: for ‘advance payment period’ see point 1066-C4.

*Advance payment period*

“1066-C4. A person’s advance payment period:

- (a) starts on the day on which the advance pharmaceutical allowance is paid to the person; and
- 15           (b) ends after the number of paydays worked out using the following formula have passed:

$$\frac{\text{amount of advance} \times 26}{\text{pharmaceutical allowance rate}}$$

where:

20           ‘**amount of advance**’ is the amount of the advance paid to the person;

25           ‘**pharmaceutical allowance rate**’ is the yearly amount of pharmaceutical allowance which would be added to the person’s maximum basic rate in working out the instalment for the day on which the advance is paid if pharmaceutical allowance were to be added to the person’s maximum basic rate on that day.

*No pharmaceutical allowance if annual limit reached*

“1066-C5. Pharmaceutical allowance is not to be added to a person’s maximum basic rate if:

- 30           (a) the person has received an advance pharmaceutical allowance during the current calendar year; and
- (b) the total amount paid to the person for that year by way of:
- (i) pharmaceutical allowance; and
- (ii) advance pharmaceutical allowance;
- 35

equals the total amount of pharmaceutical allowance that would have been paid to the person during that year if the person had not received any advance pharmaceutical allowance.

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Note 1: for the amount 'paid' to a person by way of pharmaceutical allowance see subsections 19A(2) to (6).

Note 2: the annual limit is affected by:

- how long during the calendar year the person was on pension or benefit;
- the rate of pharmaceutical allowance the person attracts at various times depending on the person's family situation.

*VEA payments taken into account*

"1066-C6. In points 1066-C4 and 1066-C5:

'advance pharmaceutical allowance' includes advance pharmaceutical allowance under the Veterans' Entitlements Act;  
'pharmaceutical allowance' includes pharmaceutical allowance under the Veterans' Entitlements Act. 5

*Amount of pharmaceutical allowance*

"1066-C7. The amount of pharmaceutical allowance is \$135.20 per year (\$5.20 per fortnight).

Note: the annual amount is adjusted annually in line with CPI increases (see section 1206A)."

**Rate of disability support pension (people under 21 who are not blind) 10**

76. Pension Rate Calculator D in section 1066A is amended:

(a) by inserting after Step 2 of the Method statement in point 1066A-A1 the following Step:

"Step 3. Work out the amount per year (if any) of pharmaceutical allowance using MODULE D below."; 15

(b) by inserting after Module C the following Module:

*"MODULE D—PHARMACEUTICAL ALLOWANCE*

*Qualification for pharmaceutical allowance*

"1066A-D1. Subject to points 1066A-D2, 1066A-D3, 1066A-D4 and 1066A-D6, an additional amount by way of pharmaceutical allowance is to be added to a person's maximum basic rate if: 20

(a) the person is an Australian resident; and

(b) the person is in Australia. 25

*No pharmaceutical allowance if person receiving pharmaceutical allowance under the Veterans' Entitlements Act*

"1066A-D2. Pharmaceutical allowance is not to be added to a person's maximum basic rate if the person is receiving pharmaceutical allowance under the Veterans' Entitlements Act. 30

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*No pharmaceutical allowance if partner receiving pharmaceutical allowance under the Veterans' Entitlements Act and not a service pensioner*

5 "1066A-D3. Pharmaceutical allowance is not to be added to a person's maximum basic rate if:

- (a) the person is a member of a couple; and
- (b) the person's partner is receiving pharmaceutical allowance under the Veterans' Entitlements Act; and
- (c) the person's partner is not receiving a service pension.

10 *No pharmaceutical allowance before advance payment period ends*

"1066A-D4. Pharmaceutical allowance is not to be added to a person's maximum basic rate if:

- 15 (a) the person has received an advance pharmaceutical allowance under:
- (i) Part 2.23 of this Act; or
  - (ii) Division 2 of Part VIIA of the Veterans' Entitlements Act; and
- (b) the person's advance payment period has not ended.

Note: for 'advance payment period' see point 1066A-D5.

20 *Advance payment period*

"1066A-D5. A person's advance payment period:

- (a) starts on the day on which the advance pharmaceutical allowance is paid to the person; and
- 25 (b) ends after the number of paydays worked out using the following formula have passed:

$$\frac{\text{amount of advance} \times 26}{\text{pharmaceutical allowance rate}}$$

where:

'amount of advance' is the amount of the advance paid to the person;

30 'pharmaceutical allowance rate' is the yearly amount of pharmaceutical allowance which would be added to the person's maximum basic rate in working out the instalment for the day on which the advance is paid if pharmaceutical allowance were to be added to the person's maximum basic rate on that day.

35 *No pharmaceutical allowance if annual limit reached*

"1066A-D6. Pharmaceutical allowance is not to be added to a person's maximum basic rate if:

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- (a) the person has received an advance pharmaceutical allowance during the current calendar year; and
- (b) the total amount paid to the person for that year by way of:
  - (i) pharmaceutical allowance; and
  - (ii) advance pharmaceutical allowance;

5

equals the total amount of pharmaceutical allowance that would have been paid to the person during that year if the person had not received any advance pharmaceutical allowance.

Note 1: for the amount 'paid' to a person by way of pharmaceutical allowance see subsections 19A(2) to (6).

Note 2: the annual limit is affected by:

- how long during the calendar year the person was on pension or benefit;
- the rate of pharmaceutical allowance the person attracts at various times depending on the person's family situation.

*VEA payments taken into account*

10

"1066A-D7. In points 1066A-D5 and 1066A-D6:

**'advance pharmaceutical allowance'** includes advance pharmaceutical allowance under the Veterans' Entitlements Act;  
**'pharmaceutical allowance'** includes pharmaceutical allowance under the Veterans' Entitlements Act.

15

*Amount of pharmaceutical allowance*

"1066A-D8. The amount of pharmaceutical allowance is the amount per year worked out using the following Table:

PHARMACEUTICAL ALLOWANCE AMOUNT TABLE			
column 1 item	column 2 person's family situation	column 3 amount per year	column 4 amount per fortnight
1.	Not member of a couple	\$135.20	\$5.20
2.	Partnered	\$67.60	\$2.60
3.	Member of an illness separated or respite care couple	\$135.20	\$5.20
4.	Partnered (partner getting service pension)	\$67.60	\$2.60

Note: the amounts in column 3 are adjusted annually in line with CPI increases (see section 1206A)."

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**Rate of disability support pension (people under 21 who are blind)**

77. Pension Rate Calculator E in section 1066B is amended:

(a) by omitting Step 4 of the Method statement in point 1066B-A1 and substituting the following Step:

5           “*Step 4.* Work out the amount per year (if any) of pharmaceutical allowance using MODULE D below.”;

(b) by inserting after Module C the following Module:

*“MODULE D—PHARMACEUTICAL ALLOWANCE*

10           *Qualification for pharmaceutical allowance*

          “1066B-D1. Subject to points 1066B-D2, 1066B-D3, 1066B-D4 and 1066B-D6, an additional amount by way of pharmaceutical allowance is to be added to a person’s maximum basic rate if:

- 15           (a) the person is an Australian resident; and  
          (b) the person is in Australia.

*No pharmaceutical allowance if person receiving pharmaceutical allowance under the Veterans’ Entitlements Act*

20           “1066B-D2. Pharmaceutical allowance is not to be added to a person’s maximum basic rate if the person is receiving pharmaceutical allowance under the Veterans’ Entitlements Act.

*No pharmaceutical allowance if partner receiving pharmaceutical allowance under the Veterans’ Entitlements Act and not a service pensioner*

25           “1066B-D3. Pharmaceutical allowance is not to be added to a person’s maximum basic rate if:

- (a) the person is a member of a couple; and  
          (b) the person’s partner is receiving pharmaceutical allowance under the Veterans’ Entitlements Act; and  
30           (c) the person’s partner is not receiving a service pension.

Note: if paragraphs (a), (b) and (c) apply to the person’s partner, the partner is receiving pharmaceutical allowance under the VEA at the higher rate (rather than the person and the person’s partner each receiving pharmaceutical allowance at the lower rate).

*No pharmaceutical allowance before advance payment period ends*

          “1066B-D4. Pharmaceutical allowance is not to be added to a person’s maximum basic rate if:

- 35           (a) the person has received an advance pharmaceutical allowance under:

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- (i) Part 2.23 of this Act; or
  - (ii) Division 2 of Part VIIA of the Veterans' Entitlements Act; and
- (b) the person's advance payment period has not ended.

Note: for 'advance payment period' see point 1066B-D5.

*Advance payment period* 5

"1066B-D5. A person's advance payment period:

- (a) starts on the day on which the advance pharmaceutical allowance is paid to the person; and
- (b) ends after the number of paydays worked out using the following formula have passed: 10

$$\frac{\text{amount of advance} \times 26}{\text{pharmaceutical allowance rate}}$$

where:

'**amount of advance**' is the amount of the advance paid to the person;

'**pharmaceutical allowance rate**' is the yearly amount of pharmaceutical allowance which would be added to the person's maximum basic rate in working out the instalment for the day on which the advance is paid if pharmaceutical allowance were to be added to the person's maximum basic rate on that day. 15

*No pharmaceutical allowance if annual limit reached* 20

"1066B-D6. Pharmaceutical allowance is not to be added to a person's maximum basic rate if:

- (a) the person has received an advance pharmaceutical allowance during the current calendar year; and
- (b) the total amount paid to the person for that year by way of: 25
  - (i) pharmaceutical allowance; and
  - (ii) advance pharmaceutical allowance;

equals the total amount of pharmaceutical allowance that would have been paid to the person during that year if the person had not received any advance pharmaceutical allowance. 30

Note 1: for the amount 'paid' to a person by way of pharmaceutical allowance see subsections 19A(2) to (6).

Note 2: the annual limit is affected by:

- how long during the calendar year the person was on pension or benefit;
- the rate of pharmaceutical allowance the person attracts at various times depending on the person's family situation.



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*VEA payments taken into account*

“1066B-D7. In points 1066B-D5 and 1066B-D6:  
**‘advance pharmaceutical allowance’** includes advance pharmaceutical allowance under the Veterans’ Entitlements Act;  
**‘pharmaceutical allowance’** includes pharmaceutical allowance under the Veterans’ Entitlements Act.

5

*Amount of pharmaceutical allowance*

“1066B-D8. The amount of pharmaceutical allowance is the amount per year worked out using the following Table:

PHARMACEUTICAL ALLOWANCE AMOUNT TABLE			
column 1 item	column 2 person’s family situation	column 3 amount per year	column 4 amount per fortnight
1.	Not member of a couple	\$135.20	\$5.20
2.	Partnered	\$67.60	\$2.60
3.	Member of an illness separated or respite care couple	\$135.20	\$5.20
4.	Partnered (partner getting service pension)	\$67.60	\$2.60

Note: the amounts in column 3 are adjusted annually in line with CPI increases (see section 1206A).”.

10 **Rate of job search allowance (under 18) and sickness allowance (under 18)**

78. Benefit Rate Calculator A in section 1067 is amended:

(a) by inserting after Step 2 in the Method statement in point 1067-A1 the following Step:

15 “Step 3. Work out the amount per year (if any) of pharmaceutical allowance using MODULE D below.”;

(b) by inserting after Module C the following Module:

**“MODULE D—PHARMACEUTICAL ALLOWANCE**

*Qualification for pharmaceutical allowance*

20 “1067-D1. Subject to points 1067-D3, 1067-D4, 1067-D5 and 1067-D7, an additional amount by way of pharmaceutical allowance is to be added to a person’s maximum basic rate if:

(a) the person is an Australian resident; and

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- (b) the person is in Australia; and
- (c) either:
  - (i) the person is receiving sickness allowance; or
  - (ii) the person is receiving job search allowance and point 1067-D2 (incapacity for work) applies to the person. 5

*Incapacity for work*

“1067-D2. This point applies to a person if:

- (a) the person is incapacitated for work; and
- (b) subsection 514(2) applies to the person. 10

Note: subsection 514(2) provides that in some circumstances a person who is incapacitated for work can continue to receive JSA.

*No pharmaceutical allowance if person receiving pharmaceutical allowance under the Veterans' Entitlements Act*

“1067-D3. Pharmaceutical allowance is not to be added to a person's maximum basic rate if the person is receiving pharmaceutical allowance under the Veterans' Entitlements Act. 15

*No pharmaceutical allowance if partner receiving pharmaceutical allowance under the Veterans' Entitlements Act and not a service pensioner*

“1067-D4. Pharmaceutical allowance is not to be added to a person's maximum basic rate if: 20

- (a) the person is a member of a couple; and
- (b) the person's partner is receiving pharmaceutical allowance under the Veterans' Entitlements Act; and
- (c) the person's partner is not receiving a service pension.

Note: if paragraphs (a), (b) and (c) apply to the person's partner, the partner is receiving pharmaceutical allowance under the VEA at the higher rate (rather than the person and the person's partner each receiving pharmaceutical allowance at the lower rate).

*No pharmaceutical allowance before advance payment period ends* 25

“1067-D5. Pharmaceutical allowance is not to be added to a person's maximum basic rate if:

- (a) the person has received an advance pharmaceutical allowance under: 30
  - (i) Part 2.23 of this Act; or
  - (ii) Division 2 of Part VIIA of the Veterans' Entitlements Act; and
- (b) the person's advance payment period has not ended. .

Note: for 'advance payment period' see point 1067-D6.

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*Advance payment period*

“1067-D6. A person’s advance payment period:

- 5 (a) starts on the day on which the advance pharmaceutical allowance is paid to the person; and  
(b) ends after the number of paydays worked out using the following formula have passed:

$$\frac{\text{amount of advance} \times 26}{\text{pharmaceutical allowance rate}}$$

where:

10 ‘amount of advance’ is the amount of the advance paid to the person;

15 ‘pharmaceutical allowance rate’ is the fortnightly amount of pharmaceutical allowance which would be added to the person’s maximum basic rate in working out the social security benefit instalment for the day on which the advance is paid if a social security benefit were payable to the person and pharmaceutical allowance were to be added to the person’s maximum basic rate on that day.

Note: the person may have come on to social security benefit after having been a pension recipient and have received an advance while a pension recipient.

*No pharmaceutical allowance if annual limit reached*

20 “1067-D7. Pharmaceutical allowance is not to be added to a person’s maximum basic rate if:

- (a) the person has received an advance pharmaceutical allowance during the current calendar year; and  
(b) the total amount paid to the person for that year by way of:  
25 (i) pharmaceutical allowance; and  
(ii) advance pharmaceutical allowance;

equals the total amount of pharmaceutical allowance that would have been paid to the person during that year if the person had not received any advance pharmaceutical allowance.

Note 1: for the amount ‘paid’ to a person by way of pharmaceutical allowance see subsections 19A(2) to (6).

Note 2: the annual limit is affected by:

- how long during the calendar year the person was on pension or benefit;
- the rate of pharmaceutical allowance the person attracts at various times depending on the person’s family situation.

30 *VEA payments taken into account*

“1067-D8. In points 1067-D6 and 1067-D7:

‘advance pharmaceutical allowance’ includes advance pharmaceutical allowance under the Veterans’ Entitlements Act;

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**'pharmaceutical allowance'** includes pharmaceutical allowance under the Veterans' Entitlements Act.

*Amount of pharmaceutical allowance*

"1067-D9. The amount of pharmaceutical allowance is the amount per fortnight worked out using the following Table:

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PHARMACEUTICAL ALLOWANCE AMOUNT TABLE		
column 1 item	column 2 person's family situation	column 3 amount per fortnight
1.	Not member of a couple	\$5.20
2.	Partnered	\$2.60
3.	Member of an illness separated or respite care couple	\$5.20
4.	Partnered (partner getting service pension)	\$2.60

Note: the amounts in column 3 are indexed or adjusted annually in line with CPI increases (see sections 1191 to 1194 and 1206A)."

**Rate of job search allowance (18 or over) and newstart allowance and sickness allowance (18 or over)**

79. Benefit Rate Calculator B in section 1068 is amended:

(a) by inserting after Step 2 in the Method statement in point 1068-A1 the following Step:

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"Step 3. Work out the amount per year (if any) of pharmaceutical allowance using MODULE D below.";

(b) by inserting after Module C the following Module:

*"MODULE D—PHARMACEUTICAL ALLOWANCE*

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*Qualification for pharmaceutical allowance*

"1068-D1. Subject to points 1068-D4, 1068-D5, 1068-D6 and 1068-D8, an additional amount by way of pharmaceutical allowance is to be added to a person's maximum basic rate if:

(a) the person is an Australian resident; and

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(b) the person is in Australia; and

(c) either:

(i) the person is receiving sickness allowance; or

(ii) the person is receiving job search allowance or newstart allowance and point 1068-D2 (incapacity

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for work) or point 1068-D3 (long term recipients over 60) applies to the person.

*Incapacity for work*

5 “1068-D2. This point applies to a person if the person has turned 18 and:

- (a) the person is incapacitated for work; and
- (b) subsection 514(3) applies to the person.

Note: subsection 514(3) provides that in some circumstances a person who is incapacitated for work can continue to receive JSA or newstart allowance.

*Long term recipients over 60*

10 “1068-D3. This point applies to a person if the person:

- (a) has turned 60; and
  - (b) has been receiving:
    - (i) a social security pension or benefit; or
    - (ii) a service pension;
- continuously for at least 6 months.

15 *No pharmaceutical allowance if person receiving pharmaceutical allowance under the Veterans’ Entitlements Act*

“1068-D4. Pharmaceutical allowance is not to be added to a person’s maximum basic rate if the person is receiving pharmaceutical allowance under the Veterans’ Entitlements Act.

20 *No pharmaceutical allowance if partner receiving pharmaceutical allowance under the Veterans’ Entitlements Act and not a service pensioner*

“1068-D5. Pharmaceutical allowance is not to be added to a person’s maximum basic rate if:

- 25
- (a) the person is a member of a couple; and
  - (b) the person’s partner is receiving pharmaceutical allowance under the Veterans’ Entitlements Act; and
  - (c) the person’s partner is not receiving a service pension.

Note: if paragraphs (a), (b) and (c) apply to the person’s partner, the partner is receiving pharmaceutical allowance under the VEA at the higher rate (rather than the person and the person’s partner each receiving pharmaceutical allowance at the lower rate).

30 *No pharmaceutical allowance before advance payment period ends*

“1068-D6. Pharmaceutical allowance is not to be added to a person’s maximum basic rate if:

- (a) the person has received an advance pharmaceutical allowance under:

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- (i) Part 2.23 of this Act; or
  - (ii) Division 2 of Part VIIA of the Veterans' Entitlements Act; and
- (b) the person's advance payment period has not ended.

Note: for 'advance payment period' see point 1068-D7.

*Advance payment period*

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"1068-D7. A person's advance payment period:

- (a) starts on the day on which the advance pharmaceutical allowance is paid to the person; and
- (b) ends after the number of paydays worked out using the following formula have passed:

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$$\frac{\text{amount of advance} \times 26}{\text{pharmaceutical allowance rate}}$$

where:

'amount of advance' is the amount of the advance paid to the person;

'pharmaceutical allowance rate' is the fortnightly amount of pharmaceutical allowance which would be added to the person's maximum basic rate in working out the social security benefit instalment for the day on which the advance is paid if a social security benefit were payable to the person and pharmaceutical allowance were to be added to the person's maximum basic rate on that day.

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Note: the person may have come on social security benefit after having been a pension recipient and have received an advance while a pension recipient.

*No pharmaceutical allowance if annual limit reached*

"1068-D8. Pharmaceutical allowance is not be added to a person's maximum basic rate if:

- (a) the person has received an advance pharmaceutical allowance during the current calendar year; and
- (b) the total amount paid to the person for that year by way of:

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- (i) pharmaceutical allowance; and

- (ii) advance pharmaceutical allowance;

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equals the total amount of pharmaceutical allowance that would have been paid to the person during that year if the person had not received any advance pharmaceutical allowance.

Note 1: for the amount 'paid' to a person by way of pharmaceutical allowance see subsections 19A(2) to (6).

Note 2: the annual limit is affected by:

- how long during the calendar year the person was on pension or benefit;

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- the rate of pharmaceutical allowance the person attracts at various times depending on the person's family situation.

*VEA payments taken into account*

“1068-D9. In points 1068-D7 and 1068-D8:

‘**advance pharmaceutical allowance**’ includes advance pharmaceutical allowance under the Veterans’ Entitlements Act;  
5 ‘**pharmaceutical allowance**’ includes pharmaceutical allowance under the Veterans’ Entitlements Act.

*Amount of pharmaceutical allowance*

“1068-D10. The amount of pharmaceutical allowance is the amount per fortnight worked out using the following Table:

PHARMACEUTICAL ALLOWANCE AMOUNT TABLE		
column 1 item	column 2 person's family situation	column 3 amount per fortnight
1.	Not member of a couple	\$5.20
2.	Partnered	\$2.60
3.	Member of an illness separated or respite care couple	\$5.20
4.	Partnered (partner getting service pension)	\$2.60

Note: the amounts in column 3 are indexed or adjusted annually in line with CPI increases (see sections 1191 to 1194 and 1206A).”.

10 ***Division 10—Automatic termination or variation***

80. After section 75 of the Principal Act the following section is inserted in Subdivision C of Division 8 of Part 2.2:

**Changes to payments by computer following automatic termination or reduction**

15 “75A. If:

- (a) a person is receiving an age pension on the basis of data in a computer; and
- (b) the pension is automatically terminated or the pension rate is automatically reduced by the operation of a provision of this Act; and
- 20 (c) the automatic termination or reduction is given effect to by the operation of a computer program approved by the Secretary

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stopping payment or reducing the rate of payment of the pension;

there is taken to be a decision by the Secretary that the automatic termination or rate reduction provision applies to the person's pension.

Note: the decision that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247)."

**Changes to payments by computer**

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**81.** Section 78B of the Principal Act is amended by adding at the end the following Note:

"Note: the determination that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247)."

**82.** After section 143 of the Principal Act the following section is inserted in Subdivision C of Division 9 of Part 2.3:

**Changes to payments by computer following automatic termination or reduction**

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"143A. If:

(a) a person is receiving a disability support pension on the basis of data in a computer; and

(b) the pension is automatically terminated or the pension rate is automatically reduced by the operation of a provision of this Act; and

(c) the automatic termination or reduction is given effect to by the operation of a computer program approved by the Secretary stopping payment or reducing the rate of payment of the pension;

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there is taken to be a decision by the Secretary that the automatic termination or rate reduction provision applies to the person's pension.

Note: the decision that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247)."

**Changes to payments by computer**

**83.** Section 146B of the Principal Act is amended by adding at the end the following Note:

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"Note: the determination that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247)."

**84.** After section 179 of the Principal Act the following section is inserted in Subdivision C of Division 8 of Part 2.4:



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**Changes to payments by computer following automatic termination or reduction**

“179A. If:

- 5 (a) a woman is receiving a wife pension on the basis of data in a computer; and
- (b) the pension is automatically terminated or the pension rate is automatically reduced by the operation of a provision of this Act; and
- 10 (c) the automatic termination or reduction is given effect to by the operation of a computer program approved by the Secretary stopping payment or reducing the rate of payment of the pension;

there is taken to be a decision by the Secretary that the automatic termination or rate reduction provision applies to the woman’s pension.

Note: the decision that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247).”.

15 **Changes to payments by computer**

**85.** Section 182B of the Principal Act is amended by adding at the end the following Note:

“Note: the determination that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247).”.

**86.** After section 228 of the Principal Act the following section is inserted in Subdivision C of Division 8 of Part 2.5:

20 **Changes to payments by computer following automatic termination or reduction**

“228A. If:

- 25 (a) a person is receiving a carer pension on the basis of data in a computer; and
- (b) the pension is automatically terminated or the pension rate is automatically reduced by the operation of a provision of this Act; and
- 30 (c) the automatic termination or reduction is given effect to by the operation of a computer program approved by the Secretary stopping payment or reducing the rate of payment of the pension;

there is taken to be a decision by the Secretary that the automatic termination or rate reduction provision applies to the person’s pension.

Note: the decision that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247).”.

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**Changes to payments by computer**

**87.** Section 231B of the Principal Act is amended by adding at the end the following Note:

“Note: the determination that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247).”.

**88.** After section 292 of the Principal Act the following section is inserted in Subdivision C of Division 8 of Part 2.6:

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**Changes to payments by computer following automatic termination or reduction**

“292A. If:

- (a) a person is receiving a sole parent pension on the basis of data in a computer; and
- (b) the pension is automatically terminated or the pension rate is automatically reduced by the operation of a provision of this Act; and
- (c) the automatic termination or reduction is given effect to by the operation of a computer program approved by the Secretary stopping payment or reducing the rate of payment of the pension;

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there is taken to be a decision by the Secretary that the automatic termination or rate reduction provision applies to the person’s pension.

Note: the decision that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247).”.

**Changes to payments by computer**

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**89.** Section 295B of the Principal Act is amended by adding at the end the following Note:

“Note: the determination that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247).”.

**90.** After section 349 of the Principal Act the following section is inserted in Subdivision C of Division 8 of Part 2.7:

**Changes to payments by computer following automatic termination or reduction**

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“349A. If:

- (a) a person is receiving a widowed person allowance on the basis of data in a computer; and
- (b) the allowance is automatically terminated or the allowance rate is automatically reduced by the operation of a provision of this Act; and

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- (c) the automatic termination or reduction is given effect to by the operation of a computer program approved by the Secretary stopping payment or reducing the rate of payment of the allowance;
- 5 there is taken to be a decision by the Secretary that the automatic termination or rate reduction provision applies to the person's allowance.

Note: the decision that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247)."

**Changes to payments by computer**

**91.** Section 352B of the Principal Act is amended by adding at the end the following Note:

"Note: the determination that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247)."

- 10 **92.** After section 397 of the Principal Act the following section is inserted in Subdivision C of Division 8 of Part 2.8:

**Changes to payments by computer following automatic termination or reduction**

"397A. If:

- 15 (a) a woman is receiving a widow B pension on the basis of data in a computer; and
- (b) the pension is automatically terminated or the pension rate is automatically reduced by the operation of a provision of this Act; and
- 20 (c) the automatic termination or reduction is given effect to by the operation of a computer program approved by the Secretary stopping payment or reducing the rate of payment of the pension;

25 there is taken to be a decision by the Secretary that the automatic termination or rate reduction provision applies to the woman's pension.

Note: the decision that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247)."

**Changes to payments by computer**

**93.** Section 400B of the Principal Act is amended by adding at the end the following Note:

"Note: the determination that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247)."

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**94.** After section 583 of the Principal Act the following section is inserted in Subdivision C of Division 8 of Part 2.11:

**Changes to payments by computer following automatic termination or reduction**

“583A. If: 5

- (a) a person is receiving a job search allowance on the basis of data in a computer; and
- (b) the allowance is automatically terminated or the allowance rate is automatically reduced by the operation of a provision of this Act; and 10
- (c) the automatic termination or reduction is given effect to by the operation of a computer program approved by the Secretary stopping payment or reducing the rate of payment of the allowance;

there is taken to be a decision by the Secretary that the automatic termination or rate reduction provision applies to the person’s allowance. 15

Note: the decision that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247).”.

**Changes to payments by computer**

**95.** Section 586B of the Principal Act is amended by adding at the end the following Note:

“Note: the determination that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247).”.

**96.** After section 660F of the Principal Act the following section is inserted in Subdivision C of Division 8 of Part 2.12: 20

**Changes to payments by computer following automatic termination or reduction**

“660FA. If: 25

- (a) a person is receiving a newstart allowance on the basis of data in a computer; and
- (b) the allowance is automatically terminated or the allowance rate is automatically reduced by the operation of a provision of this Act; and
- (c) the automatic termination or reduction is given effect to by the operation of a computer program approved by the Secretary stopping payment or reducing the rate of payment of the allowance; 30

there is taken to be a decision by the Secretary that the automatic termination or rate reduction provision applies to the person’s allowance. 35

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Note: the decision that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247).”.

**Changes to payments by computer**

**97.** Section 660IB of the Principal Act is amended by adding at the end the following Note:

“Note: the determination that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247).”.

5 **98.** After section 728H of the Principal Act the following section is inserted in Subdivision C of Division 8 of Part 2.14:

**Changes to payments by computer following automatic termination or reduction**

“728HA. If:

- 10 (a) a person is receiving a sickness allowance on the basis of data in a computer; and
- (b) the allowance is automatically terminated or the allowance rate is automatically reduced by the operation of a provision of this Act; and
- 15 (c) the automatic termination or reduction is given effect to by the operation of a computer program approved by the Secretary stopping payment or reducing the rate of payment of the allowance;

there is taken to be a decision by the Secretary that the automatic termination or rate reduction provision applies to the person’s allowance.

Note: the decision that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247).”.

20 **Changes to payments by computer**

**99.** Section 728N of the Principal Act is amended by adding at the end the following Note:

“Note: the determination that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247).”.

**100.** After section 815 of the Principal Act the following section is inserted in Subdivision C of Division 9 of Part 2.16:

25 **Changes to payments by computer following automatic termination or reduction**

“815A. If:

- (a) a person is receiving a special needs pension on the basis of data in a computer; and

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- (b) the pension is automatically terminated or the pension rate is automatically reduced by the operation of a provision of this Act; and
- (c) the automatic termination or reduction is given effect to by the operation of a computer program approved by the Secretary stopping payment or reducing the rate of payment of the pension;

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there is taken to be a decision by the Secretary that the automatic termination or rate reduction provision applies to the person's pension.

Note: the decision that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247)."

**Changes to payments by computer**

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**101.** Section 818B of the Principal Act is amended by adding at the end the following Note:

"Note: the determination that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247)."

**102.** After section 877 of the Principal Act the following section is inserted in Subdivision C of Division 9 of Part 2.17:

**Changes to payments by computer following automatic termination or reduction**

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"877A. If:

- (a) a person is receiving a family payment on the basis of data in a computer; and
- (b) the family payment is automatically terminated or the family payment rate is automatically reduced by the operation of a provision of this Act; and
- (c) the automatic termination or reduction is given effect to by the operation of a computer program approved by the Secretary stopping payment or reducing the rate of payment of the family payment;

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there is taken to be a decision by the Secretary that the automatic termination or rate reduction provision applies to the person's family payment.

Note: the decision that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247)."

**Changes to payments by computer**

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**103.** Section 882 of the Principal Act is amended by adding at the end the following Note:

"Note: the determination that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247)."

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**104.** After section 984 of the Principal Act the following section is inserted in Subdivision C of Division 9 of Part 2.19:

**Changes to payments by computer following automatic termination or reduction**

5       “984A. If:

- (a) a person is receiving a child disability allowance on the basis of data in a computer; and
- 10       (b) the allowance is automatically terminated or the allowance rate is automatically reduced by the operation of a provision of this Act; and
- (c) the automatic termination or reduction is given effect to by the operation of a computer program approved by the Secretary stopping payment or reducing the rate of payment of the allowance;

15       there is taken to be a decision by the Secretary that the automatic termination or rate reduction provision applies to the person’s allowance.

Note: the decision that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247).”.

**Changes to payments by computer**

**105.** Section 987B of the Principal Act is amended by adding at the end the following Note:

“Note: the determination that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247).”.

20       **106.** After section 1028 of the Principal Act the following section is inserted in Subdivision B of Division 9 of Part 2.20:

**Changes to payments by computer following automatic termination**

“1028A. If:

- 25       (a) a person is receiving a double orphan pension on the basis of data in a computer; and
- (b) the pension is automatically terminated by the operation of a provision of this Act; and
- 30       (c) the automatic termination is given effect to by the operation of a computer program approved by the Secretary stopping payment of the pension;

there is taken to be a decision by the Secretary that the automatic termination provision applies to the person’s pension.

Note: the decision that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247).”.

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**Changes to payments by computer**

**107.** Section 1029B of the Principal Act is amended by adding at the end the following Note:

“Note: the determination that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247).”.

**108.** After section 1058 of the Principal Act the following section is inserted in Subdivision B of Division 8 of Part 2.21:

5

**Changes to payments by computer following automatic termination**

“1058A. If:

- (a) a person is receiving a mobility allowance on the basis of data in a computer; and
- (b) the allowance is automatically terminated by the operation of a provision of this Act; and
- (c) the automatic termination is given effect to by the operation of a computer program approved by the Secretary stopping payment of the allowance;

10

there is taken to be a decision by the Secretary that the automatic termination provision applies to the person’s allowance.

15

Note: the decision that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247).”.

**Changes to payments by computer**

**109.** Section 1059B of the Principal Act is amended by adding at the end the following Note:

“Note: the determination that is taken to have been made is a decision of an officer for the purposes of review by the Secretary (see sections 1239 and 1240) and the Social Security Appeals Tribunal (see section 1247).”.

**Secretary may review decisions**

20

**110.** Section 1239 of the Principal Act is amended by adding at the end of subsection (1) the following Note:

“Note: if a payment made under Chapter 2 of this Act is stopped or the rate of payment is varied because of the operation of a computer program there will still be a decision of an officer for review purposes. Sections 75A, 143A, 179A, 228A, 292A, 349A, 397A, 583A, 660FA, 728HA, 815A, 877A, 984A, 1028A and 1058A provide that there is a decision of the Secretary where the Act operates automatically to terminate or reduce the rate of a pension, benefit or allowance. Where the Secretary could have made a determination to suspend or cancel, or increase or reduce the rate of, a pension, benefit or allowance, sections 78B, 146B, 182B, 231B, 295B, 352B, 400B, 586B, 660IB, 728N, 818B, 882, 987B, 1029B and 1059B provide that the determination is taken to have been made.”.



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**Application for review**

**111.** Section 1240 of the Principal Act is amended by adding at the end of subsection (1) the following Note:

“Note: if a payment made under Chapter 2 of this Act is stopped or the rate of payment is varied because of the operation of a computer program there will still be a decision of an officer for review purposes. Sections 75A, 143A, 179A, 228A, 292A, 349A, 397A, 583A, 660FA, 728HA, 815A, 877A, 984A, 1028A and 1058A provide that there is a decision of the Secretary where the Act operates automatically to terminate or reduce the rate of a pension, benefit or allowance. Where the Secretary could have made a determination to suspend or cancel, or increase or reduce the rate of, a pension, benefit or allowance, sections 78B, 146B, 182B, 231B, 295B, 352B, 400B, 586B, 660IB, 728N, 818B, 882, 987B, 1029B and 1059B provide that the determination is taken to have been made.”

**Application for review by SSAT**

5 **112.** Section 1247 of the Principal Act is amended by adding at the end of subsection (1) the following Note:

“Note: if a payment made under Chapter 2 of this Act is stopped or the rate of payment is varied because of the operation of a computer program there will still be a decision of an officer for review purposes. Sections 75A, 143A, 179A, 228A, 292A, 349A, 397A, 583A, 660FA, 728HA, 815A, 879A, 936A, 1028A and 1058A provide that there is a decision of the Secretary where the Act operates automatically to terminate or reduce the rate of a pension, benefit or allowance. Where the Secretary could have made a determination to suspend or cancel, or increase or reduce the rate of, a pension, benefit or allowance, sections 78B, 146B, 182B, 231B, 295B, 352B, 400B, 586B, 660IB, 728N, 818B, 882, 987B, 1029B and 1059B provide that the determination is taken to have been made.”

***Division 11—Disposal of assets***

***Assets test definitions***

10 **113.** Section 11 of the Principal Act is amended by inserting after subsection (10) the following subsection:

***Pre-pension year—disposal of assets***

“(10A) A reference in sections 1124A and 1125A (disposal of assets) to a **pre-pension year**, in relation to a person who is claiming:

- 15 (a) a social security or service pension; or  
(b) a social security benefit; or  
(c) a family payment;

is a reference to the period of 12 months finishing on the day that is the person’s provisional commencement day and each preceding period of 12 months.”

20 **Treatment of transactions that constitute both a disposal of ordinary income and a disposal of assets**

**114.** Section 1110 of the Principal Act is amended:

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

“(1A) If:

- (a) this section applies; and

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- (b) an amount is not included in the value of the person's assets under section 1124A or 1125A because of the disposition of the asset;
- an amount is not, for the purposes of sections 1108 and 1109, to be included in the person's ordinary income because of the disposition of ordinary income." 5
- (b) by inserting after subsection (2) the following subsection:
- “(2A) If:
- (a) this section applies; and
- (b) the amount that is included in the value of the person's assets under section 1124A or 1125A because of the disposition of the asset is: 10
- (i) if section 1125A applies—less than 50% of the amount of the disposition of the asset; or
- (ii) if section 1124A applies—less than the amount of the disposition of the asset; 15
- the amount to be included in the person's ordinary income because of the disposition of ordinary income is to be worked out disregarding so much of the amount of the disposition of ordinary income as the Secretary decides is attributable to the part of the amount of the disposition of the asset that is not included in the value of the person's assets under section 1124A or 1125A.”. 20

115. After section 1124 of the Principal Act the following section is inserted: 25

**Disposal of assets in pre-pension years—individuals**

- “1124A.(1) Subject to subsection (2), if:
- (a) a person is not a member of a couple when the person claims a pension, benefit or payment of a kind referred to in subsection 11(10A); and 30
- (b) the person has, during a pre-pension year of the person, disposed of an asset of the person; and
- (c) the amount of that disposition, or the sum of that amount and of the amounts (if any) of other dispositions of assets previously made by the person during that pre-pension year, exceeds the disposal limit; 35
- then, for the purposes of determining whether a pension, benefit or payment is payable to the person, there is to be included in the value of the person's assets for the period of 5 years that starts on the day on which the disposition took place: 40
- (d) the amount by which the sum of the amount of the first-mentioned disposition of assets and of the amounts (if any) of

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other dispositions of assets previously made by the person during that pre-pension year exceeds the disposal limit; or

(e) the amount of the first-mentioned disposition;

whichever is the lesser amount.

Note 1: for 'disposes of assets' see section 1123.

Note 2: for 'amount of disposition' see section 1124.

Note 3: for the effect of a transaction that constitutes both a disposal of an asset and a disposal of ordinary income see section 1110.

Note 4: if a pension, benefit or family payment is payable to the person, section 1125 operates to determine the rate of payment and section 1124A ceases to apply to the person.

5       “(2) If:

(a) a person disposes of an asset before 1 March 1991; and

(b) an amount (the ‘**relevant amount**’) is included in the value of the person’s assets under subsection (1) because of the disposition;

10   the amount that is to be included in that value under that subsection is to be reduced, on each anniversary of the day on which the disposition took place, by an amount equal to 10% of the relevant amount.

Note 1: for 'disposes of assets' see section 1123.

Note 2: for 'amount of disposition' see section 1124.

      “(3) In this section:

‘**disposal limit**’ means:

15       (a) in relation to assets disposed of on or after 1 March 1986 and before 1 March 1991—\$2,000; and

(b) in relation to assets disposed of on or after 1 March 1991—\$10,000.”.

20   **116.** After section 1125 of the Principal Act the following section is inserted:

**Disposal of assets in pre-pension years—members of couples**

“1125A.(1) Subject to subsections (2), (3), (4) and (5), if:

(a) a person has disposed of an asset; and

25       (b) the person is a member of a couple when the person or the person’s partner claims a pension, benefit or payment of a kind referred to in subsection 11(10A); and

(c) the person disposed of the asset:

(i) during a pre-pension year of the person; or

30       (ii) if the person has not claimed a pension, benefit or payment of a kind referred to in subsection 11(10A) but the person’s partner has claimed such a pension, benefit or payment—during a pre-pension year of the person’s partner; and

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- (d) the amount of that disposition, or the sum of that amount and the amounts (if any) of other dispositions of assets previously made by the person or the person's partner during that pre-pension year, exceeds the disposal limit;
- then, for the purposes of determining whether a pension, benefit or payment is payable to the person: 5
- (e) there is to be included in the value of the person's assets for the period of 5 years that starts on the day on which the disposition took place:
- (i) 50% of the amount by which the sum of the amount of the first-mentioned disposition and of the amounts (if any) of other dispositions of assets previously made by the person or the person's partner during that pre-pension year exceeds the disposal limit; or 10
- (ii) 50% of the amount of the first-mentioned disposition; 15
- whichever is the lesser amount; and
- (f) there is to be included in the value of the assets of the person's partner for the period of 5 years that starts on the day on which the disposition took place:
- (i) 50% of the amount by which the sum of the amount of the first-mentioned disposition and of the amounts (if any) of other dispositions of assets previously made by the person or the person's partner during that pre-pension year exceeds the disposal limit; or 20
- (ii) 50% of the amount of the first-mentioned disposition; 25
- whichever is the lesser amount.

Note 1: for 'disposes of assets' see section 1123.

Note 2: for 'amount of disposition' see section 1124.

Note 3: for the effect of a transaction that constitutes both a disposal of an asset and a disposal of ordinary income see section 1110.

Note 4: if a pension, benefit or family payment is payable to the person, section 1126 operates to determine the rate of payment and section 1125A ceases to apply to the person.

“(2) If:

- (a) a person disposes of an asset before 1 March 1991; and
- (b) an amount (the 'relevant amount') is included in the value of the person's or the person's partner's assets under subsection (1) because of the disposition; 30

the amount that is to be included in that value under that subsection is to be reduced, on each anniversary of the day on which the disposition took place, by an amount equal to 10% of the relevant amount.

Note 1: for 'disposes of assets' see section 1123.

Note 2: for 'amount of disposition' see section 1124.

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“(3) If:

5 (a) amounts are included under subsection (1) in the value of a person’s assets who is a member of a couple and in the assets of the person’s partner because of a disposition of an asset by the person; and

(b) the person and the person’s partner cease to be members of the same couple;

10 any amount that was included in the value of the person’s former partner’s assets because of that disposition is to be included in the value of the person’s assets.

“(4) If:

15 (a) an amount is included under subsection (1) in the value of the assets of a person who is a member of a couple and the value of the assets of the person’s partner because of a disposition of an asset by the person; and

(b) the person dies;

an amount is not to be included in the value of the assets of the person’s partner because of that disposition..

“(5) If:

20 (a) an amount is included under subsection (1) in the value of the assets of a person who is a member of a couple and the value of the assets of the person’s partner because of a disposition of an asset by the person; and

(b) the partner dies;

25 any amount that would, if the partner had not died, be included in the value of the partner’s assets because of the disposition is to be included in the value of the person’s assets.

“(6) In this section:

‘disposal limit’ means:

30 (a) in relation to assets disposed of on or after 1 March 1986 and before 1 March 1991—\$4,000; and

(b) in relation to assets disposed of on or after 1 March 1991—\$10,000.”.

***Division 12—Tax file numbers***

**35 Provision of tax file number**

117. Section 527 of the Principal Act is amended by omitting from subsection (1) the Note and substituting the following Notes:

“Note 1: the Secretary can require a claimant for job search allowance to quote the claimant’s tax file number under section 554B.

Note 2: the Secretary can require a recipient of job search allowance to quote the recipient’s tax file number under section 572A.”.

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118. Before section 555 of the Principal Act the following section is inserted:

**Secretary may require claimant to give statement of claimant's tax file number**

“554B. The Secretary may require a claimant for job search allowance to give the Secretary a written statement of the claimant's tax file number.”. 5

119. Before section 573 of the Principal Act the following section is inserted in Division 7 of Part 2.11:

**Secretary may require recipient to give statement of recipient's tax file number** 10

“572A. The Secretary may require a recipient of job search allowance to give the Secretary a written statement of the recipient's tax file number.”.

**Provision of tax file number** 15

120. Section 609 of the Principal Act is amended by omitting from subsection (1) the Note and substituting the following Notes:

“Note 1: the Secretary can require a claimant for a newstart allowance to quote the claimant's tax file number under section 638B.

Note 2: the Secretary can require a recipient of a newstart allowance to quote the recipient's tax file number under section 655A.”. 20

121. Before section 639 of the Principal Act the following section is inserted:

**Secretary may require claimant to give statement of claimant's tax file number** 25

“638B. The Secretary may require a claimant for a newstart allowance to give the Secretary a written statement of the claimant's tax file number.”.

122. Before section 656 of the Principal Act the following section is inserted in Division 7 of Part 2.12: 30

**Secretary may require recipient to give statement of recipient's tax file number**

“655A. The Secretary may require a recipient of a newstart allowance to give the Secretary a written statement of the recipient's tax file number.”. 35

**Provision of tax file number**

123. Section 678 of the Principal Act is amended by omitting from subsection (1) the Note and substituting the following Notes:

“Note 1: the Secretary can require a claimant for sickness allowance to quote the claimant's tax file number under section 704B.

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Note 2: the Secretary can require a recipient of sickness allowance to quote the recipient's tax file number under section 725A."

124. Before section 705 of the Principal Act the following section is inserted:

**Secretary may require claimant to give statement of claimant's tax file number**

5 "704B. The Secretary may require a claimant for sickness allowance to give the Secretary a written statement of the claimant's tax file number."

125. Before section 726 of the Principal Act the following section is inserted in Division 7 of Part 2.14:

10 **Secretary may require recipient to give statement of recipient's tax file number**

"725A. The Secretary may require a recipient of sickness allowance to give the Secretary a written statement of the recipient's tax file number."

15 **Division 13—Confidentiality**

126. After section 1312 of the Principal Act the following sections are inserted:

**Unauthorised access to protected information**

20 "1312A. A person must not knowingly obtain protected information, unless the person obtains the information:

- (a) if the person is an officer—in the course of exercising powers or performing duties or functions under this Act; or
- (b) in any other case—with lawful authority.

Penalty: Imprisonment for 2 years.

Note 1: subsection 4B(2) of the *Crimes Act 1914* allows a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment. If a body corporate is convicted of the offence, subsection 4B(3) of that Act allows a court to impose a fine of an amount that is not greater than 5 times the maximum fine that could be imposed by the court on an individual convicted of the same offence.

Note 2: for 'protected information' see subsection 23(1)."

25 **Protection of protected information—unauthorised access**

"1312B. A person must not, directly or indirectly:

- (a) make a record of; or
- (b) disclose to any other person; or
- (c) otherwise make use of;

30 any protected information which the person has obtained in contravention of section 1312A.

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**Penalty: Imprisonment for 2 years.**

Note 1: subsection 4B(2) of the *Crimes Act 1914* allows a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment. If a body corporate is convicted of the offence, subsection 4B(3) of that Act allows a court to impose a fine of an amount that is not greater than 5 times the maximum fine that could be imposed by the court on an individual convicted of the same offence.

Note 2: for 'protected information' see subsection 23(1)."

**Offences where protected information disclosed**

127. Section 1317 of the Principal Act is amended:

- (a) by inserting in subsection (1) "(including this section)" after "Division" (twice occurring); 5
- (b) by omitting from subsection (1) "or ought reasonably to know";
- (c) by omitting paragraph (1)(c) and substituting the following paragraphs:
  - "(c) he or she makes a record of the information; or
  - (d) he or she otherwise makes use of the information."; 10
- (d) by inserting after subsection (1) the following subsection:
  - "(1A) Without limiting subsection (1), a person is taken to have known that the disclosure of the protected information is in contravention of this Division (including this section) if:
    - (a) the information relates to the affairs of another person; 15
    - and
    - (b) the form or circumstances in which the information was disclosed would have led a reasonable person to believe that the information had come from the Department's records; and 20
    - (c) the circumstances in which the information was disclosed to the person would have led a reasonable person to believe that the disclosure of the information to the person was not authorised under this Act or the 1947 Act or by a person acting in accordance with this Act or the 1947 Act." 25

***Division 14—Debt recovery***

128. Section 1223 of the Principal Act is repealed and the following section is substituted:

**Debts arising under this Act and the 1947 Act** 30

*Recipient not qualified for payment and amount not payable*

"1223.(1) Subject to subsection (2), if:

- (a) an amount has been paid to a person by way of social security payment; and



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(b) the recipient was not qualified for the social security payment and the amount was not payable to the recipient; the amount so paid is a debt due to the Commonwealth.

*Certain amounts not debts*

- 5       “(2) Subsection (1) does not apply to an amount if:
- (a) the amount has been paid to a person in advance by way of social security benefit; and
  - (b) the amount has not been paid as a result of a person:
    - 10           (i) making a false statement or a false representation; or
    - (ii) failing or omitting to comply with a provision of this Act or the 1947 Act; and
  - (c) the amount has been paid in respect of a period of not more than 14 days; and
  - 15       (d) during that period the social security benefit ceased to be payable to the person.

*Recalculation of rate of family payment*

- “(3) Subject to subsection (4), if:
- (a) an amount has been paid to a person by way of family payment; and
  - 20       (b) either:
    - (i) the person’s rate of family payment should have been recalculated under section 885 (underestimate of taxable income) and that section applies to the determination; or
    - 25           (ii) the person’s rate of family payment should have been recalculated under section 886 (failure to notify notifiable event) and that section applies to the determination;
- the amount so paid is a debt due to the Commonwealth.

*Family payment recoverable after end of tax year*

- “(4) If:
- 30       (a) family payment is paid to a person in a tax year; and
  - (b) apart from this subsection an amount of family payment would become recoverable under subsection (3) before the end of the tax year; and
  - 35       (c) the amount would be recoverable because of an increase in the person’s taxable income;
- the amount is recoverable only after the end of the tax year.

Note: a person’s taxable income is defined in point 1070-D11. A person’s taxable income may increase, amongst other reasons, because the person underestimated his or her taxable income and the Commissioner of Taxation has made a subsequent assessment of the person’s taxable income.

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*Amount calculated using incorrect maximum payment rate—  
no social security payment payable*

“(5) If:

- (a) an amount (the ‘**received amount**’) has been paid to a person by way of social security payment; and 5
- (b) the social security payment is not payable to the person; and
- (c) the received amount was calculated using a maximum payment rate that was greater than the maximum payment rate that would have been used were the social security payment payable to the person; 10

the received amount is a debt due to the Commonwealth.

Note: a person’s maximum payment rate (except for family payment) is worked out by following the steps set out in the Method statement in Module A of each relevant Rate Calculator.

*Amount calculated using incorrect maximum payment rate—  
social security payment payable*

“(6) If:

- (a) an amount (the ‘**received amount**’) has been paid to a person by way of social security payment; and 5
- (b) the received amount is more than the amount (the ‘**correct amount**’) of the social security payment that is payable to the person; and
- (c) the received amount was calculated using a maximum payment rate that was greater than the maximum payment rate that was used to calculate the correct amount; 10

the difference between the received amount and the correct amount is a debt due to the Commonwealth.

Note: a person’s maximum payment rate (except for family payment) is worked out by following the Steps set out in the Method statement in Module A of each relevant Rate Calculator.

*Amount calculated using non-income/assets tested add-on amount—  
no add-on amount payable* 15

“(7) If:

- (a) an amount has been paid to a person by way of social security payment; and
- (b) the amount was calculated using: 20
  - (i) an amount of remote area allowance when an amount by way of remote area allowance was not payable; or
  - (ii) an amount of job search training supplement when a job search training supplement was not payable; or
  - (iii) an amount of newstart training supplement when a newstart training supplement was not payable; 25

each of the following amounts is a debt due to the Commonwealth:

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- (c) the amount of remote area allowance;
- (d) the amount of job search training supplement;
- (e) the amount of newstart training supplement.

5 *Amount calculated using incorrect non-income/assets tested add-on amount—add-on amount payable*

“(8) If:

- (a) an amount (the ‘**received amount**’) has been paid to a person by way of social security payment; and
- 10 (b) the received amount is more than the amount (the ‘**correct amount**’) of the social security payment that is payable to the person; and
- (c) the received amount was calculated using:
  - 15 (i) a rate of remote area allowance that was more than the rate of remote area allowance that was used to calculate the correct amount; or
  - (ii) an amount of job search training supplement that was greater than the rate of job search training supplement that was used to calculate the correct amount; or
  - 20 (iii) an amount of newstart training supplement that was greater than the rate of newstart training supplement that was used to calculate the correct amount;

the difference between the received amount and the correct amount is a debt due to the Commonwealth.

*Methods of recovery*

25 “(9) A debt due to the Commonwealth under this section is recoverable by the Commonwealth by means of:

- (a) if the person is receiving a social security payment under this Act—deductions from that person’s pension, benefit or allowance; or
- 30 (b) if section 1234A applies to another person who is receiving a social security payment under this Act—deductions from that other person’s pension, benefit or allowance; or
- (c) legal proceedings; or
- (d) garnishee notice.

Note 1: for ‘deductions’ see sections 1231 and 1234A.

Note 2: for ‘legal proceedings’ see section 1232.

Note 3: for ‘garnishee notice’ see section 1233.

35 *Application overseas*

“(10) This section extends to:

- (a) acts, omissions, matters and things outside Australia, whether or not in a foreign country; and

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(b) all persons irrespective of their nationality or citizenship.

*Meaning of social security payment*

“(11) In this section, unless the contrary intention appears:

‘social security payment’ means:

- (a) a social security pension; or 5
- (b) a social security benefit; or
- (c) an allowance under this Act; or
- (d) a family payment; or
- (e) any other kind of payment under Chapter 2 of this Act; or
- (f) a pension, benefit or allowance under the 1947 Act. 10

*Meaning of maximum payment rate in relation to family payment*

“(12) In this section:

‘maximum payment rate’, in relation to family payment, is worked out using the formula:

**basic family payment rate + provisional additional payment** 15

where:

‘basic family payment rate’ means the result obtained under Step 3 of the Method statement in point 1069-A1 of the Family Payment Rate Calculator in section 1069;

‘provisional additional payment’ means the result obtained under Step 8 of the Method statement in point 1069-A1 of the Family Payment Rate Calculator in section 1069.”. 20

***Division 15—Special benefit***

**Qualification for special benefit**

129. Section 729 of the Principal Act is amended: 25

- (a) by inserting after paragraph (2)(f) the following paragraph:  
“(fa) the person is in Australia throughout the period; and”;
- (b) by adding at the end the following subsection:

“(5) For the purposes of paragraph (2)(fa), if:

- (a) a person is temporarily absent from Australia; and 30
- (b) the Secretary is satisfied that the person’s absence is due to exceptional circumstances;

the person is taken to be in Australia during:

- (c) if the period does not exceed 13 weeks—the whole of that period; or 35
- (d) if the period exceeds 13 weeks—the first 13 weeks of that period.”.

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**Benefits and family payments not portable**

130. Section 1211 of the Principal Act is amended:

- 5 (a) by omitting “513(b), 589(1)(b), 666(1)(h), 729(2)(f)” and substituting “513(1)(c), 513(1A)(f), 593(1)(g), 593(2)(g), 666(1)(h), 729(2)(fa)”;
- (b) by omitting from Note 1 “672” and substituting “674”;
- (c) by omitting from Note 1 “if” and substituting “and section 667 (qualification for sickness allowance when undertaking rehabilitation program) if”;
- 10 (d) by adding at the end the following Note:

“Note 3: subsection 729(5) provides that a person is taken to be in Australia for the purposes of paragraph 729(2)(fa) (qualification for special benefit) if the person is temporarily absent from Australia due to exceptional circumstances for a period of 13 weeks or less.”.

***Division 16—Sole parent pension***

**Qualification for sole parent pension**

131. Section 249 of the Principal Act is amended:

- 15 (a) by omitting from subsection (1) “A” and substituting “Subject to subsection (1A), a”;
- (b) by inserting after subsection (1) the following subsections:
- “**(1A)** A person is not qualified for sole parent pension if:
- 20 (a) the person is living with a person of the opposite sex (the ‘partner’); and
- (b) the relationship between the person and the partner is, in the Secretary’s opinion, a marriage-like relationship; and
- (c) either the person or the partner is under the age of consent applicable in the State or Territory in which they live.
- 25

Note: subparagraph 4(2)(b)(iv) provides that a person cannot be a member of a couple if the person or the person’s partner is under the age of consent. Subsection 249(1A) is necessary to prevent such a person from being qualified for sole parent pension.

“(1B) In forming an opinion for the purposes of paragraph (1A)(b), the Secretary is to have regard to all the circumstances of the relationship, including, in particular, the matters referred to in paragraphs 4(3)(a) to (e).”.

30 **Rate of sole parent pension, widowed person allowance and widow B pension**

132. Section 1066 of the Principal Act is amended by adding at the end of subsection (3) the following Note:

“Note 2: a person to whom this subsection applies is not qualified for sole parent pension: see subsection 249(1A).”.

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***Division 17—Job search allowance and newstart allowance (reservists)***

**Qualification for job search allowance**

**133.(1)** Section 513 of the Principal Act is amended:

(a) by inserting after subparagraph (1)(c)(iii) the following Note:

“Note: see subsection (3).”;

(b) by inserting after subparagraph (2)(c)(iii) the following Note: 5

“Note: see subsection (3).”;

(c) by adding at the end the following subsection:

“(3) A person is not disqualified for job search allowance because of being outside Australia during a period if the person is attending a training camp during that period as a member of: 10

(a) the Australian Naval Reserve; or

(b) the Naval Emergency Reserve Forces; or

(c) the Australian Army Reserve; or

(d) the Australian Air Force Reserve; or

(e) the Air Force Emergency Force; or 15

(f) the Army Individual Emergency Reserve.

Note: see also section 523 which relieves people attending these training camps from the activity test.”.

(2) Subsection 513(3) of the Principal Act inserted by paragraph (1)(c) comes before subsection 513(4) of that Act inserted by subsection 5(1) of this Act.

**Relief from activity test—general 20**

**134.** Section 523 of the Principal Act is amended by adding at the end of subsection (1) the following Note:

“Note: subsection 513(3) relieves people attending these training camps from the requirement of being in Australia to qualify for job search allowance.”.

**Qualification for newstart allowance**

**135.(1)** Section 593 of the Principal Act is amended:

(a) by inserting after subparagraph (1)(g)(iii) the following Note: 25

“Note: see subsection (3).”;

(b) by inserting after subparagraph (2)(g)(iii) the following Note:

“Note: see subsection (3).”;

(c) by adding at the end the following subsection:

“(3) A person is not disqualified for newstart allowance because of being outside Australia during a period if the person

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is attending a training camp during that period as a member of:

- (a) the Australian Naval Reserve; or
- (b) the Naval Emergency Reserve Forces; or
- 5 (c) the Australian Army Reserve; or
- (d) the Australian Air Force Reserve; or
- (e) the Air Force Emergency Force; or
- (f) the Army Individual Emergency Reserve.

Note: see also section 603 which relieves people attending these training camps from the activity test.”.

- 10 (2) Subsection 593(3) of the Principal Act inserted by paragraph (1)(c) comes before subsection 593(4) of that Act inserted by subsection 6(1) of this Act.

**Relief from activity test—general**

136. Section 603 of the Principal Act is amended by adding at the end of subsection (1) the following Note:

“Note: subsection 593(3) relieves people attending these training camps from the requirement of being in Australia to qualify for newstart allowance.”.

15 ***Division 18—Parental means test (exempt spousal maintenance income)***

**General definitions**

137. Section 23 of the Principal Act is amended by omitting from subsection (1) the definition of “**exempt income**” and substituting the following definition:

- 20 “**‘exempt spousal maintenance income’** means exempt income under paragraph 23(1) of the Income Tax Assessment Act but does not include maintenance payments for the benefit of:

- (a) a person who is or has been a child of the maintenance payer;  
or
- 25 (b) a person who is or has been a child of another person at a time when that other person is or was the spouse of the maintenance payer;

Note: ‘exempt income’ in paragraph 23(1) of the Income Tax Assessment Act includes both spousal maintenance and child maintenance payments.”.

**Rate of job search allowance (under 18) and sickness allowance (under 18)**

- 30 138. Benefit Rate Calculator A in section 1067 of the Principal Act is amended:

- (a) by inserting in point 1067-G12 “spousal maintenance” after “exempt” (in both the body of the point and in Note 2);

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- (b) by inserting in point 1067-G13 “spousal maintenance” after “exempt” (in both the body of the point and in Note 2);
- (c) by inserting in point 1067-G14 “spousal maintenance” after “exempt” (in both the body of the point and in Note 2).

***Division 19—Sickness allowance***

5

**Person undertaking rehabilitation program may qualify for sickness allowance**

**139.** Section 667 of the Principal Act is amended:

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

10

“(1) A person is qualified for sickness allowance in respect of a period if:

- (a) the person is undertaking a rehabilitation program during the period; and
- (b) the program is intended to enhance the person’s ability to work; and
- (c) the person’s participation in the program is, or is likely to be, at least 6 weeks; and
- (d) the person’s participation in the program is, or is likely, to end within the period of 208 weeks after the allowance commences to be payable to the person; and
- (e) subsection (4) or (4A) applies to the person; and
- (f) subsection (3) does not apply to the person.”;

15

20

- (b) by inserting after paragraph (3)(c) the following paragraph:

“(ca) the length of the person’s participation in the program is, or is likely to be, at least 6 weeks; and”;

25

- (c) by omitting from paragraph (3)(e) “subsection (4)” and substituting “subsection (4) or (4A)”;

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

“(4A) This subsection applies to a person during a period if:

30

- (a) before the period begins, the person has turned 15 but has not turned 16; and
- (b) the person satisfies paragraphs 666(1A)(f), (g) and (h).”.

**Time limit on qualification for sickness allowance**

**140.** Section 669 of the Principal Act is amended by adding at the end the following subsection:

35

“(7) If:

- (a) a person is receiving sickness allowance; and



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- (b) the person gives the Secretary a certificate referred to in paragraph (5)(b) before the end of the person's maximum allowance period; and
- 5 (c) before the end of the person's maximum allowance period, the Secretary does not satisfy himself or herself that the person's incapacity for work will continue after the end of that period; and
- 10 (d) the sole or dominant cause of the Secretary failing to satisfy himself or herself is an act or omission of an officer of the Department;
- the Secretary may extend the person's maximum allowance period by a period of not more than 4 weeks.

Note: if the person's maximum allowance period is extended under this subsection, the Secretary may further extend the person's maximum allowance period under subsection (5)."

**Full-time students**

15 **141.** Section 685 of the Principal Act is amended by omitting paragraph (2)(a) and substituting the following paragraph:

"(a) a person is enrolled in a full-time course of education that is part of a rehabilitation program that the Secretary has required the person to undertake under section 697; or"

**Commencement of sickness allowance**

20 **142.** Section 688 of the Principal Act is amended by adding at the end the following subsections:

"(8) If:

- (a) a person's maximum allowance period ends; and
- 25 (b) the person does not give the Secretary a certificate referred to in paragraph 669(5)(b) before the end of the person's maximum allowance period; and
- (c) the sole dominant cause of the person failing to give the Secretary the certificate before the end of the person's maximum allowance period is either:
- 30 (i) the person's medical condition; or
- (ii) an act or omission of an officer of the Department; and
- (d) after the end of the person's maximum allowance period, the person claims the allowance in respect of the incapacity for which the allowance was previously granted;
- 35 the allowance is not payable to the person before the day determined by the Secretary.

Note: for 'maximum allowance period' see subsection 696(2).

"(9) The day determined under subsection (8) must not be more than 4 weeks before the day on which the person lodges the claim for the allowance."

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**Division 20—Offences**

**Omission of subsections**

**143.** The following subsections of the Principal Act are omitted:

Subsections 68(6), 69(6), 132(6), 133(6), 172(6), 173(6), 222(6), 223(6),  
263(5), 282(5), 284(6), 285(6), 341(6), 342(6), 389(6), 390(6), 574(6),  
575(6), 657(6), 658(6), 727(6), 728(6), 759(6), 760(6), 808(6), 809(6),  
872(7), 873(6), 978(6), 979(6), 1023(6), 1024(6), 1054(6), 1055(6),  
1061Y(7) and 1061Z(6).

5

**General power to obtain information**

**144.** Section 1304 of the Principal Act is amended by omitting subsection (7) (other than the penalty) and substituting the following subsection:

10

“(7) A person must not, without reasonable excuse, refuse or fail to comply with a notice under this section to the extent that the person is capable of complying with it.”.

15

**Power to obtain information from a person who owes a debt to the Commonwealth**

**145.** Section 1305 of the Principal Act is amended by omitting subsection (5) (other than the penalty) and substituting the following subsection:

20

“(5) A person must not, without reasonable excuse, refuse or fail to comply with a notice under this section to the extent that the person is capable of complying with it.”.

**Power to obtain information about a person who owes a debt to the Commonwealth**

25

**146.** Section 1306 of the Principal Act is amended by omitting subsection (5) (other than the penalty) and substituting the following subsection:

“(5) A person must not, without reasonable excuse, refuse or fail to comply with a notice under this section to the extent that the person is capable of complying with it.”.

30

**Power to obtain information to verify claims etc.**

**147.** Section 1307 of the Principal Act is amended by omitting subsection (10) (other than the penalty) and substituting the following subsection:

35

“(10) A person must not, without reasonable excuse, refuse or fail to comply with a notice under this section to the extent that the person is capable of complying with it.”.

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***Division 21—Overseas portability.***

**Grant of pension or allowance when person outside Australia**

**148.** Section 1212 of the Principal Act is amended:

- 5 (a) by inserting in paragraph (3)(c) “or cessation” after “cancellation”;
- (b) by inserting after paragraph (3)(c) the following word and paragraph:  
“; and (d) within 3 months after the cancellation or cessation  
10 the person lodges a claim for the pension or allowance referred to in paragraph (c);”;
- (c) by omitting from subsection (3) “the pension or allowance referred to in paragraph (c)” and substituting “that pension or allowance”;
- (d) by inserting after subsection (3) the following subsection:  
15 “(3A) A person may lodge a claim for a pension or allowance referred to in paragraph (3)(c) if the person is outside Australia or in Australia.”;
- (e) by omitting from Note 2 “this subsection” and substituting “subsection (3)”;
- 20 (f) by omitting Note 5 and substituting the following Note:  
“Note 5: subparagraph (3)(c)(ii) and subsection (4) do not affect invalid pensions granted to a person before 12 November 1991—see clause 34A of Schedule 1A.”.

***Division 22—Employment entry payment***

**Sole parent pension recipients**

25 **149.** Section 664A of the Principal Act is amended by omitting paragraphs (a), (b), (c), (d), (e) and (f) of the definition of “threshold amount” in subsection (4) and substituting the following paragraphs:

- (a) was not a member of a couple; and  
(b) was not receiving rent assistance; and  
(c) was not receiving remote area allowance; and  
(d) had turned 21 but had not turned 60.”.

30 ***Division 23—Carer pension***

**Qualification for carer pension**

**150.** Section 198 of the Principal Act is amended by inserting after paragraph (1)(a) the following paragraph:

- 35 “(aa) provides the care in a private residence that is the home of the severely handicapped person; and”.

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**PART 3—FURTHER AMENDMENTS**

**New commencements**

**151.** The following provisions are taken to have commenced on 12 November 1991, immediately after the commencement of the *Social Security (Disability and Sickness Support) Amendment Act 1991*: 5

- (a) sections 83 and 91 of the *Social Security Legislation Amendment Act 1992*;
- (b) the amendments of subsections 146D(5) and 146F(2) and subparagraph 146Q(1)(b)(ii)(B) of the Principal Act in Part 2 of the Schedule to the *Social Security Legislation Amendment Act 1992*; 10
- (c) subsection 146D(5A) of the Principal Act.

**Repeal of amendments made by the *Social Security Legislation Amendment Act (No. 4) 1991***

**152.** The amendments of the Principal Act made by Part 3 of Schedule 1 to the *Social Security Legislation Amendment Act (No. 4) 1991* are taken to have been repealed on 29 June 1992. 15

**Amendment of the Principal Act**

**153.** The Principal Act is amended as set out in Schedules 1, 2, 3, 5, 6 and 7. 20

**Amendment of other Acts**

**154.** The Acts specified in Schedules 2 and 4 are amended as set out in those Schedules.

**New international agreement with the Republic of Cyprus**

**155.** The Principal Act is amended by adding at the end the Schedule set out in Schedule 8 to this Act. 25

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**SCHEDULE 1**

Section 153

**AMENDMENTS OF THE SOCIAL SECURITY ACT 1991  
RELATING TO PENALTIES**

**1. Subsection 68(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**2. Subsection 59(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**3. Subsection 132(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**4. Subsection 133(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**5. Subsection 172(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**6. Subsection 173(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

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**SCHEDULE 1—continued**

**7. Subsection 222(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**8. Subsection 223(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**9. Subsection 284(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**10. Subsection 285(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**11. Subsection 341(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**12. Subsection 342(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**13. Subsection 389(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

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**SCHEDULE 1—continued**

**14. Subsection 390(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**15. Subsection 574(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**16. Subsection 575(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**17. Subsection 657(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**18. Subsection 658(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**19. Subsection 727(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**20. Subsection 728(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

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**SCHEDULE 1—continued**

**21. Subsection 759(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**22. Subsection 760(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**23. Subsection 808(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**24. Subsection 809(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**25. Subsection 872(6):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**26. Subsection 873(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**27. Subsection 978(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.



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**SCHEDULE 1—continued**

**28. Subsection 979(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**29. Subsection 1023(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**30. Subsection 1024(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**31. Subsection 1054(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**32. Subsection 1055(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**33. Subsection 1061Y(6):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

**34. Subsection 1061Z(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 6 months.

Note: subsections 4B(2) and (3) of the *Crimes Act 1914* allow a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment.”.

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**SCHEDULE 1—continued**

**35. Section 1173:**

Omit the penalty, substitute:

“Penalty: Imprisonment for 12 months.

Note: subsection 4B(2) of the *Crimes Act 1914* allows a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment. If a body corporate is convicted of the offence, subsection 4B(3) of that Act allows a court to impose a fine of an amount that is not greater than 5 times the maximum fine that could be imposed by the court on an individual convicted of the same offence.”.

**36. Subsection 1176(1):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 12 months.

Note: subsection 4B(2) of the *Crimes Act 1914* allows a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment. If a body corporate is convicted of the offence, subsection 4B(3) of that Act allows a court to impose a fine of an amount that is not greater than 5 times the maximum fine that could be imposed by the court on an individual convicted of the same offence.”.

**37. Section 1178:**

Omit the penalty, substitute:

“Penalty: Imprisonment for 12 months.

Note: subsection 4B(2) of the *Crimes Act 1914* allows a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment. If a body corporate is convicted of the offence, subsection 4B(3) of that Act allows a court to impose a fine of an amount that is not greater than 5 times the maximum fine that could be imposed by the court on an individual convicted of the same offence.”.

**38. Subsection 1182(1):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 12 months.

Note: subsection 4B(2) of the *Crimes Act 1914* allows a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment. If a body corporate is convicted of the offence, subsection 4B(3) of that Act allows a court to impose a fine of an amount that is not greater than 5 times the maximum fine that could be imposed by the court on an individual convicted of the same offence.”.

**39. Subsection 1233(3):**

Omit the penalty and Note, substitute:

“Penalty: Imprisonment for 12 months.

Note 1: subsection 4B(2) of the *Crimes Act 1914* allows a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment. If a body corporate is convicted of the offence, subsection 4B(3) of that Act allows a court to impose a fine of an amount that is not greater than 5 times the maximum fine that could be imposed by the court on an individual convicted of the same offence.

Note 2: see also section 1230 (consequence of failure to comply with notice under this section).”.

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**SCHEDULE 1—continued**

**40. Subsection 1304(7):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 12 months.

Note: subsection 4B(2) of the *Crimes Act 1914* allows a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment. If a body corporate is convicted of the offence, subsection 4B(3) of that Act allows a court to impose a fine of an amount that is not greater than 5 times the maximum fine that could be imposed by the court on an individual convicted of the same offence.”.

**41. Subsection 1305(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 12 months.

Note: subsection 4B(2) of the *Crimes Act 1914* allows a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment. If a body corporate is convicted of the offence, subsection 4B(3) of that Act allows a court to impose a fine of an amount that is not greater than 5 times the maximum fine that could be imposed by the court on an individual convicted of the same offence.”.

**42. Subsection 1306(5):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 12 months.

Note: subsection 4B(2) of the *Crimes Act 1914* allows a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment. If a body corporate is convicted of the offence, subsection 4B(3) of that Act allows a court to impose a fine of an amount that is not greater than 5 times the maximum fine that could be imposed by the court on an individual convicted of the same offence.”.

**43. Subsection 1307(10):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 12 months.

Note: subsection 4B(2) of the *Crimes Act 1914* allows a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment. If a body corporate is convicted of the offence, subsection 4B(3) of that Act allows a court to impose a fine of an amount that is not greater than 5 times the maximum fine that could be imposed by the court on an individual convicted of the same offence.”.

**44. Subsection 1311(2):**

Omit the penalty and Note, substitute:

“Penalty: Imprisonment for 12 months.

Note 1: subsection 4B(2) of the *Crimes Act 1914* allows a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment. If a body corporate is convicted of the offence, subsection 4B(3) of that Act allows a court to impose a fine of an amount that is not greater than 5 times the maximum fine that could be imposed by the court on an individual convicted of the same offence.

Note 2: the statement could be relevant in determining a person’s claim for job search allowance, newstart allowance or special benefit. The statement may establish whether the person is affected by, for example, section 544 (unemployment due to voluntary act) or section 545 (unemployment due to misconduct) or their equivalents for newstart allowance and special benefit.”.

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**SCHEDULE 1—continued**

**45. Subsection 1312(1):**

Omit the penalty, substitute:

“Penalty: Imprisonment for 2 years.

Note: subsection 4B(2) of the *Crimes Act 1914* allows a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment. If a body corporate is convicted of the offence, subsection 4B(3) of that Act allows a court to impose a fine of an amount that is not greater than 5 times the maximum fine that could be imposed by the court on an individual convicted of the same offence.”.

**46. Section 1319:**

Omit the penalty, substitute:

“Penalty: Imprisonment for 2 years.

Note: subsection 4B(2) of the *Crimes Act 1914* allows a court to impose an appropriate fine instead of, or in addition to, a term of imprisonment. If a body corporate is convicted of the offence, subsection 4B(3) of that Act allows a court to impose a fine of an amount that is not greater than 5 times the maximum fine that could be imposed by the court on an individual convicted of the same offence.”.

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*Social Security Legislation Amendment  
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**SCHEDULE 2**

Sections 153 and 154

**AMENDMENTS CONCERNING FAMILY PAYMENT**

**PART 1—AMENDMENTS OF THE SOCIAL SECURITY  
(FAMILY PAYMENT) AMENDMENT ACT 1992, COMMENCING  
ON 26 JUNE 1992, IMMEDIATELY AFTER THAT ACT  
RECEIVED THE ROYAL ASSENT**

**1. Section 4 (new section 1069—Family Payment Rate Calculator—  
point 1069-A1—Method statement):**

Omit the Method statement, substitute:

*Social Security Legislation Amendment  
(No. 2) No. 229, 1992*

**SCHEDULE 2—continued**

*Method statement*

- Step 1.* Work out the person's maximum basic rate using MODULE B.
- Step 2.* Work out the amount per fortnight (if any) for multiple birth allowance using MODULE C.
- Step 3.* Add the amounts obtained under Steps 1 and 2: the result is the person's **basic family payment rate**.
- Step 4.* Apply the base rate taxable income ceiling test in Submodule 4 of MODULE H to the person.  
Note: if the person's income exceeds the person's taxable income ceiling, no family payment is payable to the person.
- Step 5.* Work out the amount per fortnight (if any) for additional family payment using MODULE D.
- Step 6.* Work out the amount per fortnight (if any) for rent assistance using MODULE F.
- Step 7.* Work out the amount per fortnight (if any) for guardian allowance using MODULE G.
- Step 8.* Add the amounts obtained under Steps 5, 6 and 7: the result is the person's **provisional additional payment**.
- Step 9.* Apply the taxable income test in Submodule 5 of MODULE H to the person's provisional additional payment to work out any reduction for taxable income. Take any reduction away from the person's provisional additional payment: the result is the person's **income tested amount**.
- Step 10.* Apply the maintenance income test in MODULE I to the person's income tested amount. Take any reduction away from the person's income tested amount: the result is the person's **maintenance tested amount**.
- Step 11.* Add the person's basic family payment rate to the person's maintenance tested amount: the result is the person's **family payment rate**.

**2. Section 4 (new section 1069—Family Payment Rate Calculator—point 1069-B1):**

Add at the end:

“Note 3: if point 1069-E1 or 1069-E3 (shared daily care and control) applies to a person's FP child or FP children, the FP child rate in column 3 for that child or for each of those children may be reduced.”

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**SCHEDULE 2—continued**

**3. Section 4 (new section 1069—Family Payment Rate Calculator—point 1069-C2):**

Add at the end:

“Note 2: if point 1069-E5 or 1069-E6 (shared daily care and control) applies to a person’s FP child or FP children, the person’s rate of multiple birth allowance for that child or for each of those children may be reduced.”.

**4. Section 4 (new section 1069—Family Payment Rate Calculator—point 1069-D23):**

Add at the end:

“Note 4: if point 1069-E2 or 1069-E4 (shared daily care and control) applies to a person’s AFP child or AFP children, the person’s maximum rate of AFP for that child or for each of those children may be reduced.”.

**5. Schedule (amendments of sections 88, 89 and 90):**

Omit the amendments.

**6. Schedule (amendments of sections 146M, 146N and 146P):**

Omit the amendments.

**7. Schedule (amendments of sections 193, 194, 195 and 195A):**

Omit the amendments.

**8. Schedule (amendments of sections 243, 244 and 245):**

Omit the amendments.

**9. Schedule (amendments of sections 309, 310 and 311):**

Omit the amendments.

**10. Schedule (amendments of sections 356, 357 and 358):**

Omit the amendments.

**11. Schedule (amendments of sections 404, 405 and 406):**

Omit the amendments.

**12. Schedule (amendments of sections 590, 591, 592 and 592A):**

Omit the amendments.

**13. Schedule (amendments of sections 660M, 660N, 660O and 660P):**

Omit the amendments.

**14. Schedule (amendments of sections 728S, 728T, 728U and 728V):**

Omit the amendments.

*Social Security Legislation Amendment  
(No. 2) No. 229, 1992*

**SCHEDULE 2—continued**

- 15. Schedule (amendments of sections 769, 770, 771 and 771A):**  
Omit the amendments.
- 16. Schedule (amendments of sections 828 and 829)**  
Omit the amendments.
- 17. Schedule (amendment of subparagraph 953(b)(iii)):**  
Omit “Module H”, substitute “Submodule 4 of Module H”.
- 18. Schedule (amendment of subparagraph 999(1)(a)(iii)):**  
Omit “Module H”, substitute “Submodule 4 of Module H”.
- 19. Schedule (amendment of section 1065 (point 1065-A1)):**  
Omit the amendment.
- 20. Schedule (amendment of section 1065 (point 1065-A2)):**  
Omit the amendment.
- 21. Schedule (amendment of section 1065 (point 1065-D1)):**  
Omit the amendment.
- 22. Schedule (amendment of section 1065 (point 1065-D3)):**  
Omit the amendment.
- 23. Schedule (amendments of section 1066A (point 1066A-B1—  
Table B)):**  
Omit both the amendments.
- 24. Schedule (amendment of section 1066B (point 1066B-A1)):**  
Omit the amendment.
- 25. Schedule (amendment of section 1066B (point 1066B-A2)):**  
Omit the amendment.
- 26. Schedule (amendment of section 1066B (point 1066B-EA2)):**  
Omit the amendment.
- 27. Schedule (amendment of section 1066B (point 1066B-EA10)):**  
Omit the amendment.
- 28. Schedule (amendment of section 1066B (point 1066B-EB2)):**  
Omit the amendment.
- 29. Schedule (amendment of section 1066B (point 1066B-EB11)):**  
Omit the amendment.



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**SCHEDULE 2—continued**

- 30. Schedule (amendment of section 1068 (point 1068-J7)):**  
Omit “1066-J7”, substitute “1068-J7”.
- 31. Schedule (amendment of paragraph 1166(5)(b)):**  
Omit the amendment.
- 32. Schedule (amendment of subsection 1166(5)):**  
Omit the amendment.
- 33. Schedule (amendment of subsection 1166(6)):**  
Omit the amendment.
- 34. Schedule (amendment of section 1190—paragraphs (p), (q), (r) and (s)):**  
Omit the paragraphs.
- 35. Schedule (amendment of section 1191—paragraphs (i) and (j)):**  
Omit the paragraphs.
- 36. Schedule (amendment of subparagraph 1223(1)(b)(iv)):**  
Omit the amendment.
- 37. Schedule (amendment of subparagraph 1223(1)(b)(v)):**  
Omit the amendment.
- 38. Schedule (amendment of section 1223(2A)):**  
Omit the amendment.

**PART 2—AMENDMENTS COMMENCING ON  
1 JANUARY 1993, IMMEDIATELY AFTER THE  
COMMENCEMENT OF THE SOCIAL SECURITY  
(FAMILY PAYMENT) AMENDMENT ACT 1992**

***Data-matching Program (Assistance and Tax) Act 1990***

- 39. Section 3 (subparagraph (c)(xxiii) of the definition of “personal assistance”):**  
Add at the end “or family payment”.
- 40. Section 3 (after subparagraph (c)(xxiv) of the definition of “personal assistance”):**  
Insert:  
“(xxiva) family payment advance;”.

*Social Security Legislation Amendment  
(No. 2) No. 229, 1992*

**SCHEDULE 2—continued**

***Social Security Act 1991***

- 41. Paragraph 5(3)(b):**  
Omit “from employment”.
- 42. Subsection 5(3) (Note 1):**  
Omit the Note.
- 43. Subsection 6(1) (definition of “recipient”):**  
After “recipient” insert “, in relation to family payment,”.
- 44. Subdivision B of Division 9 of Part 2.2:**  
Repeal the Subdivision.
- 45. Subdivision B of Division 10 of Part 2.3:**  
Repeal the Subdivision.
- 46. Subdivisions C and D of Division 9 of Part 2.4:**  
Repeal the Subdivisions.
- 47. Subdivision C of Division 9 of Part 2.5:**  
Repeal the Subdivision.
- 48. Subsection 250(2):**  
Omit the subsection.
- 49. Subdivision C of Division 9 of Part 2.6:**  
Repeal the Subdivision.
- 50. Subdivision A of Division 9 of Part 2.7:**  
Repeal the Subdivision.
- 51. Subdivision A of Division 9 of Part 2.8:**  
Repeal the Subdivision.
- 52. Subdivision A of Division 9 of Part 2.11:**  
Repeal the Subdivision.
- 53. Subdivision B of Division 9 of Part 2.11:**  
Repeal the Subdivision.
- 54. Subdivision A of Division 9 of Part 2.12:**  
Repeal the Subdivision.

*Social Security Legislation Amendment  
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**SCHEDULE 2—continued**

- 55. Subdivision B of Division 9 of Part 2.12:**  
Repeal the Subdivision.
- 56. Subdivision A of Division 9 of Part 2.14:**  
Repeal the Subdivision.
- 57. Subdivision B of Division 9 of Part 2.14:**  
Repeal the Subdivision.
- 58. Subdivision A of Division 9 of Part 2.15:**  
Repeal the Subdivision.
- 59. Subdivision B of Division 9 of Part 2.15:**  
Repeal the Subdivision.
- 60. Subsection 776(2):**  
Omit the subsection.
- 61. Subdivision B of Division 10 of Part 2.16:**  
Repeal the Subdivision.
- 62. Subsection 833(1):**  
(a) Omit “subsections (2), (3) and (4)”, substitute “subsection (2)”.  
(b) Omit “18”, substitute “16”.
- 63. Subsection 833(2):**  
Omit “has turned 18”, substitute “has turned 16”.
- 64. Paragraph 833(2)(a):**  
Omit “turned”, substitute “turns”.
- 65. Subsection 833(3):**  
Omit the subsection.
- 66. Subsection 833(4):**  
Omit the subsection.
- 67. Paragraph 839(2)(b):**  
Omit “from employment”.
- 68. Section 848:**  
Add at the end “for that child”.

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**SCHEDULE 2—continued**

**69. Subparagraph 953(b)(ia):**

Omit the subparagraph, substitute:

“(ia) section 833 (child over 16 cannot be FP child); or

(ib) section 834 (child is not FP child if approved care organisation is qualified for family payment); or”.

**70. Subparagraph 953(b)(iv):**

Omit “from employment”.

**71. After subparagraph 999(1)(a)(i):**

Insert:

“(ii) section 833 (child over 16 cannot be FP child); or”.

**72. Subsection 1061P(1):**

(a) After “a person”, insert “who is a member of a couple”.

(b) Add at the end:

“; and (c) one twenty-sixth of the applicable rate for item 2 in Table D of point 1064-D5 (rent assistance).”.

**73. Section 1061P:**

Add at the end:

“(2) The amount of a disaster relief payment payable to a person who is not a member of a couple is the sum of:

(a) the rate per fortnight for item 1 in Table B of point 1064-B1 (maximum basic rate); and

(b) the rate per fortnight of family payment (excluding the base rate of family payment) that would be payable to the person if the taxable income test and the assets test did not apply to the person; and

(c) one twenty-sixth of the applicable rate for item 1 in Table D of point 1064-D5 (rent assistance).

Note 1: if a person is receiving a social security pension or benefit, the disaster relief payment is in addition to the person's normal payments.

Note 2: if a person claims a social security pension or benefit as a result of a major disaster within 2 weeks of claiming a disaster relief payment, he or she will be paid as from the date he or she was affected by the disaster, in addition to the disaster relief payment.”.

**74. Section 1068 (Benefit Rate Calculator B—point 1068-B1—Note 2):**

Omit “and point 1068-B2”.

**74A. Section 1068 (Benefit Rate Calculator B—point 1068-B2):**

Omit the point.

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**SCHEDULE 2—continued**

**75. Section 1069 (Family Payment Rate Calculator—paragraph 1069-D22(a)):**

Omit “Social Security”, substitute “social security”.

**76. Section 1069 (Family Payment Rate Calculator—paragraph 1069-E1(b)):**

Omit “subsection (1)”, substitute “subsection 869(1)”.

**77. Section 1069 (Family Payment Rate Calculator—point 1069-F1):**

Omit “receiving”, substitute “qualified for”.

**78. Section 1069 (Family Payment Rate Calculator—paragraph 1069-G1(c)):**

Add at the end:

“; or (iii) is a member of a couple whose partner has been in gaol for a continuous period of at least 14 days;”.

**79. Section 1069 (Family Payment Rate Calculator—point 1069-G2):**

Omit the point.

**80. Section 1069 (Family Payment Rate Calculator—point 1069-G5):**

Omit “entitled to”, substitute “receiving”.

**81. Section 1069 (Family Payment Rate Calculator—point 1069-H21—Table H—Note 1):**

Omit “basic free area limit”, substitute “base rate—taxable income ceiling”.

**82. Section 1069 (Family Payment Rate Calculator—after point 1069-I1):**

Insert:

*Only maintenance income for AFP child to be taken into account*

“1069-I1A. In working out a person’s maintenance income for the purposes of this Module, disregard any maintenance income for a dependent child who is not an AFP child of the person.”.

**83. Section 1190 (Table—items 23A, 23B, 23BA and 23BB):**

Omit the items, substitute:

“23A.	Maintenance income basic free area	maintenance income basic free area	[Family Payment Rate Calculator—point 1069-I7—Table I2—column 3—all amounts]
23B.	Maintenance income additional free area	maintenance income additional free area	[Family Payment Rate Calculator—point 1069-I7—Table I2—column 5—all amounts]”.

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**SCHEDULE 2—continued**

**84. Section 1190 (Indexed and Adjusted Amounts Table—item 40—column 4):**

- (a) Omit:  
“[paragraph 250(2)(c)]  
[paragraph 776(2)(c)]”.
- (b) Omit “[paragraph 1068-B2(c)]”.

**85. Section 1191 (CPI Indexation Table—item 15—column 2):**

Omit “family payment taxable income ceiling”, substitute “basic ceiling for the base rate of family payment”.

**86. Section 1191 (Table—items 17A and 17B):**

Omit “pension”.

**87. Section 1191 (Table—items 17BA and 17BB):**

Omit the items.

**88. Section 1194A:**

Omit the section, substitute:

**Maintenance income basic free area and additional free area—rounding bases**

“1194A. If:

- (a) a maintenance income basic free area amount (the ‘**standard amount**’) is to be indexed; and
- (b) a maintenance income basic free area amount that is equal to twice the standard amount (the ‘**double amount**’) is to be indexed;

the rounding base for the double amount is twice the rounding base for the standard amount.”.

**89. Subsection 1199(1):**

- (a) Omit:

$$\frac{\text{CPC Rate} \times 3}{520}$$

substitute:

$$\frac{\text{CPC Rate} \times 16.2}{2600}$$

- (b) Omit Note 3, substitute:

“Note 3: explanation of the formula—start with the current rate of pension for a member of a pensioner couple—multiply by 2 to get the total yearly rate paid to the 2 members of such a couple (the ‘combined pensioner couple

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**SCHEDULE 2—continued**

rate')—divide by 26 to convert it from a yearly rate to a fortnightly rate—work out what 16.2% of the converted rate is—deduct the family payment amount.

$$\begin{aligned} & \left[ \text{CPC Rate} \times \frac{1}{26} \times \frac{16.2}{100} \right] - \text{FP amount} \\ & = \left[ \text{CPC Rate} \times \frac{16.2}{2600} \right] - \text{FP amount.} \end{aligned}$$

**90. Subsection 1199(3):**

(a) Omit:

$$\frac{\text{CPC Rate} \times 1}{130}$$

substitute:

$$\frac{\text{CPC Rate} \times 21.2}{2600}$$

(b) Omit Note 3, substitute:

“Note 3: explanation of the formula—start with the current rate of pension for a member of a pensioner couple—multiply this rate by 2 to get the total rate paid to the 2 members of such a couple (the ‘combined pensioner couple rate’)—divide by 26 to convert it from a yearly rate to a fortnightly rate—work out 21.2% of the converted combined rate—deduct the family payment amount.

$$\begin{aligned} & \left[ \text{CPC Rate} \times \frac{1}{26} \times \frac{21.2}{100} \right] - \text{FP amount} \\ & = \left[ \text{CPC Rate} \times \frac{21.2}{2600} \right] - \text{FP amount.} \end{aligned}$$

**91. Schedule 1A:**

Add at the end:

**Savings—overseas payments (changes introduced on 1 January 1993)**

“54.(1) If:

- (a) a person was, at 1 January 1993, overseas and receiving payments of a pension or allowance calculated under the International Agreement Portability Rate Calculator in point 1210-A1; and
- (b) the person’s entire pension or allowance consists of amounts that, immediately before 1 January 1993, were known as dependent child add-ons;

section 1210 applies to the person until the person returns to Australia as if the Method statement in point 1210-A1 were omitted and the following Method statement were substituted:

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**SCHEDULE 2—continued**

*Method statement*

- Step 1.* Work out the period of the person's Australian working life residence in Australia using Module B: the result is the **residence period**.
- Step 2.* Use the person's residence period to work out the person's residence factor using Module C.
- Step 3.* Work out the person's **notional family payment rate** by working out the amount of additional family payment and guardian allowance that would be payable to the person if the person were in Australia.
- Step 4.* Add the person's notional family payment rate to the maximum pension or allowance rate that could be payable to the person outside Australia if this Method statement did not apply.
- Step 5.* Apply point 1210-A2 to the amount obtained under Step 4: the result is the person's **notional domestic rate**.
- Step 6.* Multiply the person's notional domestic rate by the person's residence factor: the result is the person's **international agreement portability rate**.

“(2) If:

- (a) a person was, at 1 January 1993 overseas and receiving payments of a pension or allowance; and
  - (b) the person's pension or allowance includes amounts that, immediately before 1 January 1993, were known as dependent child add-ons; and
  - (c) the person's pension or allowance rate is not proportionalised;
- the following Method statement applies to the person until the person returns to Australia:

*Method statement*

- Step 1.* Work out the person's pension or allowance rate: the result is the person's **initial domestic rate**.
- Step 2.* Work out the person's **notional family payment rate** by working out the amount of additional family payment and guardian allowance that would be payable to the person if the person were in Australia.
- Step 3.* Add the amounts obtained under Steps 1 and 2: the result is the person's **portability rate**.



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**SCHEDULE 2—continued**

“(3) If:

- (a) a person was, at 1 January 1993, overseas and receiving payments of a pension or allowance calculated under the Pension Portability Rate Calculator at point 1221-A1; and
- (b) the person’s entire pension or allowance consists of amounts that, immediately before 1 January 1993, were known as dependent child add-ons; and

(c) the person’s pension or allowance is proportionalised; sections 1220B and 1221 apply to the person until the person returns to Australia as if the Method statement in point 1221-A1 were omitted and the following Method statement were substituted:

*Method statement*

- Step 1.* Work out the period of the person’s Australian working life residence in Australia using Module B: the result is the **residence period**.
- Step 2.* Use the person’s residence period to work out the person’s residence factor using Module C.
- Step 3.* Work out the person’s **notional family payment rate** by working out the amount of additional family payment and guardian allowance that would be payable to the person if the person were in Australia.
- Step 4.* Add the person’s notional family payment rate to the maximum pension or allowance rate that could be paid to the person outside Australia if this Method statement did not apply to the person: the result is the person’s **notional portability rate**.
- Step 5.* Apply the income and assets test to the person’s notional portability rate: the result is the person’s **portability rate**.
- Step 6.* Multiply the person’s portability rate by the person’s residence factor: the result is the person’s **proportional portability rate**.

“(4) If:

- (a) a person was, at 1 January 1993, overseas and receiving payments of a pension or allowance; and
- (b) the person’s entire pension or allowance consists of amounts that, immediately before 1 January 1993, were known as dependent child add-ons; and

(c) the person’s pension or allowance rate is not proportionalised; the following Method statement applies to the person until the person returns to Australia:

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(No. 2) No. 229, 1992*

**SCHEDULE 2—continued**

*Method statement*

- Step 1.* Work out the person's **notional family payment rate** by working out the amount of additional family payment and guardian allowance that would be payable to the person if the person were in Australia.
- Step 2.* Add the person's notional family payment rate to the maximum pension or allowance rate that could be paid to the person outside Australia if this Method statement did not apply to the person: the result is the person's **notional portability rate**.
- Step 3.* Apply the income and assets test to the person's notional portability rate: the result is the person's **portability rate**.

“(5) If:

- (a) a person was, at 1 January 1993, overseas and receiving payments of a pension or allowance calculated under the Pension Portability Rate Calculator at point 1221-A1; and
  - (b) the person's pension or allowance includes amounts that, immediately before 1 January 1993, were known as dependent child add-ons; and
  - (c) the person's pension or allowance rate is proportionalised;
- sections 1220B and 1221 apply to the person until the person returns to Australia as if the Method statement in point 1221-A1 were omitted and the following Method statement were substituted:

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**SCHEDULE 2—continued**

*Method statement*

- Step 1.* Work out the period of the person's Australian working life residence in Australia using Module B: the result is the **residence period**.
- Step 2.* Use the person's residence period to work out the person's residence factor using Module C.
- Step 3.* Work out the person's **notional family payment rate** by working out the amount of additional family payment and guardian allowance that would be payable to the person if the person were in Australia.
- Step 4.* Add the notional family payment rate to the maximum pension or allowance rate that could be payable to the person outside Australia if this Method statement did not apply: the result is the person's **notional portability rate**.
- Step 5.* Apply the income and assets test to the notional portability rate: the result is the person's **portability rate**.
- Step 6.* Multiply the person's portability rate by the person's residence factor: the result is the person's **proportional portability rate**.

“(6) Subclauses (3) and (4), unless sooner repealed, will cease to be in force in relation to pensions at the expiration of 31 December 1995.

**Sole parent pension (changes introduced on 1 January 1993)**

“55. If:

- (a) immediately before 1 January 1993, a person was receiving sole parent pension; and
- (b) immediately before that day and at all times since that day, the person has at least one dependent child:
  - (i) who is not in full-time education; and
  - (ii) who is in receipt of income from employment at a rate greater than \$111.35 per week; and
- (c) at all times since that day the person remains otherwise qualified for sole parent pension;

then, despite the repeal of subsection 250(2) of this Act as in force immediately before that day, the person's qualification for sole parent pension continues until:

- (d) if the person has only one dependent child to whom paragraph (b) applies—that child turns 16; or
- (e) if the person has more than one dependent child to whom paragraph (b) applies—the last of those children turns 16.

*Social Security Legislation Amendment  
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**SCHEDULE 2—continued**

**Special needs sole parent pension (changes introduced on 1 January 1993)**

“56. If:

- (a) immediately before 1 January 1993, a person was receiving special needs sole parent pension; and
- (b) immediately before that day and at all times since that day, the person has at least one dependent child:
  - (i) who is not in full-time education; and
  - (ii) who is in receipt of income from employment at a rate greater than \$111.35 per week; and
- (c) at all times since that day the person remains otherwise qualified for special needs sole parent pension;

then, despite the repeal of subsection 776(2) of this Act as in force immediately before that day, the person’s qualification for special needs sole parent pension continues until:

- (d) if the person has only one dependent child to whom paragraph (b) applies—that child turns 16; or
- (e) if the person has more than one dependent child to whom paragraph (b) applies—the last of those children turns 16.

**Job search allowance (18 or over) (changes introduced on 1 January 1993)**

“57. If:

- (a) immediately before 1 January 1993, a person was receiving job search allowance and has turned 18; and
- (b) immediately before that day and at all times since that day, the person’s family situation was covered by item 1, 2, 3, 4, 5, 8 or 9 of Table B in point 1068-B1 of Benefit Rate Calculator B; and
- (c) immediately before that day and at all times since that day, the person has at least one dependent child:
  - (i) who is not in full-time education; and
  - (ii) who is in receipt of income from employment at a rate greater than \$111.35 per week; and
- (d) at all times since that day the person remains otherwise qualified for job search allowance;

then, despite the omission of point 1068-B2 of this Act as in force immediately before that day, the person’s rate of job search allowance is to be calculated as if that point were in force until:

- (e) if the person has only one dependent child to whom paragraph (c) applies—that child turns 16; or

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**SCHEDULE 2—continued**

- (f) if the person has more than one dependent child to whom paragraph (c) applies—the last of those children turns 16.

**Newstart allowance (changes introduced on 1 January 1993)**

“58. If:

- (a) immediately before 1 January 1993, a person was receiving newstart allowance; and
- (b) immediately before that day and at all times since that day the person’s family situation was covered by item 1, 2, 3, 4, 5, 8 or 9 of Table B in point 1068-B1 of Benefit Rate Calculator B; and
- (c) immediately before that day and at all times since that day, the person has at least one dependent child:
  - (i) who is not in full-time education; and
  - (ii) who is in receipt of income from employment at a rate greater than \$111.35 per week; and
- (d) at all times since that day the person remains otherwise qualified for newstart allowance;

then, despite the omission of point 1068-B2 of this Act as in force immediately before that day, the person’s rate of newstart allowance is to be calculated as if that point were in force until:

- (e) if the person has only one dependent child to whom paragraph (c) applies—that child turns 16; or
- (f) if the person has more than one dependent child to whom paragraph (c) applies—the last of those children turns 16.

**Sickness allowance (changes introduced on 1 January 1993)**

“59. If:

- (a) immediately before 1 January 1993, a person was receiving sickness allowance and has turned 18; and
- (b) immediately before that day and at all times since that day the person’s family situation was covered by item 1, 2, 3, 4, 5, 8 or 9 of Table B in point 1068-B1 of Benefit Rate Calculator B; and
- (c) immediately before that day and at all times since that day, the person has at least one dependent child:
  - (i) who is not in full-time education; and
  - (ii) who is in receipt of income from employment at a rate greater than \$111.35 per week; and
- (d) at all times since that day the person remains otherwise qualified for sickness allowance;

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**SCHEDULE 2—continued**

then, despite the omission of point 1068-B2 of this Act as in force immediately before that day, the person's rate of sickness allowance is to be calculated as if that point were in force until:

- (e) if the person has only one dependent child to whom paragraph (c) applies—that child turns 16; or
- (f) if the person has more than one dependent child to whom paragraph (c) applies—the last of those children turns 16.

**PART 3—AMENDMENT OF THE SOCIAL SECURITY (FAMILY PAYMENT) AMENDMENT ACT 1992 COMMENCING ON 1 JANUARY 1993, IMMEDIATELY AFTER THE COMMENCEMENT OF THAT ACT**

**92. Section 6:**

Repeal the section.

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**SCHEDULE 3**

Section 153

**CONSEQUENTIAL, MINOR AND TECHNICAL AMENDMENTS  
OF THE SOCIAL SECURITY ACT 1991**

**PART 1—AMENDMENTS COMMENCING ON ROYAL ASSENT**

**1. Section 3 (Index):**

Omit the following entries:

“approved short-term vocational course	15(1)
approved vocational course	15(1)
transferred rehabilitation allowance	23(7A)”.

**2. Paragraph 8(8)(b):**

Omit “pensionable”, substitute “pension”.

**3. After paragraph 8(8)(z):**

Insert:

“Note: the rule in paragraph 8(8)(z) is reversed in Benefit Rate Calculator A (point 1067-H6) and Benefit Rate Calculator B (point 1068-G5). Points 1067-H6 and 1068-G5 are contrary intentions (see the opening words in subsection 8(1) and the definition of ‘income’ in that subsection).”.

**4. After paragraph 8(8)(zj):**

Insert:

“Note: for ‘approved scholarship’ see subsection 8(1).”.

**5. Subsection 8(8) (Note at the end):**

Omit the Note.

**6. Subsection 15(1) (definition of “approved short-term vocational course”):**

Omit the definition.

**7. Subsection 15(1) (definition of “approved vocational course”):**

Omit the definition.

**8. Sub-subparagraph 23(7)(b)(ii)(B):**

Omit the sub-subparagraph.

**9. Subsection 23(7A):**

Omit the subsection.

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**SCHEDULE 3—continued**

- 10. Paragraphs 24(2)(a), (b) and (c):**  
Omit the paragraphs, substitute:  
“(a) a person is living with a person of the opposite sex (the ‘partner’); and  
(b) the person is not legally married to the partner; and  
(c) the relationship between the person and the partner is a marriage-like relationship; and”.
- 11. Subparagraph 94(1)(e)(i):**  
Omit “paragraphs (a), (b) and (c)”, substitute “paragraph (c)”.
- 12. Subparagraph 94(1)(e)(iii):**  
Omit “paragraphs (a), (b) and (c)”, substitute “paragraph (c)”.
- 13. Section 186:**
  - (a) Renumber paragraph (a) (second occurring) as paragraph (c).
  - (b) Renumber paragraph (b) (second occurring) as paragraph (d).
  - (c) Renumber paragraph (c) as paragraph (e).
- 14. Section 186 (Note):**  
Omit “person”, substitute “woman”.
- 15. Subparagraph 250(1)(c)(iv):**  
After “months”, insert “immediately”.
- 16. Subsection 519(1) (Note 4):**  
Omit “10”, substitute “10A”.
- 17. Subparagraph 678(3)(b)(ii):**  
Omit “or”, substitute “and”.
- 18. Subsection 696(6) (Note 2):**  
Omit “section 23”, substitute “subsection 23(1)”.
- 19. Paragraph 966(3)(a):**  
Omit “decision’ ”, substitute “decision’”.
- 20. Paragraph 992A(1)(g):**  
Omit “that” (first occurring).



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**SCHEDULE 3—continued**

**21. Section 1064 (Pension Rate Calculator A—point 1064-A1—  
Note 6):**

Omit the Note, substitute:

“Note 6: a person’s rate may also be reduced because the person or the person’s partner receives compensation (see section 1168) or because the person or the person’s partner is receiving a foreign pension (see scheduled international social security agreements at section 1208).”.

**22. Section 1064 (Pension Rate Calculator A—point 1064-D8):**

Omit the Rent Assistance Examples, substitute the following Rent Assistance Examples:

“RENT ASSISTANCE EXAMPLES (using rates to 1.10.92)

*Example 1:*

*Facts:*

Jane is a pensioner who is not a member of a couple. She does not have any children and pays \$80 a week for a small bedsitter.

*Application:*

Item 1 of Table D in Point 1064-D5 applies to Jane.

Rate A for Jane is:

$$\frac{(\$80 \times 52) - \$1,300}{2} = \frac{\$4,160 - \$1,300}{2} = \frac{\$2,860}{2} = \$1,430$$

Rate B for Jane is \$1,638. The lesser rate is \$1,430. This is the yearly rate of Jane’s rent assistance amount.

*Example 2:*

*Facts:*

Susan and Paul are both pensioners and are a couple. They rent a flat for \$150 a week. They do not have any children.

*Application:*

Rate A for Susan is:

$$\frac{(\$150 \times 52) - \$1,300}{4} = \frac{\$7,800 - \$1,300}{4} = \frac{\$1,625}{4} = \$1,430$$

Rate B for Susan is \$819. The lesser rate is \$819. This is the yearly rate of Susan’s rent assistance amount.

The same calculation applies to Paul’s yearly rate of rent assistance amount.

Together they get \$1,638 of annual rent assistance.

*Example 3:*

*Facts:*

Janet and Damian are both pensioners and are a couple. They rent a house for \$160 a week. They have a son Boris for whom Janet gets a dependent child add-on under point 1064-C3.

*Application:*

Item 3 of Table D in point 1064-D5 applies to both Janet and Damian.

Rate A for Janet is:

$$\frac{(\$160 \times 52) - \$1,300}{4} = \frac{\$8,320 - \$1,300}{4} = \frac{\$7,020}{4} = \$1,755$$

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**SCHEDULE 3—continued**

Rate B for Janet is \$956.80. The lesser rate is \$956.80. This is the yearly rate of Janet's rent assistance amount.

The same calculation applies to Damian's yearly rate of rent assistance.

Together they get \$1,913.60 of annual rent assistance.”.

**23. Section 1064 (Pension Rate Calculator A—point 1064-E9—heading to Examples):**

Omit “EXAMPLES”, substitute “EXAMPLES (using rates to 30.6.91)”.

**24. Section 1065 (Pension Rate Calculator B—point 1065-A1—Method statement—Step 1):**

Omit “below”, substitute “below”.

**25. Section 1065 (Pension Rate Calculator B—point 1065-D3—Note 2):**

Omit “again”, substitute “against”.

**26. Section 1066 (Pension Rate Calculator C—point 1066-A1):**

Renumber Note 7 as Note 5.

**27. Section 1066 (Pension Rate Calculator C—point 1066-E7—heading to Example):**

Omit “EXAMPLE”, substitute “EXAMPLE (using rates to 30.6.91)”.

**28. Section 1066 (Pension Rate Calculator C—point 1066-G1—Note 2):**

Omit “pensions”, substitute “pension”.

**29. Section 1066A (Pension Rate Calculator D—point 1066A-B1—Table B—item 1—column 2—paragraph (d)):**

Omit “condition”, substitute “condition of the person”.

**30. Section 1066A (Pension Rate Calculator D—point 1066A-B1—Table B—item 2—column 2—subparagraph (b)(iii)):**

(a) Omit “is”.

(b) Omit “condition”, substitute “condition of the person”.

**31. Section 1066A (Pension Rate Calculator D—after paragraph 1066A-EA2(cb)):**

Insert:

“; or (cc) a person who is living away from the person's parental home because of a medical condition of the person”.

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**SCHEDULE 3—continued**

**32. Section 1066A (Pension Rate Calculator D—point 1066A-F8—heading to Examples):**

Omit “EXAMPLES”, substitute “EXAMPLES (using rates to 30.6.91)”.

**33. Section 1066B (Pension Rate Calculator E—point 1066B-B1—Table B—item 1—column 2—paragraph (d):**

(a) Omit “is”.

(b) Omit “condition”, substitute “condition of the person”.

**34. Section 1066B (Pension Rate Calculator E—point 1066B-B1—Table B—item 2—column 2—subparagraph (b)(iii):**

Omit “condition”, substitute “condition of the person”.

**35. Section 1067 (Benefit Rate Calculator A—point 1067-B1):**

Add at the end:

“Note 7: if a homeless person receives the amount in column 3B of item 2 of the Table, the amount is commonly referred to as a Young Homeless Allowance (YHA).”.

**36. Section 1067 (Benefit Rate Calculator A—after paragraph 1067-C2(a):**

Insert:

“(aa) the person’s partner is receiving a pension under Part II or IV of the Veterans’ Entitlements Act at a rate worked out under subsection 30(1) of that Act; or

(ab) the person’s partner is receiving a pension under the *Seamen’s War Pensions and Allowances Act 1940* at a rate worked out under subsection 18(2) of that Act; or”.

**37. Section 1067 (Benefit Rate Calculator A—point 1067-H6—Note):**

Omit “paragraph 8(9)(z)”, substitute “paragraph 8(8)(z)”.

**38. Section 1067 (Benefit Rate Calculator A—point 1067-H8—Example):**

Omit “fornight”, substitute “fortnight”.

**39. Section 1067 (Benefit Rate Calculator A—point 1067-J6—Example):**

Omit “fornight”, substitute “fortnight”.

**40. Section 1068 (Benefit Rate Calculator B—after paragraph 1068-C3(a):**

Insert:

“(aa) the person’s partner is receiving a pension under Part II or

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**SCHEDULE 3—continued**

IV of the Veterans' Entitlements Act at a rate worked out under subsection 30(1) of that Act; or

- (ab) the person's partner is receiving a pension under the *Seamen's War Pensions and Allowances Act 1940* at a rate worked out under subsection 18(2) of that Act; or”.

**41. Section 1068 (Benefit Rate Calculator B—point 1068-G5—Note):**

Omit “paragraph 8(9)(z)”, substitute “paragraph 8(8)(z)”.

**42. Section 1105:**

Omit “that”, substitute “than”.

**43. Section 1115 (Earnings Credit Account Balance Calculator—point 1115-A2):**

Omit “indivual”, substitute “individual”.

**44. Section 1158:**

Add at the end:

“Note 2: for ‘in gaol’ see subsection 23(5).

Note 3: for ‘psychiatric confinement’ see subsections 23(8) and (9).”.

**45. Section 1160:**

Add at the end:

“Note 2: for ‘in gaol’ see subsection 23(5).

Note 3: for ‘psychiatric confinement’ see subsections 23(8) and (9).”.

**46. Section 1166 (Example 2):**

Omit “item 4”, substitute “item 3”.

**47. Subsection 1233(7C):**

Omit “of the day”, substitute “on the day”.

**48. Paragraph 1233(7D)(b):**

Omit “it:”, substitute “it;”.

**49. Schedule 1A (paragraph 36(2)(b)):**

Omit “obtains work”, substitute “undertakes vocational training or a rehabilitation program or obtains work”.

**50. Schedule 1B (INTRODUCTION):**

Omit the Introduction, substitute:

**SCHEDULE 3—continued**

**“INTRODUCTION**

1. These “Tables for Assessment of Impairment for Disability Support Pension” consist of system based tables that assign impairment ratings in proportion to the severity of the conditions and their impact on normal function particularly as they relate to work performance. It is important to realise that impairment is system or function based rather than diagnosis based. The Medical Officer should not approach the Tables hoping to find various conditions listed for which he or she can read off an impairment value. One of the skills which needs to be developed in order to assess impairment is the ability to select the appropriate Tables. The question which must be asked in each and every case is “which body system has had its function impaired due to this condition?”.

2. Another concept essential to an understanding of impairment is that of the “whole person”. Each of the body systems has been preweighted i.e. the maximum effect which complete cessation of function of a system can have on the function of the whole person is predetermined and cannot be varied. Impairments have first been calculated in terms of their effect on the relevant body system and then converted to whole person impairment figures. The impairment rating is expressed as a percentage of the “whole of person” functional capacity. Accordingly, a body system that is totally impaired may not necessarily produce an impairment rating of 100%—for example a person who has a total hearing loss receives an impairment rating of 40%. The values in the Tables are whole person impairments and require no conversion, with the exception of the auditory values, which are converted to a whole person impairment percentage using Table 16. All impairment values are constant regardless of the age or sex of the individual.

3. For the purposes of these Tables, impairment refers to any loss or abnormality of psychological and/or physiological function remaining after appropriate medical treatment and rehabilitative processes have been completed. These Tables give emphasis to the loss of functional capacity that a person experiences particularly in relation to work and associated aspects of daily living. This is measured by reference to an individual’s efficiency in performing a set of defined functions in comparison with an unimpaired person.

4. For an impairment rating to be assigned the condition must be a fully documented, diagnosed condition which has been investigated, treated and stabilised. The first step is thus to establish a working diagnosis based on the best available evidence. The condition must be considered to be permanent. Once a condition has been diagnosed, treated and stabilised, it is accepted as being permanent if in the light of available evidence it is more likely than not that it will persist for

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**SCHEDULE 3—continued**

the foreseeable future. This will be taken as lasting for more than two years.”.

**51. Schedule 1B (NOTES):**

Omit the Notes, substitute:

**“NOTES**

1. An impairment rating is only to be assigned after a comprehensive history and examination. Where a Table gives consecutive impairment ratings separated by 10% or more, and the Medical Officer considers that the applicant falls somewhere between the range, then an appropriate impairment rating can be given using a multiple of 5% (eg. if consecutive criteria are given in a Table for impairment percentages of 5% and 15%, the CMO can assign a rating of 10% if it is considered that the clinical findings do not satisfy the 5% or 15% criteria but lie somewhere in between).

2. A single medical condition should be assessed on all relevant Tables when that medical condition is causing a separate loss of function in more than one body system. For example, Diabetes Mellitus may need to be assessed using the endocrine (24), exercise tolerance (1), lower limb impairment (4), renal impairment (22), skin disorders (23) and visual acuity (18) Tables. When using more than one Table for a single medical condition the possibility of double assessment of a single loss of function must be guarded against. For example, it is inappropriate to assess an isolated spinal condition under both the spine Table (5) and the lower limb impairment Table (4).

3. In general, pain should be assessed in terms of the underlying medical condition which causes it. For example, Table 5 should be used for spinal pathology. However, where the CMO is of the opinion that the Impairment Tables underestimate the level of impairment because of the presence of chronic entrenched pain, Table 25 or Table 6 (joint pain, deep referred somatic pain or sciatica) can be used to assign an impairment rating instead of the Table(s) that otherwise would be used to assess the loss of function to which the pain relates. Medical Officers should use their clinical judgment and be convinced that pain is a significant factor contributing towards the person’s overall inability to work. Medical reports and the person’s history should consistently indicate the presence of chronic entrenched pain. The pain itself should only be scored using ONE Table, and any separate loss of function not caused by the pain should be given a separate score.

4. Always use a Table specific to the medical condition being rated unless the instructions in a section specify otherwise and always use functionally-based Tables in preference to diagnosis-based Tables (eg. Table 3 and 4 should be used in preference to Table 6). The system-

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**SCHEDULE 3—continued**

specific Tables provide appropriate criteria with which to rate a disorder. The procedure is to identify the loss of function, refer to the appropriate system Table and identify the correct rating eg. a person with a CVA (stroke) could be assessed under four different Tables: expression (11), cognition (9), upper and lower limbs (3 and 4). Table selection would depend on the functions affected.

5. Some conditions such as Insulin Dependent Diabetes, Jejunostomy, Tracheostomy etc. do not necessarily have a significant impact on work performance and daily functioning. Where they do they can be rated using the diagnosis specific Tables. Impairment ratings cannot be assigned in excess of the maximum rating specified by each Table (eg. if the maximum impairment rating for a Table is 30%, the Medical Officer cannot assign a greater percentage than this figure).

6. Impairment ratings must be consistent with the Impairment Tables. No idiosyncratic impairment assessment systems are allowed.

7. Where more than one impairment is present, separate scores are allotted for each. The values are not added but are combined using the Combined Values Chart. The highest two ratings are combined first. The resulting value is then combined with the next highest impairment rating, and so on. If a single disability has been given multiple impairment ratings the individual ratings are recorded but not combined until ratings from all disabilities are combined as a final step. Final combined ratings that are an odd number should be rounded up to the nearest even number, except where the odd number is a multiple of five. For example, 19% should be rounded to 20%, but 15% would be recorded as 15%.

8. Specific instructions concerning the body systems and the applicable Tables are hereunder:

**Cardiovascular Impairment**

Cardiovascular function is measured by reference to exercise tolerance. An impairment rating is obtained from Table 1 by determining the lowest MET band in which cardiac symptoms occur. 1 MET is defined as average oxygen consumption at rest which is 3.5mL O<sub>2</sub>/kg/min. The clinical judgment of Medical Officers based on history and examination should be used in preference to an Exercise ECG when assigning an impairment rating.

Peripheral Vascular Disease is assessed under the lower limb Impairment Table. Varicose veins are assessed under either the Lower Limb or Skin Tables.

Hypertension is assessed under Table 25.

Where exercise intolerance is caused by a combination of cardiac and respiratory conditions, Table 1 is to be used and used only once.

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**SCHEDULE 3—continued**

Episodic conditions such as asthma would, in addition, be assessed under Table 26.

**Respiratory Impairment**

Respiratory function is measured by reference to exercise tolerance in the majority of cases and so Table 1 is used. Spirometry (FEV<sub>1</sub> and FVC) can be used where the Medical Officer feels it is more appropriate for example, where a history of exercise tolerance is difficult to obtain and assess or the history of exercise tolerance is inconsistent with clinical findings on examination. Impairment is then assessed using Table 2.

**Musculo-skeletal Impairment**

All upper limb problems are assessed under the upper limb Impairment Table (Table 3). Each arm is assessed separately. If the dominant arm is affected, 5% is added to the Impairment Rating. Table 4 is used for lower limb assessments not back conditions and Table 5 is used for spinal assessments. Table 6 is used for conditions such as sciatica, amputations and other musculo-skeletal problems when Tables 3, 4 and 5 cannot be used satisfactorily. Lower limb pain is scored whether it is deep referred somatic pain or due to nerve root compression (Table 6).

**Psychiatric Impairment**

It is important to record a detailed psychiatric history and to distinguish between temporary and permanent psychiatric disorders. For example, where a person has a mild reactive depression to an illness or following a marriage breakdown this should usually be considered to be of a temporary nature. Table 7 is used for permanent psychiatric disorders. Impairment due to alcohol and drug abuse is assessed using Table 8. This Table should only be used where the drug and alcohol abuse is likely to continue for the foreseeable future as evidenced by repeated rehabilitation failures. It should also be causing a functional impairment; the mere abuse of drugs or alcohol does not in itself constitute or necessarily indicate permanent impairment.

**Intellectual Impairment**

Intellectual Impairment is assessed using Table 12.

**Cerebral Impairment**

It is important to record a detailed history. Cerebral problems are assessed at Table 9 (Cognition), Table 10 (Comprehension), and Table 11 (Expression).



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**SCHEDULE 3—continued**

**Gastro-intestinal Impairment**

Gastro-intestinal problems are assessed at Table 13 (stomach and duodenum), Table 14 (bowel, rectum and anus) and Table 15 (Liver and Biliary Tract). Chronic pancreatitis can be scored under Table 25 or 26.

**Ear, Nose and Throat Impairment**

Miscellaneous ear, nose and throat disorders are assessed at Table 17. Vertigo should only be scored if a definitive diagnosis of vertigo has been made.

**Visual Impairment**

Visual impairment is assessed by measuring visual acuity in the better eye using Table 18. This must be corrected vision, and should only be assessed when best corrected vision is assessed. Referral to an optometrist or ophthalmologist may be required where there is doubt about the issue of “best corrected vision”, the accuracy of the Snellen’s Chart assessment or for visual field defects. Miscellaneous problems with vision are assessed at Tables 19 and 20.

**Gynaecological Conditions**

Gynaecological conditions such as post-natal depression, pelvic inflammatory disease and endometriosis should be assessed using Table 27. The Medical Officer should only use this Table for significant diagnosed conditions affecting normal daily functioning and which are likely to continue for the foreseeable future. Malignancy should be scored using Table 25.

Impairment due to mastectomy should only be scored where there is an associated loss of upper limb function and Table 3 should then be used.

For males, disorders of the genital system should be assessed under Tables 25 or 26.

**Urinary and Renal Impairment**

Lower urinary tract and renal problems are assessed at Tables 21 and 22, respectively.

The assessment of renal impairment is based upon the applicant’s creatinine clearance. As creatinine clearance involves a 24 hour urine collection it is often inconvenient for the applicant and may be subject to error. Consequently the following formula can be used to estimate creatinine clearance. The formula involves knowing the applicant’s plasma creatinine level, age and weight:

$$\text{CREATININE CLEARANCE} = \frac{(140 - \text{AGE IN YEARS}) \times \text{WEIGHT IN KG}}{48 \times \text{plasma creatinine (MICROMOL/LITRE)}}$$

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**SCHEDULE 3—continued**

For females, subtract 15% of the calculated value to give the creatinine clearance (ml/s).

**Skin Disorders**

Skin disorders are assessed at Table 23.

**Endocrine Impairment**

Endocrine disorders are assessed at Table 24.

**Miscellaneous conditions, for example malignancy, HIV infection and hypertension**

Table 25 can be used for miscellaneous conditions, for example, malignancy, HIV infection and hypertension.

Where there is separate loss of function, in addition to the loss which can be rated using the system-specific Tables, Table 25 can be used. Double-counting of a particular loss of function, by the use of more than one Table, must be avoided.

**Intermittent Impairment**

Intermittent disorders are those disorders which remain asymptomatic between discrete episodes of impairment. They are rated by reference to severity, duration and frequency of episodes. Severity and duration are defined below. Frequency is determined by the number of affected days in a year. An impairment rating using the above three factors is made by first coding severity and duration into an intermittent grading. The code is then combined with frequency, using Table 26.4, to give the rating.

When episodes vary in severity, duration or frequency, an average for each factor should be estimated. Only one rating for a given disorder may be made from Table 26.4. The impairment rating is not combined with any other rating for the same disorder. Thus for grand mal epilepsy only one rating is given for both the ictal and post-ictal stages.

Acute relapses of chronic relapsing conditions should not be scored using the Impairment Tables as they are temporary conditions. However, where the acute relapses are frequent and severe in nature the Intermittent Tables can be used in addition to the primary score derived for the underlying medical condition—eg. frequent attacks of acute bronchitis can be scored using Table 26 in addition to Table 1 for COAD. Some intermittent disorders may be rated using system-specific Tables. The system-specific Table is then used in preference.”.

**52. Schedule 1B (TABLE 2.1):**

Omit the Table, substitute:

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**SCHEDULE 3—continued**

**“TABLE 2.1 Assignment of impairment rating**

<b>Impairment Rating</b>	<b>% Predicted FEV<sub>1</sub> or FVC</b>
NIL	85+
FIVE	80-84
TEN	75-79
FIFTEEN	70-74
TWENTY-FIVE	60-64
THIRTY	50-59
FORTY	40-49
SIXTY	30-39
SEVENTY	less than 30”.

**53. Schedule 1B (TABLE 6):**

- (a) Omit “Sciatic pain occurring frequently: present some of the time when walking”, substitute:

“Sciatic pain or deep referred somatic pain occurring frequently: present some of the time when walking”.

- (b) Omit “Sciatic pain daily—present most of the time during walking”, substitute:

“Sciatic pain or deep referred somatic pain daily—present most of the time during walking”.

**54. Schedule 1B (TABLE 16.1):**

Omit the Table, substitute:

**“TABLE 16.1 Assignment of impairment rating**

<b>Percentage Loss of Binaural Hearing</b>	<b>Impairment Rating</b>
0-4.9	0
5-14.9	5
15-24.9	10
25-34.9	15
35-44.9	20
45-54.9	25
55-64.9	25
65-74.9	30
75-84.9	30
85-94.9	35
95-100	40”.

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**SCHEDULE 3—continued**

**55. Schedule 1B (TABLE 25—NOTE):**

Omit the Note.

**PART 2—AMENDMENTS COMMENCING ON 1 JULY 1991,  
IMMEDIATELY AFTER THE COMMENCEMENT OF THE  
SOCIAL SECURITY ACT 1991**

**56. Subsection 5(10):**

Omit “541, 542, 612, 613”, substitute “540, 541, 622, 623”.

**57. Subparagraph 8(8)(r)(i):**

Omit “unemployment benefit or job search”, substitute “job search or newstart”.

**58. Paragraph 12(6)(c):**

Omit “531”, substitute “530”,

**59. Paragraph 12(6)(d):**

Omit “602”, substitute “612”.

**60. Section 78A:**

Add at the end:

“Note 1: this section will not apply in a case where section 78 applies.

Note 2: for the date of effect of a determination under this section see section 81.”.

**61. Paragraph 133(7)(c):**

Omit “ceased”, substitute “was granted”.

**62. Section 182A:**

Add at the end:

“Note 1: this section will not apply in a case where section 182 applies.

Note 2: for the date of effect of a determination under this section see section 185.”.

**63. After subsection 198(2):**

Insert:

“(2A) Paragraph (1)(c) does not apply if:

- (a) the person is in a country in which carer pension may be granted to the person under a scheduled international social security agreement; and
- (b) the scheduled international social security agreement enters into force on or before the day on which the *Social Security Legislation Amendment Act (No. 2) 1992* receives the Royal Assent.”.

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**SCHEDULE 3—continued**

**64. Section 231A:**

Add at the end:

“Note 1: this section will not apply in a case where section 231 applies.

Note 2: for the date of effect of a determination under this section see section 234.”

**65. Section 295A:**

Add at the end:

“Note 1: this section will not apply in a case where section 290 or 295 applies.

Note 2: for the date of effect of a determination under this section see section 300.”

**66. Paragraph 299(7)(c):**

Omit “ceased”, substitute “was granted”.

**67. Section 352A:**

Add at the end:

“Note 1: this section will not apply in a case where section 347 or 352 applies.

Note 2: for the date of effect of a determination under this section see section 355.”

**68. Section 400A:**

Add at the end:

“Note 1: this section will not apply in a case where section 395 or 400 applies.

Note 2: for the date of effect of a determination under this section see section 403.”

**69. Section 765A:**

Add at the end:

“Note 1: this section will not apply in a case where section 765 applies.

Note 2: for the date of effect of a determination under this section see section 768.”

**70. Paragraph 776(2)(c):**

Omit “\$100”, substitute “\$107.70”.

**71. Section 818A:**

Add at the end:

“Note 1: this section will not apply in a case where section 814 or 818 applies.

Note 2: for the date of effect of a determination under this section see section 821.”

**72. Section 882A:**

Add at the end:

“Note 1: this section will not apply in a case where section 882 applies.

Note 2: for the date of effect of a determination under this section see section 885.”

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**SCHEDULE 3—continued**

**73. Section 939A:**

Add at the end:

“Note 1: this section will not apply in a case where section 939 applies.

Note 2: for the date of effect of a determination under this section see section 944.”.

**74. Section 987A:**

Add at the end:

“Note 1: this section will not apply in a case where section 987 applies.

Note 2: for the date of effect of a determination under this section see section 990.”.

**75. Section 1029A:**

Add at the end:

“Note 1: this section will not apply in a case where section 1029 applies.

Note 2: for the date of effect of a determination under this section see section 1032.”.

**76. Section 1059A:**

Add at the end:

“Note 1: this section will not apply in a case where section 1059 applies.

Note 2: for the date of effect of a determination under this section see section 1061.”.

**77. Section 1065 (Pension Rate Calculator B—point 1065-A1—Method statement):**

Omit Steps 1 to 5, substitute:

“*Step 1.* Work out what would be the person’s rate of pension if Pension Rate Calculator A applied to the person: the result is called the **notional income/assets tested rate**.

*Step 2.* Work out the person’s **maximum basic rate** using MODULE B below.

*Step 3.* Work out the amount per year (if any) for dependent children using MODULE C below.

*Step 4.* Add up the amounts obtained in Steps 2 and 3: the result is called the **maximum payment rate**.

*Step 5.* Add to the maximum payment rate any amount per year payable by way of remote area allowance (see MODULE E below): the result is called the **non-income/assets tested rate**.

*Step 6.* Compare the notional income/assets tested rate and the non income/assets tested rate: whichever is the greater is the person’s **rate of pension**.”.

**78. Section 1065 (Pension Rate Calculator B—point 1065-A2):**

Omit the point.

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**SCHEDULE 3—continued**

**79. Section 1065 (Pension Rate Calculator B—point 1065-C2—Method statement):**

Omit Steps 1 to 3, substitute:

*“Step 1. Work out whichever of the amounts applicable to the person under point 1065-C3 is the highest.*

*Step 2. Add the amount obtained in Step 1 to the person’s maximum basic rate.”.*

**80. Section 1065 (Pension Rate Calculator B—Module D):**

Omit the Module.

**81. Section 1066 (Pension Rate Calculator C—point 1066-G3):**

(a) Omit Note 3.

(b) Renumber Note 4 as Note 3.

**82. Section 1066 (Pension Rate Calculator C—point 1066-H2—Table H—item 3):**

Omit the item.

**83. Section 1067 (Benefit Rate Calculator A—point 1067-A2—Note 2):**

Omit “1067-A3”, substitute “1067-A2”.

**84. Section 1067 (Benefit Rate Calculator A—paragraph 1067-G15(a)):**

Omit “632”, substitute “561”.

**85. Section 1067 (Benefit Rate Calculator A—paragraph 1067-G15(b)):**

Omit “632”, substitute “561”.

**86. Section 1067 (Benefit Rate Calculator A—point 1067-G15—Note 1):**

Omit “632”, substitute “561”.

**87. Section 1068 (Benefit Rate Calculator B—after point 1068-B1):**

Insert in Module B:

*Certain children who are not young persons are to be treated as dependent children*

“1068-B1A. If:

(a) a person is not a member of a couple; and

(b) the person has at least one natural or adopted child who has turned 16 but has not turned 18; and

(c) a social security benefit is payable to the child; and

(d) the person is receiving a guardian allowance for the child under point 1068-E6; and

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**SCHEDULE 3—continued**

(e) the child is substantially dependant on the person; the person’s maximum basic rate is worked out as if the person had a dependent child.”.

**88. Subsection 1118(1):**

Omit “263(1)(c)(iv)”, substitute “263(1)(d)(iv)”.

**89. Subsection 1130(4):**

Omit “or if it is an unrealisable asset”.

**90. Subsection 1132(4):**

Omit “or the asset is an unrealisable asset”.

**91. Section 1190 (Table—items 23A and 23B):**

Omit the items, substitute:

“23A.	Maintenance income basic free area for social security pension	pension maintenance income basic free area	[Pension Rate Calculator A—point 1064-F9—Table F1—column 3—all amounts] [Pension Rate Calculator C—point 1066-F8—Table F—column 3—all amounts] [Pension Rate Calculator D—point 1066A-G10—Table G-1—column 3—all amounts]
23B.	Maintenance income additional free area for social security pension	pension maintenance income additional free area	[Pension Rate Calculator A—point 1064-F9—Table F1—column 5—all amounts] [Pension Rate Calculator C—point 1066-F8—Table F—column 5—all amounts] [Pension Rate Calculator D—point 1066A-G10—Table G-1—column 5—all amounts]
23BA.	Maintenance income basic free area for social security benefit	benefit maintenance income basic free area	[Benefit Rate Calculator A—point 1067-J11—Table J—column 3—all amounts] [Benefit Rate Calculator B—point 1068-H10—Table H—column 3—all amounts]
23BB.	Maintenance income additional free area for social security benefit	benefit maintenance income additional free area	[Benefit Rate Calculator A—point 1067-J11—Table J—column 4—all amounts] [Benefit Rate Calculator B—point 1068-H10—Table H—column 4—all amounts]

**92. Section 1191 (Table—item 17—column 2):**

Omit “ordinary income”.



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**SCHEDULE 3—continued**

**93. Section 1191 (Table—items 17A and 17B):**

Omit the items, substitute:

“17A.	pension maintenance income basic free area	1 July	December	most recent December quarter before reference quarter	\$7.80
17B.	pension maintenance income additional free area	1 July	December	most recent December quarter before reference quarter	\$2.60
17BA.	benefit maintenance income basic free area	1 July	December	most recent December quarter before reference quarter	\$0.60
17BB.	benefit maintenance income additional free area	1 July	December	most recent December quarter before reference quarter	\$0.10

**94. After section 1194:**

Insert:

**Maintenance income free areas—rounding bases**

“1194A.(1) If:

- (a) a pension maintenance income basic free area amount (the ‘**full amount**’) is to be indexed; and
- (b) a pension maintenance income basic free area amount equal to one-half of the full amount (the ‘**half amount**’) is to be indexed;

the rounding base for the half amount is one-half of the rounding base for the full amount.

“(2) If:

- (a) a pension maintenance income additional free area amount (the ‘**full amount**’) is to be indexed; and
- (b) a pension maintenance income additional free area amount equal to one-half of the full amount (the ‘**half amount**’) is to be indexed;

the rounding base for the half amount is one-half of the rounding base for the full amount.

“(3) If:

- (a) a benefit maintenance income basic free area amount (the ‘**full amount**’) is to be indexed; and
- (b) a benefit maintenance income basic free area amount equal to one-half of the full amount (the ‘**half amount**’) is to be indexed;

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**SCHEDULE 3—continued**

the rounding base for the half amount is one-half of the rounding base for the full amount.

“(4) If:

- (a) a benefit maintenance income basic free area amount (the ‘**full amount**’) is to be indexed; and
- (b) a benefit maintenance income basic free area amount equal to a quarter of the full amount (the ‘**quarter amount**’) is to be indexed;

the rounding base for the quarter amount is a quarter of the rounding base for the full amount.

“(5) If:

- (a) a benefit maintenance income additional free area amount (the ‘**full amount**’) is to be indexed; and
- (b) a benefit maintenance income additional free area amount equal to one-half of the full amount (the ‘**half amount**’), is to be indexed;

the rounding base for the half amount is one-half of the rounding base for the full amount.”.

**95. Paragraph 1250(1)(j):**

Omit “1231”, substitute “1359”.

**96. Schedule 1A (clause 11A—Note):**

Omit “section 60”, substitute “section 76”.

**PART 3—AMENDMENTS COMMENCING ON 1 JULY 1991,  
IMMEDIATELY AFTER THE COMMENCEMENT OF THE  
SOCIAL SECURITY (JOB SEARCH AND NEWSTART)  
AMENDMENT ACT 1991**

**97. Paragraph 540(1)(e):**

Omit “(allowees stopping courses after 4 weeks)”.

**98. Section 586A:**

Add at the end:

“Note 1: this section will not apply in a case where section 581 or 586 applies.

Note 2: for the date of effect of a determination under this section see section 589.”.

**99. Paragraph 588(7)(c):**

Omit “ceased”, substitute “was granted”.

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**SCHEDULE 3—continued**

**100. Section 591:**

- (a) Omit “If”, substitute “Subject to subsection (2), if”.
- (b) Add at the end the following subsection:

“(2) The death of the child is taken into account in:

- (a) working out the person’s maximum basic rate; and
- (b) determining whether an amount is to be added to the person’s maximum basic rate by way of additional payment for partner.

Note 1: for paragraph (a) see point 1067-B1 of Benefit Rate Calculator A in section 1067 and point 1068-B1 of Benefit Rate Calculator B in section 1068: if the child was the person’s only dependent child, the child will have affected the person’s maximum basic rate.

Note 2: for paragraph (b) see point 1067-C1 (paragraph (b)) of Benefit Rate Calculator A in section 1067 and point 1068-C2 of Benefit Rate Calculator B in section 1068: the child may have made the person qualified for additional payment for partner.”.

**101. Paragraph 622(1)(f):**

Omit “(allowees stopping courses after 4 weeks)”.

**102. Section 660IA:**

Add at the end:

“Note 1: this section will not apply in a case where section 660D or 660I applies.

Note 2: for the date of effect of a determination under this section see section 660L.”.

**103. Paragraph 660K(7)(c):**

Omit “ceased”, substitute “was granted”.

**104. Section 660N:**

- (a) Omit “If”, substitute “Subject to subsection (2), if”.
- (b) Add at the end the following subsection:

“(2) The death of the child is taken into account in:

- (a) working out the person’s maximum basic rate; and
- (b) determining whether an amount is to be added to the person’s maximum basic rate by way of additional payment for partner.

Note 1: for paragraph (a) see point 1068-B1 of Benefit Rate Calculator B in section 1068: if the child was the person’s only dependent child, the child will have affected the person’s maximum basic rate.

Note 2: for paragraph (b) see point 1068-C2 of Benefit Rate Calculator B in section 1068: the child may have made the person qualified for additional payment for partner.”.

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**SCHEDULE 3—continued**

**PART 4—AMENDMENT COMMENCING ON 1 JULY 1991,  
IMMEDIATELY AFTER THE COMMENCEMENT OF THE  
SOCIAL SECURITY (REWRITE) AMENDMENT ACT 1991**

**105. Paragraph 734A(2)(b):**

Omit “authorities”, substitute “authorises”.

**PART 5—AMENDMENTS COMMENCING ON 1 JULY 1991,  
IMMEDIATELY AFTER THE COMMENCEMENT OF THE  
SOCIAL SECURITY ACT 1991**

Note: these amendments will have ceased to have effect immediately before the commencement of Part 2 of the *Social Security (Disability and Sickness Support) Amendment Act 1991*. That Part commenced on 12 November 1991.

**106. Subsection 119(1):**

Omit “subsection (2)”, substitute “subsections (2) and (3)”.

**107. Section 119:**

Add at the end:

*Deductions from instalments with recipient’s consent*

“(3) The Secretary may make deductions from the instalments of invalid pension payable to a person if the recipient consents under section 1234A to the Secretary making the deductions.

Note: section 1234A enables the Secretary to recover a debt from a person other than the debtor if the person is receiving a pension, benefit or allowance.”.

**108. Subsection 133(5):**

Omit “If”, substitute “Subject to subsection (5A), if”.

**109. After subsection 133(5):**

Insert:

“(5A) If:

- (a) the favourable determination is made following the death of the person’s partner; and
- (b) the favourable determination is made because the person elects not to receive bereavement payments; and
- (c) within the bereavement period:
  - (i) the person notifies the Department orally or in writing of their partner’s death; or
  - (ii) the Secretary otherwise becomes aware of the death;

the determination takes effect on the day after the day on which the partner died.”.

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**SCHEDULE 3—continued**

**110. Subsection 135(2):**

Add at the end:

“Note: if a person makes an election, the date of effect of any determination to increase the person’s rate of invalid pension may, in some circumstances, be the day after the day on which the person’s partner died (see subsection 146D(5A)).”.

**111. Sub-subparagraph 144(1)(b)(ii)(B):**

Omit the sub-subparagraph.

**112. Paragraph 684(1)(d):**

Omit “has a provisional commencement day”, substitute “claims sickness benefit”.

**113. Subsection 684(1) (Note):**

Omit the Note.

**114. Paragraph 684(2)(c):**

Omit “the person’s provisional commencement day is”, substitute “the person claims sickness benefit”.

**115. Subsection 684(2) (Notes):**

(a) Omit Note 1.

(b) Renumber Note 2 as Note.

**116. Section 684:**

Add at the end:

“(3) If section 678 (initial incorrect claim followed by claim for sickness benefit) applies to a person, paragraphs (1)(d) and (2)(c) of this section apply to the person as if the person had made the claim for sickness benefit on the day on which the person made the claim that is the initial claim for the purpose of section 678.”.

**117. Subsection 711(1):**

Omit “subsection (2)”, substitute “subsections (2) and (3)”.

**118. Section 711:**

Add at the end:

*Deductions from instalments with recipient’s consent*

“(3) The Secretary may make deductions from the instalments of sickness benefit payable to a person if the recipient consents under section 1234A to the Secretary making the deductions.

Note: section 1234A enables the Secretary to recover a debt from a person other than the debtor if the person is receiving a pension, benefit or allowance.”.

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**SCHEDULE 3—continued**

**119. Section 727:**

- (a) omit “If”, substitute “Subject to subsection (2), if”.
- (b) add at the end the following subsection:

“(2) The death of the child is taken into account in:  
(a) working out the person’s maximum basic rate; and  
(b) determining whether an amount is to be added to the person’s maximum basic rate by way of additional payment for partner.

Note 1: for paragraph (a) see point 1067-B1 of Benefit Rate Calculator A in section 1067 and point 1068-B1 of Benefit Rate Calculator B in section 1068: if the child was the person’s only dependent child, the child will have affected the person’s maximum basic rate.

Note 2: for paragraph (b) see point 1067-C1 (paragraph (b)) of Benefit Rate Calculator A in section 1067 and point 1068-C2 in Benefit Rate Calculator B in section 1068: the child may have made the person qualified for additional payment for partner.”.

**PART 6—AMENDMENTS COMMENCING ON  
12 NOVEMBER 1991, IMMEDIATELY AFTER THE  
COMMENCEMENT OF PART 2 OF THE SOCIAL SECURITY  
(DISABILITY AND SICKNESS SUPPORT) AMENDMENT  
ACT 1991**

**120. Section 3 (Index):**

Omit the following entry:

“non-profit organisation 23(1)”.

**121. Subsection 5(10):**

Omit “684 and 685”, substitute “695 and 696”.

**122. Paragraph 12(6)(e):**

Omit “672”, substitute “681”.

**123. Subsection 23(1) (definition of “non-profit organisation”):**

Omit the definition.

**124. Subsection 23(10B):**

Omit “674”, substitute “676”.

**125. Section 32:**

Repeal the section.

**126. Section 33:**

Repeal the section.

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**SCHEDULE 3—continued**

**127. Section 146A:**

Add at the end:

“Note 1: this section will not apply in a case where section 146 applies.

Note 2: for the date of effect of a determination under this section see section 146E.”.

**128. Paragraph 146D(7)(c):**

Omit “ceased”, substitute “was granted”.

**129. Subparagraph 147(1)(b)(ii):**

Omit “disability support”, substitute “invalid”.

**130. Paragraph 147(1A)(a):**

Omit “1 October 1991”, substitute “12 November 1991”.

**131. Paragraph 519(4)(b):**

Omit “674”, substitute “676”.

**132. Paragraph 677(1)(g):**

Omit “689 to 691”, substitute “690 to 692”.

**133. Paragraph 677(1)(h):**

Omit “692 and 693”, substitute “693 and 694”.

**134. Paragraph 677(1)(i):**

Omit “694 and 695”, substitute “695 and 696”.

**135. Paragraph 677(1)(j):**

Omit “697”, substitute “698”.

**136. Subsection 686(2) (Note 3):**

Omit “728C”, substitute “728D”.

**137. Paragraph 687(3)(a):**

Omit “696(1)”, substitute “695(1)”.

**138. Section 692 (Note 2):**

After “unused” (twice occurring), insert “annual”.

**139. Subsection 694(3):**

Omit “subsections 676(2), (3) and (4)”, substitute “subsection 676(3)”.

**140. Paragraph 695(1)(d):**

Omit “has a provisional commencement day”, substitute “claims sickness allowance”.

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**SCHEDULE 3—continued**

**141. Paragraph 695(1)(e):**

Omit “(recipients stopping courses after 4 weeks)”.

**142. Subsection 695(1) (Note):**

Omit the Note.

**143. Paragraph 695(2)(c):**

Omit “the person’s provisional commencement day is”, substitute “the person claims sickness allowance”.

**144. Subsection 695(2) (Notes):**

- (a) Omit Note 1.
- (b) Renumber Note 2 as Note.

**145. Section 695:**

Add at the end:

“(2A) If section 689 (initial incorrect claim followed by claim for sickness allowance) applies to a person, paragraphs (1)(d) and (2)(c) of this section apply to the person as if the person had made the claim for sickness allowance on the day on which the person made the claim that is the initial claim for the purposes of section 689.”.

**146. Section 728M:**

Add at the end:

“Note 1: this section will not apply in a case where section 728L applies.

Note 2: for the date of effect of a determination under this section see section 728R.”.

**147. Section 728T:**

- (a) omit “IF”, substitute “Subject to subsection (2), if”.
- (b) add at the end the following subsection:

“(2) The death of the child is taken into account in:

- (a) working out the person’s maximum basic rate; and
- (b) determining whether an amount is to be added to the person’s maximum basic rate by way of additional payment for partner.

Note 1: for paragraph (a) see point 1067-B1 of Benefit Rate Calculator A in section 1067 and point 1068-B1 of Benefit Rate Calculator B in section 1068: if the child was the person’s only dependent child, the child will have affected the person’s maximum basic rate.

Note 2: for paragraph (b) see point 1067-C1 (paragraph (b)) of Benefit Rate Calculator A in section 1067 and point 1068-C2 in Benefit Rate Calculator B in section 1068: the child may have made the person qualified for additional payment for partner.”.



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**SCHEDULE 3—continued**

**148. Section 1066A (Pension Rate Calculator D—point 1066A-EB13—Table EB—item 5—column 4B):**

Omit “914.20”, substitute “941.20”.

**149. Section 1066B (Pension Rate Calculator E—point 1066B-A1—Method statement):**

Omit Steps 1 to 6, substitute:

“*Step 1.* Work out what would be the person’s rate of pension if Pension Rate Calculator D applied to the person: the result is called the **notional income/assets tested rate**.

*Step 2.* Work out the person’s **maximum basic rate** using MODULE B below.

*Step 3.* Work out the amount per year for youth disability supplement using MODULE C below.

*Step 4.* Work out the amount per year (if any) for dependent children using MODULE D below.

*Step 5.* Add up the amounts obtained in Steps 2, 3 and 4: the result is called the **maximum payment rate**.

*Step 6.* Add to the maximum payment rate any amount per year payable by way of remote area allowance (see MODULE F): the result is called the **non-income/assets tested rate**.

*Step 7.* Compare the notional income/assets tested rate and the non-income/assets tested rate: whichever is the greater is the person’s **rate of pension**.”.

**150. Section 1066B (Pension Rate Calculator E—point 1066B-A2):**

Omit the point.

**151. Section 1066B (Pension Rate Calculator E—point 1066B-D2—Method statement):**

Omit Steps 1 to 3, substitute:

“*Step 1.* Work out whichever of the amounts applicable to the person under point 1066B-D3 is the highest.

*Step 2.* Add the amount obtained in Step 1 to the person’s **maximum basic rate**.”.

**152. Section 1066B (Pension Rate Calculator E—Module EA):**

Omit the Module.

**153. Section 1066B (Pension Rate Calculator E—Module EB):**

Omit the Module.

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**SCHEDULE 3—continued**

**154. Section 1067 (Benefit Rate Calculator A—paragraph 1067-G15(a)):**

Omit “700A”, substitute “713”.

**155. Section 1067 (Benefit Rate Calculator A—paragraph 1067-G15(b)):**

Omit “700A”, substitute “713”.

**156. Section 1067 (Benefit Rate Calculator A—point 1067-G15—Note 1):**

Omit “700A”, substitute “713”.

**157. Section 1171:**

(a) Omit “708”, substitute “710”.

(b) Omit from Note 3 “708”, substitute “710”.

**158. Section 1190 (Table—item 3—column 2):**

Omit “, is not a member of a couple”.

**159. Section 1190 (Table—item 4A—column 4):**

(a) After “point 1066A-C1”, insert “—the annual rate”.

(b) After “point 1066B-C1”, insert “—the annual rate”.

**160. Section 1190 (Table—item 11—column 4):**

After “point 1066A-D9”, insert “—the annual rate”.

**161. Section 1190 (Table—items 28 to 33—column 4):**

Omit “671(3)”, substitute “680(3)”.

**162. Schedule 1A (after clause 34):**

Insert:

**Invalid pensions (changes introduced on 12 November 1991)**

“34A. If, on 11 November 1991, a person was receiving an invalid pension granted:

(a) while the person was outside Australia; and

(b) on another pension or allowance being cancelled or ceasing to be payable;

section 1212 of the Principal Act, as in force before the amendments made by section 6 of the *Social Security (Disability and Sickness Support) Amendment Act 1991*, continues to apply in relation to that person.”.

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**SCHEDULE 3—continued**

**163. Schedule 1A (after subclause 36(4)):**

Insert:

“(4A) If:

- (a) a person is a member of a couple; and
- (b) the person’s partner is living with the person in their home;  
and
- (c) the person’s partner’s rate of disability support pension includes  
an amount for incentive allowance because of subclause (1) or  
(2);

the person’s rate of disability support pension cannot include an amount  
for rent assistance.”.

**164. Schedule 1A (subclause 36(3)):**

Omit “subsection”, substitute “subclause”.

**165. Schedule 1A (subclause 36(4)):**

Omit “subsection”, substitute “subclause”.

**166. Schedule 1A (subclause 36(5)):**

Omit “subsection” (twice occurring), substitute “subclause”.

**PART 7—AMENDMENTS COMMENCING ON  
13 DECEMBER 1991, IMMEDIATELY AFTER THE SOCIAL  
SECURITY LEGISLATION AMENDMENT ACT (NO. 4) 1991  
RECEIVED THE ROYAL ASSENT**

**167. Subsection 235(3):**

Omit “entitled but for subsection (2)”, substitute “otherwise  
entitled”.

**168. Subsection 301(4):**

Omit “entitled but for subsection (3)”, substitute “otherwise  
entitled”.

**PART 8—AMENDMENTS COMMENCING ON 1 JANUARY  
1992, IMMEDIATELY AFTER THE COMMENCEMENT OF  
SECTION 48 OF THE SOCIAL SECURITY LEGISLATION  
AMENDMENT ACT (NO. 4) 1991**

**169. Subparagraph 1061B(2)(b)(i):**

Omit “eligible for”, substitute “receiving”.

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**SCHEDULE 3—continued**

**170. Subparagraph 1061G(2)(b)(i):**

Omit “eligible for”, substitute “receiving”.

**PART 9—AMENDMENT COMMENCING ON 2 JANUARY 1992**

**171. Section 1206A:**

Omit “20 September” (twice occurring), substitute “1 January”.

**PART 10—AMENDMENTS COMMENCING ON  
12 MARCH 1992**

**172. Section 1067 (Benefit Rate Calculator A—point 1067-A2)**

Omit the point.

**173. Section 1067 (Benefit Rate Calculator A—point 1067-A3):**

Omit the point.

**174. Section 1067 (Benefit Rate Calculator A—point 1067-A4):**

Omit the point.

**175. Section 1068 (Benefit Rate Calculator B—point 1068-A2):**

Omit the point.

**176. Section 1068 (Benefit Rate Calculator B—point 1068-A3):**

Omit the point.

**177. Section 1068 (Benefit Rate Calculator B—point 1068-A4):**

Omit the point.

**178. Section 1190 (Table—item 49—column 3):**

Omit “item 5”, substitute “item 4”.

**179. Schedule 1A (clause 42):**

Add at the end:

“(2) If this clause applies to a person, the person’s rate of pension is not to exceed twice the rate at which the pension would be payable to the person if the person’s partner were receiving a social security pension, a social security benefit or a service pension.”.

**180. Schedule 1A (clause 43):**

Add at the end:

“(2) If this clause applies to a person, the person’s rate of pension is not to exceed twice the rate at which the pension would be payable

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(No. 2) No. 229, 1992*

**SCHEDULE 3—continued**

to the person if the person's partner were receiving a social security pension, a social security benefit or a service pension.”.

**181. Schedule 1A (clause 45):**

Add at the end:

“(2) If this clause applies to a person, the person's rate of pension is not to exceed twice the rate at which the pension would be payable to the person if the person's partner were receiving a social security pension, a social security benefit or a service pension.”.

**182. Schedule 1A (clause 46):**

Add at the end:

“(2) If this clause applies to a person, the person's rate of pension is not to exceed twice the rate at which the pension would be payable to the person if the person's partner were receiving a social security pension, a social security benefit or a service pension.”.

**PART 11—AMENDMENT COMMENCING ON  
20 MARCH 1992**

**183. After paragraph 253(1)(aa):**

Insert:

“(ab) the person or the person's partner has received compensation (see Part 3.14); or”.

**PART 12—AMENDMENTS COMMENCING ON 30 JUNE 1992,  
IMMEDIATELY AFTER THE SOCIAL SECURITY  
LEGISLATION AMENDMENT ACT 1992 RECEIVED THE  
ROYAL ASSENT**

**184. Paragraph 12C(5)(c):**

Omit “531”, substitute “530”.

**185. Paragraph 12C(5)(d):**

Omit “602”, substitute “612”.

**186. Paragraph 12C(5)(e):**

Omit “672”, substitute “681”.

**187. Section 1068 (Benefit Rate Calculator B—point 1068-B2):**

Omit “, 10 and 11”, substitute “, 8 and 9”.

**188. Section 1068 (Benefit Rate Calculator B—paragraph 1068-B2(c)):**

Omit “107.70”, substitute “111.35”.

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**SCHEDULE 3—continued**

**PART 13—AMENDMENTS COMMENCING ON 1 JULY 1992,  
IMMEDIATELY AFTER THE COMMENCEMENT OF  
SECTIONS 76, 82, 87 AND 93 OF THE SOCIAL SECURITY  
LEGISLATION AMENDMENT ACT (NO. 3) 1991**

**189. Subsection 589A(1):**

Add at the end:

“Note 3: for ‘long-term social security recipient’ see subsection 23(1).”.

**190. Subsections 589A(5) and (6):**

Omit the subsections.

**191. Subsection 660LA(1):**

Add at the end:

“Note 3: for ‘long-term social security recipient’ see subsection 23(1).”.

**192. Subsections 660LA(5) and (6):**

Omit the subsections.

**193. Subsection 728PA(1):**

Add at the end:

“Note 3: for ‘long-term social security recipient’ see subsection 23(1).”.

**194. Subsections 728PA(5) and (6):**

Omit the subsections.

**195. Subsection 768A(1):**

Add at the end:

“Note 3: for ‘long-term social security recipient’ see subsection 23(1).”.

**196. Subsections 768A(5) and (6):**

Omit the subsections.

**PART 14—AMENDMENTS COMMENCING ON 2 NOVEMBER  
1992, IMMEDIATELY AFTER THE COMMENCEMENT OF THE  
SOCIAL SECURITY AMENDMENT ACT 1992**

**197. Paragraph 695(3)(e):**

Omit “the person’s provisional commencement day is”, substitute  
“the person claims sickness allowance”.

**198. Subsection 695(3) (Notes):**

Omit the Notes, substitute:

“Note: for ‘social security pension’ and ‘social security benefit’ see subsection 23(1).”.

**SCHEDULE 4**

Section 154

**AMENDMENTS OF OTHER ACTS**

**PART 1—AMENDMENTS COMMENCING ON ROYAL ASSENT**

***Family Law Act 1975***

**1. Section 114G:**

Repeal the section, substitute:

**Leave of absence**

“114G.(1) Subject to section 87E of the *Public Service Act 1922*, the Director has such recreation leave entitlements as are determined by the Remuneration Tribunal.

“(2) The Minister may:

- (a) grant the Director leave of absence, other than recreation leave, on such terms and conditions as to remuneration or otherwise as the Minister determines; and
- (b) grant a member other than the Director leave to be absent from a meeting or meetings of the Board.”.

**2. Subparagraph 114J(2)(b)(ii):**

Omit “granted by the Minister”.

**3. Paragraph 114J(2)(c):**

Omit “granted by the Minister”.

***Health Insurance Act 1973***

**4. After section 4BC:**

Insert:

**Disadvantaged persons, being certain former recipients of disability support pension**

“4C.(1) If:

- (a) a person is receiving a disability support pension; and
  - (b) the person ceases to be qualified for disability support pension because the person obtains work for at least 30 hours per week;
- the person is a disadvantaged person for the period of 12 months after the person ceases to be qualified for disability support pension.

“(2) If:

- (a) a person is receiving a disability support pension; and
- (b) the person obtains work; and

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**SCHEDULE 4—continued**

(c) the disability support pension ceases to be payable to the person because of an increase in the income of the person from that work;

the person is a disadvantaged person for the period of 12 months after the disability support pension ceases to be payable to the person.

“(3) In this section ‘**disability support pension**’ has the same meaning as in the *Social Security Act 1991*.”.

**5. Paragraph 5D(1)(a):**

Omit the paragraph, substitute:

“(a) at any time on or after 14 November 1983, a person is granted a newstart allowance, a job search allowance or a formal training allowance; and”.

**6. Subsection 5D(1):**

Omit “on the last day of the first-mentioned period”, substitute “on the date of the grant”.

**7. Paragraph 5D(1A)(b):**

Omit the paragraph, substitute:

“(b) on or before the expiration of the period specified in the declaration, a determination is made to pay a newstart allowance, a job search allowance or a formal training allowance to the person;”.

**8. Subsection 5D(8) (definition of “unemployment benefit”):**

Omit the definition, substitute:

“‘**newstart allowance**’ means newstart allowance under the *Social Security Act 1991*;

‘**Secretary**’ means the Secretary to the Department of Social Security.”.

**9. Paragraph 5E(3)(b):**

Omit the paragraph, substitute:

“(b) on or before the expiration of the period specified in the declaration, a determination is made to pay special benefit to the person;”.

**10. Subsection 5E(5):**

Omit “to the Department of Social Security”.

**11. Subsection 5E(12):**

Omit the subsection, substitute:

“(12) In this section:

‘**Secretary**’ means the Secretary to the Department of Social Security;



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**SCHEDULE 4—continued**

**‘special benefit’** means a special benefit under the *Social Security Act 1991*.”.

***Social Security and Repatriation (Budget Measures and Assets Test) Act 1984***

**12. Subsection 51(3):**

Omit the subsection.

**PART 2—AMENDMENTS COMMENCING ON 25 JUNE 1991,  
IMMEDIATELY AFTER THE SOCIAL SECURITY (JOB SEARCH  
AND NEWSTART) AMENDMENT ACT 1991 RECEIVED THE  
ROYAL ASSENT**

***Social Security (Job Search and Newstart) Amendment Act 1991***

**13. Paragraph 8(b):**

Omit the paragraph, substitute:

“(b) by omitting from paragraph (1)(d) ‘unemployment benefit’ and substituting ‘newstart allowance’ ”.

**14. Paragraph 9(d):**

Omit the paragraph, substitute:

“(d) by omitting subparagraph (2)(c)(ii) and substituting the following subparagraph:

‘(ii) the person had been registered for at least 12 months by the CES in an allowance category as being unemployed; and’ ”.

**15. Schedule (amendment of section 28—paragraph (b):**

Omit the paragraph, substitute:

“(b) Omit ‘523, 526, 527 and 598’, substitute ‘524 and 525’ ”.

**16. Schedule (amendment of point 1067-A3):**

Omit the amendment, substitute:

**“Point 1067-A3:**

Omit ‘514 (unemployment benefit) and 590 (job search allowance)’ substitute ‘517 (job search allowance) and 596 (newstart allowance)’ ”.

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**SCHEDULE 4—continued**

**PART 3—AMENDMENTS COMMENCING ON 27 JUNE 1991,  
IMMEDIATELY AFTER THE SOCIAL SECURITY (REWRITE)  
AMENDMENT ACT 1991 RECEIVED THE ROYAL ASSENT**

*Social Security (Rewrite) Amendment Act 1991*

**17. Schedule 1 (amendment of subsection 1231(1)):**

Omit the amendment, substitute:

**“Subsection 1231(1):**

Omit ‘an overpayment or a debt’, substitute ‘a debt under this Act, an overpayment arising under other Acts or schemes or a debt or overpayment under the 1947 Act’ ”.

**18. Schedule 2 (amendment of point 1068-G2):**

Omit the amendment, substitute:

**“Section 1068 (Benefit Rate Calculator B—point 1068-G2):**

Omit ‘(other than any AUSTUDY allowance received by the person’s partner)’, substitute ‘(other than AUSTUDY allowance) received by the person’s partner’ ”.

**19. Schedule 2 (amendment of subsection 1194(2)):**

Omit the amendment, substitute:

**“Subsection 1194(2):**

Omit ‘If’, substitute ‘Subject to subsections (3) and (4), if’ ”.

**20. Schedule 2 (amendment of subsection 1199(1)):**

Omit the amendment, substitute:

**“Subsection 1199(1):**

After ‘13’, insert ‘child’ ”.

**21. Schedule 2 (amendment of subsection 1199(2)):**

Omit the amendment, substitute:

**“Subsection 1199(2):**

After ‘13’, insert ‘child’ ”.

**22. Schedule 2 (amendment of subsection 1253(1)):**

Omit the amendment, substitute:

**“Subsection 1253(1):**

Omit ‘other than a decision referred to in subsection (7)’, substitute ‘(other than a decision referred to in subsection (7))’ ”.

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**SCHEDULE 4—continued**

**PART 4—AMENDMENTS COMMENCING ON 9 OCTOBER  
1991, IMMEDIATELY AFTER THE SOCIAL SECURITY  
(DISABILITY AND SICKNESS SUPPORT) AMENDMENT ACT  
1991 RECEIVED THE ROYAL ASSENT**

*Social Security (Disability and Sickness Support) Amendment Act 1991*

**23. Subsection 6(2):**

Omit the subsection.

**24. Schedule 1 (amendment of subparagraph 1212(3)(c)(ii)):**

Omit the amendment.

**25. Schedule 1 (amendment of subparagraph 1221(2)(a)(ii)):**

Omit the amendment.

**26. Schedule 1 (amendment of subsection 1221(5)):**

Omit the amendment.

**PART 5—AMENDMENTS COMMENCING ON 12 NOVEMBER  
1991, IMMEDIATELY AFTER THE COMMENCEMENT OF  
PART 2 OF THE SOCIAL SECURITY (DISABILITY AND  
SICKNESS SUPPORT) AMENDMENT ACT 1991**

*Social Security Legislation Amendment Act (No. 4) 1991*

**27. Part 2 of Schedule 2:**

Omit:

**“Section 1066A (Pension Rate Calculator D—before paragraph  
1066A-I1):”**

Substitute:

**“Section 1066A (Pension Rate Calculator D—before paragraph  
1066A-I1(a)):**”

**PART 6—AMENDMENT COMMENCING ON 12 NOVEMBER  
1991, IMMEDIATELY AFTER THE COMMENCEMENT OF  
PART 5 OF THE SOCIAL SECURITY LEGISLATION  
AMENDMENT ACT (NO. 3) 1991**

*Social Security Legislation Amendment Act (No. 3) 1991*

**28. Part 1 of Schedule:**

(a) Omit “**Paragraph 664C(d)**”, substitute “**Paragraph 664C(1)(d)**”.

(b) Omit “**Paragraph 664C(e)**”, substitute “**Paragraph 664C(1)(e)**”.

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**SCHEDULE 4—continued**

**PART 7—AMENDMENTS COMMENCING ON 29 JUNE 1992**

*Social Security Legislation Amendment Act 1992*

- 29. Part 1 of Schedule 1 (amendment of paragraph 776(2)(c)):**  
Omit the amendment.

**PART 8—AMENDMENTS COMMENCING ON 1 JULY 1992,  
IMMEDIATELY AFTER THE COMMENCEMENT OF  
SECTIONS 76, 82, 87 AND 93 OF THE SOCIAL SECURITY  
LEGISLATION AMENDMENT ACT (NO. 3) 1991**

*Social Security Legislation Amendment Act 1992*

- 30. Subsection 2(15):**  
Omit the subsection.

- 31. Part 7 of Schedule 2:**  
Repeal the Part.

**PART 9—AMENDMENTS COMMENCING ON 2 NOVEMBER  
1992, IMMEDIATELY AFTER THE COMMENCEMENT OF THE  
SOCIAL SECURITY LEGISLATION AMENDMENT ACT 1992**

*Social Security Amendment Act 1992*

- 32. Schedule (amendment of subsection 5(10)—paragraph (b)):**  
Omit the paragraph, substitute:  
“(b) Omit ‘and 696’, substitute ‘, 696 and 696A’ ”.

- 33. Schedule (amendment of paragraph 677(1)(i)):**  
Omit the amendment, substitute:  
“Omit ‘and 696’, substitute ‘, 696 and 696A’ ”.

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**SCHEDULE 5**

Section 153

**AMENDMENTS OF THE SOCIAL SECURITY ACT 1991 RELATING  
TO PHARMACEUTICAL ALLOWANCE**

**1. Subsection 44(2):**

Omit “An”, substitute “Subject to subsection (3), an”.

**2. Section 44:**

Add at the end:

“(3) Subsection (2) does not apply to a person if the person’s rate is nil merely because an advance pharmaceutical allowance has been paid to the person under:

(a) Part 2.23 of this Act; or

(b) Division 2 of Part VIIA of the Veterans’ Entitlements Act.”.

**3. Subsection 98(2):**

Omit “A”, substitute “Subject to subsection (3), a”.

**4. Section 98:**

Add at the end:

“(3) Subsection (2) does not apply to a person if the person’s rate is nil merely because an advance pharmaceutical allowance has been paid to the person under:

(a) Part 2.23 of this Act; or

(b) Division 2 of Part VIIA of the Veterans’ Entitlements Act.”.

**5. Subsection 148(2):**

Omit “A”, substitute “Subject to subsection (3), a”.

**6. Section 148:**

Add at the end:

“(3) Subsection (2) does not apply to a woman if the woman’s rate is nil merely because an advance pharmaceutical allowance has been paid to the woman under:

(a) Part 2.23 of this Act; or

(b) Division 2 of Part VIIA of the Veterans’ Entitlements Act.”.

**7. Subsection 199(2):**

Omit “A”, substitute “Subject to subsection (3), a”.

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**SCHEDULE 5—continued**

**8. Section 199:**

Add at the end:

“(3) Subsection (2) does not apply to a person if the person’s rate is nil merely because an advance pharmaceutical allowance has been paid to the person under:

- (a) Part 2.23 of this Act; or
- (b) Division 2 of Part VIIA of the Veterans’ Entitlements Act.”.

**9. Subsection 253(2):**

Omit “A”, substitute “Subject to subsection (3), a”.

**10. Section 253:**

Add at the end:

“(3) Subsection (2) does not apply to a person if the person’s rate is nil merely because an advance pharmaceutical allowance has been paid to the person under:

- (a) Part 2.23 of this Act; or
- (b) Division 2 of Part VIIA of the Veterans’ Entitlements Act.”.

**11. Subsection 316(2):**

Omit “A”, substitute “Subject to subsection (3), a”.

**12. Section 316:**

Add at the end:

“(3) Subsection (2) does not apply to a person if the person’s rate is nil merely because an advance pharmaceutical allowance has been paid to the person under:

- (a) Part 2.23 of this Act; or
- (b) Division 2 of Part VIIA of the Veterans’ Entitlements Act.”.

**13. Subsection 364(2):**

Omit “A”, substitute “Subject to subsection (3), a”.

**14. Section 364:**

Add at the end:

“(3) Subsection (2) does not apply to a woman if the woman’s rate is nil merely because an advance pharmaceutical allowance has been paid to the woman under:

- (a) Part 2.23 of this Act; or
- (b) Division 2 of Part VIIA of the Veterans’ Entitlements Act.”.

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**SCHEDULE 5—continued**

**15. Subsection 526(2):**

Omit “A”, substitute “Subject to subsection (3), a”.

**16. Section 526:**

Add at the end:

“(3) Subsection (2) does not apply to a person if the person’s rate is nil merely because an advance pharmaceutical allowance has been paid to the person under:

(a) Part 2.23 of this Act; or

(b) Division 2 of Part VIIA of the Veterans’ Entitlements Act.”.

**17. Subsection 608(2):**

Omit “A”, substitute “Subject to subsection (3), a”.

**18. Section 608:**

Add at the end:

“(3) Subsection (2) does not apply to a person if the person’s rate is nil merely because an advance pharmaceutical allowance has been paid to the person under:

(a) Part 2.23 of this Act; or

(b) Division 2 of Part VIIA of the Veterans’ Entitlements Act.”.

**19. Subsection 677(2):**

Omit “A”, substitute “Subject to subsection (3), a”.

**20. Section 677:**

Add at the end:

“(3) Subsection (2) does not apply to a person if the person’s rate is nil merely because an advance pharmaceutical allowance has been paid to the person under:

(a) Part 2.23 of this Act; or

(b) Division 2 of Part VIIA of the Veterans’ Entitlements Act.”.

**21. Subsection 732(2):**

Omit “A”, substitute “Subject to subsection (3), a”.

**22. Section 732:**

Add at the end:

“(3) Subsection (2) does not apply to a person if the person’s rate is nil merely because an advance pharmaceutical allowance has been paid to the person under:

(a) Part 2.23 of this Act; or

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**SCHEDULE 5—continued**

(b) Division 2 of Part VIIA of the Veterans' Entitlements Act."

**23. Subsection 1061G(3):**

Omit the subsection.

**24. Subsection 1061JB(4):**

Add at the end the following Note:

"Note: for the amount 'paid' to a person by way of pharmaceutical allowance see subsections 19A(2) to (6)."

**25. Section 1064 (Pension Rate Calculator A—point 1064-H1):**

Omit paragraph (aa), substitute:

"(aa) either:

- (i) the person's rate of pension apart from this point is greater than nil; or
- (ii) apart from this point the person's rate of pension would be nil merely because an advance pharmaceutical allowance has been paid to the person under:
  - (A) Part 2.23 of this Act; or
  - (B) Division 2 of Part VIIA of the Veterans' Entitlements Act; and"

**26. Section 1065 (Pension Rate Calculator B—point 1065-E1):**

Omit paragraph (aa), substitute:

"(aa) either:

- (i) the person's rate of pension apart from this point is greater than nil; or
- (ii) apart from this point the person's rate of pension would be nil merely because an advance pharmaceutical allowance has been paid to the person under:
  - (A) Part 2.23 of this Act; or
  - (B) Division 2 of Part VIIA of the Veterans' Entitlements Act; and"

**27. Section 1066 (Pension Rate Calculator C—point 1066-H1):**

Omit paragraph (aa), substitute:

"(aa) either:

- (i) the person's rate of pension apart from this point is greater than nil; or
- (ii) apart from this point the person's rate of pension would be nil merely because an advance pharmaceutical allowance has been paid to the person under:
  - (A) Part 2.23 of this Act; or



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**SCHEDULE 5—continued**

(B) Division 2 of Part VIIA of the Veterans' Entitlements Act; and”.

**28. Section 1066A (Pension Rate Calculator D—point 1066A-I1):**

Omit paragraph (aa), substitute:

“(aa) either:

- (i) the person's rate of pension apart from this point is greater than nil; or
- (ii) apart from this point the person's rate of pension would be nil merely because an advance pharmaceutical allowance has been paid to the person under:
  - (A) Part 2.23 of this Act; or
  - (B) Division 2 of Part VIIA of the Veterans' Entitlements Act; and”.

**29. Section 1066B (Pension Rate Calculator E—point 1066B-F1):**

Omit paragraph (aa), substitute:

“(aa) either:

- (i) the person's rate of pension apart from this point is greater than nil; or
- (ii) apart from this point the person's rate of pension would be nil merely because an advance pharmaceutical allowance has been paid to the person under:
  - (A) Part 2.23 of this Act; or
  - (B) Division 2 of Part VIIA of the Veterans' Entitlements Act; and”.

**30. Section 1067 (Benefit Rate Calculator A—point 1067-K1):**

Omit paragraph (aa), substitute:

“(aa) either:

- (i) the person's rate of benefit apart from this point is greater than nil; or
- (ii) apart from this point the person's rate of benefit would be nil merely because an advance pharmaceutical allowance has been paid to the person under:
  - (A) Part 2.23 of this Act; or
  - (B) Division 2 of Part VIIA of the Veterans' Entitlements Act; and”.

**31. Section 1067 (Benefit Rate Calculator A—point 1067-K2):**

Omit paragraph (aa), substitute:

“(aa) either:

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**SCHEDULE 5—continued**

- (i) the person's rate of benefit apart from this point is greater than nil; or
- (ii) apart from this point the person's rate of benefit would be nil merely because an advance pharmaceutical allowance has been paid to the person under:
  - (A) Part 2.23 of this Act; or
  - (B) Division 2 of Part VIIA of the Veterans' Entitlements Act; and".

**32. Section 1068 (Benefit Rate Calculator B—point 1068-J1):**

Omit paragraph (aa), substitute:

“(aa) either:

- (i) the person's rate of benefit apart from this point is greater than nil; or
- (ii) apart from this point the person's rate of benefit would be nil merely because an advance pharmaceutical allowance has been paid to the person under:
  - (A) Part 2.23 of this Act; or
  - (B) Division 2 of Part VIIA of the Veterans' Entitlements Act; and".

**33. Section 1068 (Benefit Rate Calculator B—point 1068-J2):**

Omit paragraph (aa), substitute:

“(aa) either:

- (i) the person's rate of benefit apart from this point is greater than nil; or
- (ii) apart from this point the person's rate of benefit would be nil merely because an advance pharmaceutical allowance has been paid to the person under:
  - (A) Part 2.23 of this Act; or
  - (B) Division 2 of Part VIIA of the Veterans' Entitlements Act; and".

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**SCHEDULE 5—continued**

**34. Section 1190 (Indexed and adjusted amounts table):**

Omit items 45 to 49, substitute the following items:

44.	<b>Pharmaceutical allowance</b> Rate of pharmaceutical allowance for a person who is receiving a social security pension and is not a member of a couple	Pension PA 'single' rate	[Pension Rate Calculator A—point 1064-C8—Table—column 3—item 1] [Pension Rate Calculator B—point 1065-C8—Table—column 3—item 1] [Pension Rate Calculator C—point 1066-C7—the annual amount] [Pension Rate Calculator D—point 1066A-D8—Table—column 3—item 1] [Pension Rate Calculator E—point 1066B-D8—Table—column 3—item 1]
45.	Rate of pharmaceutical allowance for a person who is receiving a social security benefit and is not a member of a couple	Benefit PA 'single' rate	[Benefit Rate Calculator A—point 1067-D9—Table—column 3—item 1] [Benefit Rate Calculator B—point 1068-D10—Table—column 3—item 1]
46.	Rate of pharmaceutical allowance for a person who is receiving a social security pension and has a partner	Pension PA 'partnered' (item 2) rate	[Pension Rate Calculator A—point 1064-C8—Table—column 3—item 2] [Pension Rate Calculator B—point 1065-C8—Table—column 3—item 2] [Pension Rate Calculator D—point 1066A-D8—Table—column 3—item 2] [Pension Rate Calculator E—point 1066B-D8—Table—column 3—item 2]
47.	Rate of pharmaceutical allowance for a person who is receiving a social security benefit and has a partner	Benefit PA 'partnered' (item 2) rate	[Benefit Rate Calculator A—point 1067-D9—Table—column 3—item 2] [Benefit Rate Calculator B—point 1068-D10—Table—column 3—item 2]

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48.	Rate of pharmaceutical allowance for a person who is receiving a social security pension and is a member of an illness separated or respite care couple	Pension PA 'illness separated or respite care' rate	[Pension Rate Calculator A—point 1064-C7—Table—column 3—item 3] [Pension Rate Calculator B—point 1065-C8—Table—column 3—item 3] [Pension Rate Calculator D—point 1066A-D8—Table—column 3—item 3] [Pension Rate Calculator E—point 1066B-D8—Table—column 3—item 3]
49.	Rate of pharmaceutical allowance for a person who is receiving a social security benefit and is a member of an illness separated or respite care couple	Benefit PA 'illness separated or respite care' rate	[Benefit Rate Calculator A—point 1067-D9—Table—column 3—item 3] [Benefit Rate Calculator B—point 1068-D10—Table—column 3—item 3]
49A.	Rate of pharmaceutical allowance for a person who is receiving a social security pension and has a partner who is getting a service pension	Pension PA 'partnered' (item 4) rate	[Pension Rate Calculator A—point 1064-C7—Table—column 3—item 4] [Pension Rate Calculator B—point 1065-C8—Table—column 3—item 4] [Pension Rate Calculator D—point 1066A-D8—Table—column 3—item 4] [Pension Rate Calculator E—point 1066B-D8—Table—column 3—item 4]
49B.	Rate of pharmaceutical allowance for a person who is receiving a social security benefit and has a partner who is getting a service pension	Benefit PA 'partnered' (item 4) rate	[Benefit Rate Calculator A—point 1067-D9—Table—column 3—item 4] [Benefit Rate Calculator B—point 1068-D10—Table—column 3—item 4]

**35. Subsection 1191(1) (CPI Indexation Table):**

- (a) Insert "benefit" before "PA" in column 2 of item 31.
- (b) Insert "benefit" before "PA" in column 2 of item 32.

**36. Section 1206A:**

Repeal the section, substitute:

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**SCHEDULE 5—continued**

**Adjustment of certain pharmaceutical allowance rates**

“1206A.(1) This Act has effect as if, on 1 January each year, there were substituted for:

- (a) the pension PA ‘partnered’ (item 2) rate; and
- (b) the pension PA ‘partnered’ (item 4) rate;

the amount worked out by using the formula:

$$\text{benefit PA ‘partnered’ (item 2) rate} \times 26$$

where:

‘benefit PA ‘partnered’ (item 2) rate’ is the current figure, as at that 1 January, for the benefit PA ‘partnered’ (item 2) rate.

Note 1: for ‘current figure’ see subsection 20(1).

Note 2: the benefit PA ‘partnered’ (item 2) rate is indexed on each 1 January (see the CPI Indexation Table in section 1191—item 31).

“(2) This Act has effect as if, on 1 January each year, there were substituted for:

- (a) the pension PA ‘single’ rate; and
- (b) the pension PA ‘illness separated or respite care’ rate;

the amount worked out by using the formula:

$$\text{benefit PA ‘partnered’ (item 2) rate} \times 52$$

where:

‘benefit PA ‘partnered’ (item 2) rate’ is the current figure, as at that 1 January, for the benefit PA ‘partnered’ (item 2) rate.

Note 1: derivation of formula: take the benefit PA ‘partnered’ (item 2) rate; multiply by 26 to convert to a yearly amount; multiply by 2 to convert from ‘partnered’ to ‘single’ rate.

Note 2: for ‘current figure’ see subsection 20(1).

Note 3: the benefit PA ‘partnered’ (item 2) rate is indexed on each 1 January (see the CPI Indexation Table in section 1191—item 31).

“(3) This Act has effect as if, on 1 January each year, there were substituted for:

- (a) the benefit PA ‘single’ rate; and
- (b) the benefit PA ‘illness separated or respite care’ rate;

the amount worked out by using the formula:

$$\text{benefit PA ‘partnered’ (item 2) rate} \times 2$$

where:

‘benefit PA ‘partnered’ (item 2) rate’ is the current figure, as at that 1 January, for the benefit PA ‘partnered’ (item 2) rate.”.

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**SCHEDULE 5—continued**

**37. Paragraph 1207(1)(a):**

Insert ‘the pharmaceutical allowance Module of a Rate Calculator’ after “increased under”.

**38. Paragraph 1207(1)(c):**

Insert “the pharmaceutical allowance Module” after “increase under”.

**39. Subsection 1207(1):**

Add at the end:

“(e) finally, to the amount of any increase under the pharmaceutical allowance Module”.

**40. Subsection 1207(2) (Relevant Modules Table—column 1):**

Omit the column, substitute:

“

column 1 Pension Rate Calculator	column 2 pharmaceutical allowance Module
Pension Rate Calculator A (section 1064)	Module C
Pension Rate Calculator C (section 1066)	Module C
Pension Rate Calculator D (section 1066A)	Module D
Benefit Rate Calculator A (section 1067)	Module D
Benefit Rate Calculator B (section 1068)	Module D

”.

**41. Schedule 1A (subclause 49(2)):**

After paragraph (a) insert the following paragraph:

“(aa) neither a social security pension nor a social security benefit nor a service pension is payable to the person; or”.

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**SCHEDULE 5—continued**

**42. Schedule 1A (subclause 49(3)):**

Insert “until 31 December 1992” after “calculated”.

**43. Schedule 1A (clause 49):**

Add at the end the following subclauses:

“(5) If:

- (a) this clause applies to a person; and
- (b) the person is receiving a social security pension;

the person’s pension rate is to be calculated as from 1 January 1993 using the following Table to work out the amount of pharmaceutical allowance to be added to the person’s maximum basic rate:

PHARMACEUTICAL ALLOWANCE AMOUNT TABLE			
column 1 item	column 2 person’s family situation	column 3 amount per year	column 4 amount per fortnight
1.	Not member of a couple	\$135.20	\$5.20
2.	Partnered (partner getting neither social security pension nor benefit)	\$135.20	\$5.20
3.	Partnered (partner getting social security pension or benefit)	\$67.60	\$2.60
4.	Member of an illness separated or respite care couple	\$135.20	\$5.20
5.	Partnered (partner getting service pension)	\$67.60	\$2.60

“(6) If:

- (a) this clause applies to a person; and
- (b) the person is receiving a social security benefit;

the person’s benefit rate is to be calculated as from 1 January 1993 using the following Table to work out the amount of pharmaceutical allowance to be added to the person’s maximum basic rate:

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**SCHEDULE 5—continued**

PHARMACEUTICAL ALLOWANCE AMOUNT TABLE		
column 1 item	column 2 person's family situation	column 3 amount per fortnight
1.	Not member of a couple	\$5.20
2.	Partnered (partner getting neither social security pension nor benefit)	\$5.20
3.	Partnered (partner getting social security pension or benefit)	\$2.60
4.	Member of an illness separated or respite care couple	\$5.20
5.	Partnered (partner getting service pension)	\$2.60



**SCHEDULE 6**

Section 153

**AMENDMENTS OF THE SOCIAL SECURITY ACT 1991  
RELATING TO WITHDRAWAL OF A CLAIM**

**1. After section 51:**

Insert:

**Claim may be withdrawn**

“51AA.(1) A claimant for an age pension or a person on behalf of a claimant may withdraw a claim that has not been determined.

“(2) A claim that is withdrawn is taken to have not been made.

“(3) A withdrawal may be made orally or in writing.”.

**2. After section 110:**

Insert:

**Claim may be withdrawn**

“110A.(1) A claimant for a disability support pension or a person on behalf of a claimant may withdraw a claim that has not been determined.

“(2) A claim that is withdrawn is taken to have not been made.

“(3) A withdrawal may be made orally or in writing.”.

**3. After section 155:**

Insert:

**Claim may be withdrawn**

“155AA.(1) A claimant for a wife pension or a person on behalf of a claimant may withdraw a claim that has not been determined.

“(2) A claim that is withdrawn is taken to have not been made.

“(3) A withdrawal may be made orally or in writing.”.

**4. After section 206:**

Insert:

**Claim may be withdrawn**

“206AA.(1) A claimant for a carer pension or a person on behalf of a claimant may withdraw a claim that has not been determined.

“(2) A claim that is withdrawn is taken to have not been made.

“(3) A withdrawal may be made orally or in writing.”.

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**SCHEDULE 6—continued**

**5. After section 262:**

Insert:

**Claim may be withdrawn**

“262A.(1) A claimant for a sole parent pension or a person on behalf of a claimant may withdraw a claim that has not been determined.

“(2) A claim that is withdrawn is taken to have not been made.

“(3) A withdrawal may be made orally or in writing.”.

**6. After section 325:**

Insert:

**Claim may be withdrawn**

“325AA.(1) A claimant for a widowed person allowance or a person on behalf of a claimant may withdraw a claim that has not been determined.

“(2) A claim that is withdrawn is taken to have not been made.

“(3) A withdrawal may be made orally or in writing.”.

**7. After section 372:**

Insert:

**Claim may be withdrawn**

“372AA.(1) A claimant for a widow B pension or a person on behalf of a claimant may withdraw a claim that has not been determined.

“(2) A claim that is withdrawn is taken to have not been made.

“(3) A withdrawal may be made orally or in writing.”.

**8. After section 554:**

Insert:

**Claim may be withdrawn**

“554A.(1) A claimant for a job search allowance or a person on behalf of a claimant may withdraw a claim that has not been determined.

“(2) A claim that is withdrawn is taken to have not been made.

“(3) A withdrawal may be made orally or in writing.”.

**9. After section 638:**

Insert:

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**SCHEDULE 6—continued**

**Claim may be withdrawn**

“638A.(1) A claimant for a newstart allowance or a person on behalf of a claimant may withdraw a claim that has not been determined.

“(2) A claim that is withdrawn is taken to have not been made.

“(3) A withdrawal may be made orally or in writing.”.

**10. After section 665:**

Insert in Part 2.13:

**Claim may be withdrawn**

“665AA.(1) A claimant for an employment entry payment or a person on behalf of a claimant may withdraw a claim that has not been determined.

“(2) A claim that is withdrawn is taken to have not been made.

“(3) A withdrawal may be made orally or in writing.”.

**11. After section 665C:**

Insert in Part 2.13A:

**Claim may be withdrawn**

“665D.(1) A claimant for an education entry payment or a person on behalf of a claimant may withdraw a claim that has not been determined.

“(2) A claim that is withdrawn is taken to have not been made.

“(3) A withdrawal may be made orally or in writing.”.

**12. After section 704:**

Insert:

**Claim may be withdrawn**

“704A.(1) A claimant for sickness allowance or a person on behalf of a claimant may withdraw a claim that has not been determined.

“(2) A claim that is withdrawn is taken to have not been made.

“(3) A withdrawal may be made orally or in writing.”.

**13. After section 742:**

Insert:

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**SCHEDULE 6—continued**

**Claim may be withdrawn**

“742AA.(1) A claimant for special benefit or a person on behalf of a claimant may withdraw a claim that has not been determined.

“(2) A claim that is withdrawn is taken to have not been made.

“(3) A withdrawal may be made orally or in writing.”

**14. After section 791:**

Insert in Division 2 of Part 2.16:

**Claim may be withdrawn**

“791AA.(1) A claimant for a special needs pension or a person on behalf of a claimant may withdraw a claim that has not been determined.

“(2) A claim that is withdrawn is taken to have not been made.

“(3) A withdrawal may be made orally or in writing.”

**15. After section 854:**

Insert:

**Claim may be withdrawn**

“854A.(1) A claimant for family payment or a person on behalf of a claimant may withdraw a claim that has not been determined.

“(2) A claim that is withdrawn is taken to have not been made.

“(3) A withdrawal may be made orally or in writing.”

**16. After section 963:**

Insert in Division 3 of Part 2.19:

**Claim may be withdrawn**

“963A.(1) A claimant for a child disability allowance or a person on behalf of a claimant may withdraw a claim that has not been determined.

“(2) A claim that is withdrawn is taken to have not been made.

“(3) A withdrawal may be made orally or in writing.”

**17. After section 1006:**

Insert in Division 3 of Part 2.20:

**Claim may be withdrawn**

“1006A.(1) A claimant for a double orphan pension or a person on behalf of a claimant may withdraw a claim that has not been determined.

“(2) A claim that is withdrawn is taken to have not been made.

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**SCHEDULE 6—continued**

“(3) A withdrawal may be made orally or in writing.”.

**18. After section 1042:**

Insert:

**Claim may be withdrawn**

“1042AA.(1) A claimant for mobility allowance or a person on behalf of a claimant may withdraw a claim that has not been determined.

“(2) A claim that is withdrawn is taken to have not been made.

“(3) A withdrawal may be made orally or in writing.”.

**19. After section 1061JB:**

Insert in Division 2 of Part 2.23:

**Claim may be withdrawn**

“1061JBA.(1) A claimant for an advance pharmaceutical allowance or a person on behalf of a claimant may withdraw a claim that has not been determined.

“(2) A claim that is withdrawn is taken to have not been made.

“(3) A withdrawal may be made orally or in writing.”.

**20. After section 1061N:**

Insert:

**Claim may be withdrawn**

“1061NA.(1) A claimant for a disaster relief payment or a person on behalf of a claimant may withdraw a claim that has not been determined.

“(2) A claim that is withdrawn is taken to have not been made.

“(3) A withdrawal may be made orally or in writing.”.

**AMENDMENTS OF INTERNATIONAL AGREEMENT**

**Schedule 2**

(a) Omit "SCHEDULE 2", substitute:

**"SCHEDULE 2  
PART A".**

(b) Add at the end:

**"PART B**

**NOTES DATED 22 APRIL 1992 AND 23 APRIL 1992 BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF AUSTRALIA AGREEING TO THE DATE THAT THE AGREEMENT ON SOCIAL SECURITY SIGNED AT LONDON ON 1 OCTOBER 1990 ENTERS INTO FORCE.**

Note No. 29

The British High Commission present their compliments to the Department of Foreign Affairs and Trade and have the honour to refer to the Agreement on Social Security between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Australia signed at London on 1 October 1990 and, in accordance with Article 25(1) of that Agreement, to notify the Department of Foreign Affairs and Trade that the Government of the United Kingdom has completed the constitutional and administrative requirements necessary for its implementation.

The High Commission have the honour to propose that, if the Government of Australia has similarly completed its constitutional and administrative requirements, the Agreement shall enter into force on 29 June 1992.

The High Commission avail themselves of this opportunity to renew to the Department of Foreign Affairs and Trade the assurance of their highest consideration.

22 April 1992

British High Commission  
CANBERRA

Note No. 312327

The Department of Foreign Affairs and Trade presents its compliments to the British High Commission and has the honour to refer to the

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**SCHEDULE 7—continued**

High Commission's Note No. 29 of 22 April 1992, which reads as follows:

“The British High Commission present their compliments to the Department of Foreign Affairs and Trade and have the honour to refer to the Agreement on Social Security between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Australia signed at London on 1 October 1990 and, in accordance with Article 25(1) of that Agreement, to notify the Department of Foreign Affairs and Trade that the Government of the United Kingdom has completed the constitutional and administrative requirements necessary for its implementation.

The High Commission have the honour to propose that, if the Government of Australia has similarly completed its constitutional and administrative requirements, the Agreement shall enter into force on 29 June 1992.”

The Department has the honour to advise that the constitutional and administrative arrangements necessary for the implementation of the said Agreement by the Government of Australia have been completed. The Department further has the honour to confirm that the foregoing is acceptable to the Government of Australia and that the Agreement shall enter into force on 29 June 1992.

CANBERRA  
23 April 1992.

**PART C**

**NOTES DATED 22 APRIL 1992 BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF AUSTRALIA AMENDING THE AGREEMENT ON SOCIAL SECURITY SIGNED AT LONDON ON 1 OCTOBER 1990.**

Note No. 30

The British High Commission present their compliments to the Department of Foreign Affairs and Trade and have the honour to refer to the Agreement on Social Security between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Australia signed at London on 1 October 1990 (which in this letter is referred to as “the Agreement”) and to recent discussions between the Departments of Social Security of the United Kingdom and Australia concerning the need to amend the Agreement, so as to make provision for increases of United Kingdom benefits in respect of dependants to be paid in certain circumstances, for any period during which such dependant is in Australia.

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**SCHEDULE 7—continued**

The British High Commission now have the honour to propose the following amendments to the Agreement:

- (a) Articles 6 and 15(2) of the Agreement shall be deleted;
- (b) The following shall be inserted after Article 15 of the Agreement.

**“ARTICLE 15A**

**UK INCREASES FOR DEPENDANTS**

Where a person who is qualified to receive any benefit under the legislation of the United Kingdom, other than a retirement pension or a widowed mother's allowance payable by virtue of this or the former Agreement, would be qualified to receive also an increase of that benefit for a dependant if the dependant were in that territory, he or she shall be qualified to receive that increase while the dependant is in Australia”.

If the foregoing proposals are acceptable to the Government of Australia, the High Commission have the honour to propose that this Note and the Department of Foreign Affairs and Trade's reply to that effect, shall constitute an Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Australia which shall enter into force on 29 June 1992.

The British High Commission avail themselves of this opportunity to renew to the Department of Foreign Affairs and Trade the assurance of their highest consideration.

22 April 1992

British High Commission  
Canberra

Note No. 312326

The Department of Foreign Affairs and Trade presents its compliments to the British High Commission and has the honour to refer to the High Commission's Note No. 30 of 22 April 1992, which reads as follows:

“The British High Commission present their compliments to the Department of Foreign Affairs and Trade and have the honour to refer to the Agreement on Social Security between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Australia signed at London on 1 October 1990 (which in this letter is referred to as “the Agreement”) and to recent discussions between the Departments of Social Security of the United Kingdom and Australia concerning the need to amend the Agreement, so as to make provision for increases of United Kingdom benefits in respect of dependants to be paid in certain circumstances, for any period during which such dependant is in Australia.



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**SCHEDULE 7—continued**

The British High Commission now have the honour to propose the following amendments to the Agreement:

- (a) Articles 6 and 15(2) of the Agreement shall be deleted;
- (b) The following shall be inserted after Article 15 of the Agreement.

**“ARTICLE 15A**

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Where a person who is qualified to receive any benefit under the legislation of the United Kingdom, other than a retirement pension or a widowed mother's allowance payable by virtue of this or the former Agreement, would be qualified to receive also an increase of that benefit for a dependant if the dependant were in that territory, he or she shall be qualified to receive that increase while the dependant is in Australia.”

If the foregoing proposals are acceptable to the Government of Australia, the High Commission have the honour to propose that this Note and the Department of Foreign Affairs and Trade's reply to that effect, shall constitute an Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Australia which shall enter into force on 29 June 1992.”

The Department has the honour to confirm that the foregoing is acceptable to the Government of Australia and that the High Commission's Note and this reply shall together constitute an Agreement between the Government of Australia and the Government of the United Kingdom of Great Britain and Northern Ireland which shall enter into force on 29 June 1992.

CANBERRA  
22 April 1992.

”.

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**SCHEDULE 8**

Section 155

**NEW INTERNATIONAL AGREEMENT**

**SCHEDULE 12**

Section 1208

**AGREEMENT  
ON SOCIAL SECURITY  
BETWEEN  
AUSTRALIA  
AND  
THE REPUBLIC OF CYPRUS**

Australia and the Republic of Cyprus,  
Wishing to strengthen the existing friendly relations between the two  
countries, and  
Resolved to coordinate their social security systems;  
Have agreed as follows:

**PART I  
GENERAL PROVISIONS**

**ARTICLE 1**

**Definitions**

1. In this Agreement, unless the context otherwise requires:
  - (a) “benefit” means in relation to a Party, a benefit, pension or allowance for which provision is made in the legislation of that Party, and includes any additional amount, increase or supplement that is payable in addition to that benefit, pension or allowance to or in respect of a person who qualifies for that additional amount, increase or supplement under the legislation of that Party;
  - (b) “carer pension” means a carer pension payable to the partner of a person who is in receipt of a disability support pension for the severely disabled or an age pension where that partner is legally married to that person;
  - (c) “Competent Authority” means;  
in relation to Australia:  
the Secretary to the Department of Social Security; and,  
in relation to Cyprus:  
the Minister of Labour and Social Insurance;

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**SCHEDULE 8—continued**

- (d) “Competent Institution” means;
  - in relation to Australia:  
the Department of Social Security; and,
  - in relation to Cyprus:  
the Department of Social Insurance Services, Ministry of Labour and Social Insurance;
- (e) “legislation” means the laws specified in Article 2;
- (f) “period of Australian working life residence”, in relation to a person, means a period defined as such in the legislation of Australia;
- (g) “period of insurance” means a period for which contributions have been paid or credited or a period of paid or credited insurable earnings under the legislation of Cyprus;
- (h) “territory” means;
  - in relation to Australia:  
Australia as defined in the legislation of Australia; and
  - in relation to Cyprus:  
the island of Cyprus;
- (i) “welfare benefit” means, in relation to Cyprus, any benefit payable under the Public Assistance Law of 1991 and any law to provide a similar means tested benefit from public funds that subsequently amends, supplements or replaces it and any rent allowance payable out of the Fund established under the Rent Control Laws of 1983 and 1991 and any law to provide a similar means-tested rent allowance from public funds that subsequently amends, supplements or replaces them; and
- (j) “widow” means, in relation to Australia, a de jure widow but does not include a woman who has a partner.

2. In the application by a Party of this Agreement in relation to a person, any term not defined in this Article shall, unless the context otherwise requires, have the meaning assigned to it in the legislation of either Party or, in the event of a conflict of meaning, by whichever of those laws is the more applicable to the circumstances of that person.

**ARTICLE 2**

**Legislative scope**

1. Subject to paragraph 2, this Agreement shall apply to the following laws, as amended at the date of signature of this Agreement, and to any laws that subsequently amend, supplement or replace them:

- (a) in relation to Australia: the Social Security Act 1991 in so far

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**SCHEDULE 8—continued**

as the Act provides for, applies to or affects the following benefits:

- (i) age pension;
  - (ii) disability support pension for the severely disabled;
  - (iii) pensions payable to widows;
  - (iv) widowed person allowance; and
  - (v) carer pension; and
- (b) in relation to Cyprus: the Social Insurance Laws of 1980 to 1990 in so far as the Laws provide for, apply to or affect social insurance benefits for:
- (i) age;
  - (ii) invalidity and work-related disablement;
  - (iii) survivorship; and
  - (iv) funerals.

2. Notwithstanding the provisions of paragraph 1, neither the legislation of Australia nor the legislation of Cyprus shall include any laws made at any time for the purpose of giving effect to any agreement on Social Security.

3. This Agreement shall apply to laws which extend the legislation of either Party to new categories of beneficiaries only if the two Parties so agree in a Protocol to this Agreement.

**ARTICLE 3**

Personal scope

This Agreement shall apply to any person who:

- (a) is or has been an Australian resident; or
  - (b) is or has been subject to the legislation of Cyprus,
- and, where applicable, to other persons in regard to the rights they derive from the person described above.

**ARTICLE 4**

Equality of treatment

Subject to this Agreement, all persons to whom this Agreement applies shall be treated equally by a Party in regard to rights and obligations which arise whether directly under the legislation of that Party or by virtue of this Agreement.

**ARTICLE 5**

Application of the legislation of Cyprus

1. Subject to the following paragraphs, where a person to whom this Agreement applies is gainfully occupied in the territory of Cyprus the person's liability to be insured under the legislation of Cyprus shall be

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**SCHEDULE 8—continued**

determined under that legislation, even if the person's place of residence and/or the employer's place of business is in Australia.

2. Where a person insured under the legislation of Cyprus is sent by an employer to work temporarily in Australia the person shall continue to be subject to the legislation of Cyprus during the first 24 months of employment in Australia.

3. A person who is employed as a member of the crew of a seagoing ship flying the Cyprus flag shall be subject to the legislation of Cyprus if the person is ordinarily resident in Cyprus.

4. Subject to the provisions of paragraph 5, a person employed by the Government or other public corporation of Cyprus sent by that Government or corporation to work in Australia shall continue to be subject to the legislation of Cyprus as if employed in Cyprus. A person employed by the Government or other public corporation of Australia in Cyprus shall be subject to the legislation of Cyprus if ordinarily a resident of Cyprus.

5. This Article does not apply to any person who falls within the scope of the Vienna Convention on Diplomatic Relations or the Vienna Convention on Consular Relations.

6. The Competent Authorities of the two Parties may provide, by agreement with one another, exceptions to the provisions of this Article where this is in the interest of persons affected thereby.

7. Where in accordance with the provisions of this Article a person is insured under the legislation of Cyprus while gainfully occupied in Australia, that legislation shall apply to that person as if he or she were gainfully occupied in Cyprus.

**PART II**

**PROVISIONS RELATING TO BENEFITS**

**AUSTRALIAN BENEFITS**

**ARTICLE 6**

**Residence of presence in Cyprus or a Third State**

1. Where a person would be qualified under the legislation of Australia or by virtue of this Agreement for a benefit except for not being an Australian resident and in Australia on the date on which the claim for that benefit is lodged, but:

- (a) is an Australian resident or residing in the territory of Cyprus or a third State with which Australia has concluded an agreement

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**SCHEDULE 8—continued**

on social security that includes provision for co-operation in the assessment and determination of claims for benefits; and

(b) is in Australia, or the territory of Cyprus or that third State, that person shall be deemed, for the purposes of lodging that claim, to be an Australian resident and in Australia on that date.

2. Paragraph 1 shall not apply to a claimant for a carer pension who has never been an Australian resident.

**ARTICLE 7**

**Partner related Australian benefits**

A person who receives from Australia any Australian pension, benefit or allowance under the social security laws of Australia due to the fact that the partner of that person receives, by virtue of this Agreement, an Australian benefit, shall be deemed to be receiving that pension, benefit or allowance by virtue of this Agreement but shall cease to qualify for that pension, benefit or allowance, if he or she is not physically present in Australia but, when that person is receiving a carer pension, he or she shall not cease to qualify for that pension while he or she is physically present in Cyprus.

**ARTICLE 8**

**Totalisation for Australia**

1. Where a person to whom this Agreement applies has claimed an Australian benefit under this Agreement and has accumulated:

- (a) a period as an Australian resident that is less than the period required to qualify that person, on that ground, under the legislation of Australia for a benefit; and
- (b) a period of Australian working life residence equal to or greater than the period identified in accordance with paragraph 5 for that person; and
- (c) a period of insurance;

then for the purposes of a claim for that Australian benefit, that period of insurance shall be deemed, only for the purposes of meeting any minimum qualifying periods for that benefit set out in the legislation of Australia, to be a period in which that person was an Australian resident.

2. For the purposes of paragraph 1, where a person:

- (a) has been an Australian resident for a continuous period which is less than the minimum continuous period required by the legislation of Australia for entitlement of that person to a benefit; and

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**SCHEDULE 8—continued**

- (b) has accumulated a period of insurance in two or more separate periods that equals or exceeds in total the period referred to in subparagraph (a),  
the total of the periods of insurance shall be deemed to be one continuous period.
3. For the purposes of converting a person's period of insurance to a period when that person was an Australian resident:
- (a) each week of insurance completed before 6 October 1980 under the legislation of Cyprus shall be treated as a week when that person was an Australian resident under the legislation of Australia; and
  - (b) the insurable earnings for any period of insurance completed from 6 October 1980 under the legislation of Cyprus shall be divided by the weekly amount of the basic insurable earnings applicable in the relevant contribution year. The figure so calculated, subject to the maximum number of weeks during which the person was subject to that legislation in that year, shall be treated as representing the number of weeks in the insurance period. Each week shall be treated as equivalent to one week when that person was an Australian resident.
4. For all purposes of this Article, where a period by a person as an Australian resident and a period of insurance coincide, the period of coincidence shall be taken into account once only by Australia as a period as an Australian resident.
5. The minimum period of Australian working life residence to be taken into account for the purposes of paragraph 1 shall be as follows:
- (a) for the purposes of an Australian benefit that is payable to a person who is not an Australian resident, the minimum period required shall be 12 months, of which at least six months must be continuous; and
  - (b) for the purposes of an Australian benefit that is payable to an Australian resident no minimum period shall be required.

**ARTICLE 9**

**Calculation of Australian benefits**

1. Subject to paragraph 2, where an Australian benefit is payable, whether by virtue of this Agreement or otherwise, to a person who is outside Australia, the rate of that benefit shall be determined according to the legislation of Australia but, when assessing the income of that person for the purposes of calculating the rate of the Australian benefit, only a proportion of any Cyprus social insurance benefit received by that person shall be regarded as income. That proportion shall be calculated by multiplying the number of whole months accumulated by

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**SCHEDULE 8—continued**

that person in a period of residence in Australia (not exceeding 300) by the amount of that Cyprus social insurance benefit and dividing that product by 300.

2. Only a person receiving a proportionalised Australian benefit under the legislation of Australia shall be entitled to receive the concessional assessment of income described in paragraph 1.

3. Where an Australian benefit is payable, whether payable by virtue of this Agreement or otherwise, to a person who is a resident of Cyprus, Australia shall disregard, when assessing the income of that person, any welfare benefit paid to that person by Cyprus.

4. Subject to the provisions of paragraph 5, where an Australian benefit is payable only by virtue of this Agreement to a person who is in Australia, the rate of that benefit shall be determined by:

- (a) calculating that person's income according to the legislation of Australia but disregarding in that calculation the Cyprus benefit received by that person;
- (b) deducting the amount of the Cyprus benefit received by that person from the maximum rate of that Australian benefit; and
- (c) applying to the remaining benefit obtained under subparagraph (b) the relevant rate calculation set out in the legislation of Australia, using as the person's income the amount calculated under subparagraph (a).

5. Where a member of a couple is, or both that member and his or her partner are, in receipt of a Cyprus benefit or benefits, each of them shall be deemed, for the purpose of paragraph 4 and for the legislation of Australia, to be in receipt of one half of either the amount of that benefit or total of both of those benefits, as the case may be.

6. If a person would receive an Australian benefit except for the operation of paragraph 4 or except for that person's failure to claim the benefit, then for the purposes of a claim by that person's partner for a payment under the legislation of Australia that person shall be deemed to receive that benefit.

7. The reference in paragraph 6 to a payment under the legislation of Australia to the partner of a person is a reference to a payment of any pension, benefit or allowance payable under the social security laws of Australia and whether payable by virtue of this Agreement or otherwise.



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**SCHEDULE 8—continued**

**PART III**

**PROVISIONS RELATING TO CYPRUS BENEFITS**

**ARTICLE 10**

**Totalisation for Cyprus**

1. Subject to paragraph 4, if a person is not entitled to benefit on the basis of insurance periods completed under the legislation of Cyprus alone entitlement for that benefit shall be determined by totalising these periods with periods of Australian working life residence to the extent necessary for entitlement to benefit.
2. In applying the provisions of paragraph 1, no account shall be taken of any period of working life residence in Australia completed prior to 7 January 1957.
3. For the purposes of this Article where a period of insurance and a period of Australian working life residence coincide, the period of coincidence shall be taken into account once only as a period of insurance.
4. Paragraph 1 shall not apply if the period of insurance is less than 52 weeks, except where the required period of insurance for entitlement to a benefit under the legislation of Cyprus is less than 52 weeks.
5. For the purpose of converting a period of Australian working life residence into a period of insurance under the legislation of Cyprus, a person shall be treated for each week of working life residence in Australia as having insurable earnings under the legislation of Cyprus equal to the weekly amount of basic insurable earnings.

**ARTICLE 11**

**Calculation of Cyprus benefits**

1. Subject to paragraph 2, the amount of benefit payable under the provisions of Article 10 shall be determined as follows:
  - (a) the Competent Institution of Cyprus shall calculate the theoretical basic benefit that would be payable if the periods of insurance completed under the legislation of Cyprus and the periods of Australian working life residence, totalised as provided in paragraph 1 of Article 10, had been periods of insurance under the legislation of Cyprus alone;
  - (b) it shall then prorate the theoretical basic benefit so calculated by the fraction which represents the ratio of the insurance periods completed under the legislation of Cyprus in relation to the total of the insurance periods completed under that legislation and the periods of Australian working life residence which are taken into account; and

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(c) the amount of the supplementary benefit shall be determined exclusively on the basis of periods of insurance completed under the legislation of Cyprus.

2. The amount of the funeral benefit payable under the legislation of Cyprus shall be calculated as if the periods of residence, which are taken into account as provided in paragraph 1 of Article 10, were periods of insurance under the legislation of Cyprus alone.

**ARTICLE 12**

**Work-related disablement**

1. Subject to paragraph 2, pensions for work-related disablement under the legislation of Cyprus shall be paid by virtue of this agreement in respect of disablement which occurs while a person is insured under that legislation and employed in an occupation which is valid for the purposes of that legislation.

2. The rate of a pension for work-related disablement paid by virtue of this Agreement shall be calculated as if the impairment which qualified a person for a benefit under the legislation of Australia had occurred under the legislation of Cyprus.

**PART IV**

**MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS**

**ARTICLE 13**

**Lodgement of documents**

1. A claim, notice or appeal concerning a benefit, whether payable by a Party by virtue of this Agreement or otherwise, may be lodged in the territory of the other Party in accordance with the Administrative Arrangement made pursuant to Article 17 at any time after the Agreement enters into force.

2. For the purposes of assessing entitlement to a benefit, the date on which a claim, notice or appeal referred to in paragraph 1 is lodged with the Competent Institution of a Party shall be treated as the date of lodgement of that document with the Competent Institution of the other.

3. In relation to Australia, the reference in this Article to an appeal document is a reference to a document concerning an appeal that may be made to an administrative body established by the social security laws of Australia.

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**SCHEDULE 8—continued**

**ARTICLE 14**

**Determination of claims**

1. In determining the eligibility or entitlement of a person to a benefit by virtue of this Agreement:

(a) a period as an Australian resident and a period of insurance; and

(b) any event or fact which is relevant to that entitlement, shall, subject to this Agreement, be taken into account in so far as those periods, events or facts are applicable in regard to that person no matter when they were accumulated or occurred.

2. The commencement date for payment of a benefit payable by virtue of this Agreement shall be determined in accordance with the legislation of the Party concerned but shall never be earlier than the date on which this Agreement enters into force and a funeral grant under the legislation of Cyprus shall not be made if the relevant death occurred before this Agreement enters into force.

3. Where:

(a) a benefit payable by virtue of this Agreement by one of the Parties is claimed or is being paid; and

(b) there are reasonable grounds for believing that the claimant may also be entitled, whether by virtue of this Agreement or otherwise, to a benefit from the other Party and that, if paid, would affect the amount of the first mentioned benefit,

that first mentioned benefit shall not be paid or continue to be paid until a claim is duly lodged for payment of the benefit from the other Party or if the claim for the other Party's benefit is not actively pursued.

4. Where:

(a) a benefit is paid or payable by a Party to a person in respect of a past period; and

(b) for all or part of that period, the other Party has paid to that person a benefit under its legislation; and

(c) the amount of the benefit paid by that other Party would have been reduced had the benefit paid or payable by the first Party been paid during that period;

then

(d) the amount that would not have been paid by the other Party had the benefit described in subparagraph (a) been paid on a periodical basis throughout that past period, shall be a debt due by that person to the other Party; and

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- (e) the other Party may determine that the amount or any part of that debt may be deducted from future payments of a benefit payable by that Party to that person.
5. Where the first Party has not yet paid the benefit described in subparagraph 4(a) to the person:
- (a) that Party shall, at the request of the other Party, pay the amount of the benefit necessary to meet the debt described in subparagraph 4(d) to the other Party and shall pay any excess to the person; and
  - (b) any shortfall may be recovered by the other Party under subparagraph 4(e).
6. The Competent Institution receiving a request under paragraph 5 shall transfer the amount of the debt to the Competent Institution making the request.
7. A reference in paragraphs 3, 4 and 5 to a benefit, in relation to Australia, means a pension, benefit or allowance payable under the social security laws of Australia and, in relation to Cyprus, means any pension, benefit or allowance payable under the social insurance laws of Cyprus.

**ARTICLE 15**

**Payment of benefits**

1. Benefits of one Party, when payable by virtue of this Agreement, are also payable in the territory of the other Party.
2. Where the legislation of a Party provides that a benefit is payable outside the territory of that Party, then that benefit, when payable by virtue of this Agreement, is also payable outside the territories of both Parties.
3. Subject to Article 7, where qualification for a benefit of one Party is subject to limitations as to time, then references to that Party in those limitations shall be read also as references to the territory of the other Party when that benefit is payable by virtue of this Agreement.
4. If a Party imposes legal or administrative restrictions on the transfer of its currency abroad, both Parties shall adopt measures as soon as practicable to guarantee the rights to payment of benefits derived under this Agreement. Those measures shall operate retrospectively to the time the restrictions were imposed.
5. A benefit payable by a Party by virtue of this Agreement shall be paid by that Party without deduction for government administrative fees and charges for processing and paying that benefit whether the beneficiary is in the territory of the other Party or outside the respective territories of both Parties.

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**SCHEDULE 8—continued**

6. Any exemption granted in the territory of one of the Parties from stamp duty, notarial or registration fees in respect of certificates and documents required to be submitted to the Competent Authorities and Competent Institutions in the same territory shall also apply to certificates and documents which, for the purposes of this Agreement, have to be submitted to the Competent Authorities and Competent Institutions in the territory of the other Party. Documents and certificates required to be produced for the purpose of this Agreement shall be exempt from authentication by diplomatic and consular authorities.

**ARTICLE 16**

**Exchange of information and mutual assistance**

1. The Competent Authorities and Competent Institutions responsible for the application of this Agreement:

- (a) shall communicate to each other any information necessary for the application of this Agreement;
- (b) shall lend their good offices and furnish assistance to one another, including the communication to each other of any necessary information, with regard to the determination or payment of any benefit under this Agreement or under the social security laws of either Party as if the matter involved the application of their own legislation;
- (c) shall communicate to each other, as soon as possible, all information about the measures taken by them for the application of this Agreement or about changes in their respective legislation in so far as these changes affect the application of this Agreement; and
- (d) at the request of one to the other, assist each other in relation to the implementation of agreements on social security entered into by either of the Parties with third States, to the extent and in the circumstances specified in the Administrative Arrangement made in accordance with Article 17.

2. The assistance referred to in paragraph 1 shall be provided free of charge, subject to any Administrative Arrangement made pursuant to Article 17.

3. Unless disclosure is required under the laws of a Party, any information about an individual which is transmitted in accordance with this Agreement to a Competent Authority or an Institution of that Party by a Competent Authority or an Institution of the other Party is confidential and shall be used only for purposes of implementing this Agreement and the social security laws of either Party.

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4. In no case shall the provisions of paragraphs 1 and 3 be construed so as to impose on the Competent Authority or Institution of a Party the obligation:

- (a) to carry out administrative measures at variance with the laws or the administrative practice of that or the other Party; or
- (b) to supply particulars which are not obtainable under the laws or in the normal course of the administration of that or of the other Party.

5. In the application of this Agreement, the Competent Authority and the Institutions of a Party may communicate with the Competent Authority and the Institutions of the other Party in the official language of the first Party.

**ARTICLE 17**

**Administrative Arrangement**

The Competent Authorities of the Parties shall make whatever Administrative Arrangement is necessary in order to implement this Agreement.

**ARTICLE 18**

**Resolution of difficulties**

1. The Competent Authorities of the Parties shall resolve, to the extent possible, any difficulties which arise in interpreting or applying this Agreement according to its spirit and fundamental principles.
2. The Parties shall consult promptly at the request of either concerning matters which have not been resolved by the Competent Authorities in accordance with paragraph 1.

**ARTICLE 19**

**Review of Agreement**

Where a Party requests the other to meet to review this Agreement, the Parties shall meet for that purpose no later than 6 months after that request was made and, unless the Parties otherwise agree, their meeting shall be held in the territory of the Party to which that request was made.

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**SCHEDULE 8—continued**

**PART V**

**TRANSITIONAL AND FINAL PROVISIONS**

**ARTICLE 20**

**Entry into force and termination**

1. This Agreement shall enter into force on the first day of the second month after an exchange of notes by the Parties through the diplomatic channel notifying each other that all constitutional or legislative matters as are necessary to give effect to this Agreement have been finalised.

2. Subject to paragraph 3, this Agreement shall remain in force until the expiration of 12 months from the date on which either Party receives from the other a note through the diplomatic channel indicating the intention of the other Party to terminate this Agreement.

3. In the event that this Agreement is terminated in accordance with paragraph 2, the Agreement shall continue to have effect in relation to all persons who:

(a) at the date of termination, are in receipt of benefits; or

(b) prior to the expiry of the period referred to in that paragraph, have lodged claims for, and would be entitled to receive, benefits, by virtue of this Agreement.

IN WITNESS WHEREOF, the undersigned, being duly authorised thereto by their respective Governments, have signed this Agreement.

DONE in two copies at Nicosia this twelfth day of May 1992, in the English and Greek languages.

FOR AUSTRALIA:  
DAVID SIMMONS

FOR THE REPUBLIC OF CYPRUS:  
I. ARISTIDOU

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**NOTE**

1. No. 46, 1991, as amended. For previous amendments, see Nos. 68, 69, 70, 73, 74, 115, 116, 141, 175, 194 and 208, 1991; and Nos. 12 and 81, 1992.

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NOTES ABOUT SECTION HEADINGS IN THE SOCIAL SECURITY ACT  
1991

1. On the day on which section 833 of the Principal Act is amended by Schedule 2 to this Act, the heading to that section is altered by omitting "18" and substituting "16".
2. On 1 January 1993, immediately after the commencement of the *Social Security (Family Payment) Amendment Act 1992*, the heading to section 1199 of the Principal Act is altered by omitting "FAS" and substituting "MBR".

NOTE ABOUT POINT HEADING

1. On 1 January 1993, immediately after the commencement of the *Social Security (Family Payment) Amendment Act 1992*, the following heading to point 1069-16 in the Family Payment Rate Calculator in section 1069 of the *Social Security Act 1991* is inserted:  
*"Special maintenance income not disregarded if child support application not in force"*.

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[*Minister's second reading speech made in—*  
*House of Representatives on 15 October 1992*  
*Senate on 9 November 1992*]