

Social Services Legislation Amendment (Fair and Sustainable Pensions) Act 2015

No. 110, 2015

An Act to amend the law relating to social security and veterans’ entitlements, and for related purposes

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Social Services Legislation Amendment (Fair and Sustainable Pensions) Act 2015

No. 110, 2015

An Act to amend the law relating to social security and veterans’ entitlements, and for related purposes

[*Assented to 30 June 2015*]

The Parliament of Australia enacts:

1 Short title

This Act may be cited as the *Social Services Legislation Amendment (Fair and Sustainable Pensions) Act 2015*.

2 Commencement

(1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

| Commencement information | | |
| --- | --- | --- |
| Column 1 | Column 2 | Column 3 |
| Provisions | Commencement | Date/Details |
| 1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table | The day this Act receives the Royal Assent. | 30 June 2015 |
| 4. Schedule 3, Part 1, Division 1 | 1 January 2017. | 1 January 2017 |
| 5. Schedule 3, Part 1, Division 2 | The day this Act receives the Royal Assent. | 30 June 2015 |
| 6. Schedule 3, Part 2 | 1 January 2017. | 1 January 2017 |

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

(2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

3 Schedules

Legislation that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

Schedule 3—Assets test and concession cards

Part 1—Assets test

Division 1—Main amendments

Social Security Act 1991

1 Subsection 408CE(2) (table item 1, column 3)

Omit “$115,000”, substitute “$250,000”.

2 Subsection 408CE(2) (table item 2, column 3)

Omit “$197,000”, substitute “$450,000”.

3 Subsection 500Q(2) (table item 1, column 3)

Omit “$125,750”, substitute “$250,000”.

4 Subsection 500Q(2) (table item 2, column 3)

Omit “$215,750”, substitute “$450,000”.

5 Subsection 500Q(3) (table item 1, column 3A)

Omit “$178,500”, substitute “$375,000”.

6 Subsection 500Q(3) (table item 1, column 3B)

Omit “$268,500”, substitute “$575,000”.

7 Subsection 500Q(3) (table item 2, column 3A)

Omit “$89,250”, substitute “$187,500”.

8 Subsection 500Q(3) (table item 2, column 3B)

Omit “$134,250”, substitute “$287,500”.

9 Paragraph 547C(b)

Omit “$125,750”, substitute “$250,000”.

10 Paragraph 547C(c)

Omit “$215,750”, substitute “$450,000”.

11 Paragraph 547C(d)

Omit “$178,500”, substitute “$375,000”.

12 Paragraph 547C(e)

Omit “$268,500”, substitute “$575,000”.

13 Paragraph 573B(a)

Omit “$125,750”, substitute “$250,000”.

14 Paragraph 573B(b)

Omit “$215,750”, substitute “$450,000”.

15 Paragraph 573B(c)

Omit “$178,500”, substitute “$375,000”.

16 Paragraph 573B(d)

Omit “$268,500”, substitute “$575,000”.

17 Subsection 611(2) (table item 1, column 3A)

Omit “$110,750”, substitute “$250,000”.

18 Subsection 611(2) (table item 1, column 3B)

Omit “$190,250”, substitute “$450,000”.

19 Subsection 611(2) (table item 2, column 3A)

Omit “$157,500”, substitute “$375,000”.

20 Subsection 611(2) (table item 2, column 3B)

Omit “$237,000”, substitute “$575,000”.

21 Subsection 611(2) (table item 3, column 3A)

Omit “$78,750”, substitute “$187,500”.

22 Subsection 611(2) (table item 3, column 3B)

Omit “$118,500”, substitute “$287,500”.

23 Subsection 680(3) (table item 1, column 3A)

Omit “$110,750”, substitute “$250,000”.

24 Subsection 680(3) (table item 1, column 3B)

Omit “$190,250”, substitute “$450,000”.

25 Subsection 680(3) (table item 2, column 3A)

Omit “$157,500”, substitute “$375,000”.

26 Subsection 680(3) (table item 2, column 3B)

Omit “$237,000”, substitute “$575,000”.

27 Subsection 680(3) (table item 3, column 3A)

Omit “$78,750”, substitute “$187,500”.

28 Subsection 680(3) (table item 3, column 3B)

Omit “$118,500”, substitute “$287,500”.

29 Subsection 733(3) (table item 1, column 3A)

Omit “$110,750”, substitute “$250,000”.

30 Subsection 733(3) (table item 1, column 3B)

Omit “$190,250”, substitute “$450,000”.

31 Subsection 733(3) (table item 2, column 3A)

Omit “$157,500”, substitute “$375,000”.

32 Subsection 733(3) (table item 2, column 3B)

Omit “$237,000”, substitute “$575,000”.

33 Subsection 733(3) (table item 3, column 3A)

Omit “$78,750”, substitute “$187,500”.

34 Subsection 733(3) (table item 3, column 3B)

Omit “$118,500”, substitute “$287,500”.

35 Subsection 771HF(2) (table item 1, column 3)

Omit “$80,250.00”, substitute “$187,500”.

36 Subsection 771HF(2) (table item 2, column 3)

Omit “$120,500.00”, substitute “$287,500”.

37 Point 1064‑G3 (table G‑1, item 1, column 3A)

Omit “$110,750”, substitute “$250,000”.

38 Point 1064‑G3 (table G‑1, item 1, column 3B)

Omit “$190,250”, substitute “$450,000”.

39 Point 1064‑G3 (table G‑1, item 2, column 3A)

Omit “$78,750”, substitute “$187,500”.

40 Point 1064‑G3 (table G‑1, item 2, column 3B)

Omit “$118,500”, substitute “$287,500”.

41 Point 1064‑G3 (table G‑1, item 3, column 3A)

Omit “$78,750”, substitute “$187,500”.

42 Point 1064‑G3 (table G‑1, item 3, column 3B)

Omit “$118,500”, substitute “$287,500”.

43 Point 1064‑G4 (table G‑2, items 1, 2 and 3, column 3, formula)

Repeal the formula, substitute:



44 Point 1066‑G3 (table G, item 1, column 3A)

Omit “$110,750”, substitute “$250,000”.

45 Point 1066‑G3 (table G, item 1, column 3B)

Omit “$190,250”, substitute “$450,000”.

46 Point 1066‑G3 (table G, item 2, column 3A)

Omit “$78,750”, substitute “$187,500”.

47 Point 1066‑G3 (table G, item 2, column 3B)

Omit “$118,500”, substitute “$287,500”.

48 Point 1066‑G3 (table G, item 3, column 3A)

Omit “$78,750”, substitute “$187,500”.

49 Point 1066‑G3 (table G, item 3, column 3B)

Omit “$118,500”, substitute “$287,500”.

50 Point 1066‑G4 (formula)

Repeal the formula, substitute:



51 Point 1066A‑H3 (table H‑1, item 1, column 3A)

Omit “$110,750”, substitute “$250,000”.

52 Point 1066A‑H3 (table H‑1, item 1, column 3B)

Omit “$190,250”, substitute “$450,000”.

53 Point 1066A‑H3 (table H‑1, item 2, column 3A)

Omit “$78,750”, substitute “$187,500”.

54 Point 1066A‑H3 (table H‑1, item 2, column 3B)

Omit “$118,500”, substitute “$287,500”.

55 Point 1066A‑H3 (table H‑1, item 3, column 3A)

Omit “$78,750”, substitute “$187,500”.

56 Point 1066A‑H3 (table H‑1, item 3, column 3B)

Omit “$118,500”, substitute “$287,500”.

57 Point 1066A‑H4 (table H‑2, items 1, 2 and 3, column 3, formula)

Repeal the formula, substitute:



58 Paragraph 1130(3)(d)

Omit “$9.75”, substitute “$19.50”.

59 Paragraph 1152(5)(g)

Omit “$98,625”, substitute “$237,500”.

60 Paragraph 1153(3)(e)

Omit “$98,625”, substitute “$237,500”.

61 Paragraph 1154(2)(f)

Omit “$98,625”, substitute “$237,500”.

62 After subsection 1192(5B)

Insert:

(5C) For the purposes of working out the indexed amount for pension “single” homeowner AVL on 1 July 2017, the current figure for pension “single” homeowner AVL immediately before that day is taken to be $250,000.

(5D) For the purposes of working out the indexed amount for pension “partnered” homeowner AVL on 1 July 2017, the current figure for pension “partnered” homeowner AVL immediately before that day is taken to be $187,500.

(5E) For the purposes of working out the indexed amount for pension “partnered” non‑homeowner AVL on 1 July 2017, the current figure for pension “partnered” non‑homeowner AVL immediately before that day is taken to be $287,500.

(5F) For the purposes of working out the indexed amount for benefit “single” homeowner AVL on 1 July 2017, the current figure for benefit “single” homeowner AVL immediately before that day is taken to be $250,000.

(5G) For the purposes of working out the indexed amount for benefit “partnered” (item 3) homeowner AVL on 1 July 2017, the current figure for benefit “partnered” (item 3) homeowner AVL immediately before that day is taken to be $187,500.

(5H) For the purposes of working out the indexed amount for benefit “partnered” (item 3) non‑homeowner AVL on 1 July 2017, the current figure for benefit “partnered” (item 3) non‑homeowner AVL immediately before that day is taken to be $287,500.

63 Application provision

The amendments made by items 1 to 61 apply in relation to working out the payability or rate of social security payments for days on or after the commencement of this item.

Veterans’ Entitlements Act 1986

64 Paragraph 52S(5)(g)

Omit “$98,625”, substitute “$237,500”.

65 Paragraph 52T(3)(e)

Omit “$98,625”, substitute “$237,500”.

66 Paragraph 52U(2)(e)

Omit “$98,625”, substitute “$237,500”.

67 Paragraph 52Z(3)(d)

Omit “$9.75”, substitute “$19.50”.

68 Subsections 59C(2A) and (3)

Repeal the subsections, substitute:

(2A) For the purposes of working out the indexed amount for pension ***single*** property owner AVL on 1 July 2017, the current figure for pension ***single*** property owner AVL immediately before that day is taken to be $250,000.

(2B) For the purposes of working out the indexed amount for pension ***partnered*** property owner AVL on 1 July 2017, the current figure for pension ***partnered*** property owner AVL immediately before that day is taken to be $187,500.

(3) For the purposes of working out the indexed amount for pension ***partnered*** non‑property owner AVL on 1 July 2017, the current figure for pension ***partnered*** non‑property owner AVL immediately before that day is taken to be $287,500.

69 Sections 59H and 59J

Repeal the sections, substitute:

59H Adjustment of pension *single* non‑property owner AVL

This Act has effect as if, on 1 July each year, the amount worked out in accordance with the following formula were substituted for the pension ***single*** non‑property owner AVL:



where:

***pension partnered non‑property owner AVL*** is the current figure, as at that 1 July, for the pension ***partnered*** non‑property owner AVL.

***pension partnered property owner AVL*** is the current figure, as at that 1 July, for the pension ***partnered*** property owner AVL.

***pension single property owner AVL*** is the current figure, as at that 1 July, for the pension ***single*** property owner AVL.

59J Adjustment of special illness separated special resident AVL

This Act has effect as if, on 1 July each year, the amount worked out in accordance with the following formula were substituted for each special illness separated special resident AVL:



where:

***pension partnered non‑property owner AVL*** is the current figure, as at that 1 July, for the pension ***partnered*** non‑property owner AVL.

***pension partnered property owner AVL*** is the current figure, as at that 1 July, for the pension ***partnered*** property owner AVL.

70 Point SCH6‑F3 of Schedule 6 (table F‑1, item 1, column 3A)

Omit “124,000”, substitute “250,000”.

71 Point SCH6‑F3 of Schedule 6 (table F‑1, item 1, column 3B)

Omit “212,500”, substitute “450,000”.

72 Point SCH6‑F3 of Schedule 6 (table F‑1, item 2, column 3A)

Omit “88,000”, substitute “187,500”.

73 Point SCH6‑F3 of Schedule 6 (table F‑1, item 2, column 3B)

Omit “132,250”, substitute “287,500”.

74 Point SCH6‑F3 of Schedule 6 (note 4)

Omit “in line with CPI increases (see section 59H)”, substitute “under section 59H”.

75 Subpoint SCH6‑F4(1) of Schedule 6 (formula)

Repeal the formula, substitute:



76 Application provision

The amendments made by items 64 to 67 and 70 to 75 apply in relation to working out the rate of service pension or income support supplement for days on or after the commencement of this item.

Division 2—Other amendments

Social Services and Other Legislation Amendment (2014 Budget Measures No. 6) Act 2014

77 Subsection 2(1) (table item 5)

Repeal the item.

78 Part 2 of Schedule 2

Repeal the Part.

Part 2—Concession cards

Social Security Act 1991

79 Subsection 1061ZG(1)

After “subsection (2)”, insert “and sections 1061ZJA and 1061ZJB”.

80 At the end of Division 2 of Part 2A.1

Add:

1061ZJA Modifications if person’s rate of social security pension is nil on 1 January 2017

(1) This section applies in relation to a person if:

(a) immediately before 1 January 2017, the person was receiving a social security pension; and

(b) the Secretary is satisfied that the rate of that pension is nil on 1 January 2017 because of the operation of the amendments made by Part 1 of Schedule 3 to the *Social Services Legislation Amendment (Fair and Sustainable Pensions) Act 2015*.

Seniors health card income test does not apply

(2) In determining whether the person is qualified for a seniors health card at any time on or after 1 January 2017, paragraph 1061ZG(1)(d) does not apply to the person.

Automatic issue of seniors health card

(3) If the person is qualified for a seniors health card on 1 January 2017, the Secretary must issue a seniors health card to the person.

Note: The person does not need to make a claim for the card.

(4) If:

(a) on 1 January 2017, the person is outside Australia; and

(b) the person returns to Australia before the end of the period of 19 weeks beginning on the day the person left Australia; and

(c) the person is qualified for a seniors health card on the day the person returns to Australia;

the Secretary must issue a seniors health card to the person.

Note 1: The person does not need to make a claim for the card.

Note 2: If the person returns to Australia after the end of that 19‑week period, the person will need to make a claim for a seniors health card.

1061ZJB Other modifications because of Veterans’ Entitlements Act

If section 118XA of the Veterans’ Entitlements Actapplies in relation to a person, then, in determining whether the person is qualified for a seniors health card under this Division at any time on or after 1 January 2017, paragraph 1061ZG(1)(d) does not apply to the person.

81 Subdivision A of Division 3 of Part 2A.1 (heading)

Repeal the heading, substitute:

Subdivision A—Qualification for automatic issue health care card where no health care card income test

82 Subdivision B of Division 3 of Part 2A.1 (heading)

Repeal the heading, substitute:

Subdivision B—Qualification for health care card in other circumstances

83 Subsections 1061ZO(2), (3) and (4)

Omit “This section”, substitute “Subject to sections 1061ZRA and 1061ZRB, this section”.

84 At the end of Subdivision B of Division 3 of Part 2A.1

Add:

1061ZRA Modifications if person’s rate of social security pension is nil on 1 January 2017

(1) This section applies in relation to a person if:

(a) immediately before 1 January 2017, the person was receiving a social security pension; and

(b) the Secretary is satisfied that the rate of that pension is nil on 1 January 2017 because of the operation of the amendments made by Part 1 of Schedule 3 to the *Social Services Legislation Amendment (Fair and Sustainable Pensions) Act 2015*.

Health care card income test does not apply

(2) In determining whether the person is qualified for a health care card under section 1061ZO at any time on or after 1 January 2017, paragraphs 1061ZO(2)(d), (3)(e) and (4)(d) do not apply to the person.

Automatic issue of health care card

(3) If the person is qualified for a health care card under section 1061ZO on 1 January 2017, the Secretary must issue a health care card to the person.

Note: The person does not need to make a claim for the card.

(4) If:

(a) on 1 January 2017, the person is outside Australia; and

(b) the person returns to Australia before the end of the period of 19 weeks beginning on the day the person left Australia; and

(c) the person is qualified for a health care card under section 1061ZO on the day the person returns to Australia;

the Secretary must issue a health care card to the person.

Note 1: The person does not need to make a claim for the card.

Note 2: If the person returns to Australia after the end of that 19‑week period, the person will need to make a claim for a health care card.

1061ZRB Other modifications because of Veterans’ Entitlements Act

If section 118XA of the Veterans’ Entitlements Actapplies in relation to a person, then, in determining whether the person is qualified for a health care card under section 1061ZO at any time on or after 1 January 2017, paragraphs 1061ZO(2)(d), (3)(e) and (4)(d) do not apply to the person.

Social Security (Administration) Act 1999

85 Subsection 11(1)

Omit “subsection (2)”, substitute “subsections (2) to (4)”.

86 At the end of section 11

Add:

(3) Subsection (1) does not apply to a seniors health card that the Secretary must issue to a person under subsection 1061ZJA(3) or (4) of the 1991 Act.

(4) Subsection (1) does not apply to a health care card that the Secretary must issue to a person under subsection 1061ZRA(3) or (4) of the 1991 Act.

87 After subsection 37A(1)

Insert:

(1A) However, subsection (1) does not apply to a seniors health card issued under subsection 1061ZJA(3) or (4) of the 1991 Act.

88 After subsection 37A(2)

Insert:

(2A) However, subsection (2) does not apply to a health care card issued under subsection 1061ZRA(3) or (4) of the 1991 Act.

89 Subsection 240A(3)

After “other than an automatic issue card”, insert “or a card issued under subsection 1061ZJA(3) or (4) or 1061ZRA(3) or (4) of the 1991 Act”.

90 Section 240C (heading)

Repeal the heading, substitute:

240C Issue of replacement card on expiry of certain concession cards

91 Paragraphs 240C(1)(a) and (2)(a)

Omit “automatic issue card under paragraph 240A(2)(b)”, substitute “automatic issue card, or in a card issued under subsection 1061ZJA(3) or (4) or 1061ZRA(3) or (4) of the 1991 Act, under paragraph 240A(2)(b) of this Act”.

92 At the end of clause 3 of Schedule 2

Add:

(4) If:

(a) section 1061ZJA of the 1991 Act applies in relation to a person; and

(b) as mentioned in subsection 1061ZJA(3) of the 1991 Act, the person is qualified for a seniors health card on 1 January 2017;

the person’s start day in relation to the card is 1 January 2017.

(5) If:

(a) section 1061ZJA of the 1991 Act applies in relation to a person; and

(b) as mentioned in subsection 1061ZJA(4) of the 1991 Act, the person is qualified for a seniors health card on the day the person returns to Australia;

the person’s start day in relation to the card is the day the person returns to Australia.

(6) If:

(a) section 1061ZRA of the 1991 Act applies in relation to a person; and

(b) as mentioned in subsection 1061ZRA(3) of the 1991 Act, the person is qualified for a health care card on 1 January 2017;

the person’s start day in relation to the card is 1 January 2017.

(7) If:

(a) section 1061ZRA of the 1991 Act applies in relation to a person; and

(b) as mentioned in subsection 1061ZRA(4) of the 1991 Act, the person is qualified for a health care card on the day the person returns to Australia;

the person’s start day in relation to the card is the day the person returns to Australia.

Veterans’ Entitlements Act 1986

93 Paragraph 63D(2)(b)

Omit “section 118ZG”, substitute “Part VIIC”.

94 At the end of section 85

Add:

(13) If:

(a) immediately before 1 January 2017, a veteran was receiving a service pension under Part III; and

(b) the Commission is satisfied that the rate of that pension is nil on 1 January 2017 because of the operation of the amendments made by Part 1 of Schedule 3 to the *Social Services Legislation Amendment (Fair and Sustainable Pensions) Act 2015*;

then, for the purposes of paragraph (7)(b) or (7A)(a), on and after 1 January 2017 the veteran is taken to be receiving a service pension under Part III.

95 Subsections 118V(1), (1A), (2) and (3)

Omit “A person”, substitute “Subject to subsection (4) and sections 118XA and 118XB, a person”.

96 At the end of Division 1 of Part VIIC

Add:

Subdivision C—Modifications of provisions in this Division

118XA Modifications if person’s rate of service pension or income support supplement is nil on 1 January 2017

(1) This section applies in relation to a person if:

(a) immediately before 1 January 2017, the person was receiving a service pension or income support supplement; and

(b) the Commission is satisfied that the rate of that pension or supplement is nil on 1 January 2017 because of the operation of the amendments made by Part 1 of Schedule 3 to the *Social Services Legislation Amendment (Fair and Sustainable Pensions) Act 2015*.

Seniors health card income test does not apply

(2) In determining whether the person is eligible for a seniors health card at any time on or after 1 January 2017, paragraphs 118V(1)(h), (1A)(f), (2)(h) and (3)(h) do not apply to the person.

Entitlement to seniors health card

(3) If the person is eligible for a seniors health card under this Part on 1 January 2017 and section 118X does not prevent the person from being entitled to a seniors health card, the Commission must make a determination under section 118ZG that the person is entitled to a seniors health card.

Note: The person does not need to make a claim for the card.

118XB Other modifications because of social security law

If section 1061ZJA of the *Social Security Act 1991* applies in relation to a person, then, in determining whether the person is eligible for a seniors health card under this Part at any time on or after 1 January 2017, paragraphs 118V(1)(h), (1A)(f), (2)(h) and (3)(h) do not apply to the person.

97 Section 118Y

Before “A person”, insert “(1)”.

98 At the end of section 118Y

Add:

(2) However, subsection (1) does not apply to a person if, because of subsection 118XA(3), the Commission made a determination under section 118ZG that the person is entitled to a seniors health card and the determination is in force.

[*Minister’s second reading speech made in—*

*House of Representatives on 4 June 2015*

*Senate on 22 June 2015*]

(99/15)