



**Social Security (Administration)
Amendment (Continuation of Cashless
Welfare) Act 2020**

No. 136, 2020

**An Act to amend the *Social Security
(Administration) Act 1999*, and for related purposes**

Note: An electronic version of this Act is available on the Federal Register of Legislation
(<https://www.legislation.gov.au/>)

Contents

1	Short title.....	1
2	Commencement.....	2
3	Schedules.....	2
Schedule 1—Amendments		3
Part 1—Stage 1 amendments		3
	<i>Social Security (Administration) Act 1999</i>	3
Part 2—Stage 2 amendments		11
	<i>Social Security (Administration) Act 1999</i>	11
Part 3—Other amendments		35
	<i>Social Security (Administration) Act 1999</i>	35



Social Security (Administration) Amendment (Continuation of Cashless Welfare) Act 2020

No. 136, 2020

***An Act to amend the *Social Security
(Administration) Act 1999*, and for related purposes***

[Assented to 17 December 2020]

The Parliament of Australia enacts:

1 Short title

This Act is the *Social Security (Administration) Amendment
(Continuation of Cashless Welfare) Act 2020*.

*No. 136, 2020 Social Security (Administration) Amendment (Continuation of Cashless
Welfare) Act 2020* *1*

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.	17 December 2020
2. Schedule 1, Part 1	The day after this Act receives the Royal Assent.	18 December 2020
3. Schedule 1, Part 2	The day after the end of the period of 3 months beginning on the day this Act receives the Royal Assent.	17 March 2021
4. Schedule 1, items 101 to 113	8 March 2021.	8 March 2021
5. Schedule 1, item 114	The day after this Act receives the Royal Assent.	18 December 2020

Note: This table relates only to the provisions of this Act as originally enacted.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Legislation that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.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 1—Amendments

Part 1—Stage 1 amendments

Social Security (Administration) Act 1999

1 Paragraph 70B(1)(a)

Omit “trial participant”, substitute “program participant”.

2 Subparagraph 123UC(1)(h)(i)

Omit “trial participant”, substitute “program participant”.

5 Paragraphs 123UF(1)(g) and (2)(h)

Omit “1 July 2020”, substitute “1 January 2022”.

6 Part 3D (heading)

Repeal the heading, substitute:

Part 3D—Cashless welfare arrangements

7 Section 124PB

Repeal the section, substitute:

124PB Simplified outline of this Part

This Part provides for cashless welfare arrangements. Recipients of certain welfare payments are subject to these arrangements.

Certain welfare payments are divided into restricted and unrestricted portions, with recipients being unable to spend the restricted portions of such payments on alcohol or gambling. The amount of each portion may be varied if a community body gives a direction to the Secretary reflecting an agreement between the community body and the recipient.

Other recipients of certain welfare payments may voluntarily opt in to these cashless welfare arrangements.

8 Section 124PC

Omit “to trial”, substitute “to administer”.

9 Paragraphs 124PC(b) and (c)

Repeal the paragraphs, substitute:

- (b) support program participants and voluntary participants with their budgeting strategies; and

10 Subsection 124PD(1)

Insert:

program area means the following:

- (a) the Ceduna area;
- (b) the East Kimberley area;
- (c) the Goldfields area;
- (d) the Bundaberg and Hervey Bay area;

other than any part of such an area determined in an instrument under subsection (2).

program participant: see sections 124PG to 124PGC.

11 Subsection 124PD(1) (paragraph (a) of the definition of *restrictable payment*)

Omit “trial participant”, substitute “program participant”.

12 Subsection 124PD(1) (definition of *trial area*)

Repeal the definition.

13 Subsection 124PD(1) (definition of *trial participant*)

Repeal the definition.

14 Subsection 124PD(2)

Omit “*trial area*”, substitute “*program area*”.

15 Subdivision A of Division 2 of Part 3D (heading)

Repeal the heading, substitute:

Subdivision A—Program participants

16 Section 124PF

Repeal the section, substitute:

124PF Sunset provision

- (1) This Part ceases to have effect at the end of 31 December 2022.
- (2) Despite subsection (1), at any time before 1 July 2023, the Minister may, by legislative instrument, make rules prescribing matters of a transitional nature (including prescribing any saving or application provisions) relating to that cessation.
- (3) The rules must not provide for the crediting of amounts to welfare restricted bank accounts after 31 December 2022.
- (4) For a person who was a program participant under section 124PGE immediately before that cessation, the rules may make provision for and in relation to that person becoming subject to the income management regime under Part 3B on and after 1 January 2023.
- (5) To avoid doubt, the rules may not do the following:
 - (a) create an offence or civil penalty;
 - (b) provide powers of:
 - (i) arrest or detention; or
 - (ii) entry, search or seizure;
 - (c) impose a tax;
 - (d) set an amount to be appropriated from the Consolidated Revenue Fund under an appropriation in this Act;
 - (e) directly amend the text of this Act.

17 Section 124PG (heading)

Repeal the heading, substitute:

124PG Program participants—Ceduna area

18 Subsection 124PG(1)

Omit “*trial participant*”, substitute “*program participant*”.

19 Subsection 124PG(2)

Omit “trial participant”, substitute “program participant”.

20 Section 124PGA (heading)

Repeal the heading, substitute:

124PGA Program participants—East Kimberley area

21 Subsection 124PGA(1)

Omit “*trial participant*”, substitute “*program participant*”.

22 Subsection 124PGA(2)

Omit “trial participant”, substitute “program participant”.

23 Section 124PGB (heading)

Repeal the heading, substitute:

124PGB Program participants—Goldfields area

24 Subsection 124PGB(1)

Omit “*trial participant*”, substitute “*program participant*”.

25 Subsection 124PGB(2)

Omit “trial participant”, substitute “program participant”.

26 Section 124PGC (heading)

Repeal the heading, substitute:

124PGC Program participants—Bundaberg and Hervey Bay area

27 Subsection 124PGC(1)

Omit “*trial participant*”, substitute “*program participant*”.

28 Subsection 124PGC(2)

Omit “trial participant”, substitute “program participant”.

29 Paragraph 124PH(1)(b)

Omit “is within a trial area”, substitute “is, becomes or was within a program area”.

30 Paragraph 124PH(1)(c)

Omit “trial participant”, substitute “program participant”.

31 Subsections 124PHA(1) and (2)

Omit “trial participant” (wherever occurring), substitute “program participant”.

32 Subsection 124PHA(3)

Repeal the subsection, substitute:

- (3) If an officer or employee of a State or Territory, or of an agency or body of a State or Territory, considers that it is necessary for the person who is the subject of a determination under subsection (1) to be a program participant for medical or safety reasons relating to the person or the person’s dependents, the officer or employee may request the Secretary to reconsider the determination.
- (3A) If the Secretary receives such a request and the Secretary is no longer satisfied of the matter in subsection (1), the Secretary must revoke the determination.
- (3B) Subsection (3A) does not prevent the Secretary from making another determination under subsection (1).

33 Subsection 124PHB(1)

Omit “the trial of cashless welfare arrangements”, substitute “cashless welfare arrangements under this Part”.

34 Subsection 124PHB(3)

Omit “trial participant”, substitute “program participant”.

35 Subsection 124PHB(6) (heading)

Repeal the heading, substitute:

Minister's instruments

36 Paragraph 124PHB(7)(a)

Omit "trial participants", substitute "program participants".

37 After subsection 124PHB(7)

Insert:

(7A) The Secretary must, in deciding whether the Secretary is satisfied as mentioned in subsection (3), comply with any decision-making principles determined in an instrument under subsection (7B).

(7B) The Minister may, by legislative instrument, determine decision-making principles for the purposes of subsection (7A).

38 Subsection 124PHB(8)

Omit "trial participant", substitute "program participant".

39 After subsection 124PHB(9)

Insert:

(9A) If the Secretary ceases to be satisfied as mentioned in subsection (3), the Secretary must revoke the determination.

40 Subsection 124PHB(10)

Omit "Subsection (9) does", substitute "Subsections (9) and (9A) do".

41 Subsections 124PJ(1), (2) and (3)

Omit "trial participant", substitute "program participant".

42 Subsections 124PK(1), (2) and (6)

Omit "trial participant" (wherever occurring), substitute "program participant".

43 Subsections 124PL(1) and (2)

Omit "trial participant", substitute "program participant".

44 Paragraph 124PN(1)(a)

Omit “trial participant”, substitute “program participant”.

45 Paragraph 124PO(1)(a)

Omit “trial participant”, substitute “program participant”.

46 Subsection 124PP(1)

Omit “trial participant”, substitute “program participant”.

47 Section 124PS (heading)

Repeal the heading, substitute:

124PS Evaluation of review of Part’s operation

48 Subsection 124PS(1)

Omit “trial of the cashless welfare arrangements mentioned in section 124PF”, substitute “extent to which the operation of this Part has achieved the objects mentioned in section 124PC”.

49 Application and transitional provisions

- (1) A person who was a trial participant immediately before the commencement of this item is taken on and after that commencement to be a program participant.
- (2) A person who was a voluntary participant immediately before the commencement of this item is taken on and after that commencement to be a voluntary participant.
- (3) Subitems (1) and (2) do not prevent a person ceasing to be a program participant or a voluntary participant on or after the commencement of this item.
- (4) The amendment of paragraph 124PH(1)(b) of the *Social Security (Administration) Act 1999* made by this Part applies in relation to a person regardless of whether the person’s usual place of residence occurred within a program area before, on or after the commencement of this item.

Schedule 1 Amendments
Part 1 Stage 1 amendments

- (5) Subsections 124PHA(3) and (3A) of the *Social Security (Administration) Act 1999*, as substituted by this Part, apply in relation to a determination made under subsection 124PHA(1) of that Act before, on or after the commencement of this item.
 - (6) An application under subsection 124PHB(1) of the *Social Security (Administration) Act 1999* that was pending immediately before the commencement of this item is taken on and after that commencement to be an application under that subsection as amended by this Part.
 - (7) Subsection 124PHB(7A) of the *Social Security (Administration) Act 1999*, as inserted by this Part, applies in relation to a decision on an application under subsection 124PHB(1) of that Act, where the decision is made on or after the commencement of this item.
 - (8) A request under subsection 124PHB(8) of the *Social Security (Administration) Act 1999* that was pending immediately before the commencement of this item is taken on and after that commencement to be a request under that subsection as amended by this Part.
 - (9) Subsection 124PHB(9A) of the *Social Security (Administration) Act 1999*, as inserted by this Part, applies in relation to a determination made under subsection 124PHB(3) of that Act before, on or after the commencement of this item.
 - (10) A determination in effect under subsection 124PJ(3) of the *Social Security (Administration) Act 1999* immediately before the commencement of this item in relation to a person who was a trial participant continues in effect on and after that commencement in relation to the person as a program participant.
 - (11) A direction in effect under subsection 124PK(1) of the *Social Security (Administration) Act 1999* immediately before the commencement of this item in relation to a person who was a trial participant continues in effect on and after that commencement in relation to the person as a program participant.
 - (12) An instrument in force under subsection 124PP(1) of the *Social Security (Administration) Act 1999* immediately before the commencement of this item continues in force on and after that commencement as if it had been made under that subsection as amended by this Part.
-

Part 2—Stage 2 amendments

Social Security (Administration) Act 1999

49A Section 123TC (paragraph (b) of the definition of excluded Part 3B payment nominee)

Repeal the paragraph, substitute:

- (b) a Part 3B payment nominee who:
 - (i) is not subject to the income management regime; and
 - (ii) is not a program participant under Part 3D.

50 At the end of section 123UF

Add:

Relationship with Part 3D

- (4) If a person becomes a program participant under section 124PGD on a day (the *trigger day*), the following apply:
 - (a) despite any other provision of this Part, the Secretary may, on a day (the *transfer day*) before the end of 60 days beginning on the trigger day, pay, to the credit of a welfare restricted bank account (within the meaning of Part 3D) maintained by the person, an amount equal to the credit balance (if any) of the person's income management account as at the end of the day before the transfer day;
 - (b) immediately after any such payment:
 - (i) the Income Management Record is debited by an amount equal to the payment; and
 - (ii) the person's income management account is debited by an amount equal to the payment;
 - (c) if the person is subject to the income management regime under subsection (1) on the day before the trigger day—the person ceases to be subject to the income management regime under subsection (1) on the trigger day.

51 After subsection 123UO(3)

Insert:

(3A) If:

- (a) a voluntary income management agreement in relation to a person is in force; and
- (b) the person's usual place of residence is within the Northern Territory;

the Secretary may, by written notice given to the person, terminate the agreement. The termination takes effect on a day specified in the notice (which must not be earlier than the day on which the notice is given).

52 At the end of Division 2 of Part 3B

Add:

Subdivision E—Relationship with Part 3D for Northern Territory program participants

123UP Relationship with Part 3D for Northern Territory program participants

- (1) This section applies if a person becomes a program participant under section 124PGE on a day (the *trigger day*).
- (2) Despite any other provision of this Part, the Secretary may, on a day (the *transfer day*) before the end of 60 days beginning on the trigger day, pay, to the credit of a welfare restricted bank account (within the meaning of Part 3D) maintained by the person, an amount equal to the credit balance (if any) of the person's income management account as at the end of the day before the transfer day.
- (3) Immediately after any such payment:
 - (a) the Income Management Record is debited by an amount equal to the payment; and
 - (b) the person's income management account is debited by an amount equal to the payment.
- (4) Subject to subsection (5) and despite any other provision of this Part, the person is not subject to the income management regime under any provision of this Part on or after the trigger day and before 1 January 2023.

- (5) Subsection (4) does not apply in relation to the person and a day if:
- (a) the person is not a program participant under section 124PGE on that day; and
 - (b) the person's usual place of residence is not within the Northern Territory on that day.

53 Before paragraph 123ZN(1)(a)

Insert:

- (aa) making payments under paragraph 123UF(4)(a) or subsection 123UP(2); and

54 Section 124PB

Omit "The amount of each portion may be varied if a community body gives a direction to the Secretary reflecting an agreement between the community body and the recipient.", substitute "For certain recipients, the amount of each portion may be varied by the Minister or Secretary. For certain recipients, a community body may give a direction to the Secretary to vary each portion that reflects agreements between the community body and the recipients."

55 Subsection 124PD(1)

Insert:

Cape York area means the area determined in an instrument under subsection (1A).

category E welfare payment has the same meaning as in Part 3B.

category P welfare payment has the same meaning as in Part 3B.

child protection officer has the same meaning as in Part 3B.

eligible recipient has the same meaning as in Part 3B.

Part 3B payment nominee has the same meaning as in Part 3B.

56 Subsection 124PD(1) (after paragraph (d) of the definition of program area)

Insert:

- (e) the Cape York area;

(f) the Northern Territory;

57 Subsection 124PD(1) (definition of *program area*)

After “any part of such an area”, insert “, or any part of the Northern Territory,”.

58 Subsection 124PD(1) (definition of *program participant*)

Omit “124PGC”, substitute “124PGE”.

59 Subsection 124PD(1)

Insert:

Queensland Commission has the same meaning as in Part 3B.

recognised State/Territory authority has the same meaning as in Part 3B.

60 Subsection 124PD(1) (paragraph (a) of the definition of *restrictable payment*)

After “in relation to a program participant”, insert “under section 124PG, 124PGA, 124PGB or 124PGC”.

61 Subsection 124PD(1) (after paragraph (a) of the definition of *restrictable payment*)

Insert:

(aa) in relation to a program participant under section 124PGD or 124PGE, means:

- (i) a payment of a kind listed in paragraph (a); or
- (ii) an age pension; or
- (iii) a social security bereavement payment in relation to an age pension under Division 9 of Part 2.2 of the 1991 Act; or
- (iv) a distance education payment under the scheme known as the Assistance for Isolated Children Scheme, where the payment relates to a child or children at a Homeland Learning Centre; or

62 Subsection 124PD(1)

Insert:

vulnerable welfare payment recipient has the same meaning as in Part 3B.

63 After subsection 124PD(1)

Insert:

(1A) The Minister may, by notifiable instrument, determine an area for the purposes of the definition of *Cape York area* in subsection (1).

64 Subsection 124PD(2)

After “a part of an area”, insert “, or a part of the Northern Territory,”.

65 At the end of section 124PD

Add:

(3) Despite subsection 14(2) of the *Legislation Act 2003*, a notifiable instrument under subsection (1A) or (2) of this section may make provision in relation to a matter by applying, adopting or incorporating, with or without modification, any matter contained in an instrument or other writing as in force or existing from time to time.

66 Paragraph 124PG(1)(d)

Repeal the paragraph, substitute:

(d) if the person has a Part 3B payment nominee—that nominee is a program participant or is subject to the income management regime under Part 3B; and

67 Paragraph 124PG(1)(f)

Repeal the paragraph.

68 Paragraph 124PGA(1)(d)

Repeal the paragraph, substitute:

(d) if the person has a Part 3B payment nominee—that nominee is a program participant or is subject to the income management regime under Part 3B; and

69 Paragraph 124PGA(1)(f)

Repeal the paragraph.

70 Paragraph 124PGB(1)(d)

Repeal the paragraph, substitute:

- (d) if the person has a Part 3B payment nominee—that nominee is a program participant or is subject to the income management regime under Part 3B; and

71 Paragraph 124PGB(1)(f)

Repeal the paragraph.

72 Paragraph 124PGC(1)(d)

Repeal the paragraph, substitute:

- (d) if the person has a Part 3B payment nominee—that nominee is a program participant or is subject to the income management regime under Part 3B; and

73 Paragraph 124PGC(1)(e)

Repeal the paragraph.

74 At the end of Subdivision A of Division 2 of Part 3D

Add:

124PGD Program participants—Cape York area

- (1) A person is a *program participant* if:
 - (a) the person's usual place of residence is, becomes or was within the Cape York area; and
 - (b) the person, or the person's partner, is an eligible recipient of a category P welfare payment; and
 - (c) a written notice given under a law of Queensland from the Queensland Commission to the Secretary requiring that the person be a program participant under this section is in force; and
 - (d) if the person has a Part 3B payment nominee—that nominee is a program participant or is subject to the income management regime under Part 3B.

- (2) To avoid doubt, if a person's usual place of residence becomes within the Cape York area and subsection (1) applies to the person, the person is a program participant on and after the day that the person's usual place of residence becomes within the Cape York area.

124PGE Program participants—Northern Territory

- (1) A person is a *program participant* if:
- (a) the person's usual place of residence is, becomes or was within the Northern Territory; and
 - (b) the person is an eligible recipient of a category E welfare payment; and
 - (c) the person has not reached pension age; and
 - (d) if the person has a Part 3B payment nominee—that nominee is a program participant or is subject to the income management regime under Part 3B; and
 - (e) the person is not undertaking full-time study (as defined by section 541B of the 1991 Act); and
 - (f) the person has made a request under subsection (4A) to become a program participant under this section; and
 - (fa) the Secretary has given the person a notice under subsection (5) stating that the person is a program participant under this section and the notice is in force; and
 - (fb) one of the following applies:
 - (i) the person was subject to the income management regime under section 123UCB or 123UCC on the day before the notice given by the Secretary under subsection (5) of this section came into force;
 - (ii) the person has previously been a program participant under subsection (2) of this section and a notice of a kind referred to in paragraph (2)(d) of this section is not in force in relation to the person;
 - (iii) the person has previously been a program participant under subsection (3) of this section but is no longer such a participant; and
 - (g) the person is not covered by a determination under subsection 124PHA(1); and

(h) the person is not covered by a determination under subsection 124PHB(3).

(2) A person is a **program participant** if:

- (a) the person's usual place of residence is, becomes or was within the Northern Territory; and
- (b) the person, or the person's partner, is an eligible recipient of a category P welfare payment; and
- (c) the person has not reached pension age; and
- (d) a child protection officer of the Northern Territory, or an officer or employee of a recognised State/Territory authority of the Northern Territory, gives the Secretary a written notice requiring that the person be a program participant under this section and the notice is in force; and
- (e) the notice is given:
 - (i) under a law (whether written or unwritten) in force in the Northern Territory (other than a law of the Commonwealth); or
 - (ii) in the exercise of the executive power of the Northern Territory; and
- (f) if the person has a Part 3B payment nominee—that nominee is a program participant or is subject to the income management regime under Part 3B; and
- (g) the person is not undertaking full-time study (as defined by section 541B of the 1991 Act); and
- (h) the person has made a request under subsection (4A) to become a program participant under this section; and
- (ha) the Secretary has given the person a notice under subsection (5) stating that the person is a program participant under this section and the notice is in force; and
- (hb) the person was subject to the income management regime under section 123UC or 123UFAA on the day before the notice given by the Secretary under subsection (5) of this section came into force; and
 - (i) the person is not covered by a determination under subsection 124PHA(1); and
 - (j) the person is not covered by a determination under subsection 124PHB(3).

- (3) A person is a *program participant* if:
- (a) the person's usual place of residence is, becomes or was within the Northern Territory; and
 - (b) the person is an eligible recipient of a category P welfare payment; and
 - (c) the person has not reached pension age; and
 - (d) the person is a vulnerable welfare payment recipient; and
 - (e) if the person has a Part 3B payment nominee—that nominee is a program participant or is subject to the income management regime under Part 3B; and
 - (f) the person is not undertaking full-time study (as defined by section 541B of the 1991 Act); and
 - (g) the person has made a request under subsection (4A) to become a program participant under this section; and
 - (ga) the Secretary has given the person a notice under subsection (5) stating that the person is a program participant under this section and the notice is in force; and
 - (gb) the person was subject to the income management regime under section 123UCA on the day before the notice given by the Secretary under subsection (5) of this section came into force; and
 - (h) the person is not covered by a determination under subsection 124PHA(1); and
 - (i) the person is not covered by a determination under subsection 124PHB(3).
- (4) To avoid doubt, if a person's usual place of residence becomes within the Northern Territory and subsection (1), (2) or (3) applies to the person, the person is a program participant on and after the day that the person's usual place of residence becomes within the Northern Territory.

Person's request

- (4A) A person may make a request to the Secretary to become a program participant under this section.
- (4B) A request under subsection (4A) cannot be withdrawn or revoked.

Secretary's notice

- (5) The Secretary may give a person a written notice stating that the person is a program participant under this section. The notice comes into force on a day specified in the notice (which must not be earlier than the day on which the notice is given).

Note: The Secretary may give more than one notice to a person (see subsection 33(1) of the *Acts Interpretation Act 1901*).

- (6) The Secretary may revoke the notice. The Secretary must notify the person of the revocation.
- (7) A notice under subsection (5) is not a legislative instrument.

Continuity of requests and notices

- (8) If:
- (a) a person makes a request under subsection (4A); or
 - (b) the Secretary gives a person a notice under subsection (5) and has not revoked the notice;
- the continuity of the request or notice is not affected by the person ceasing to be a program participant under subsection (1), (2) or (3) for a period.

75 Paragraph 124PH(1)(b)

Omit “(except the Bundaberg and Hervey Bay area)”.

76 Paragraph 124PH(1)(ba)

Repeal the paragraph, substitute:

- (ba) if the person has a Part 3B payment nominee—that nominee is a program participant or is subject to the income management regime under Part 3B; and

77 Paragraph 124PH(1)(bc)

Repeal the paragraph.

78 At the end of section 124PHA

Add:

- (5) A determination under subsection (1) has no effect in relation to section 124PGD (Cape York area).

79 At the end of subsection 124PHB(1)

Add “if the person is a program participant under section 124PG, 124PGA, 124PGB, 124PGC or 124PGE”.

79A Subsection 124PHB(2)

Repeal the subsection, substitute:

Form of application

- (2) The application must:
- (a) be made in writing using a form approved by the Secretary; and
 - (b) be accompanied by the documents and other information required by the form.

79B After subsection 124PHB(3)

Insert:

- (3A) If:
- (a) the person has a disability or the person provides care to one or more other persons (other than as a parent); and
 - (b) the Secretary is satisfied that, because of that disability or the provision of that care, the person is unable to demonstrate reasonable and responsible management of the person’s affairs (including financial affairs), taking into account all of the matters referred to in paragraph (3)(a); and
 - (c) the Secretary is satisfied that the person has reasonable and responsible management of the person’s affairs (including financial affairs), taking into account all of those matters;
- then paragraph (3)(a) is taken to have been met in relation to the person.

79C After subsection 124PHB(4)

Insert:

- (4A) If the Secretary has not made a decision on a person’s application at the end of the period of 60 days beginning on the day after subsection (2) is satisfied in relation to the application, then the Secretary is taken to have made a determination under subsection (3) that the person is not a program participant.

79D Subsection 124PHB(8)

After “subsection (3)”, insert “(including because of the operation of subsection (4A))”.

80 Before subsection 124PJ(1)

Insert:

Payments by instalments

81 Subsection 124PJ(1)

Omit “program participant or voluntary participant”, substitute “person who is a program participant under section 124PG, 124PGA, 124PGB or 124PGC or who is a voluntary participant”.

82 Paragraphs 124PJ(1)(a) and (b)

Repeal the paragraphs, substitute:

- (a) the following percentage of the gross amount of the payment is restricted (the *restricted portion*):
 - (i) for a person who is a program participant under section 124PG, 124PGA, 124PGB or 124PGC—80%;
 - (ii) for a person who is a voluntary participant and whose usual place of residence is not within the Northern Territory—80%;
 - (iii) for a person who is a voluntary participant and whose usual place of residence is within the Northern Territory—50%; and
- (b) the following percentage of the gross amount of the payment is unrestricted (the *unrestricted portion*):
 - (i) for a person who is a program participant under section 124PG, 124PGA, 124PGB or 124PGC—20%;

- (ii) for a person who is a voluntary participant and whose usual place of residence is not within the Northern Territory—20%;
- (iii) for a person who is a voluntary participant and whose usual place of residence is within the Northern Territory—50%.

83 At the end of subsection 124PJ(1)

Add:

Note: The percentages may be varied under subsection (3) or section 124PK.

84 After subsection 124PJ(1)

Insert:

- (1A) If an instalment of a restrictable payment is payable to a person who is a program participant under section 124PGD:
 - (a) the percentage of the gross amount of the payment that is restricted (the *restricted portion*) is:
 - (i) if the notice referred to in paragraph 124PGD(1)(c) specifies a percentage for the purposes of this subparagraph—that percentage; or
 - (ii) otherwise—50%; and
 - (b) the percentage of the gross amount of the payment that is unrestricted (the *unrestricted portion*) is:
 - (i) if subparagraph (a)(i) applies—a percentage that is equal to 100% minus the percentage applicable under that subparagraph; or
 - (ii) otherwise—50%.

Note: The percentages may be varied under subsection (3).

- (1B) If an instalment of a restrictable payment is payable to a person who is a program participant under subsection 124PGE(1):
 - (a) 50% of the gross amount of the payment is restricted (the *restricted portion*); and
 - (b) 50% of the gross amount of the payment is unrestricted (the *unrestricted portion*).

Note: The percentages may be varied under subsection (2A) or (3).

- (1C) If an instalment of a restrictable payment is payable to a person who is a program participant under subsection 124PGE(2):
- (a) 70% of the gross amount of the payment is restricted (the *restricted portion*); and
 - (b) 30% of the gross amount of the payment is unrestricted (the *unrestricted portion*).

Note: The percentages may be varied under subsection (2B) or (3).

- (1D) If an instalment of a restrictable payment is payable to a person who is a program participant under subsection 124PGE(3):
- (a) 50% of the gross amount of the payment is restricted (the *restricted portion*); and
 - (b) 50% of the gross amount of the payment is unrestricted (the *unrestricted portion*).

Note: The percentages may be varied under subsection (2B) or (3).

85 Before subsection 124PJ(2)

Insert:

Payments otherwise than by instalments

86 At the end of subsection 124PJ(2)

Add:

Note: The percentage may be varied under subsection (3).

87 After subsection 124PJ(2)

Insert:

Variation by Minister—Northern Territory program participants

- (2A) The Minister may, by legislative instrument, make a determination that, for persons who are program participants under subsection 124PGE(1) and whose usual place of residence is, becomes or was within an area specified in the instrument:
- (a) varies the percentage amount in paragraph (1B)(a) to a percentage that is higher than 50% and is less than or equal to 80%; and

- (b) varies the percentage amount in paragraph (1B)(b) to a percentage that is below 50%.
- (2B) The Minister may, by legislative instrument, make a determination that, for persons who are program participants under subsection 124PGE(2) or (3):
- (a) varies the percentage amount in paragraph (1C)(a) or (1D)(a) to a percentage (not exceeding 80% and including 0%) specified in the instrument; and
 - (b) varies the percentage amount in paragraph (1C)(b) or (1D)(b) to a percentage (not exceeding 100%) specified in the instrument.
- (2C) A determination under subsection (2A) or (2B) has no effect in relation to a program participant during the period a determination under subsection (3) is in effect in relation to the program participant.

88 Before subsection 124PJ(3)

Insert:

Variation by Secretary

89 Paragraph 124PJ(3)(a)

Omit “the”, substitute “a”.

90 Paragraph 124PJ(3)(a)

Omit “in paragraph (1)(a)”, substitute “under paragraph (1)(a), (1A)(a), (1B)(a), (1C)(a) or (1D)(a)”.

91 Paragraph 124PJ(3)(b)

Omit “the”, substitute “a”.

92 Paragraph 124PJ(3)(b)

Omit “in paragraph (1)(b)”, substitute “under paragraph (1)(b), (1A)(b), (1B)(b), (1C)(b) or (1D)(b)”.

93 At the end of Division 4 of Part 3D

Add:

124POA Disclosure of information to community body—person ceases to be a program participant or voluntary participant

If a person ceases to be a program participant or a voluntary participant, the Secretary may disclose the following information to a member, officer or employee of the relevant community body (if any):

- (a) the fact that the person has ceased to be a program participant or a voluntary participant;
- (b) the day of the cessation;
- (c) if the person ceased to be a program participant because of a determination under subsection 124PHA(1) or 124PHB(3)—the fact that a determination has been made under that subsection.

124POB Disclosure of information—Queensland Commission

- (1) Despite any law (whether written or unwritten) in force in Queensland, the Queensland Commission may give the Secretary information about a person if:
 - (a) either:
 - (i) the person is a program participant under section 124PGD; or
 - (ii) the Queensland Commission is considering whether to give a notice of the kind referred to in paragraph 124PGD(1)(c) in relation to the person; and
 - (b) the disclosed information is relevant to the operation of this Part.
- (2) If information about a person is disclosed by the Queensland Commission as mentioned in subsection (1), the Secretary may disclose information about the person to the Queensland Commission for the purposes of the performance of the functions, or the exercise of the powers, of the Queensland Commission.
- (3) If:
 - (a) a person ceases to be a program participant under section 124PGD because of the cancellation of a category P welfare payment of the person or the person's partner; and

(b) immediately before the cancellation, the relevant notice referred to in paragraph 124PGD(1)(c) had not been withdrawn or revoked;
then, as soon as practicable after the cancellation, the Secretary must give the Queensland Commission written notice of the cancellation.

124POC Disclosure of information—child protection officer of Northern Territory

- (1) Despite any law (whether written or unwritten) in force in the Northern Territory, a child protection officer of the Northern Territory may give the Secretary information about a person if:
- (a) either:
 - (i) the person is a program participant under subsection 124PGE(2); or
 - (ii) the child protection officer is considering whether to give a notice of the kind referred to in paragraph 124PGE(2)(d) in relation to the person; and
 - (b) the disclosed information is relevant to the operation of this Part.
- (2) If information about a person is disclosed as mentioned in subsection (1), the Secretary may disclose information about the person to a child protection officer of the Northern Territory for the purposes of the performance of the functions and duties, or the exercise of the powers, of the child protection officer in relation to the care, protection or welfare of children.
- (3) If:
- (a) a person ceases to be a program participant under subsection 124PGE(2) because of the cancellation of a category P welfare payment of the person or the person's partner; and
 - (b) immediately before the cancellation, the relevant notice referred to in paragraph 124PGE(2)(d) had not been withdrawn or revoked; and
 - (c) the notice was given by a child protection officer of the Northern Territory;

then, as soon as practicable after the cancellation, the Secretary must give a child protection officer of the Northern Territory written notice of the cancellation.

124POD Disclosure of information—officer or employee of recognised State/Territory authority of Northern Territory

- (1) Despite any law (whether written or unwritten) in force in the Northern Territory, an officer or employee of a recognised State/Territory authority of the Northern Territory may give the Secretary information about a person if:
 - (a) either:
 - (i) the person is a program participant under subsection 124PGE(2); or
 - (ii) the officer or employee is considering whether to give a notice of the kind referred to in paragraph 124PGE(2)(d) in relation to the person; and
 - (b) the disclosed information is relevant to the operation of this Part.
- (2) If information about a person is disclosed as mentioned in subsection (1), the Secretary may disclose information about the person to an officer or employee of the recognised State/Territory authority for the purposes of the performance of the functions and duties, or the exercise of the powers, of the officer or employee.
- (3) If:
 - (a) a person ceases to be a program participant under subsection 124PGE(2) because of the cancellation of a category P welfare payment of the person or the person's partner; and
 - (b) immediately before the cancellation, the relevant notice referred to in paragraph 124PGE(2)(d) had not been withdrawn or revoked; and
 - (c) the notice was given by an officer or employee of a recognised State/Territory authority of the Northern Territory;

then, as soon as practicable after the cancellation, the Secretary must give an officer or employee of the recognised State/Territory authority written notice of the cancellation.

94 Before paragraph 127(4)(a)

Insert:

- (aa) a decision to make a payment under paragraph 123UF(4)(a) or subsection 123UP(2); or
- (aaa) a decision to give a notice under subsection 123UO(3A); or
- (ab) a decision to give a notice (a *program participant notice*) under subsection 124PGE(5); or
- (ac) a decision under subsection 124PGE(6) to revoke a program participant notice; or

95 After paragraph 144(k)

Insert:

- (l) a decision to make a payment under paragraph 123UF(4)(a) or subsection 123UP(2);
- (laa) a decision to give a notice under subsection 123UO(3A);
- (la) a decision to give a notice (a *program participant notice*) under subsection 124PGE(5);
- (lb) a decision under subsection 124PGE(6) to revoke a program participant notice;

96 Paragraph 192(db)

After “Part 3B”, insert “or 3D”.

97 Application and transitional provisions—Cape York area

- (1) Section 124PGD of the *Social Security (Administration) Act 1999*, as added by this Part, applies in relation to a person whose usual place of residence:
 - (a) is, on the day this item commences, within the Cape York area; or
 - (b) becomes, on or after the day this item commences, within the Cape York area.

Note: That section may continue to apply to the person if the person’s usual place of residence after the commencement of this item ceases to be in the Cape York area.

(2) If:

- (a) before the commencement of this item, the Queensland Commission (within the meaning of Part 3B of the *Social Security (Administration) Act 1999* (the *Act*)) gave the Secretary a written notice as mentioned in paragraph 123UF(1)(b) of the Act; and
- (b) the notice required that a person be subject to the income management regime under section 123UF of the Act; and
- (c) the notice was given under a law of Queensland; and
- (d) the notice was not given in such circumstances (if any) as are specified in a legislative instrument made by the Minister for the purposes of paragraph 123UF(1)(d) of the Act; and
- (e) the notice was in force immediately before the commencement of this item;

then, for the purposes of Parts 3B and 3D of the Act on and after that commencement, the notice has effect as if it had been given under a law of Queensland from the Queensland Commission to the Secretary requiring that the person be a program participant under section 124PGD of the Act (and had not required that the person be subject to the income management regime under section 123UF of the Act).

(3) Subitem (2) ceases to apply in relation to the person and a notice referred to in paragraph (2)(a) if the notice is withdrawn or revoked.

(4) If:

- (a) on or after the commencement of this item, the Queensland Commission (within the meaning of Part 3B of the *Social Security (Administration) Act 1999* (the *Act*)) gives the Secretary a written notice; and
- (b) the notice requires that a person be subject to the income management regime under section 123UF of the Act;

then, for the purposes of Parts 3B and 3D of the Act, the notice has effect as if it were a written notice given under a law of Queensland from the Queensland Commission to the Secretary requiring that the person be a program participant under section 124PGD of the Act (and not requiring that the person be subject to the income management regime under section 123UF of the Act).

- (5) Subitem (4) ceases to apply in relation to the person and a notice referred to in paragraph (4)(a) if the notice is withdrawn or revoked.
- (6) If:
- (a) subitem (2) or (4) applies in relation to a person; and
 - (b) the notice referred to in paragraph (2)(a) or (4)(a) specifies a percentage in connection with the exercise of a power of the Secretary under subsection 123XM(3) of the *Social Security (Administration) Act 1999* in relation to the person;
- then that percentage is taken to be the percentage applicable under subparagraph 124PJ(1A)(a)(i) of that Act in relation to the person.

98 Application and transitional provisions—Northern Territory

- (1) Section 124PGE of the *Social Security (Administration) Act 1999*, as added by this Part, applies in relation to a person whose usual place of residence:
- (a) is, on the day this item commences, within the Northern Territory; or
 - (b) becomes, on or after the day this item commences, within the Northern Territory.

Note: That section may continue to apply to the person if the person's usual place of residence after the commencement of this item ceases to be in the Northern Territory.

- (2) If:
- (a) before the commencement of this item:
 - (i) a child protection officer (within the meaning of Part 3B of the *Social Security (Administration) Act 1999* (the *Act*)) of the Northern Territory gave the Secretary a written notice requiring that a person be subject to the income management regime under section 123UC of the Act; or
 - (ii) an officer or employee of a recognised State/Territory authority (within the meaning of that Part) gave the Secretary a written notice requiring that a person be subject to the income management regime under section 123UFAA of the Act; and
 - (b) the notice was given:

- (i) under a law (whether written or unwritten) in force in the Northern Territory (other than a law of the Commonwealth); or
- (ii) in the exercise of the executive power of the Northern Territory; and
- (c) the notice was in force immediately before the commencement of this item;

then, for the purposes of working out if the person is a program participant under section 124PGE of the Act on or after that commencement, the notice also has effect as if it were a notice in respect of which paragraphs 124PGE(2)(d) and (e) of the Act are satisfied.

- (3) Subitem (2) ceases to apply in relation to the person and a notice referred to in paragraph (2)(a) if the notice is withdrawn or revoked.

- (4) If:

- (a) on or after the commencement of this item:
 - (i) a child protection officer (within the meaning of Part 3B of the *Social Security (Administration) Act 1999* (the *Act*)) of the Northern Territory gives the Secretary a written notice requiring that a person be subject to the income management regime under section 123UC of the Act; or
 - (ii) an officer or employee of a recognised State/Territory authority (within the meaning of that Part) gives the Secretary a written notice requiring that a person be subject to the income management regime under section 123UFAA of the Act; and
- (b) the notice is given:
 - (i) under a law (whether written or unwritten) in force in the Northern Territory (other than a law of the Commonwealth); or
 - (ii) in the exercise of the executive power of the Northern Territory;

then, for the purposes of working out if the person is a program participant under section 124PGE of the Act, the notice also has effect as if it were a notice in respect of which paragraphs 124PGE(2)(d) and (e) of the Act are satisfied.

- (5) Subitem (4) ceases to apply in relation to the person and a notice referred to in paragraph (4)(a) if the notice is withdrawn or revoked.
- (6) Paragraph 124PGE(3)(d) of the *Social Security (Administration) Act 1999*, as added by this Part, applies in relation to a determination made under section 123UGA of that Act before, on or after the commencement of this item.

98A Application provision—exiting cashless welfare arrangements

The repeal and substitution of subsection 124PHB(2) of the *Social Security (Administration) Act 1999* made by this Part, and subsections 124PHB(3A) and (4A) of that Act as inserted by this Part, apply in relation to applications made on or after the commencement of this item.

99 Application provision—disclosure of information to community body

Section 124POA of the *Social Security (Administration) Act 1999*, as added by this Part, applies in relation to a person who ceases to be a program participant or a voluntary participant on or after the commencement of this item.

100 Transitional provisions—other matters

- (1) The Minister may, by legislative instrument, make rules prescribing matters of a transitional nature (including prescribing any saving or application provisions) relating to the amendments or repeals made by this Part.
- (2) To avoid doubt, the rules may not do the following:
 - (a) create an offence or civil penalty;
 - (b) provide powers of:
 - (i) arrest or detention; or
 - (ii) entry, search or seizure;
 - (c) impose a tax;
 - (d) set an amount to be appropriated from the Consolidated Revenue Fund under an appropriation in this Act;
 - (e) directly amend the text of this Act.

Schedule 1 Amendments
Part 2 Stage 2 amendments

- (3) This Part (other than subitem (2)) does not limit the rules that may be made for the purposes of subitem (1).

Part 3—Other amendments

Social Security (Administration) Act 1999

101 After paragraph 124PG(1)(h)

Insert:

- (ha) the Secretary gives the person a notice under subsection (4) stating that the person is a program participant under this section and the notice is in force; and

102 At the end of section 124PG

Add:

Secretary's notice

- (4) The Secretary may give a person a written notice stating that the person is a program participant under this section. The notice comes into force on a day specified in the notice (which must not be earlier than the day on which the notice is given).

Note: The Secretary may give more than one notice to a person (see subsection 33(1) of the *Acts Interpretation Act 1901*).

- (5) The Secretary may revoke the notice. The Secretary must notify the person of the revocation.
- (6) A notice under subsection (4) is not a legislative instrument.

103 After paragraph 124PGA(1)(h)

Insert:

- (ha) the Secretary gives the person a notice under subsection (4) stating that the person is a program participant under this section and the notice is in force; and

104 At the end of section 124PGA

Add:

Secretary's notice

- (4) The Secretary may give a person a written notice stating that the person is a program participant under this section. The notice comes into force on a day specified in the notice (which must not be earlier than the day on which the notice is given).

Note: The Secretary may give more than one notice to a person (see subsection 33(1) of the *Acts Interpretation Act 1901*).

- (5) The Secretary may revoke the notice. The Secretary must notify the person of the revocation.
- (6) A notice under subsection (4) is not a legislative instrument.

105 After paragraph 124PGB(1)(h)

Insert:

- (ha) the Secretary gives the person a notice under subsection (4) stating that the person is a program participant under this section and the notice is in force; and

106 At the end of section 124PGB

Add:

Secretary's notice

- (4) The Secretary may give a person a written notice stating that the person is a program participant under this section. The notice comes into force on a day specified in the notice (which must not be earlier than the day on which the notice is given).

Note: The Secretary may give more than one notice to a person (see subsection 33(1) of the *Acts Interpretation Act 1901*).

- (5) The Secretary may revoke the notice. The Secretary must notify the person of the revocation.
- (6) A notice under subsection (4) is not a legislative instrument.

107 After paragraph 124PGC(1)(g)

Insert:

- (ga) the Secretary gives the person a notice under subsection (4) stating that the person is a program participant under this section and the notice is in force; and

108 At the end of section 124PGC

Add:

Secretary's notice

- (4) The Secretary may give a person a written notice stating that the person is a program participant under this section. The notice comes into force on a day specified in the notice (which must not be earlier than the day on which the notice is given).

Note: The Secretary may give more than one notice to a person (see subsection 33(1) of the *Acts Interpretation Act 1901*).

- (5) The Secretary may revoke the notice. The Secretary must notify the person of the revocation.

- (6) A notice under subsection (4) is not a legislative instrument.

109 Paragraph 127(4)(ab)

After "subsection", insert "124PG(4), 124PGA(4), 124PGB(4), 124PGC(4) or".

110 Paragraph 127(4)(ac)

After "subsection", insert "124PG(5), 124PGA(5), 124PGB(5), 124PGC(5) or".

111 Paragraph 144(la)

After "subsection", insert "124PG(4), 124PGA(4), 124PGB(4), 124PGC(4) or".

112 Paragraph 144(lb)

After "subsection", insert "124PG(5), 124PGA(5), 124PGB(5), 124PGC(5) or".

113 Application provisions

- (1) The amendments of sections 124PG, 124PGA, 124PGB and 124PGC of the *Social Security (Administration) Act 1999* made by this Part do not apply in relation to a person who was a program participant under one of those sections immediately before the commencement of this item.
- (2) However, subitem (1) ceases to apply in relation to a person if the person ceases to be a program participant under Part 3D of that Act on or after the commencement of this item.

114 Subsections 124PS(2) and (3)

Repeal the subsections.

*[Minister's second reading speech made in—
House of Representatives on 8 October 2020
Senate on 8 December 2020]*

(130/20)
