

AUSTRALIA

Nomenclature

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| ACPS | Aged care programme support |
| ADC | Aboriginal development commission |
| AMEP | Adult migrant education program |
| ATSIC | Aboriginal and Torres Strait Islander Commission |
| GIA | Grant-in-aid scheme |
| HACC | Home and community care |
| MAA | Mature age allowance |
| MAPS | Migrant access projects scheme |
| MPC | Multi-purpose centre |
| MPSS | Migrant project subsidy scheme |

Monetary unit

Social spending is expressed in millions of Australian dollars (AUD).

General notes

Government expenditure on income support payments in Australia can largely be characterised as a system of targeted payments (financed largely from tax revenue) to those determined to be in need of income support. Access to most income security programs is restricted by income, assets and eligibility relating to personal circumstances (for example, age, unemployment, disability, sole parenthood). Payment rates of these benefits are not related to previous earnings and are typically tapered to extend support to those not eligible for the maximum rate.

In Australia there is generally a low level of recoupment of social welfare payments through the taxation system (Adema (2001), Net Social Expenditure 2nd edition, www.oecd.org/els/workingpapers). Thus, when post tax transfers are calculated the difference in benefit levels paid in Australia and other countries is likely to be much less than indicated when outlays on pre-tax benefits are compared.

In July 2000 the Australian Government introduced major tax reform as part of “A New Tax System” (ANTS). Among other changes this involved the introduction of a broad-based consumption tax. Social expenditures rose significantly in the 2000-2001 year because income support recipients and other low income groups received compensatory increases in benefits. As part of this reform, family assistance was also restructured and benefits were increased significantly. For details, see <http://www.treasury.gov.au/contentitem.asp?NavId=022&ContentID=159>

Other factors to be taken into account when comparing social expenditure outlays in Australia with those observed in other countries include:

- The provision, free or at reduced prices, of a range of government housing, health and welfare services primarily targeted at disadvantaged persons and families. These include, for example, the provision of pharmaceuticals at concessional rates, exemptions from health care levies, rental

concessions to low-income households in public housing, the provision of local government services at reduced rates and concessions for travel on state owned transport.

- The regulation of employment conditions designed to provide benefits which may in some other countries be provided by government. This includes the availability to most employees of a certain number of days of employer-provided sick leave and in cases of work injury employer funded insurance to compensate for costs and loss of earnings.
- The increasing receipt, among retirees, of occupational superannuation as opposed to the age pension as a major source of income. Occupational superannuation has been encouraged by government tax concessions and since 1992 by a requirement that employers make contributions on behalf of their employees to superannuation schemes. Most superannuation payments are made in the form of lump sums.
- The high level of home ownership which is of particular benefit to older age groups who do not need to pay rent.
- The comparatively low proportion of the population in the dependent 65 years and over, age groups.
- It should be noted that the data do not include expenditure on social protection services made by local governments, as the required data by program is not available.
- Financial year from 1 July.
- The figures do not include administration costs, except where noted.

The individual country notes of the OECD Benefits and Wages (www.oecd.org/els/social/workincentives) provide a comprehensive description of characteristics of social programmes (e.g. conditions for receipt, calculation of payment rates, tax treatment of social support, benefit duration, etc.) for the working-age population, including: unemployment insurance and assistance, social assistance, employment-conditional benefits, housing benefits, family benefits, childcare support, and support for sole parent households. Also see FACS (2001), A Short Genealogy of Income Support payments, Research Facts sheet, N0. 11, (www.facs.gov.au).

Break in series: No.

Secretariat estimates

Expenditure for 2001 for following programs were based on the annual growth rate during the preceding period: 36.10.1.2.1.3 Hostel care, 36.10.1.2.2.3 Aged and disabled welfare - State and Territory, 36.10.5.2.2.3 Family and child welfare - State and Territory, 36.10.9.2.2.6 Other welfare - State and Territory expenditure, 36.10.9.2.2.7 Crisis housing, and 36.20.3.1.3.1 Accident insurance.

Sources

Australian Institute of Health and Welfare.

OECD Labour Market Policy database.

OECD Health Data 2003 (www.oecd.org/health/healthdata).

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| Code | Title of the programme | Description of the programme and attached notes |
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| 1. | OLD AGE | |
| 36.10.1.1.1.1 | Age pension | It concerns men over 65 and women over 62.5 years (rising to 65 years by 2014). It is generally subject to residence qualifications and income test and an assets test. |
| 36.10.1.1.1.2 | Wife's pension | This programme superseded wife's allowance. It is a pension paid to the wife of an age or disability support pensioner who is not eligible for any other pension. |
| 36.10.1.1.1.3 and 36.10.1.1.1.4 | Superannuation pension ; and Superannuation lump sum | These programmes were introduced around the mid-1990s |
| 36.10.1.1.1.5 | Veteran's service pension | It includes old age, invalidity, partner and carer's pension. |
| 36.10.1.2.1.2 | Nursing homes and hostels care | Nursing homes provide services for people who need continuous professional nursing and personal care; hostels provide a wide range of accommodation and personal care services for less dependent aged people. Includes health nursing home component. |
| 36.10.1.2.1.4 | Home and community care program (HACC) – Commonwealth | The programme started in 1985-86 and provides basic maintenance and support services for the frail aged and people with disabilities to enable them to live at home. Includes: home care, paramedical services, home nursing subsidies, delivered meal subsidies. |
| 36.10.1.2.1.5 | Community aged care package | Services include: community-based care to allow people assessed as requiring care to continue to live in their own homes; pilot studies of new modes of residential care; research into how decisions are made to enter hostel care. |
| 2. | SURVIVORS | |
| 36.10.2.1.1.3 | Widows pension | The programme covered widows with or without children and not eligible for other support, and was phased out from 1987 onwards. It included payments to benevolent homes for maintenance of pensioners, rent assistance and allowances. CHECK whether programme still exists, I don't get the impression from the description, but I don't have the xls files here, |
| 36.10.2.1.1.5 | Widowed person's allowance | Programme introduced in March 1989, providing ides short-term assistance for recently bereaved widowed persons, both males and females. |
| 36.10.2.1.1.6 | Double orphan's pension | It is payable free of means test to guardians of, or institutions caring for, children aged under 16, or dependent full-time students aged 16-24 whose parents are both dead or one is dead and the other is missing, imprisoned or in an institution. |
| 36.10.2.1.1.7 | Pension/allowance for war widows and other dependants | This pension is payable to a student child of a deceased veteran whose death was war related or who was receiving special rate pension at the time of death - it may be paid to a child of the veteran or of the veteran's spouse or to a child who was wholly or partially dependent on the veteran at the time of the veteran's death |
| 36.10.2.2.1.2 | Veteran funeral expenses | This may be payable for funeral expenses of a veteran whose death was war caused, in receipt of a special rate pension at the time of death, in receipt of increased disability pension in respect of amputation, etc. at the time of death, who died in indigent circumstances, who died in an institution, who died while travelling to or from an institution, who died from a terminal illness. |
| 36.10.2.2.2.1 | Bereavement allowance | From January 1990 eligible pensioners receive this lump-sum payment in respect of a deceased spouse equivalent to 14 weeks payment that would have been made to the spouse for that period. |
| 3. | INCAPACITY-RELATED BENEFITS (Disability, Occupational injury and disease, Sickness) | |
| 36.10.3.1.1.1 | Invalid pension | This pension was replaced by disability support under the Disability Support Pension effective since November 1991. It includes allowances, rent assistance and wives's pensions where applicable. |

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| 36.10.3.1.1.4 | Carer's pension | It subsumed spouse carer's pension. It is payable to person providing constant care and attention for a severely disabled age or invalid pensioner living in the same house where the carer is not eligible for a pension in his own right. |
| 36.10.3.1.1.6 | Child's disability allowance | Non-income tested payment to a parent or guardian of a child under 16 or a dependent full-time student aged 16-24 who has a physical, intellectual or psychiatric disability. Handicapped child's allowance was a pension for parents or guardians of a child aged under 16 or a dependent full-time student who is severely disabled mentally and/or physically, is living in the home, and needs constant care and attention. |
| 36.10.3.1.1.8 | Veteran's disability pension | Main benefits provided under this programme are the disability pension and the war/defence widow's pension. The disability pension is a compensatory payment for incapacity due to eligible war, defence or peacekeeping service. |
| 36.10.3.1.5.2 | Sickness allowance | This programme replaced sickness benefit under the Disability Reform Package in November 1991. Income-tested support for Australian residents who are temporarily incapacitated for work. |
| 36.10.3.2.2.1 | Day therapy centre | This is a service provided to aged people in the community and to residents of Commonwealth funded hostels who have been referred to by a medical practitioner. The focus in support is on provision of treatment and rehabilitation, aimed at maintaining on aged persons' level of independence, to enable them to live in the community or in a hostel rather than in a nursing home prematurely. |
| 36.10.3.2.2.2 | Commonwealth rehabilitation services | This programme assists people with disabilities who are of working age to achieve positive outcomes such as increased independence, employment opportunities and integration in the community by the provision of comprehensive rehabilitation services (it includes rehabilitation allowances). The programme gives grants to States and eligible organisations towards the recurrent and capital costs of a range of eligible services. Spending data include administration costs and salaries. |
| 36.10.3.2.3.1 | Disability service programmes | Grants are made to eligible organisations for the provision of support services for people with a disability in the program target group (working age). |
| 4. | HEALTH | |
| 36.10.4.2.0.0 | See <i>OECD Health Data 2003</i> . | |
| 5. | FAMILY | |
| 36.10.5.1.1.1 | Family allowance | It is payable, subject to income test to a person with children aged under 16 or dependent full-time students aged 16-24, who are not in receipt of a pension benefit themselves. It includes outlays on child endowment/family allowances, family income supplement, allowances. Check with peter W. must include FBTA/FTBB, replace this with stuff from Benefits and Wages |
| 36.10.5.1.1.3 | Family allowance supplement | It has replaced Family income supplement paid subject to income and assets tests to low-income families with one or more children eligible for family allowance so long as they are not in receipt of any other additional payment for dependent children. |
| 36.10.5.1.3.2 | Sole parents pension | It has been introduced in March 1989. It has replaced Class A and Class C widow pension and supporting parents benefit, the two income support payments or people bringing up a child or child without a partner. It includes rent assistance and allowances. . It was subsequently replaced by Parenting Payment (Single). |
| 36.10.5.2.1.1 | Children's service programmes | Capital, operational subsidies, supplementary services grants and program support grants are provided under the sub-program to childcare services. Childcare assistance (formerly childcare fee relief) provided through child care services subsidies fee for eligible families. In addition to these, grants are made available to a range of special services to support the needs of children with special needs when these cannot be catered for in mainstream service types. |
| 36.10.5.2.2.1 | Family support services scheme | It provides funding to community based organisations to assist families with young children and includes parenting support and coping skills such as parent education and effectiveness training and family counselling. |

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| 6. ACTIVE LABOUR MARKET POLICIES | | |
| See OECD Labour Market Policy database. | | |
| 7. UNEMPLOYMENT | | |
| See OECD Labour Market Policy database. | | |
| 36.10.7.1.1.1 | Job search allowance | From 1991 it has been payable to working aged people who are unemployed for less than 12 months. |
| 36.10.7.1.1.2 | Newstart allowance | It is paid to working aged people who are unemployed for more than 12 months. |
| 36.10.7.1.1.3 | Unemployment benefit | This was the predecessor to Job Search Allowance and Newstart Allowance. It covered persons over 18 and under pension age, who are unemployed. It includes Job search allowance and additional allowances. Subject to income and assets tests. From 1992 it includes administration costs and some system costs. |
| 8. HOUSING | | |
| 36.10.8.2.1.1 | Rental assistance | It is a provision of affordable public rental accommodation and assistance with rent payments for persons renting privately and in financial difficulty |
| 36.10.8.2.1.2 | Home ownership | It is a provision of funds to States/Territory governments to assist people, particularly in low or moderate incomes to have access to home ownership. Assistance also provided to low income home purchasers experiencing temporary financial difficulties to meet their mortgage commitments. |
| 9. OTHER SOCIAL POLICY AREAS | | |
| 36.10.9.1.1.1 | Special benefit | It is granted to persons not qualified for unemployment or sickness benefit who are not eligible for any pension, and who, because of age, physical or mental disability or domestic circumstances are unable to earn a sufficient livelihood for them |
| 36.10.9.1.1.2 | Emergency relief grants | It provides funding to charitable organisations who provide emergency financial assistance to persons in crisis. Aims to assist the most needy in the community including low income families and single parents. |
| 36.10.9.2.2.1 | Multi-purpose centre (MPC) | It is provided for small rural and remote communities to enable the provision of a range of health and welfare services which could not otherwise be sustained. |
| 36.10.9.2.2.7 | Crisis housing | It gives grants to non-government organisations and more local government authorities for provision of transitional supported accommodation for the homeless. Includes refugees. It also includes crisis accommodation programme. |
| 36.10.9.2.2.8 | Emergency assistance to refugees | It gives grants to community welfare agencies to provide assistance to refugee status applicants to welfare benefits and medicare who are suffering hardship while their applications are being determined |
| 36.10.9.2.2.10 | Adult migrant education program (AMEP) | It provides a range of language education opportunities and offers information about Australia |
| 36.10.9.2.2.11 | Migrant access projects scheme (MAPS) | The main aim of the MAPS is to improve the design, planning and delivery of services to large numbers of newly arrived immigrants especially those from non-English speaking backgrounds. |
| 36.10.9.2.2.12 | Grant-in-aid scheme (GIA) | The scheme provides grants to non-government organisations towards the cost of employing social and welfare workers to assist migrants, especially those of recently arrived of non-English-speaking backgrounds to facilitate the successful settlement |
| 36.10.9.2.2.13 | Migrant resource centres | It develops at the local level in areas of need, services necessary for migrants who are not provided by existing community programmes. Services include multilingual referral and information and cultural activities. |
| 36.10.9.2.2.14 | Pilot equity and access projects scheme | It is the scheme funded "one-off" projects which improved migrants' access to general services and provided opportunities for English language learning |