

## **6. SOCIAL SECURITY AND WELFARE**

### **NATURE OF OUTLAYS**

Most social security assistance is provided in the form of benefits paid directly to recipients and/or families who satisfy eligibility criteria. Payments are generally indexed to movements in the Consumer Price Index to maintain their real value.

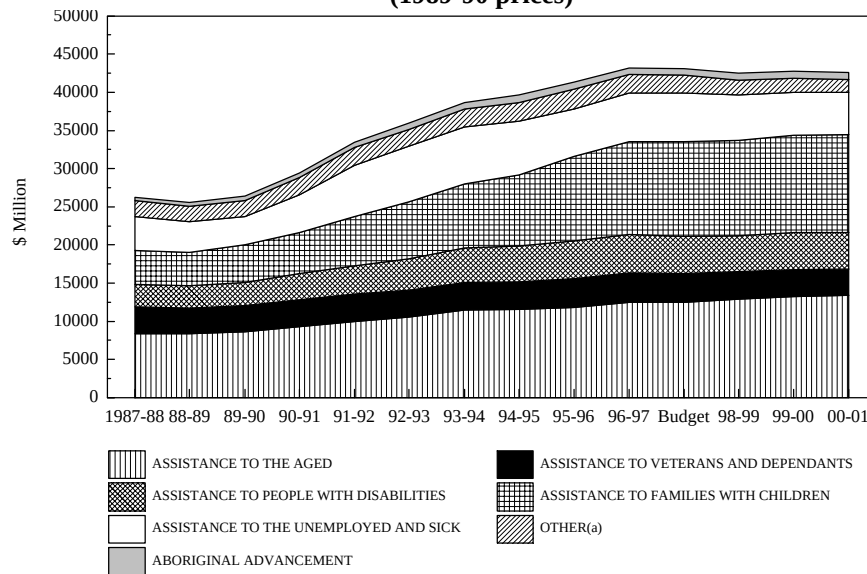
This function also includes funding for a wide range of welfare services for people with special needs. These services are provided directly or through State and local government authorities and voluntary agencies. They include services to the aged and people with disabilities, a variety of child care services and advancement programmes for Aboriginal and Torres Strait Islander peoples.

Not included under this function is assistance provided indirectly through the personal income tax system. This assistance includes concessional income tax rebates for pensioners and beneficiaries; dependent spouse rebates, family tax assistance and sole parent rebates which mainly assist low to middle income families; and deductions allowed for gifts to certain welfare bodies which provide indirect assistance to the organisations concerned.

This function includes outlays of the following portfolios:

- Social Security;
- Veterans' Affairs;
- Health and Family Services;
- Treasury;
- Immigration and Multicultural Affairs;
- Transport and Regional Development;
- Employment, Education, Training and Youth Affairs; and
- Prime Minister and Cabinet (Aboriginal and Torres Strait Islander Affairs).

**Chart 1. Overview of Commonwealth Outlays on Social Security (1989-90 prices)**



(a) 'Other' includes Other Welfare Programmes; General Administration and Recoveries and Repayments

## TRENDS IN SOCIAL SECURITY AND WELFARE OUTLAYS

Priorities within the Social Security and Welfare function have over time moved away from universal provision of benefits towards means-tested benefits targeted to those most in need. At the same time, measures have been introduced to increase the adequacy of payments and to enhance incentives for self-help.

Policy changes have sought to:

- expand the capacity of people to meet their own needs through strategies to maximise private income and use of assets, such as improved arrangements for the collection of child support payments from the non-custodial parent and deeming income from financial assets;
- direct new spending initiatives towards areas of greatest need - for example, increased assistance to families with children, focusing in particular on low income families;
- improve the targeting of assistance, including the means testing of payments to families and the introduction of a 2 year waiting period for most social security payments for newly arrived immigrants, other than refugees and humanitarian migrants;
- minimise incorrect receipt of entitlements through the introduction of initiatives such as data matching with the Australian Taxation Office and measures to tighten administration of the activity test for receipt of Newstart Allowance;
- encourage sole parents and the unemployed to enter or re-enter the labour market, particularly through the provision of assistance for child care, and the introduction of specific programmes for the long-term unemployed and sole parents; and

- introduce a more active approach for those on Disability Support Pension to improve the workforce attachment of people with disabilities.

The major factors contributing to growth in outlays over the past decade have been the indexation of pensions and benefits; growth in client numbers in demand driven programmes; and changes in outlays resulting from Government policy initiatives.

Of particular interest is the growth in outlays between 1989-90 and 1993-94. Major contributors to this were:

- increases in unemployment outlays, largely as a result of a deterioration in economic conditions; and
- increases in the real level of assistance, such as higher rates of payment and the introduction of supplementary payments, for clients such as families with children, people with disabilities and the aged.

The main outlays expected to contribute to growth over the budget and forward years include assistance to families with children (including the Family Tax Payment component of the Family Tax Initiative), assistance to the aged and Aboriginal advancement programmes.

### 1997-98 AND FORWARD ESTIMATES

|     |                                        | 1996-97<br>Estimate | 1997-98<br>Budget | 1998-99<br>Estimate | 1999-00<br>Estimate | 2000-01<br>Estimate |
|-----|----------------------------------------|---------------------|-------------------|---------------------|---------------------|---------------------|
| 6.1 | Assistance to the Aged                 | \$m 14455.3         | 14791.9           | 15588.4             | 16415.8             | 17114.8             |
|     |                                        | %                   | 2.3               | 5.4                 | 5.3                 | 4.3                 |
| 6.2 | Assistance to Veterans and Dependants  | \$m 4468.5          | 4371.7            | 4349.9              | 4338.3              | 4292.9              |
|     |                                        | %                   | -2.2              | -0.5                | -0.3                | -1.0                |
| 6.3 | Assistance to People with Disabilities | \$m 5895.0          | 5798.0            | 5756.5              | 6032.1              | 6149.9              |
|     |                                        | %                   | -1.6              | -0.7                | 4.8                 | 2.0                 |
| 6.4 | Assistance to Families with Children   | \$m 14005.6         | 14707.6           | 15076.6             | 15823.3             | 16323.0             |
|     |                                        | %                   | 5.0               | 2.5                 | 5.0                 | 3.2                 |
| 6.5 | Assistance to the Unemployed and Sick  | \$m 7326.9          | 7515.3            | 7223.6              | 7014.9              | 6914.0              |
|     |                                        | %                   | 2.6               | -3.9                | -2.9                | -1.4                |
| 6.6 | Other Welfare Programmes               | \$m 1121.7          | 852.0             | 778.4               | 771.8               | 770.2               |
|     |                                        | %                   | -24.0             | -8.6                | -0.8                | -0.2                |
| 6.7 | Aboriginal Advancement Programmes      | \$m 974.2           | 1061.0            | 1113.9              | 1138.4              | 1161.6              |
|     | nec                                    | %                   | 8.9               | 5.0                 | 2.2                 | 2.0                 |
| 6.8 | General Administration                 | \$m 1767.6          | 1919.2            | 1697.6              | 1573.5              | 1569.0              |
|     |                                        | %                   | 8.6               | -11.5               | -7.3                | -0.3                |
| 6.9 | Recoveries and Repayments              | \$m -62.1           | -78.5             | -89.3               | -89.3               | -89.3               |
|     |                                        | %                   | 26.4              | 13.8                | -                   | -                   |
|     | TOTAL                                  | \$m 49952.8         | 50938.3           | 51495.7             | 53018.9             | 54206.1             |
|     |                                        | %                   | 2.0               | 1.1                 | 3.0                 | 2.2                 |

## 6.1 ASSISTANCE TO THE AGED

|                                                             |     | 1996-97<br>Estimate | 1997-98<br>Budget | 1998-99<br>Estimate | 1999-00<br>Estimate | 2000-01<br>Estimate |
|-------------------------------------------------------------|-----|---------------------|-------------------|---------------------|---------------------|---------------------|
| Age Pension and Allowances                                  | \$m | 13258.3             | 13468.6           | 14167.1             | 14884.2             | 15491.7             |
|                                                             | %   |                     | 1.6               | 5.2                 | 5.1                 | 4.1                 |
| Aged Persons' Hostels                                       | \$m | 626.1               | 667.5             | 685.5               | 722.5               | 748.1               |
|                                                             | %   |                     | 6.6               | 2.7                 | 5.4                 | 3.5                 |
| Home and Community Care and<br>Community Aged Care Packages | \$m | 412.0               | 458.6             | 509.0               | 556.4               | 607.9               |
|                                                             | %   |                     | 11.3              | 11.0                | 9.3                 | 9.3                 |
| Partner Pension                                             | \$m | 159.0               | 197.1             | 226.9               | 252.7               | 267.1               |
|                                                             | %   |                     | 24.0              | 15.1                | 11.4                | 5.7                 |
| TOTAL                                                       | \$m | 14455.3             | 14791.9           | 15588.4             | 16415.8             | 17114.8             |
|                                                             | %   |                     | 2.3               | 5.4                 | 5.3                 | 4.3                 |

Outlays provide income support for aged people and their dependants, residential care for those aged people who are unable to live at home but who do not require intensive nursing care, and community care alternatives for those frail aged and younger people with a disability for whom long-term residential accommodation would be inappropriate.

### Age Pension and Allowances

Age Pension is payable to women aged 60.5 years and over (increasing to 65 years by 2014) and to men aged 65 years and over, subject to residency requirements and income and assets tests. Pensioners (as well as allowance recipients and some family payment recipients) may also qualify for Rent Assistance if they are renting privately.

### Aged Persons' Hostels

The Commonwealth pays subsidies for personal care and respite care for aged or disabled persons in approved residential care facilities. In 1997-98, nursing homes and hostels will be brought together under one set of residential care service arrangements. The expenditures shown here are those related to the lower levels of personal care provided by services currently classified as hostels. Funding for more intensive assistance is shown under the Health Function (see 5.4 *Residential Care Subsidies and Domiciliary Care Services*).

### Home and Community Care and Community Aged Care Packages

The Commonwealth, in conjunction with the States, funds a range of services for frail aged and younger people with a disability at risk of institutionalisation to enable them to continue to live in their own homes. Funding for Home and Community Care (HACC) is shared with the States (see also 5.4 *Residential Care Subsidies and Domiciliary Care Services*). The level of Commonwealth funds made available for the HACC program each year increases by six per cent (in real terms), with some adjustment of this rate for expected changes in the level of user charging. Funding for Community Aged Care Packages is growing at an even higher rate as the number of Packages grows towards the target of ten per thousand people aged 70 and over.

### Partner Pension

Partner Pension is paid to partners (of pensioners) born on or before 1 July 1955 who have no recent workforce experience and no dependent children.

## 6.2 ASSISTANCE TO VETERANS AND DEPENDANTS

|                                    |     | 1996-97<br>Estimate | 1997-98<br>Budget | 1998-99<br>Estimate | 1999-00<br>Estimate | 2000-01<br>Estimate |
|------------------------------------|-----|---------------------|-------------------|---------------------|---------------------|---------------------|
| Disability Pensions and Allowances | \$m | 1823.2              | 1841.7            | 1872.9              | 1914.0              | 1934.4              |
|                                    | %   |                     | 1.0               | 1.7                 | 2.2                 | 1.1                 |
| Service Pensions                   | \$m | 2626.1              | 2511.1            | 2461.1              | 2407.7              | 2347.1              |
|                                    | %   |                     | -4.4              | -2.0                | -2.2                | -2.5                |
| Other                              | \$m | 19.3                | 18.9              | 15.9                | 16.7                | 11.4                |
|                                    | %   |                     | -2.1              | -15.9               | 5.0                 | -31.7               |
| TOTAL                              | \$m | 4468.5              | 4371.7            | 4349.9              | 4338.3              | 4292.9              |
|                                    | %   |                     | -2.2              | -0.5                | -0.3                | -1.0                |

Outlays provide income support and compensation, in the form of pensions, to veterans and their dependants for incapacity or death resulting from war or defence service. The number of veterans is declining, resulting in reduced outlays on Service Pensions. However, due to veterans' increased mortality and worsening of their war-caused disabilities, outlays on War Widows' Pensions and on Disability Pensions and Allowances is increasing.

### Disability Pensions and Allowances

Disability pensions and allowances are paid to ex-service men and women for service-related incapacities at rates which vary with the level of incapacity. War Widows' Pension is payable to the widow(er)s of veterans, peacekeepers, mariners and defence personnel whose death was service-related (and in certain other limited circumstances). Disability Pension and Allowances and War Widows' Pension are not subject to personal income tax or income and assets tests.

### Service Pensions

These are payable to veterans who have qualifying service, and are of qualifying age (60 years for men and 55.5 years for women, increasing to age 60 by 2014), or who are incapacitated for work. Service Pension carries the same rates and range of additional payments as the Age Pension. It also has the same income test as the Age Pension, except that any Disability Pension and related allowances received are not regarded as income for these purposes.

### Other

This item includes grants to veterans' associations and to community groups in relation to non-institutional care and hostel accommodation for veterans.

## 6.3 ASSISTANCE TO PEOPLE WITH DISABILITIES

|                                            |     | 1996-97<br>Estimate | 1997-98<br>Budget | 1998-99<br>Estimate | 1999-00<br>Estimate | 2000-01<br>Estimate |
|--------------------------------------------|-----|---------------------|-------------------|---------------------|---------------------|---------------------|
| Disability Support Pension and Allowances  | \$m | 5193.9              | 5074.9            | 5032.8              | 5286.3              | 5384.5              |
|                                            | %   |                     | -2.3              | -0.8                | 5.0                 | 1.9                 |
| Other Payments to People with Disabilities | \$m | 40.2                | 45.7              | 51.1                | 57.2                | 63.8                |
|                                            | %   |                     | 13.7              | 11.8                | 11.9                | 11.5                |
| Disability and Rehabilitation Services     | \$m | 660.9               | 677.4             | 672.5               | 688.6               | 701.7               |
|                                            | %   |                     | 2.5               | -0.7                | 2.4                 | 1.9                 |
| TOTAL                                      | \$m | 5895.0              | 5798.0            | 5756.5              | 6032.1              | 6149.9              |
|                                            | %   |                     | -1.6              | -0.7                | 4.8                 | 2.0                 |

Outlays provide means tested income support to people with disabilities as well as partners and carers of people with disabilities, assistance with labour force related transport costs, and services which increase the independence and employment opportunities for people with disabilities. Payments are made to the States under the Commonwealth State Disability Agreement (CSDA) for accommodation and related services. The current CSDA expires on 30 June 1997 and negotiations are underway for a second agreement.

### **Disability Support Pension**

Eligibility for the Disability Support Pension requires at least a 20 per cent level of medical impairment and a continuing inability to work or undertake educational or vocational training within the following two years. Disability support pensioners are assessed with a view to their undertaking suitable training, rehabilitation or job search (where appropriate), to increase their chances of employment.

### **Other Payments to People with Disabilities**

Mobility Allowance is payable to people with a disability who are in employment, vocational training, a combination of work or training, or voluntary work and who are unable to use public transport without substantial assistance. Disability Wage Supplement provides supplementary assistance to people with a disability working under the Supported Wages System administered by the Department of Health and Family Services.

### **Disability and Rehabilitation Services**

The CSDA delineates the roles and responsibilities of the Commonwealth and the States. The States provide accommodation and support services with funding assistance from the Commonwealth through specific purpose grants. Assistance directed at helping people with a disability to gain employment is provided by the Commonwealth under this agreement through the Disability Services Programme. The Commonwealth Rehabilitation Service provides vocational rehabilitation programmes to people with disabilities who are of working age.

## 6.4 ASSISTANCE TO FAMILIES WITH CHILDREN

|                                     |     | 1996-97  | 1997-98 | 1998-99  | 1999-00  | 2000-01  |
|-------------------------------------|-----|----------|---------|----------|----------|----------|
|                                     |     | Estimate | Budget  | Estimate | Estimate | Estimate |
| Family Payments                     | \$m | 6305.0   | 6428.6  | 6516.7   | 6706.9   | 6812.4   |
|                                     | %   |          | 2.0     | 1.4      | 2.9      | 1.6      |
| Sole Parent Pensions and Allowances | \$m | 3010.5   | 2176.9  | -        | -        | -        |
|                                     | %   |          | -27.7   | -100.0   | na       | na       |
| Parenting Allowance                 | \$m | 2258.6   | 1647.4  | -        | -        | -        |
|                                     | %   |          | -27.1   | -100.0   | na       | na       |
| Parenting Payment                   | \$m | -        | 1636.8  | 5741.4   | 6078.8   | 6390.4   |
|                                     | %   |          | na      | na       | 5.9      | 5.1      |
| Family Tax Payment                  | \$m | 292.1    | 573.1   | 573.1    | 595.1    | 573.1    |
|                                     | %   |          | 96.2    | -        | 3.8      | -3.7     |
| Other Child Payments                | \$m | 239.5    | 257.0   | 263.1    | 288.5    | 291.1    |
|                                     | %   |          | 7.3     | 2.4      | 9.7      | 0.9      |
| Maternity Allowance                 | \$m | 196.6    | 183.7   | 171.8    | 218.6    | 218.0    |
|                                     | %   |          | -6.6    | -6.5     | 27.2     | -0.3     |
| Child Care                          | \$m | 1086.8   | 1133.6  | 1141.8   | 1235.8   | 1307.2   |
|                                     | %   |          | 4.3     | 0.7      | 8.2      | 5.8      |
| Child Care Cash Rebate -            | \$m | 15.4     | 12.8    | 0.9      | -        | -        |
| HIC Running Costs                   | %   |          | -16.9   | -93.0    | -100.0   | na       |
| Other                               | \$m | 601.2    | 657.7   | 667.8    | 699.6    | 730.9    |
|                                     | %   |          | 9.4     | 1.5      | 4.8      | 4.5      |
| TOTAL                               | \$m | 14005.6  | 14707.6 | 15076.6  | 15823.3  | 16323.0  |
|                                     | %   |          | 5.0     | 2.5      | 5.0      | 3.2      |

Outlays under this subfunction are mainly to ensure that families with children receive financial assistance towards the support of their children. This assistance is tailored to various groups, in particular, children in low income families. Assistance is also provided to sole parents in recognition of the difficulties they face in combining responsibility for dependent children with paid employment and of the additional cost of children in sole parent families.

### Family Payment

**Family Payment (FP)** is a non-taxable means tested payment to families with children under the age of 16 years and certain full-time dependent students aged 16-18 years. FP has two components: minimum rate and above minimum rate FP. Minimum rate FP is payable to families with taxable incomes up to around \$66,000 (for those with one child).

Above minimum rate FP is an additional amount paid to low income families. A higher rate is payable for each child aged 13-15 years. Rates may also be higher for recipients who receive Rent Assistance and/or Guardian Allowance.

The **Sole Parent Pension** is a means tested payment to sole parents with a child under 16 years of age, or aged 16 to 24 years and eligible for a Child Disability Allowance (CDA). Sole parents are also eligible for Guardian Allowance. Sole Parent Pension will be amalgamated into a new Parenting Payment. (See Parenting Allowance below.)

The **Parenting Allowance** is paid to spouses who care for children aged under 16 years of age at home. The Parenting Allowance has two payment components: a non-taxable component (basic Parenting Allowance) based on the claimant's personal income only, and a taxable component (additional Parenting Allowance) based on the income and assets of each partner.

The Government has decided in this Budget to introduce a new **Parenting Payment** in place of Sole Parent Pension and Parenting Allowance. This is to be introduced from March 1998 and will establish a single income support payment for those with child rearing responsibilities.

**Family Tax Payment (FTP).** The Family Tax Initiative commenced on 1 January 1997. It provides additional assistance to families with children through tax concessions (Family Tax Assistance), or fortnightly cash payments (FTP) to low income families.

FTP is paid as a non-taxable payment to families with dependent children up to the age of 16 years and dependent secondary students up to 18 years. It is available as an extra fortnightly cash payment to all families whose taxable incomes entitle them to above minimum rate Family Payment.

**Other Child Payments** cover outlays on Child Disability Allowance and Double Orphan Pension. (Double Orphan Pension is paid to a person who has care of a child whose parents have both died, and in certain other limited circumstances.) These payments are made fortnightly with Family Payment. Neither is means tested or taxable.

**Maternity Allowance** is a non-taxable lump sum amount paid on the birth of a child to families who meet the eligibility requirements for minimum rate FP. From 1 January 1998 Maternity Allowance will be paid in two instalments, one upon the birth of a child, and a further instalment at 18 months, receipt of which will be linked to immunisation of the child.

### **Child Care**

The main forms of Commonwealth assistance for child care are:

- income tested Childcare Assistance to eligible families using approved services including non-profit community based, private and employer sponsored services. To ensure assistance is targeted to working parents, Childcare Assistance for non work related care will be limited to 20 hours per week per child, from January 1998;
- a Childcare Cash Rebate to families using formal or informal child care for work-related purposes; and
- operational subsidies paid to support family day care services, occasional care and community based long day care centres. These subsidies will no longer be paid to community based long day care centres after June 1997. Capital subsidies paid to non-profit community based services are reducing in line with the completion of the joint National Child Care Strategy. Child care is provided for sole parents participating in the Jobs, Education and Training (JET) programme. Funding is also provided to assist other special needs groups.



## Child Care - Outlays by Funding Type

|                       | 1996-97        | 1997-98        | 1998-99        | 1999-00        | 2000-01        |
|-----------------------|----------------|----------------|----------------|----------------|----------------|
|                       | Budget         | Estimate       | Estimate       | Estimate       | Estimate       |
|                       | \$m            | \$m            | \$m            | \$m            | \$m            |
| Childcare Assistance  | 718.8          | 765.4          | 801.7          | 891.2          | 956.2          |
| Childcare Cash Rebate | 131.0          | 145.5          | 145.2          | 153.5          | 167.6          |
| Operational Subsidies | 143.4          | 98.1           | 89.8           | 97.7           | 99.2           |
| JET - Sole Parents    | 9.8            | 11.4           | 11.3           | 11.3           | 11.5           |
| Capital Funding       | 15.3           | 28.0           | 18.7           | 12.2           | 2.2            |
| Other (a)             | 68.5           | 85.2           | 75.1           | 69.9           | 70.5           |
| <b>TOTAL</b>          | <b>1,086.8</b> | <b>1,133.6</b> | <b>1,141.8</b> | <b>1,235.8</b> | <b>1,307.2</b> |

(a) Mainly Special Services, Supplementary Services, Programme Support, Accreditation and innovative service strategy.

## Other

Outlays provide for the Child Support Agency (CSA) in the Australian Taxation Office and include expected payments from the Child Support Trust Account to parents with custody of children. Child Support payments collected from non custodial parents are paid into this Trust Account but are classified as revenue.

Funding is also included for the Australian Institute of Family Studies for research into matters affecting family well-being.

## 6.5 ASSISTANCE TO THE UNEMPLOYED AND SICK

|                      |            | 1996-97       | 1997-98       | 1998-99       | 1999-00       | 2000-01       |
|----------------------|------------|---------------|---------------|---------------|---------------|---------------|
|                      |            | Estimate      | Budget        | Estimate      | Estimate      | Estimate      |
| Newstart Allowance   | \$m        | 6087.5        | 7012.8        | 6719.4        | 6516.9        | 6417.1        |
|                      | %          |               | 15.2          | -4.2          | -3.0          | -1.5          |
| Job Search Allowance | \$m        | 726.0         | -             | -             | -             | -             |
|                      | %          |               | -100.0        | na            | na            | na            |
| Sickness Allowance   | \$m        | 156.1         | 135.9         | 134.0         | 132.9         | 129.6         |
|                      | %          |               | -12.9         | -1.4          | -0.8          | -2.5          |
| Partner Allowance    | \$m        | 357.3         | 366.7         | 370.2         | 365.1         | 367.2         |
|                      | %          |               | 2.6           | 1.0           | -1.4          | 0.6           |
| <b>TOTAL</b>         | <b>\$m</b> | <b>7326.9</b> | <b>7515.3</b> | <b>7223.6</b> | <b>7014.9</b> | <b>6914.0</b> |
|                      | <b>%</b>   |               | <b>2.6</b>    | <b>-3.9</b>   | <b>-2.9</b>   | <b>-1.4</b>   |

Income support is provided to persons who are unemployed or unable to work because of temporary incapacity and who have limited alternative means of support. The decline in outlays from 1998-99 is based on lower expected client numbers as a result of an anticipated improvement in economic conditions.

From September 1996, **Job Search Allowance** and **Newstart Allowance (NSA)** were merged into one payment, called Newstart Allowance. The merged NSA is available to men and women below Age Pension age who are unemployed and who are capable of undertaking, and actively seeking, work. Partners of recipients are required to test their eligibility for a payment in their own right. The aim of NSA is to support and require active job search or participation in appropriate training or other job preparation activities.

Other payments classified under Newstart Allowance are the **Mature Age Allowance** and the **Youth Training Allowance**. The Mature Age Allowance allows unemployed people aged 60 to Age Pension age, who have no recent workforce experience, to transfer to an allowance with no job search requirements. Youth Training Allowance is

paid to young unemployed people under the age of 18 years, but above minimum school leaving age, who are undertaking approved education, training or job search activities.

**Sickness Allowance (SA)** is paid to people who are employed (or studying full-time) and have suffered a loss of income due to temporary illness or incapacity. SA payments are generally limited to 12 months.

**Partner Allowance** is paid to partners of income support allowance recipients who were born on or before 1 July 1955, who have no dependent children aged under 16 years and have no recent workforce experience.

## 6.6 OTHER WELFARE PROGRAMMES

|                                                 |     | 1996-97<br>Estimate | 1997-98<br>Budget | 1998-99<br>Estimate | 1999-00<br>Estimate | 2000-01<br>Estimate |
|-------------------------------------------------|-----|---------------------|-------------------|---------------------|---------------------|---------------------|
| Special Benefit                                 | \$m | 137.9               | 110.3             | 93.0                | 94.6                | 94.9                |
|                                                 | %   |                     | -20.0             | -15.7               | 1.7                 | 0.3                 |
| Other Assistance to Widows                      | \$m | 408.5               | 286.4             | 257.1               | 251.1               | 241.7               |
|                                                 | %   |                     | -29.9             | -10.2               | -2.3                | -3.7                |
| Accommodation Assistance                        | \$m | 196.9               | 196.8             | 193.8               | 191.8               | 195.1               |
|                                                 | %   |                     | -0.1              | -1.5                | -1.0                | 1.7                 |
| Asylum Seeker Assistance                        | \$m | 14.0                | 11.8              | 3.8                 | 3.9                 | 4.0                 |
|                                                 | %   |                     | -15.7             | -67.8               | 2.6                 | 2.6                 |
| Migrant Settlement Support                      | \$m | 54.2                | 59.3              | 59.8                | 60.7                | 61.6                |
|                                                 | %   |                     | 9.4               | 0.8                 | 1.5                 | 1.5                 |
| Communication Allowances and Postal Concessions | \$m | 21.2                | 25.5              | 25.6                | 25.6                | 25.7                |
|                                                 | %   |                     | 20.3              | 0.4                 | -                   | 0.4                 |
| Other                                           | \$m | 289.0               | 161.8             | 145.2               | 144.1               | 147.4               |
|                                                 | %   |                     | -44.0             | -10.3               | -0.8                | 2.3                 |
| TOTAL                                           | \$m | 1121.7              | 852.0             | 778.4               | 771.8               | 770.2               |
|                                                 | %   |                     | -24.0             | -8.6                | -0.8                | -0.2                |

This subfunction comprises a number of related programme elements with the following objectives:

- income support to people in special circumstances;
- income supplements and/or concessions for people facing certain additional costs;
- increased access to accommodation for low income earners and the homeless through the provision of recurrent and capital funds in conjunction with the States and Territories; and
- emergency relief funds paid through charitable agencies for people who are in financial crisis.

### Special Benefit

This item comprises Special Benefit and Disaster Relief Payment. Special Benefit is paid to people who are unable to earn a sufficient livelihood for themselves and their dependants, who are ineligible for any other pension or allowance and who can prove hardship. Disaster Relief Payment is a one-off payment available to victims of declared major disasters.

### Other Assistance to Widows

This item comprises the Class B Widow Pension, the Bereavement Allowance and the Widow Allowance. Class B Widow Pension is payable to previously married women

who do not have dependent children and who were aged 50 years or more, or were sole parent pensioners aged 45 years or more, at 1 July 1987.

Bereavement Allowance is payable to recently widowed persons who do not have dependent children. Widow Allowance is payable to women 50 years or over who become widowed, divorced or separated after reaching 40, and who have no recent workforce experience.

### **Accommodation Assistance**

Accommodation Assistance comprises a number of programmes targeted at those in short-term housing crisis. The Supported Accommodation Assistance Programme (SAAP), in conjunction with the States, funds transitional support services for those who are homeless as a result of a crisis.

The Crisis Accommodation Programme (CAP) provides for the purchase, construction, renovation or leasing of dwellings to provide transitional accommodation for SAAP clients. CAP is funded under the Commonwealth-State Housing Agreement (see 7. *Housing and Community Amenities*).

The Emergency Relief Programme provides grants to non-government community welfare agencies for distribution as short-term emergency assistance to people in financial crisis.

### **Asylum Seeker Assistance**

Assistance is provided to destitute onshore refugee applicants awaiting a primary decision from six months after initial lodgement of their application.

### **Migrant Settlement Support**

The Government provides settlement support for migrants including assistance to relevant community organisations for provision of services, on-arrival accommodation, translator and interpreter services, funding for migrant resource centres, maintenance of unattached humanitarian children and assistance to voluntary agencies under the Community Refugee Settlement Scheme.

### **Other**

Included under this heading is reimbursement to the Australian National Railways Commission for concessional passenger fares for eligible pensioners and beneficiaries (see 12.4 *Rail Transport*). Also included are wage 'top-up' payments for apprentices and trainees employed under the new industrial arrangements which provide for the wage to be paid only for productive time. The top-up payments ensure that apprentice and trainee incomes are at guaranteed levels.

## 6.7 ABORIGINAL ADVANCEMENT NEC

|                                                                     |     | 1996-97  | 1997-98 | 1998-99  | 1999-00  | 2000-01  |
|---------------------------------------------------------------------|-----|----------|---------|----------|----------|----------|
|                                                                     |     | Estimate | Budget  | Estimate | Estimate | Estimate |
| Aboriginal and Torres Strait Islander Commission                    | \$m | 813.6    | 882.6   | 922.8    | 948.4    | 974.6    |
|                                                                     | %   |          | 8.5     | 4.6      | 2.8      | 2.8      |
| Torres Strait Regional Authority                                    | \$m | 31.7     | 34.3    | 34.5     | 35.7     | 36.9     |
|                                                                     | %   |          | 8.2     | 0.6      | 3.5      | 3.4      |
| Indigenous Land Corporation                                         | \$m | 47.1     | 48.3    | 49.2     | 50.5     | 51.6     |
|                                                                     | %   |          | 2.5     | 1.9      | 2.6      | 2.2      |
| Aboriginal Hostels Limited                                          | \$m | 28.0     | 28.4    | 28.6     | 28.9     | 29.3     |
|                                                                     | %   |          | 1.4     | 0.7      | 1.0      | 1.4      |
| Aboriginals Benefit Trust Account                                   | \$m | 27.3     | 33.5    | 33.5     | 33.5     | 33.5     |
|                                                                     | %   |          | 22.7    | -        | -        | -        |
| Australian Institute of Aboriginal & Torres Strait Islander Studies | \$m | 5.6      | 5.7     | 5.8      | 5.8      | 5.9      |
|                                                                     | %   |          | 1.8     | 1.8      | -        | 1.7      |
| National Native Title Tribunal                                      | \$m | 16.1     | 23.8    | 21.9     | 22.3     | 22.5     |
|                                                                     | %   |          | 47.8    | -8.0     | 1.8      | 0.9      |
| Other                                                               | \$m | 4.9      | 4.6     | 17.6     | 13.2     | 7.3      |
|                                                                     |     |          | -6.1    | na       | -25.0    | -44.7    |
| TOTAL                                                               | \$m | 974.2    | 1061.0  | 1113.9   | 1138.4   | 1161.6   |
|                                                                     | %   |          | 8.9     | 5.0      | 2.2      | 2.0      |

This subfunction mainly covers programmes funded through a number of indigenous agencies, the largest of which is the Aboriginal and Torres Strait Islander Commission (ATSIC). Many of the programmes are intended to supplement, support or accelerate the delivery of services where prime responsibility rests with other Commonwealth agencies and/or State, Territory and local governments.

For other significant outlays on Aboriginal programmes (see 4. *Education*, 5. *Health*, 7. *Housing and Community Amenities* and 13B. *Labour and Employment Affairs*).

### Aboriginal and Torres Strait Islander Commission

**ATSIC and Torres Strait Regional Authority (TSRA)** each receive a significant part of their funding through a largely discretionary global allocation which the Government has guaranteed until 2000-01. The Government has required that ATSIC maintain average allocations for housing and infrastructure at a level at least equivalent in real terms to its 1995-96 allocation (\$210 million). Additional funding is provided outside the global allocation for the Community Development Employment Projects (CDEP) Scheme and Native Title Claims Assistance.

**ATSIC's Economic Programme** aims to increase the economic empowerment and relative economic status of Aboriginal and Torres Strait Islander peoples by providing opportunities for employment, acquisition of productive assets, income generation and the development of commercial skills.

The major sub-programme is CDEP. Under CDEP, members of indigenous communities agree to forgo their entitlement to unemployment benefits in return for the opportunity to engage in paid employment in community managed projects. The projects are funded for the equivalent of the benefits forgone, plus loadings for oncosts and support, including capital needs.

**ATSIC's Social and Cultural Programme** aims to enable Aboriginal and Torres Strait Islander peoples to lead independent and healthy lives with full recognition of their cultural heritage and rights to land. The programme incorporates policies and programmes in the areas of community housing and infrastructure, housing loans, legal

services, cultural development and the administration of native title, land rights and heritage protection legislation. (For other Aboriginal housing assistance see 7. *Housing and Community Amenities*.)

The **Torres Strait Regional Authority** delivers programmes in the Torres Strait region which, prior to 1994-95, were delivered by ATSIC. As with ATSIC, the major activities are community housing and infrastructure projects and CDEPs.

The **Land Fund and the Indigenous Land Corporation** were established to provide a secure and ongoing source of funds to the Indigenous Land Corporation for the purpose of assisting indigenous people to acquire land and to manage and maintain it in a sustainable way in order to provide economic, social and cultural benefits for future generations. Allocations to the Land Fund are to be maintained in real terms until 2003-04, by which time the fund should be self-sustaining. The Fund is a trust fund, administered by ATSIC, within the Commonwealth Public Account and moneys must be invested in accordance with s62B of the *Audit Act 1901*.

**Aboriginal Hostels Limited (AHL)** aims to assist Aboriginal and Torres Strait Islander people to satisfy their health, employment, training, education and aged care needs by providing a low-cost, temporary accommodation service through a network of hostels. These hostels may be either owned and operated directly by AHL or funded through grants to other organisations.

The **Aboriginals Benefit Trust Account (ABTA)** is established under the *Aboriginal Land Rights (NT) Act 1976* to receive the equivalent of royalty moneys received from mining operations on Aboriginal land in the Northern Territory. Payments are made from the fund for the benefit of Aboriginal people directly affected by mining operations, for other Aboriginal groups in the Northern Territory and to cover the administrative costs of Northern Territory land councils.

The **Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS)** is funded to undertake and promote Aboriginal and Torres Strait Islander studies, to conduct and assist relevant research and the publication of results, to maintain a cultural resource collection and to encourage community understanding of Aboriginal and Torres Strait Islander societies.

The **National Native Title Tribunal (NNTT)** is established under the *Native Title Act 1993* to receive, register, accept and notify native title claims, identify parties whose interests may be affected and to mediate between the parties in relation to claims, compensation issues and negotiations over proposed future acts.

**Other** includes outlays for activities of the Aboriginal Reconciliation Unit within the Department of Prime Minister and Cabinet, and financial assistance to the States, pursuant to the *Native Title Act 1993*, for 'past act' compensation and the administration of State native title regimes.

## 6.8 GENERAL ADMINISTRATION

|                                          |     | 1996-97<br>Estimate | 1997-98<br>Budget | 1998-99<br>Estimate | 1999-00<br>Estimate | 2000-01<br>Estimate |
|------------------------------------------|-----|---------------------|-------------------|---------------------|---------------------|---------------------|
| Social Security Portfolio                | \$m | 1470.9              | 1589.9            | 1383.2              | 1270.8              | 1263.9              |
|                                          | %   |                     | 8.1               | -13.0               | -8.1                | -0.5                |
| Department of Veterans' Affairs          | \$m | 194.7               | 184.5             | 175.1               | 169.2               | 169.1               |
|                                          | %   |                     | -5.2              | -5.1                | -3.4                | -0.1                |
| Department of Health and Family Services | \$m | 101.9               | 144.8             | 139.2               | 133.5               | 136.0               |
|                                          | %   |                     | 42.1              | -3.9                | -4.1                | 1.9                 |
| TOTAL                                    | \$m | 1767.6              | 1919.2            | 1697.6              | 1573.5              | 1569.0              |
|                                          | %   |                     | 8.6               | -11.5               | -7.3                | -0.3                |

## Social Security Portfolio

The great bulk of outlays associated with the Social Security portfolio are for the new Commonwealth Services Delivery Agency (CSDA) which will begin operating from 1 July 1997. The CSDA will become the delivery agency for:

- income support payments currently administered by the Department of Social Security;
- the registration, assessment and referral functions carried out by the Commonwealth Employment Service;
- student assistance payments administered by the Department of Employment, Education, Training and Youth Affairs; and
- Childcare Assistance and the Childcare Cash Rebate administered by the Department of Health and Family Services, the Department of Social Security and the Health Insurance Commission.

The CSDA will simplify service delivery arrangements by providing a one-stop-shop for many Commonwealth services. Unemployed customers, in particular, will benefit from having a single point of access to income support, self-help job search facilities and referral to employment placement services.

## Department of Veterans' Affairs

General Administration costs for the Department of Veterans' Affairs (DVA) peaked in 1996-97, mainly reflecting the cumulative impact of DVA's assumption of greater administrative responsibility for a wider range of benefits to the veteran community. It is expected that, as the Department's client base declines and ongoing efficiencies begin to take effect, these costs will fall.

## Department of Health and Family Services

This item comprises a proportion of the operating costs of the Department of Health and Family Services (HFS). HFS operating costs include funds for the purchase of services from the Commonwealth Services Delivery Agency, for the delivery of Childcare Assistance and the Childcare Cash Rebate. The balance of the operating costs of HFS is classified under 5. *Health*.

### 6.9 RECOVERIES AND REPAYMENTS

|                           |     | 1996-97<br>Estimate | 1997-98<br>Budget | 1998-99<br>Estimate | 1999-00<br>Estimate | 2000-01<br>Estimate |
|---------------------------|-----|---------------------|-------------------|---------------------|---------------------|---------------------|
| Recoveries and Repayments | \$m | -62.1               | -78.5             | -89.3               | -89.3               | -89.3               |
|                           | %   |                     | 26.4              | 13.8                | -                   | -                   |
| TOTAL                     | \$m | -62.1               | -78.5             | -89.3               | -89.3               | -89.3               |
|                           | %   |                     | 26.4              | 13.8                | -                   | -                   |

This item includes payments under the Social Security Agreement between Australia and New Zealand and Miscellaneous Receipts.