



## Appendix D - Payment costs and recipients 2006-07<sup>1</sup>

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<sup>1</sup> Australian Government, Department of Families, Housing, Community Services and Indigenous Affairs, *Australia's Future Tax System*, Pension Review Background Paper, August 2008.

	Expense (\$ million)	Payment description/aim	Labour force criteria	Number of recipients
<b>Aged</b>				
Age Pension	22,598	Income support for people who have reached Age Pension age.	None	1,952,686
Widow B Pension	4	Income support for previously partnered women born before 1 July 1937 or a single parent at age 45 born before 1 July 1942 (closed 20 March 1997).	None	732
Wife Pension (Age)	161	Income support for female partners of Age pensioners (closed 1 July 1995).	None	14,045
Age Pensioners—DVA <sup>(b)</sup>	<sup>(b)</sup>	Age Pension paid to eligible service pensioners and their partners. It is paid by DVA as an agent of FaHCSIA.	None	6,068
Service Pension Veterans—DVA <sup>(b)</sup>	2,949 <sup>(b)</sup>	Income support for people who have reached service pension age. Similar to Age Pension paid by Centrelink.	None	113,698
Service Pension (partners)—DVA <sup>(b)</sup>	<sup>(b)</sup>	Income support for wives of service pensioners. Similar to Wife Pension paid by Centrelink.	None	96,864
Utilities Allowance	147	Supplementary payment available to income support recipients aged over Age Pension age.	N/A	2,000,000
Seniors Concession Allowance	226	Supplementary payment available to Commonwealth Seniors Health Card holders (CSHC).	N/A	302,583
Telephone Allowance (CSHC only)	12 <sup>(c)</sup>	Supplementary payment available to CSHC holders. (Also available to pensioners and selected allowance recipients and paid quarterly with income support payment).	N/A	292,155
<i>Total</i>	26,097			

	Expense (\$ million)	Payment description/aim	Labour force criteria	Number of recipients
<b>Working age</b>				
Newstart Allowance	4,494	Income support for the unemployed aged between 21 and Age Pension age, including those regarded as unemployed, non-full time students available for and willing to undertake suitable work.  Includes <i>people with disability with a partial capacity to work</i> and <i>principal carers of older children</i> (aged 6 or more if partnered or 8 or more if single).	Must satisfy an activity test by seeking and accepting suitable work or participating in agreed activities designed to improve employment prospects (unless exempted).  People with a <i>partial capacity</i> to work have requirements that match their assessed capacity to work. <i>Principal carers</i> must seek at least 15 hours work per week (unless exempted).	417,793
Parenting Payment Partnered	1,217	Income support for the principal carer of a child aged under 6 (under 16 if granted payment before 1 July 2006).	Part-time participation requirements (see Newstart Allowance principal carers) if youngest child is over 6 (over 7 if granted payment before 1 July 2006).	144,427
Parenting Payment Single	4,696	Income support for the principal carer of a child aged under 8 years (or under 16 if granted payment before 1 July 2006).	Part-time participation requirements (see Newstart Allowance principal carers) if youngest child is over 6 (over 7 if granted payment before 1 July 2006).	395,495
Sickness Allowance	85	Income support for people who are temporarily incapacitated for work or study as a result of illness.	Must have a job or full-time study (if aged 25 plus) to return to.	7,624
Mature Age Allowance	88	Income support for people aged 60 years to Age Pension age receiving an income support payment for 9 months or more (closed September 2003, phased out by September 2008).	No recent workforce experience at time of claim.	5,032

	<b>Expense (\$ million)</b>	<b>Payment description/aim</b>	<b>Labour force criteria</b>	<b>Number of recipients</b>
Partner Allowance	522	Income support for partners of income support recipients (at time of claim) born on or before 1 July 1955 (closed 20 September 2003).	No recent workforce experience at time of claim.	45,988
Widow Allowance	505	Income support for older women (phased out from 1 July 2005 with new grants from that date limited to women born on or before 1 July 1955) who were widowed, divorced or separated prior to turning 40.	No recent workforce experience at time of claim.	40,247
Youth Allowance (Other)	482	Income support for young people aged 16 to 20 seeking or preparing for work or temporarily unable to work.	Must seek and accept suitable work or participate in agreed activities (unless exempted).	68,698
Exceptional Circumstances Relief Payment	260	Income support for farmers in drought affected areas.	None	28,601
Utilities Allowance	7	Supplementary payment paid to Mature Age, Partner and Widow Allowance recipients who are not of Age Pension age. (From March 2008 also paid to Carer Payment, Wife Pension, Disability Support Pension, Widow B Pension and Bereavement Allowance recipients).	N/A	n.a.
Pensioner Education Supplement	73	Supplementary payment for certain pensioners (and former pensioners) undertaking study.	Must be undertaking an approved course.	44,802
Education Entry Payment	16	Supplementary lump sum payment to assist with the cost of commencing an approved study course (available annually if continuing study and receiving Pensioner Education Supplement).	Must be commencing or continuing (PES recipients) an approved course.	76,394
Mobility Allowance	106	Supplementary payment for people with disability who are aged 16 or over and who are unable to use public transport without substantial assistance.	None	54,492
<i>Total</i>	12,551			

	<b>Expense (\$ million)</b>	<b>Payment description/aim</b>	<b>Labour force criteria</b>	<b>Number of recipients</b>
<b>People with disability</b>				
Disability Support Pension	8,651	Income support payment for people aged 16 and over (new entrants must be under Age Pension age) with a physical, intellectual or psychiatric impairment with at least 20 points on the Impairment Tables. Special rules apply for the blind.	Because of their impairment, unable to work or be reskilled to work, at least 15 hours a week (or 30 hours if on payment at 10 May 2005) at or above the minimum wage for at least the next two years.	714,156
<i>Total</i>	8,651			
<b>Carers of people with disability</b>				
Carer Payment	1,408	Income support for a person providing constant care for an adult or child with disability or a medical condition, or who is frail aged.	None	116,614
Wife Pension (DSP)	234	Income support for female partners of Disability Support Pensioners (closed 1 July 1995).	None	21,228
Carer Allowance	1,349	Supplementary payment for people who provide daily care and attention at home to an adult or child with disability or a medical condition.	None	393,263
<i>Total</i>	2,291			
<b>Students</b>				
Youth Allowance (Student)	1,591	Income support for full-time students aged 16 to 24 years in secondary or tertiary education or training and apprentices aged 16 to 24.	Must be undertaking an approved course of study.	263,257
Austudy	218	Income support for people aged 25 and over who are studying or training full-time, including full-time apprentices.	Must be undertaking an approved course of study.	28,269

	<b>Expense (\$ million)</b>	<b>Payment description/aim</b>	<b>Labour force criteria</b>	<b>Number of recipients</b>
Abstudy	156	Income support for full-time secondary and tertiary students and apprentices who are Aboriginal or Torres Strait Islander.	Must be undertaking an approved course of study.	34,134
<i>Total</i>	1,965			
<b>Special</b>				
Special Benefit	67	Income support for people who are not eligible for any other type of payment and who are in financial hardship.	As for NSA.	6,244
Bereavement Allowance	1	Income support for a recently widowed person following the death of their partner. Paid for up to 14 weeks.	None	553
<i>Total</i>	68			