

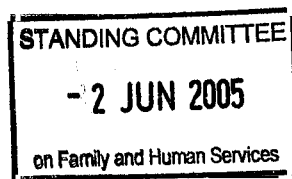


SENATOR THE HON KAY PATTERSON
Minister for Family and Community Services
Minister Assisting the Prime Minister for Women's Issues

The Hon Bronwyn Bishop MP
Chairman
Standing Committee on Family and Human Services
Parliament House
Canberra ACT 2600

11 MAY 2005

SUBMISSION NO. 186
AUTHORISED: 15-06-05 *hobbs*



Bronwyn
Dear Ms Bishop

Re: Inquiry into the adoption of children from overseas

Thank you for your letter of 25 February 2005 asking my Department to provide a submission for the Inquiry into the Adoption of Children from Overseas. For my portfolio the relevant part of the Inquiry's terms of reference is the examination of any inconsistencies between the benefits and entitlements provided to families with their own birth children and those provided to families who have adopted children from overseas.

In relation to this I am pleased to say there are no inconsistencies. All families, irrespective of whether their dependent child is adopted or their own through birth, may be eligible for family assistance payments including: Family Tax Benefit (FTB) A, FTB B, Maternity Immunisation Allowance and Maternity Payment (Attachment A).

There have been some recent changes to Maternity Payment which will be of interest to the Committee.

As part of the 2005-06 Budget, the Government has extended the age limit for eligibility in relation to adopted children. From 1 July 2005, families of adopted children will be eligible for Maternity Payment where:

- the child is born in Australia and is under two years of age; or
- the child is born overseas, is under two years of age and enters Australia before his or her second birthday.

This measure recognises that most overseas adoptions involve children over the age of 26 weeks, and that the families who adopt children who are under two years of age, face similar costs and workforce constraints to families with new born babies. According to 2004 statistics collected by the Australian Institute of Health and Welfare, the measure will ensure Maternity Payment is available to more than 70 per cent of overseas children adopted by Australian families, most of whom are not currently eligible.

The measure will be backdated to include children who were adopted on or after 1 July 2004, which is the date Maternity Payment was introduced.

I trust this information is helpful to the Committee and look forward to receiving the outcomes of the Committee's deliberations in due course.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kay Patterson', with a large, stylized flourish at the end.

Senator Kay Patterson

Family assistance payments at 1 July 2005

Family Tax Benefit Part A**Purpose**

- Designed to help families with the costs of children and is assessed on combined family income.

Eligibility

- Paid for each dependent child under 21 years; OR
- A qualifying dependent full-time student aged 21 to 24 years
- Must be an Australian resident; OR
- A holder of a qualifying visa
- No assets test
- Total family income can be:
 - up to \$32,485 before payment rate affected; and
 - up to \$87,758 before fortnightly payments stop (with one child under 18 years); and
 - \$89,803 before annual entitlement ceases (with one child under 18 years).

Rates*

- **Base rate**
 - \$1,733.75 (\$42.98 per fortnight plus the \$613.20 per child FTB Part A Supplement paid at reconciliation) where the child is aged up to 17 years);
 - \$2,120.65 (\$57.82 per fortnight plus the \$613.20 per child FTB Part A Supplement paid at reconciliation) where the child is aged 18 to 24 years.
- **Maximum rates**
 - \$4,095.30 (\$133.56 per fortnight plus the \$613.20 per child FTB Part A Supplement paid at reconciliation) where the child is aged under 13 years; and
 - \$5,029.70 (\$169.40 per fortnight plus the \$613.20 per child FTB Part A Supplement paid at reconciliation) where the child is aged between 13 and 15 years.

Family Tax Benefit Part B

Purpose

- Designed to provide extra help for families with one main income. The payment is per family, based on the age of the youngest child and is assessed according to the income of a family's lower income earner.

Eligibility

- dependent child aged under 16 years; OR
- a qualifying dependent full-time student up to the age of 18 years
- residency requirement as for Family Tax Benefit Part A
- no assets test
- lower income earner can earn:
 - \$4,000 without affecting their entitlement. Earnings above \$4,000 reduce entitlement by 20 cents for each dollar earned over this amount (with some entitlement for income up to \$18,947 annually); and
 - \$18,947 annually before entitlement ceases where the youngest child is under five years; and
 - \$14,421 annually before entitlement ceases where the youngest child is aged five to eighteen years.

Rates*

- **maximum rate**
 - \$2 989.35 (\$114.66 per fortnight) where the youngest child is under five years; and
 - \$2,084.15 (\$79.94 per fortnight) where the youngest child is aged five to eighteen years.

Maternity Immunisation Allowance

Purpose

- Maternity Immunisation Allowance is a one-off payment to encourage parents to immunise their children

Eligibility

- children who have been fully immunised at or after 18 months, but before their second birthday. Eligibility can be assessed when a child is aged between 18 and 24 months and has been fully immunised.
- no income test applies

Rate*

- a one-off payment of \$216.18

Maternity Payment

Purpose

- recognises the extra costs associated with the birth or adoption of a child.

Eligibility

- birth parent of a baby; OR
- adoptive parent of a child who has been entrusted to their care before the child is 2 years of age;
- birth parents must claim within 26 weeks of their child's birth; OR
- adoptive parent of a locally adopted child must claim within 26 weeks of the child coming into their care;
- adoptive parent of an overseas adopted child must claim within 26 weeks of the child entering the country, on the provision the child was less than two years of age when placed in their care; and
- dependent child requirements for Family Tax Benefit must be met within 13 weeks of the child being entrusted to the claimant's care.

Rate*

- a one-off payment of \$3079

* At 1 March 2005