

# A guide to social security payments and entitlements

There are a number of different Social Security payments and entitlements available. Here we outline the qualifying criteria for some of the more common allowances, pensions and benefit cards.

## Social Security payments

### Age Pension

The Age Pension is a safety net for people who aren't able to fully provide for themselves when they retire.

#### Qualifying criteria - Age Pension

The age at which you qualify for Age Pension is different for men and women. If you're male, you must be 65 or older to qualify. If you're female, it depends on when you were born.

The table shows the date you would become eligible:

Born	Women eligible for Age Pension at age	Men eligible for Age Pension at age
before 1 July 1935	60	65
From 1 July 1935 and 31 December 1936	60.5	65
From 1 January 1937 and 30 June 1938	61	65
From 1 July 1938 and 31 December 1939	61.5	65
From 1 January 1940 and 30 June 1941	62	65
From 1 July 1941 and 31 December 1942	62.5	65
From 1 January 1943 and 30 June 1944	63	65
From 1 July 1944 and 31 December 1945	63.5	65
From 1 January 1946 and 30 June 1947	64	65
From 1 July 1947 and 31 December 1948	64.5	65
From 1 January 1949 and 30 June 1952	65	65
From 1 July 1952 and 31 December 1953	65.5	65.5
From 1 January 1954 and 30 June 1955	66	66
From 1 July 1955 and 31 December 1956	66.5	66.5
From 1 January 1957	67	67

To claim the Age Pension you must be living in Australia and be an Australian resident for at least ten years.

The Age Pension is subject to both the Centrelink income and assets tests.

## Newstart Allowance

Newstart Allowance is designed to support you while you seek employment or you're temporarily incapacitated.

### Qualifying criteria - Newstart Allowance

To qualify, you must meet **all** the following criteria:

- You must be unemployed, actively seeking work or temporarily incapacitated.
- You must be at least 21 but under Age Pension age.
- You must be willing to enter into an 'Activity Agreement', which outlines job-search requirements, refers you to job search agencies or to specialists for help, or list activities you agree to undertake to improve your employment chances.
- You must be an Australian resident and be present in Australia for the period of payment.

If you're between 50 and 64 years old you must seek full-time employment in the same way as a younger person, but you can meet your obligation through voluntary work and won't be required to 'work for the dole'.

If you choose to perform voluntary work, the organisation you work for must be community-based and not-for-profit. Work that replaces a paid worker or doesn't have a community focus is not considered voluntary.

Newstart Allowance is subject to both the Centrelink income and assets tests.

## Parenting Payment

The Parenting Payment is paid to one person who cares for a child.

### Qualifying criteria - Parenting Payment

You may qualify if you satisfy **all** the following conditions:

- You provide substantial care to a child, under 6 years of age if partnered or under 8 years of age if single.
- You are an Australian resident and are in Australia on the date you claim (or have been an Australian resident and lived in Australia for two years at any time, or have been a refugee or held certain temporary visas, or have become a sole parent during your current period as an Australian resident).

The Parenting Payment is subject to both the Centrelink income and assets tests.

## Carer Allowance

You may receive a fortnightly Carer Allowance (child) and a Health Care Card if you look after a child with a disability or severe medical condition who requires a level of additional care or attention. A single rate of Carer Allowance may be payable where the combined level of disability of two children in the family meets the qualifying threshold.

### Qualifying criteria - Carer Allowance

To qualify you must satisfy **both** conditions:

- You must live in the same home as the child you are caring for.
- Both you and the child must meet Centrelink's residence requirements.

What you receive will depend on the severity of the child's disability. Centrelink uses the Child Disability Assessment Tool (CDAT) to assess medical eligibility for Carer Allowance of children under 16. The tool measures the child's functional ability. You may be fast-tracked to Carer Allowance (child) if the child you care for has one of the severe disabilities or chronic medical conditions listed by Centrelink.

Carer Allowance (adult) is a supplementary payment for people who provide daily care for adults with a disability, severe medical condition or who are frail and at home. Carer Allowance (adult) may be paid on top of Carer Payment (adult) or other payments, such as Age Pension. Carer Allowance is not subject to the Centrelink assets or income tests, however the Carer Payment is.

## Disability Support Pension

The Disability Support Pension (DSP) provides support if your physical, intellectual or psychiatric impairment prevents you from working more than 15 hours per week at award wages.

### Qualifying criteria - Disability Support Pension

To be eligible you must satisfy **all** the conditions listed under **either** 1 or 2 below.

- 1 You must:
  - be 16 or over but less than age pension age at the date you claim
  - have physical, intellectual, or psychiatric impairment assessed at 20 points or more
  - be unable to work for 15 hours or more per week for the next two years
  - be unable to undertake educational or vocational training which would equip you for work within the next two years.
- 2 You must be:
  - at least 16 but under age pension age when you claim
  - permanently blind.

Residency requirements are the same as for the Age Pension. Payments may start immediately if you're incapacitated while an Australian resident or during temporary absence. You may also receive the DSP for up to 13 weeks if you're temporarily overseas, or indefinitely if you're severely disabled.

Unless you are permanently blind, the DSP is subject to the Centrelink assets and income tests. If you live with your parents, their assets and income levels don't impact your DSP payment amounts.

## Social Security entitlements

### Pension Supplement

The Pension Supplement came into effect from 20 September 2009. You may receive this payment as an additional payment to your base pension if you are in receipt of the Age Pension, Carer Payment, Wife Pension, Widow B Pension, Bereavement Allowance, Disability Support Pension (except if aged 21 without children) and certain other income support payment recipients if the person has reached aged pension age.

The Pension Supplement has replaced the GST Supplement, Utilities Allowance, Pharmaceuticals Allowance and the Telephone Allowance (including internet). The maximum Pension Supplement is currently \$56.10 per fortnight for singles and \$84.60 per fortnight for couples combined.

### Health Care Card

If you receive certain Centrelink allowances, payments or benefits, you may be entitled to a Health Care Card (HCC) which gives you cheaper medicines under the PBS. You're also entitled to other concessions from state and local governments, which may include:

- reduced health care costs including ambulance, dental care and eye care
- reduced public transport costs
- reduced water rates
- reduced energy bills.

HCC concessions vary from state to state and some of these extra concessions are also available to dependants.

Although the HCC is linked to Centrelink allowances, payments or benefits which may be subject to the Centrelink assets or income test, the HCC itself isn't subject to the tests.

### Qualifying criteria - HCC

To qualify you must:

- meet the residency requirements and be in Australia
- be receiving a qualifying social security benefit
- be receiving certain social security supplementary payments (such as the fortnightly maximum rate of Family Tax Benefit Part A by instalment, Carer Allowance (child), or Mobility Allowance but not qualify for a Pensioner Concession Card).  
or
- Satisfy the income test for the low income HCC.

## Pensioner Concession Card

The Pensioner Concession Card (PCC) provides you and your dependants with:

- cheaper PBS-listed prescription medicines
- an increase in benefits for out-of-pocket, out-of-hospital medical expenses above a certain threshold through the Medicare Safety Net
- help with certain hearing services such as hearing tests and hearing aids.

You may also be entitled to:

- bulk-billed General Practitioner appointments (at the discretion of your doctor)
- other payments from Centrelink such as the Pension Supplement, and the Seniors Concession Allowance.

## Qualifying criteria - PCC

To qualify you must:

- meet the residency requirements and be in Australia
- be receiving Age Pension, Disability Support Pension, Parenting Payment (Single) and Carer Payment or Mature Age Allowance

**or**

- be aged 60 years or over
- have been in continuous receipt of one (or a combination) of certain social security payments for at least nine months or have an average income (over eight weeks) which is less than the HCC income test limit.

You don't have to be receiving a full pension to qualify for a PCC.

## Pension Bonus Scheme

The Pension Bonus Scheme has closed to people who did not qualify for the Age Pension before 20 September 2009. If you are an existing participant of the scheme you can continue to accrue entitlements as long as you, or your member partner, continue to work 960 hours per year.

The Pension Bonus Scheme provides a tax-free lump sum when you retire if you defer claiming the Age Pension (for up to five years) and continue to work.

## Work Bonus

On 20 September 2009, the Pension Bonus Scheme was replaced with the Work Bonus. The Work Bonus is an incentive for pensioners over age pension age to continue to participate in the workforce.

Pensioners (excluding those in receipt of the Parenting Payment Single) who receive employment income and have attained age pension age are eligible for the Work Bonus.

## Rent assistance

You may qualify for rent assistance if you have limited means and pay rent to a private landlord for accommodation. Rent assistance is paid in addition to any pension, allowance, benefit or Family Payment you receive.

## Qualifying criteria - Rent assistance

You may qualify for **rent assistance** if you pay more than a certain amount for:

- rent (other than for public housing)
- service and maintenance fees in a retirement village
- lodging (two thirds of the amount you pay for board and lodging)
- fees paid for a caravan site or similar which you occupy as your principal home
- fees paid to moor a vessel you occupy as your principal home.

You must also meet one of the following criteria:

- You are a pensioner with no dependent children.
- You are a family receiving additional Family Tax Benefit to help you with the cost of raising your children.
- You receive an allowance or benefit, have no children and:
  - you are 25 or older, or
  - you are married, or
  - you are under 25 and living indefinitely apart from your parents or guardians.

## Department of Veteran's Affairs (DVA) concession cards

### **Repatriation Pharmaceutical Benefits Card (Orange Card)**

The Orange Card entitles you to buy your prescribed medications at a reduced cost. Once you've received up to the annual safety net level, you won't pay for any further prescribed medication for the rest of that year. The Orange Card also qualifies you for a fortnightly Pension Supplement to help offset the cost of prescriptions.

### **Repatriation Health Card (White Card)**

The White Card gives you access to health care and associated services for war or service-related conditions. If you're an Australian forces veteran, it entitles you to receive treatment for malignant cancer, pulmonary tuberculosis and post traumatic stress disorder, whether or not these conditions are related to your war service.

### **Repatriation Health Card (Gold Card)**

The Gold Card gives you access to health care and related services for all health care needs and all conditions, whether or not they are related to your war service. You'll receive a comprehensive range of medical, hospital, pharmaceutical, dental and allied health services, and the Seniors Concession allowance.

### **Pensioner Concession Card**

If you receive means tested DVA income support, you'll be entitled to the Pensioner Concession Card. The benefits under this card are identical to the Centrelink Pensioner Concession Card.

## Things you should consider

This publication provides an overview or summary only and it shouldn't be considered a comprehensive statement on any matter or relied upon as such.

This publication doesn't take into account your personal objectives, financial situation or needs. It's important for you to consider these matters before making any financial decision and we recommend you seek help from a financial adviser.

#### IMPORTANT INFORMATION

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