

2013-2014

The Parliament of the
Commonwealth of Australia

THE SENATE

Presented and read a first time

**Social Security Amendment (Caring for
People on Newstart) Bill 2014**

No. , 2014

(Senator Siewert)

**A Bill for an Act to amend the *Social Security Act
1991*, and for related purposes**

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1 **A Bill for an Act to amend the *Social Security Act***
2 ***1991, and for related purposes***

3 The Parliament of Australia enacts:

4 **1 Short title**

5 This Act may be cited as the *Social Security Amendment (Caring*
6 *for People on Newstart) Act 2014.*

7 **2 Commencement**

8 (1) Each provision of this Act specified in column 1 of the table
9 commences, or is taken to have commenced, in accordance with
10 column 2 of the table. Any other statement in column 2 has effect
11 according to its terms.
12

Commencement information

Column 1	Column 2	Column 3
Provision(s)	Commencement	Date/Details
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day this Act receives the Royal Assent.	
2. Schedule 1	The 28th day after this Act receives the Royal Assent.	

1 Note: This table relates only to the provisions of this Act as originally
2 enacted. It will not be amended to deal with any later amendments of
3 this Act.

4 (2) Any information in column 3 of the table is not part of this Act.
5 Information may be inserted in this column, or information in it
6 may be edited, in any published version of this Act.

7 **3 Schedule(s)**

8 Each Act that is specified in a Schedule to this Act is amended or
9 repealed as set out in the applicable items in the Schedule
10 concerned, and any other item in a Schedule to this Act has effect
11 according to its terms.

1 **Schedule 1—Amendments**

2 **Part 1—Newstart amendments**

3 *Social Security Act 1991*

4 **1 Point 1068-A1 (method statement, before step 2)**

5 Insert:

6 Step 1C. Work out the newstart supplement amount (if any) using
7 Module CA below.

8 **2 Section 1068 (after Module C)**

9 Insert:

10 **Module CA—Newstart supplement**

11 *Newstart supplement*

12 1068-CA1 A newstart supplement amount is to be added to the person's
13 maximum basic rate if:

- 14 (a) the person is qualified for a newstart allowance in respect of
15 a period; and
16 (b) the person's family situation is covered by item 4A, 4B, 5, 9
17 or 11 of the table in point 1068-B1.

18 1068-CA2 The person's newstart supplement amount is \$100.

1 **Part 2—Youth allowance amendments**

2 *Social Security Act 1991*

3 **3 Point 1067G-B3 (table item 1, column 3)**

4 Omit “\$145.40”, substitute “\$245.40”.

5 **4 Point 1067G-B3 (table item 2, column 3)**

6 Omit “\$174.80”, substitute “\$274.80”.

7 **5 Point 1067G-B3 (table item 3, column 3)**

8 Omit “\$145.40”, substitute “\$245.40”.

9 **6 Point 1067G-B3 (table item 4, column 3)**

10 Omit “\$174.80”, substitute “\$274.80”.

11 **7 Point 1067G-B3 (table item 5, column 3)**

12 Omit “\$265.50”, substitute “\$365.50”.

13 **8 Point 1067G-B3 (table item 6, column 3)**

14 Omit “\$347.80”, substitute “\$447.80”.

15 **9 Point 1067G-B3 (table item 8, column 3)**

16 Omit “\$265.50”, substitute “\$365.50”.

17 **10 Point 1067G-B4 (table item 3, column 3)**

18 Omit “\$227.20”, substitute “\$327.20”.

19 **11 Point 1067G-B4 (table item 4, column 3)**

20 Omit “\$341.40”, substitute “\$441.40”.

1 **Part 3—Indexation amendments**

2 ***Social Security Act 1991***

3 **12 Section 1190 (at the end of the table)**

4 Add:

72.	Newstart supplement	NEW	points 1068-CA1 and 1068-CA2
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5 **13 Subsection 1191(1) (at the end of the table)**

6 Add:

44.	NEW	1 July	December	highest December quarter before reference quarter (but not earlier than the December quarter of 2012)	\$1.00
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7 **14 At the end of Division 2 of Part 3.16**

8 Add:

9 **1195A Indexation of certain newstart amounts**

- 10 (1) This section applies to the following amounts (the ***starting***
11 ***amounts***):
- 12 (a) the amount referred to in column 2 of item 1 of the table in
13 subsection 1191(1);
 - 14 (b) the amount referred to in column 2 of item 1A of the table in
15 subsection 1191(1);
 - 16 (c) the amount referred to in column 2 of item 1B of the table in
17 subsection 1191(1);
 - 18 (d) the amount referred to in column 2 of item 1C of the table in
19 subsection 1191(1);
 - 20 (e) the amount referred to in column 2 of item 2 of the table in
21 subsection 1191(1);
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Schedule 1 Amendments
Part 3 Indexation amendments

- 1 (f) the amount referred to in column 2 of item 3 of the table in
2 subsection 1191(1);
3 (g) the amount referred to in column 2 of item 3A of the table in
4 subsection 1191(1);
5 (h) the amount referred to in column 2 of item 3B of the table in
6 subsection 1191(1);
7 (i) the amount referred to in column 2 of item 4 of the table in
8 subsection 1191(1);
9 (j) the amount referred to in column 2 of item 9 of the table in
10 subsection 1191(1);
11 (k) the amount referred to in column 2 of item 10 of the table in
12 subsection 1191(1);
13 (l) the amount referred to in column 2 of item 27 of the table in
14 subsection 1191(1);
15 (m) the amount referred to in column 2 of item 44 of the table in
16 subsection 1191(1).
- 17 (2) Notwithstanding any other provision of this Part, the starting
18 amount is to be indexed under this Division on each indexation day
19 for the amount, using the following method statement:

20 *Method statement*

- 21 Step 1. Work out the ***CPI indexed amount*** by indexing the
22 starting amount on each indexation day for the amount in
23 accordance with section 1191.
- 24 Step 2. Work out the ***MTAWE indexed amount*** by indexing the
25 starting amount on each indexation day for the amount
26 by:
- 27 (a) treating the starting amount as a category A
28 amount for the purposes of section 1195; and
- 29 (b) applying the rules in section 1195 to that amount.
- 30 Step 3. Work out the ***pensioner and beneficiary living cost***
31 ***index amount*** by indexing the starting amount on each
32 indexation day for the amount in accordance with
33 section 1196.

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Step 4. The indexed amount of the starting amount is the highest of the CPI indexed amount, the MTAWWE indexed amount and the pensioner and beneficiary living cost index amount.

1 **Part 4—Other amendments**

2 ***Social Security (Administration) Act 1999***

3 **15 Section 242**

4 Before “Payments”, insert “(1)”.

5 **16 At the end of section 242**

6 Add:

7 (2) Payments for the purposes of the 1991 Act, to the extent that Act
8 was amended by the *Social Security Amendment (Caring for*
9 *People on Newstart) Act 2014*, are to be made out of money
10 appropriated by the Parliament for those purposes.