

This page was added on 03 December 2012 to included the Disclaimer below.
No other amendments were made to this Product

DISCLAIMER

Users are warned that this historic issue of this publication series may contain language or views which, reflecting the authors' attitudes or that of the period in which the item was written, may be considered to be inappropriate or offensive today.

SOCIAL SECURITY AND WELFARE

The Commonwealth Government, the State governments and voluntary welfare organisations all provide social welfare services. This chapter concentrates on the benefits and services provided by the Commonwealth Government, principally those of the departments of Social Security, Community Services and Health and Veterans' Affairs but mention is also made of the services provided by the departments of Aboriginal Affairs, and Immigration, Local Government and Ethnic Affairs. Also included is a section relating to Income Distribution surveys which provides a summary of the distribution of money income across the Australian population.

Further details of services administered by the Commonwealth Department of Community Services and Health are given in Chapter 9, Health. Details of pension and superannuation schemes for government and semi-government employees, mine workers, parliamentarians and employees of private business are included in Chapter 23, Private Finance.

Commonwealth Government Expenditure on Social Security Services

This section deals with various government payments for the relief of aged, infirm, widowed persons, sole parents, the orphaned and the unemployed, assistance to families, etc. On 1 July 1947, with the passage of the *Social Services Consolidation Act 1947*, all Acts providing social service benefits were amalgamated. The Act is at present styled the *Social Security Act 1947*.

The main social security payments provided by the Commonwealth Government under the Social Security Act, as at June 1988, and the date on which each came into operation, are shown below.

Age pension	1 July 1909
Invalid pension	15 December 1910
Family allowance	1 July 1941
Widow's pension	30 June 1942
Funeral benefit	1 April 1943
Unemployment benefit	1 July 1945
Sickness benefit	1 July 1945
Special benefit	1 July 1945
Allowances associated with the Commonwealth	
Rehabilitation Service (including Rehabilitation allowance)	10 December 1948
Sheltered employment allowance	30 June 1967
Wife's pension (superseded wife's allowance)	5 October 1972
Supporting parent's benefit (female)	3 July 1973
Double orphan's pension	26 September 1973
Supporting parent's benefit (male)	10 November 1977
Rehabilitation allowance	1 March 1983
Mobility allowance	1 April 1983
Carer's pension (subsumed spouse carer's pension)	1 November 1985
Child disability allowance (superseded handicapped child's allowance)	15 November 1987
Family allowance supplement (superseded family income supplement)	17 December 1987
Job search allowance	1 January 1988

Details of the respective rates of pensions and benefits and details of associated allowances available to certain recipients are shown, along with more specific eligibility criteria, in the Annual Report of the Department of Social Security.

Age and invalid pensions and associated payments

Age pension is payable to men and women who have reached the ages of 65 and 60 respectively. Age pension is generally subject to residence qualifications, an income test and an assets test.

Invalid pension is payable to persons aged 16 years or more who are at least 85 per cent permanently incapacitated for work, of which at least 50 per cent is directly caused by a physical or mental impairment of the person. It is also payable to persons who are permanently blind. Invalid pension is paid subject to residence qualifications, an income test and an assets test. Pensions paid to the permanently blind are not subject to income and asset tests.

Sheltered employment allowance is payable to disabled people who are employed in approved sheltered employment services and are otherwise qualified to receive an invalid pension or would become so qualified should they cease to be provided with sheltered employment. The allowance is subject to the same income and assets tests as apply to the invalid pension and is paid at the same rate. It is payable in the form of a supplement to the sheltered employee's wages.

Rehabilitation allowance is payable to people who receive assistance through the Commonwealth Rehabilitation Service, and who would otherwise be eligible to receive a social security payment. It is subject to the same income and assets tests as the invalid pension, and similar additional benefits are available.

A wife's pension is payable to the wife of an age or invalid pensioner when she is not entitled, in her own right, to an age or invalid pension or rehabilitation allowance. The spouse of a person receiving sheltered employment allowance (and in certain circumstances, a rehabilitation allowance) does not receive a wife's pension as such, but an equivalent payment is made. There is no residence qualification, but an income and assets test does apply.

A carer's pension is payable to a person providing constant care and attention for a severely disabled age or invalid pensioner where the carer is not eligible for a pension in his or her own right.

Additional pension is payable, subject to the income test, for each dependent child under 16 years and dependent full-time students aged 16 to 24 years, who are not in receipt of a prescribed educational allowance (e.g. AUSTUDY). Widowed or other unmarried age or invalid pensioners with a dependent child may, in addition, receive a guardian's allowance. Rent assistance, combined with the basic pension or benefit rate is assessed under the general pension or benefit income test. It is available to pensioners if they pay rent or pay for board or lodging. All recipients of sheltered employment allowance and certain others receive a means test-free incentive allowance in lieu of rent assistance. Remote area allowance is payable to pensioners living in certain remote areas, except for those aged 70 years or more receiving the special rate of age pension.

AGE PENSIONERS: 30 JUNE

Age	1986	1987	1988
60-64 years	163,841	r161,553	163,525
65-69 years	298,270	r297,272	301,362
70-74 years	336,506	r325,977	312,339
75 years and over	525,983	r537,372	551,588
Total	1,324,600	r1,322,174	1,328,814
Number of wife's/carer's pensioners	24,183	r24,751	25,290
		—\$'000—	
Total payments during year (a)	5,897,156	6,257,148	6,972,771

INVALID PENSIONERS: 30 JUNE

Age	1986	1987	1988
16-19 years	7,464	7,772	7,809
20-39 years	58,414	60,123	60,980
40-59 years	149,497	156,874	158,196
60 years and over	58,435	64,281	69,928
Total	273,810	289,050	296,913
Number of wife's/carer's pensioners	83,212	90,157	91,973
		—\$'000—	
Total payments during year (a)	1,673,523	1,912,167	2,188,388

(a) Includes allowances, rent assistance, and wives' pensions where applicable.

At 30 June 1988 185 sheltered employment services were paying the allowance to 10,361 disabled employees and 308 wives. Expenditure during the year 1987-88 was \$70.0 million.

At 30 June 1988, there were 2,143 persons in receipt of rehabilitation allowances. Expenditure during the year 1987-88 was \$19.1 million.

Widows' pensions and associated payments

The term 'widow' refers both to de jure and de facto widows, and includes certain other categories of women who have lost the support of a male breadwinner, e.g. divorcees and deserted wives.

There are three categories of widow pensioners:

Class 'A'. A widow who has one or more qualifying children under the age of sixteen years.

Class 'B'. A widow who, because she has no qualifying children or students in her custody, care and control, is not eligible for a Class 'A' widow's pension but is either at least 50 years of age or, after having reached the age of 45, has ceased to receive a Class 'A' pension by reason of ceasing to have a qualifying child or student. (From July 1987, gradual phasing out of the Class 'B' widow's pension began. From that date, no new grants were made except to women who were in circumstances which would have made them eligible before that date.)

Class 'C'. A widow not eligible for Class 'A' or Class 'B' widow's pension, who is under 50 years of age and is in necessitous circumstances in the 26 weeks following her husband's death.

A widow's pension is income and assets tested and is not payable to a woman receiving an age or invalid pension, a supporting parent's benefit, an unemployment, sickness or special benefit, a sheltered employment allowance, or a war widow's pension.

In addition to the basic pension, a mother's/guardian's allowance and additional pension for each dependent child are payable in the case of a widow with children. Rent assistance is also available to widows if they pay rent or pay for board or lodging. Remote area allowance is payable to widows living in certain remote areas.

WIDOW PENSIONERS, BY TYPE AND AGE: 30 JUNE

	1986	1987	1988
Class 'A' widow pensioners aged—		r	
Under 20 years	50	56	37
20–29 years	7,880	6,909	6,088
30–39 years	32,424	29,809	26,961
40–49 years	25,199	24,839	19,366
50–59 years	8,450	8,009	4,132
60 years and over	177	186	65
Class 'B' widow pensioners aged—			
45–49 years	4,111	4,288	6,540
50–54 years	19,843	20,188	21,259
55–59 years	38,374	37,867	38,879
60 years and over	19,013	19,764	20,014
Class 'C' widow pensioners	102	r137	110
Total	155,623	152,052	143,451
		—\$'000—	
Total payments during year (a)	924,517	952,652	1,001,901

(a) Includes payment to benevolent homes for maintenance of pensioners. It also includes rent assistance and allowances.

Supporting parent's benefit and associated payments

Supporting parent's benefit was introduced in November 1977 to extend to supporting fathers the same benefit that had previously been available to supporting mothers through supporting mother's benefit. The benefit is available to sole parents who have a child under 16 years. It is subject to an income and an assets test. Additional payments are the same as for the widow's pension.

SUPPORTING PARENTS, BY AGE AND TYPE: 30 JUNE

	1986	1987	1988
Age—		r	
Under 20 years	9,968	9,700	9,471
20–29 years	79,164	78,794	80,159
30–39 years	62,311	64,084	67,790
40–49 years	21,000	22,320	21,544
50–59 years	4,043	3,967	2,864
60 years and over	244	234	179
Type of beneficiary—			
Females—			
Unmarried mothers	45,385	45,014	45,654
Separated wives	102,184	106,089	109,819
Separated de facto wives	19,091	17,760	16,605
Males—			
Widowers	1,159	1,037	837
Divorcees	1,485	1,394	1,126
Separated husbands	5,929	6,412	6,721
Separated de facto husbands	1,242	1,055	881
Other	255	r338	364
Number of beneficiaries	176,730	179,099	182,007
		—\$'000—	
Total payments during year (a)	1,237,959	1,366,717	1,525,242

(a) Includes rent assistance and allowances.

Unemployment, sickness and special benefits and associated payments

Unemployment benefit is payable to persons over 18 and under age pension age, who are unemployed. Job search allowance is payable to unemployed persons aged 16 to 17 years to encourage the active search for jobs. Sickness benefit is payable to persons aged at least 16 years, but under age pension age, who are temporarily incapacitated for work. They must have been living in Australia during the preceding twelve months or be likely to remain permanently in Australia. Both unemployment and sickness benefits are subject to an income test, and an assets test also applies to beneficiaries aged 25 years and over. Job search allowance is subject both to a parental income test and a personal income test. A person cannot receive the benefits simultaneously, nor can a person receive a benefit at the same time as an invalid, widow's, service pension or supporting parent's benefit.

For unemployment benefit purposes, people must establish that they are unemployed, that their unemployment is not due to industrial action by themselves or by members of a union of which they are a member, that they are capable and willing to undertake suitable work, and that they have taken reasonable steps to obtain such work. Registration for employment with the Commonwealth Employment Service is necessary. For sickness benefit purposes, people must establish that they are temporarily incapacitated for work because of sickness or injury and that they have thereby suffered a loss of salary, wages or other income.

A special benefit may be granted to persons not qualified for unemployment or sickness benefit who are not eligible for any pension, and who, because of age, physical or mental disability or domestic circumstances, or any other reason, are unable to earn a sufficient livelihood for themselves and their dependants. Recipients of special benefits include, among others, persons ineligible for a pension or benefit because of lack of residence qualifications and migrants in government accommodation centres awaiting their first employment in Australia. The benefit is designed to meet cases of special need and may also be paid as income support over a period if no other social security benefit is payable. The rate paid may not exceed the rate of unemployment or sickness benefit.

All beneficiaries with dependent children are eligible for an additional benefit for each dependent child except where the dependent child is in receipt of a prescribed educational allowance. In addition, sole parents are eligible for mother's/guardian's allowance. Rent assistance is also payable to beneficiaries who have at least one child under 16 years, and other beneficiaries after six continuous months on benefit provided they pay rent other than to a public housing authority. A young homeless allowance is available to recipients of job search allowance, and to sickness and special beneficiaries under 18 years, who are homeless and without parental or custodial support.

UNEMPLOYMENT, SICKNESS AND SPECIAL BENEFITS: YEAR ENDED 30 JUNE

	1986	1987	1988
Unemployment beneficiaries—			
Number of benefits granted	811,799	872,866	743,674
Number on benefit at end of year	569,761	550,850	475,070
Average number on benefit at end of each week during year	559,237	574,385	502,514
Sickness beneficiaries—			
Number of benefits granted	143,164	154,430	154,963
Number on benefit at end of year	65,301	70,261	75,060
Average number on benefit at end of each week during year	63,481	67,748	74,557
Special benefit beneficiaries—			
Number of benefits granted	98,044	96,325	127,433
Number on benefit at end of year	18,579	19,875	22,646
Average number on benefit at end of each week during year	18,302	19,158	21,598
		—\$'000—	
Amount paid during year (a)—			
Unemployment	3,122,120	3,453,802	3,374,879
Sickness	391,820	429,368	511,042
Special benefit	108,131	124,607	150,800

(a) Includes additional allowances.

Fringe benefits

The Commonwealth Government makes several non-cash 'fringe benefits' available to pensioners and recipients of supporting parent's and sickness benefits, and their dependants, who are entitled to a Pensioner Health Benefits (PHB) card or, in the case of sickness beneficiaries, a Health Benefits (HB) card. The issue of a PHB card is subject to a special income test. The benefits include:

- a range of free pharmaceuticals;
- a one-third reduction in telephone rental (subject to the income of co-residents);
- reduced fares for Commonwealth Government railway services;
- postal redirection concessions;
- free hearing aids services.

State and Territory governments, local government authorities and private organisations also provide certain fringe benefits. The most valuable of these are reductions in local government rates and in public transport charges.

There were 1,741,062 pensioners at 30 June 1988 with PHB cards entitling them to Commonwealth pensioner fringe benefits.

Unemployment and special beneficiaries, and other persons on low income, receive a Health Care card entitling them to a range of pharmaceuticals at a concessional rate. This concession is also available to pensioners whose income and assets exceed the qualifying limits for fringe benefits.

Family allowances

Family allowance is payable, subject to an income test, to a person with children under 16 years or full-time students aged 16 to 24 years who are not in receipt of a pension, benefit or allowance in their own right or prescribed educational allowance. An additional allowance, also subject to an income test, is payable in respect of multiple (three or more) births until the children turn six years. Payment is usually made to the mother. Approved charitable, religious or government institutions are paid family allowance for children in their care.

Generally, to be granted an allowance the person and the child must be in Australia and be Australian citizens, or intend to remain in Australia permanently.

FAMILY ALLOWANCES: 30 JUNE 1988

Number of children and students in family	Number of families							
	NSW (a)	Vic.	Qld	SA (b)	WA	Tas.	NT	Aust.
1	249,087	179,023	122,327	64,053	67,009	20,814	7,909	710,222
2	270,149	199,768	132,224	70,726	77,061	22,850	7,717	780,495
3	119,140	87,472	59,562	26,034	32,903	9,982	3,771	338,864
4	33,307	23,130	17,337	6,107	8,539	2,658	1,357	92,435
5	6,877	4,567	3,857	1,137	1,676	544	446	19,104
6	1,914	1,120	1,026	244	441	132	165	5,042
7	515	314	308	62	137	28	37	1,401
8	162	113	101	24	31	9	16	456
9	45	40	35	4	8	3	6	141
10 or more	23	22	19	3	5	1	1	74
Total families	681,219	495,569	336,796	168,394	187,810	57,021	21,425	1,948,234
No. of children in families	1,331,443	965,100	663,731	315,879	365,928	110,909	43,755	3,796,745
No. of children in approved institutions	2,069	1,249	2,907	268	756	129	52	7,430
—\$'000—								
Amount paid during year	478,129	345,688	235,735	126,991	129,783	39,342	(c)	(d) 1,355,664

(a) Includes ACT and excludes Broken Hill Regional Office. (b) Includes Broken Hill Regional Office. (c) Expenditure for NT included in SA. (d) Includes an amount of \$3,000,000 recovered from overseas.

Family allowance supplement

Family allowance supplement is paid subject to an income test to low-income families with one or more children eligible for family allowance so long as they are not in receipt of any Commonwealth pension, benefit or allowance which provides additional payment for dependent children, and so long as the children of these families are not receiving means-tested Commonwealth payments. Levels of payment are age-related and are linked to the rates of additional pension and benefits for children. Rent assistance is also available to recipients of family allowance supplement if they pay rent other than to a public housing authority. The number of families in receipt of family allowance supplement at 30 June 1988 was 141,336. The amount paid during the year 1987-88 was \$213,577,000.

Child disability allowance

Child disability allowance may be paid to a parent or guardian of a child under 16 years or a dependent full-time student who has a physical, intellectual or psychiatric disability. For the allowance to be payable, the disabled child must require and receive constant care and attention and must be living in the family home. The allowance is not subject to an income test, but a residence qualification similar to that for family allowance applies. The number of child disability allowances being paid at 30 June 1988 was 32,071. The total amount paid through these allowances during the year 1987-88 was \$33.8 million.

Double orphan's pension

Double orphan's pension is payable free of means test with respect to children under 16 years, or dependent full-time students under 25 years whose parents are both dead or one parent is dead and the other is not available to care for the child. The family allowance residence test applies. The pension may also be paid with respect to a refugee child whose parents are both outside Australia, or their whereabouts is unknown.

Mobility allowance

Mobility allowance is a payment, free of means test, for disabled people unable to use public transport without assistance who are employed or undertaking vocational training.

Funeral benefit

This benefit is a small lump sum payment to assist in meeting the costs of funerals of deceased pensioners or their dependants.

Special temporary allowance

On the death of one of a married pensioner couple, the surviving pensioner is entitled to receive the equivalent of twelve weeks combined pension payments.

Social security—portability and reciprocal agreements

Australian pensions, with the exception of widows' pensions for non-de jure widows, supporting parents' benefits and carers' pensions, can be transferred abroad once they have been granted. Since 1 July 1986, the rate of pension to be paid abroad is proportional to the period of Australian residence during a 25 year working life. The number of Australian pensions paid abroad under portability provisions at 30 June 1988 was 24,184.

Australia has comprehensive reciprocal social security agreements with the United Kingdom, New Zealand, Italy and Canada. Negotiations and discussions are proceeding with major migrant-source countries in order to establish a network of agreements. The purpose of the network is to protect the social security rights of people who divide their working lives between Australia and other countries.

Other services of the Department of Social Security and the Department of Community Services and Health

The Department of Social Security provides a professional social work service and Ethnic and Aboriginal Liaison Office Schemes. The Department of Community Services and Health administers grants to major national welfare organisations such as: Australian

Council of Social Service, Australian Council of the Ageing, Australian Council for Rehabilitation of Disabled, Australian Early Childhood Association and to non-government welfare agencies providing emergency relief or in financial difficulties. The Department of Social Security also provides funding to the Social Welfare Research Centre at the University of New South Wales.

Commonwealth Government Assistance Through Welfare Organisations

Supported Accommodation Assistance

The *Supported Accommodation Assistance Program* (SAAP) was introduced in all States and Territories from 1 January 1985. It incorporated former programs such as the *Women's Emergency Services Program*, the *Youth Services Scheme* and the *Homeless Persons' Assistance Program*. SAAP consolidated and improved the coordination of former Commonwealth-State and Commonwealth programs and has been developed jointly with States and Territories in consultation with service providers and users.

SAAP aims to provide supported accommodation services and related support services to men, women, young people and their dependants, who are permanently or temporarily homeless as a result of crisis, and who need such assistance to move toward independent living where possible and appropriate.

SAAP provides recurrent and capital non-housing funds to non-profit organisations and local government bodies for supported accommodation such as refuges, hostels and half-way houses and for related support services such as meals services, non-clinical community based rape crisis centres, day centres, detached workers and referral services. A complementary *Crisis Accommodation Program* (CAP) within the Commonwealth-State Housing Agreement provides capital housing funds for SAAP services. CAP also provides some capital funding for unsupported accommodation.

SAAP comprises the following three sub-programs:

- *Youth Supported Accommodation Program* (YSAP)—services for young people aged 12–25 years, and, if applicable, their dependants.
- *Women's Emergency Services Program* (WESP)—services for women, and women with dependent children, escaping from intolerable domestic circumstances or other crisis situations.
- *General Supported Accommodation Program* (GSAP)—services for homeless men, women, and any dependants, and services which do not clearly come within YSAP or WESP.

The *Supported Accommodation Assistance Act 1985* provides the legislative base for the program, which is administered on a day-to-day basis by State and Territory governments in accordance with the SAAP Agreement and national guidelines. Commonwealth-State advisory structures involving both levels of government and service providers have been established in States and Territories to advise on program needs and priorities. The Act contains a sunset clause with the legislation terminating on 30 June 1989. In addition, the SAAP Agreements between the Commonwealth Government and the State and Territory governments specified that a joint evaluation was to be conducted, beginning no later than 30 June 1987.

A comprehensive review of the Program was conducted in 1987 by an independent consultant, Ms Colleen Chesterman, and her report, 'Homes Away From Home', was presented to the Commonwealth and State ministers in January 1988. In developing its proposal for funding arrangements to apply after 30 June 1989, the Commonwealth Government will take account of the review report, community consultations and consultations between Commonwealth, State and Territory officials.

In 1983–84 the Commonwealth spent \$14.9 million on programs later incorporated in SAAP, including the *Homeless Persons' Assistance Program*. Between 1984–85 and

1986–87, Commonwealth SAAP expenditure increased from \$30.0 million to \$49.1 million. Expenditure in 1987–88 was \$55.2 million. States and Territories are required to match nominated Commonwealth expenditure on SAAP.

Home and Community Care Program—HACC

HACC, jointly funded by the Commonwealth Government and the State and Territory governments, is a program which was established during 1985–86. HACC funds organisations and community groups which provide home and community support services for the frail aged and people with disabilities to enable them to remain living at home. The Program aims to enhance the independence, security and quality of life of frail aged and younger disabled people by avoiding their inappropriate admission to long-term residential accommodation by facilitating and promoting the development of cost-effective community care alternatives appropriate and according to need.

Services funded under the Program provide basic maintenance and support, either in the home or in the community. These can include home help and personal care; home maintenance and modification; food services; community respite care; transport services; community paramedical services; community nursing; assessment and referral; education and training for service providers and users; information and coordination.

The Commonwealth made available \$5.0 million in 1987–88 to fund projects which test new approaches to providing services. Packages of home care services are put together for individuals which are appropriate to their particular needs. A number of projects were approved for New South Wales, Victoria and South Australia. These projects will be closely monitored to evaluate the effectiveness of the various coordinating arrangements and to assess the economics of community care. Discussions on other projects in the remaining States and Territories are proceeding.

Under the terms of the HACC Agreements a review of the Program is required at least every third year. The first review commenced in November 1987 and is due for completion early in 1989.

National Guidelines for the Program were published in the *Commonwealth Gazette* of 18 May 1988. These guidelines are designed to provide interested groups with a broad understanding of the Program, including its aims, scope, funding processes and requirements.

During 1987–88 the Commonwealth's role in the Program was the subject of an efficiency audit by the Auditor-General with a report being tabled in the Parliament on 24 May 1988.

COMMONWEALTH EXPENDITURE ON HOME AND COMMUNITY CARE PROGRAM (\$'000)

	1985–86	1986–87	1987–88
HACC Payments to the States and Northern Territory	100,501	134,343	167,884
HACC Payments to the Australian Capital Territory	343	770	1,291
Planning and development	90	260	219
Total expenditure	100,934	135,373	169,394

Programs for families with children

The Children's Services Program provides grants to local government authorities and non-profit community organisations for a range of child care services. Children of working parents are catered for by centres or through other families and by out-of-school care services. Occasional care services are provided for the children of parents who are at home and who need a few hours a week without their children.

Other services funded under the program include special services for Aboriginal children and children with disabilities or of non-English speaking background, as well as resource and advisory services for child care service providers.

In addition, a small number of multifunctional child care centres are being developed in remote and rural communities across Australia. This new type of child care facility is designed to meet the full range of child care needs within one service.

The Family Support Services Scheme was administered jointly with State and Territory Governments. It provided funds for a range of services offering coping and counselling skills to families in stress. The Family Support Program, which commenced on 1 January 1987, replaced this scheme. It is a joint Commonwealth-State funded venture. Services funded under this Program help all kinds of families with young children by strengthening the helping resources already available in most communities. As of 1 July 1988, Commonwealth funds for the Family Support Program will be paid to State and Territory Governments through general revenue grants. With Commonwealth objectives and priorities in place, States and Territories will then be responsible for the continuation of this program supporting families.

EXPENDITURE ON CHILDREN'S SERVICES PROGRAM
(**\$'000**)

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88
Pre-school	33,090	33,090	33,090	16,545	—	—
Other children's services (a)	64,954	80,125	122,726	150,072	181,245	224,945
Total expenditure	98,044	113,215	155,816	166,617	181,245	224,945

(a) Including Family Support Services Scheme and Family Support Program.

Emergency relief grants

The *Emergency Relief Program* provides community welfare organisations with grants to help them make emergency relief payments to individuals and families experiencing temporary financial crisis, the solution to which is beyond their own resources.

To improve the effectiveness of the program, Commonwealth-State advisory committees in each State and Territory recommend which agencies should receive funds. The committees consist of representatives of the Commonwealth Departments of Community Services and Health, Social Security, Aboriginal Affairs, State and Territory welfare departments and the non-government sector, represented by the relevant State/Territory Council of Social Service.

**COMMONWEALTH EMERGENCY
RELIEF APPROPRIATIONS**

<i>Financial year</i>	<i>Appropriation</i>
	\$
1983-84	5,000,000
1984-85	5,950,000
1985-86	6,000,000
1986-87	6,320,000
1987-88	6,720,000
1988-89	7,040,000

People with disabilities

Under Part II of the *Disability Services Act 1986*, the Commonwealth provides grants to States and eligible organisations (non-profit and local government bodies and tertiary institutions) towards the recurrent and capital costs of a range of eligible services. These services include accommodation support, advocacy, competitive employment training and placement, independent living training, information, print disability services, recreation, respite care, and supported employment.

For services to be eligible for funding they must cater predominantly for persons with a disability, whose disability results in their having a substantially reduced capacity for communication, learning or mobility. The disability must be attributable to an intellectual, psychiatric, sensory or physical impairment or a combination of such impairments, and be permanent or likely to be permanent.

The Disability Services Act requires organisations to report regularly on the extent to which they have achieved positive consumer outcomes for their clients. In addition, formal reviews of their services are scheduled every five years.

The funding for eligible services in 1987-88 amounted to \$148.8 million. An estimated 35,000 people with disabilities receive services from funded organisations.

The Department of Community Services and Health's Rehabilitation Services provide social and vocational rehabilitation services for working age people with disabilities. The major criterion for acceptance into a rehabilitation program is the expectation of significant gain towards independent living or vocational goals.

Services are provided from and arranged through a national network of some 90 regional rehabilitation units. Programs may include:

- employment, vocational, mobility and other independent living training and education courses;
- diagnostic and assessment services, occupational therapy, physiotherapy, speech therapy and counselling services;
- aids and appliances and home, vehicle and workplace modifications;
- associated accommodation and training allowances.

In 1987-88, 12,409 people received rehabilitation assistance from the Department. Expenditure on rehabilitation services in 1987-88 was \$48.9 million. The number of clients participating in rehabilitation programs is expected to rise to about 13,600 in 1988-89 as some of the more recently established regional rehabilitation units increase their range of services.

In the 1986-87 Budget, the Commonwealth introduced a number of initiatives aimed at improving the accommodation options available to younger people with disabilities. It was found in the Handicapped Programs Review and the Review of Nursing Homes and Hostels that many younger people with disabilities were being housed in nursing homes which were quite inappropriate for their needs, minimising the opportunity for self-development afforded by less restrictive types of accommodation. These initiatives comprise:

- increasing the number of accommodation places available for disabled people over the next three years;
- providing attendant care services in the community for some of those severely physically disabled people who presently live in Commonwealth funded nursing homes and are capable of managing their own affairs;
- commencing a gradual down-scaling of some special purpose nursing homes by relocating residents in the community.

Residential care for aged people

The aim of the Commonwealth Government's residential care program is to ensure access by frail aged and disabled people to the combination of services which is most appropriate to their needs and which will promote their independence. Support is provided by the Commonwealth for two main types of residential care services—nursing homes and hostels. Nursing homes provide services for people who need continuous professional nursing and personal care, while hostels provide a wide range of accommodation and personal care services for less dependent aged and disabled people.

Two of the key objectives of the residential care program are to provide a range of accommodation and care services to meet the assessed needs of aged persons, and to promote the quality of life for residents receiving such care. There is concern that, to date, the public has perceived nursing homes as being the principal form of care for elderly people, and that there has been an over-emphasis in the level of resources supplied to this sector. The admission of people to nursing homes, where this level of care is not essential, disadvantages those people and results in fewer resources being available to support other types of care for other aged and disabled people. As a result, the Government is developing a range of policies to prevent inappropriate admissions to nursing homes, to ensure that the growth of nursing homes is curtailed, and to develop further alternative residential accommodation and care options, together with expanded community care options.

COMMONWEALTH EXPENDITURE ON NURSING HOMES AND HOSTELS, 1987-88 (\$'000)

	NSW	Vic.	Qld	WA	SA	Tas.	ACT	NT	Aust.
Nursing homes for aged (recurrent)	441,095	312,901	160,041	89,746	136,047	28,765	6,042	2,958	1,177,595
Hostels (recurrent)	27,906	23,132	18,826	9,255	11,592	1,837	134	694	93,378
Nursing homes and hostels (capital)	17,095	11,062	22,335	4,333	6,913	1,777	1,415	537	65,467

APPROVED NURSING HOMES AND HOSTELS AND BEDS, 1987-88

	NSW	Vic.	Qld	WA	SA	Tas.	ACT	NT	Aust.
Approved nursing homes and beds for aged—									
Nursing homes	497	393	198	112	161	48	4	5	1,418
Beds	28,502	15,764	11,779	6,163	7,240	2,113	421	161	72,143
Approved hostels and beds—									
Hostels	298	234	176	120	125	25	7	2	987
Beds	13,762	9,603	8,278	4,094	5,186	801	339	58	42,121

Planning mechanisms

The focus of the long term strategy of the government is a commitment to provide in each State 100 residential care places per 1,000 persons aged over 70 years. This would comprise approximately 60 hostel and 40 nursing home beds, a target to be achieved over the next twenty years. As at June 1988, the national nursing home/hostel ratio was almost the reverse of this, with there being 64 nursing home beds and 37 hostel beds per 1,000 persons aged over 70 years. To correct existing imbalances, it is intended that only 10 per cent of any new beds approved will be for nursing homes, with the remainder being hostel places. From 1988 to 1991, it is expected that approximately 1,400 new nursing home beds and 12,300 new hostel beds will be approved. This planning mechanism

provides the control of the rate of future growth of nursing homes and allows for the relocation of resources to other aspects of care for the aged and disabled. To complement the planning procedure, there are improved arrangements for admission control to nursing homes to ensure that only persons for whom nursing home care is the most appropriate option are admitted.

Assessment services

The government recognizes the need for a more complete and effective assessment of care needs of frail elderly people. Policies are being implemented to ensure that aged people should have appropriate advice to assist them to choose suitable services. In order to satisfy these requirements, funding has been provided for the development of assessment services which will assess the medical, psychological and social needs of aged persons. An Australia-wide network of assessment teams is being developed in cooperation with State and Territory governments. At June 1988, the Commonwealth was supporting some 50 services based at community centres and hospitals around the country. (State authorities are also funding a considerable number of assessment services.) The services assess people in their own homes, in hospitals or in extended care facilities to help aged people decide on the type of care which best meets their needs. It is intended that in the next three to five years, the teams will take over the full responsibility for both assessing all people seeking nursing home admission and determining hostel subsidy eligibility.

Quality of life and quality of care

The Commonwealth has had an on-going responsibility for the physical environment of nursing homes and hostels. This responsibility is backed up by regular inspection of facilities. However, as a reflection of the concern for the needs of the individuals within residential facilities, there has been a significant change in focus towards the outcome of the service, that is, the quality of care and quality of life of residents.

In the past, regulations and legislation have primarily addressed the inputs to care and the physical environment of nursing homes, rather than the outcomes.

New outcome standards for nursing homes were adopted by the Commonwealth from 1 July 1987. These standards were developed during 1986-87 by the Commonwealth, State and Territory governments working in consultation with people and groups involved in the nursing home industry, and describe the care and lifestyle objectives of nursing homes. The intent of the standards is to encourage and enable residents to perform activities, maintain responsibilities and receive support according to their individual needs and capacities. To implement the new standards, monitoring arrangements have been established.

Commonwealth Standards Monitoring Teams have been established in each State to assess the quality of life and care provided to residents in nursing homes. Teams aim to visit each home at least once a year. They talk to residents, visitors and nursing home staff to get a picture of how the nursing home meets residents' wishes and needs. The central objective is to ensure satisfactory resident care and to this end monitoring teams take a constructive and educative approach to negotiating appropriate action where standards are not being met.

New Outcome Standards for hostels are being developed in consultation with the industry and relevant State and Territory authorities.

Equity of access to residential care

A key element of the needs-based planning mechanism noted above is to ensure equity of access to residential care for special needs groups in all geographic areas. In particular, steps are being taken to improve access by the ethnic and Aboriginal communities. In addition, the Commonwealth uses approaches such as fees control in nursing homes and quotas in hostels to ensure that financial disadvantage does not restrict entry to supported accommodation.

Uniform national recurrent funding for nursing homes

The first stage of new funding arrangements for non-government nursing homes commenced from 1 July 1987. The new arrangements are being phased in over the period 1 July 1987 to 1 July 1991 and will involve two funding modules:

- a Standard Aggregated Module (SAM) introduced from 1 July 1987, comprising an infrastructure component, to cover all fixed and operating costs, including return on investment; and
- a nursing and personal care module, known as the Care Aggregated Module (CAM), to be introduced from 1 July 1988, to cover the costs of nursing and personal care.

The restructured funding arrangements complement the new quality of life and quality of care standards. In effect, the funding arrangements provide for a specified level of service for nursing home care on behalf of residents at a predetermined price. Emphasis is being placed on outcomes rather than inputs to give providers of care greater flexibility and incentive to increase efficiency.

Hostel funding

To facilitate the process of redistributing resources for the care of aged people away from being focussed on nursing homes to alternative, less institutionalised forms of residential care, such as hostels and community care, substantial increases in resources for the hostel sector have been provided, both through capital and recurrent funding.

Options for financing capital expenditure on hostels and for developing a more flexible and equitable funding base for organisations were canvassed in a public discussion document, *Equitable Funding Base for Hostels*, which was released in September 1987.

The major recommendations of the document focus on changes to the planning and funding mechanisms for hostels. They have the objectives of removing unnecessary restrictions on organisations' access to funds, as well as allowing them increased capacity to raise funds themselves through borrowings and residents' entry contributions from people with a capacity to contribute to the cost of their accommodation. This increased capacity of organisations to raise funds will allow Commonwealth capital moneys to be better targeted to financially disadvantaged people and other areas of need.

The level of Commonwealth capital funding provided to hostel projects will now vary according to the need identified in that area for places for financially disadvantaged people.

The protection of residents' rights is being directly addressed through the development of refund provisions for all entry contributions.

Enabling legislation to introduce the new funding arrangements was passed in the Budget sitting in 1987, with anticipated implementation in the first half of 1988-89.

Assistance for home-based nursing care

While the residential care program focuses mainly on long-stay residential care, there are provisions through the program for assistance to those aged and disabled persons who wish to stay in the community. Short-term or respite care is available for these persons who are living in the community. It allows carers of such persons a break from their care responsibilities and provides support for frail aged people caring for themselves.

In addition, the Domiciliary Nursing Care Benefit is available to assist people who choose to care, in their own homes, for chronically ill or infirm relatives. Typically, these people are incapable of caring for themselves or being left unsupervised for any significant period, and would require admission to a nursing home if the home-care were not available. The basic criteria for the payment of the benefit are that the person must be aged 16 or over and be in receipt of continuing nursing care under the supervision of a registered nurse. The benefit is payable at the rate of \$42 a fortnight.

Aboriginal and Torres Strait Islander People

A referendum in May 1967 led to the repeal of section 127 of the Constitution enabling Aboriginal and Torres Strait Islander people to be counted in the census. The Constitution was also amended to give the Commonwealth Government concurrent legislative powers with the State governments in relation to Aboriginals.

The Commonwealth Government's aim is to help Aboriginals become self-managing and self-sufficient while at the same time, preserving and developing their own distinctive cultures.

The Commonwealth Government has used four key federal bodies to work towards achieving these aims, namely the Department of Aboriginal Affairs, the Aboriginal Development Commission, Aboriginal Hostels Limited and the Australian Institute of Aboriginal Studies.

The Department of Aboriginal Affairs, established in 1973, is responsible for policy planning and coordinating Aboriginal and Torres Strait Islander affairs at the national level. The Department has regional offices in all States and the Northern Territory.

The Aboriginal Development Commission (ADC), was established in 1980 by the Commonwealth Government to assist Aboriginal and Torres Strait Islander groups, communities and individuals to acquire land for a variety of purposes, engage in business enterprises, obtain finance for housing and other personal needs, and receive training where necessary.

Aboriginal Hostels Limited, established in 1973 as a company owned and funded by the Federal Government, provides temporary hostel accommodation for Aboriginal and Islander people across Australia.

The Australian Institute of Aboriginal Studies was established by legislation in 1964 to promote Australian Aboriginal and Torres Strait Islander studies in the arts, education, languages, health, history, archaeology, sociology and anthropology.

Aboriginal views on the long term goals and objectives which the Government should pursue, the programs it should adopt, and on the need for new programs in Aboriginal affairs have in recent years been sought through various Aboriginal advisory organisations such as the National Aboriginal Consultative Council (NACC, 1973-77) and the National Aboriginal Conference (NAC, 1977-1985).

In December 1987 the Government announced a major restructuring of its federal Aboriginal organisations.

Following extensive consultation with Aboriginal people the Government proposes to establish an Aboriginal and Torres Strait Islander Commission (ATSIC) to take over the role and functions of the Department of Aboriginal Affairs, the Aboriginal Development Commission, Aboriginal Hostels Limited and the Australian Institute of Aboriginal Studies.

The new Commission will, for the first time, formally combine the consultative functions with the administrative functions presently undertaken by the four governmental bodies.

Migrants

Intake

The number of migrants who have come to Australia since the end of World War II has passed the 4.5 million mark. These migrants have contributed significantly to Australia's population which has more than doubled, from 7.4 million at the end of 1945 to over 16.4 million at the end of 1987. At this time about 21 per cent of Australia's population was born overseas. Post-war immigration peaked in 1970 with 185,300 settler arrivals, and declined thereafter to a low of 54,100 in 1975. In 1987 settler arrivals numbered 128,300.

Accommodation of migrants

A network of hostels and self-contained units provides on-arrival accommodation and settlement services for needy migrants (essentially refugees). There are a hostels in both Sydney and Melbourne and self-contained units in all mainland State capitals, providing accommodation for around 1,500 persons at any time.

Ethnic Affairs—services for migrants and refugees

The Department of Immigration, Local Government and Ethnic Affairs (DILGEA) provides services to facilitate the successful settlement and welfare of migrants and refugees and their integration into Australian society. Its responsibilities therefore interface with the broader responsibilities of the Advisory Council on Multicultural Affairs and with the Office of Multicultural Affairs (OMA) located within the Department of Prime Minister and Cabinet.

Settlement Services Units operate in all States and Territories to provide support and counselling to individuals and groups of migrants as they settle into the community. These Units consist of a team of social workers supported by welfare officers, many of whom are bilingual, and they offer services from a range of locations such as migrant centres, DILGEA offices and in communities where recently-arrived migrants are settling. Where practicable, migrants are referred to the local community services most suitable to their needs. DILGEA staff are working to assist mainstream agencies in making their services more accessible to migrants.

Departmental activities are complemented by those of social workers and welfare officers employed by voluntary agencies funded by Commonwealth grants. In many respects these voluntary agencies are best placed to assist migrants. The number of Grants-in-Aid for the employment of welfare workers by voluntary agencies as at 30 June 1988 was 209. The Settlement Services Branch also administers the Migrant Project Subsidy Scheme (MPSS) which provides grants of up to \$10,000 for a wide range of welfare related projects. In 1987-88, 48 grants worth a total of \$200,000 were approved.

As part of its settlement services, DILGEA provides an interpreting and translation service to non-English-speaking migrants and refugees, and to members of the host-community having dealings with them. The Department also offers a translation service to Commonwealth departments and other bodies. In some cases, a fee may be charged for these services. At the present time, translation units are operating in Canberra, Melbourne and Sydney and a translation service is offered by Telephone Interpreter Service (TIS) centres in other capitals.

In 1973 TIS was established to help overcome language related communication problems by providing, via the telephone, a 24 hour interpreting, information and referral service. TIS interpreters, together with community contract interpreters, cover over 75 languages. Where necessary, and especially in emergency situations, arrangements may be made for the personal attendance of an interpreter. TIS currently operates through staffed centres in all State and Territory capitals and via a 008 link to these centres from the rest of Australia. During the year ended 30 June 1988, a total of 367,515 calls was received by TIS.

Cost sharing agreements to encourage the establishment or extension of State interpreting and translation services in areas of prime State responsibility have been concluded with New South Wales, Victoria, Queensland, South Australia and the Northern Territory. The Commonwealth had contributed \$5.51 million under the cost-sharing program since its inception in 1979 to 30 June 1988. The program is currently being reviewed with the States and the Northern Territory.

A National Accreditation Authority for Translators and Interpreters (NAATI) was established in 1977 to develop standards of competence for those professions in Australia and to test and accredit interpreting-translating practitioners and courses. In October 1984, NAATI became an independent incorporated body. Currently, NAATI is in the third year of a five year program of accelerated expansion and development. NAATI is strongly supported and funded jointly by the Commonwealth, State and Territory governments.

Twenty-three migrant resource centres and seven sub-centres and one pilot project have been established in areas of high migrant density. These resource centres provide support for all agencies (both government and voluntary) which assist migrants, and also provide

a focus for community participation and development of local resources to meet migrant needs.

The settlement of refugees is an important element in the Commonwealth Government's overall migrant settlement program. In addition to offering refugees on-arrival accommodation and settlement services, the Commonwealth also places an increasing number of migrants directly into the community where they are in the care of families and other groups which have undertaken to provide support and assistance under the Community Refugee Settlement Scheme.

The Adult Migrant Education Program (AMEP) provides a wide range of language learning opportunities, and offers information about Australia. DILGEA is responsible for the funding and coordination of the program at the national level, while service delivery is provided in the main by Adult Migrant Education Services in each State and Territory. In 1987-88, expenditure on AMEP was \$59 million. Provisional data show that 75,000 participants undertook one or more AMEP courses in 1987-88.

The status of 'Australian Citizen' was created under the *Nationality and Citizenship Act 1948* which came into force on 26 January 1949. The relevant Act is now the *Australian Citizenship Act 1948* and under its provisions all new settlers, regardless of origin, are required to satisfy uniform requirements for the grant of citizenship. In the financial year 1987-88, 74,722 applications for Australian citizenship were received compared with 69,624 in 1986-87 and 99,153 in the 1985-86 financial year. Almost two million new settlers have been granted Australian citizenship since 1949.

Veterans' Affairs

The Repatriation Commission was established under the *Repatriation Act 1920*. With the repeal of that Act on 22 May 1986, the Commission has continued in existence under the *Veterans' Entitlements Act 1986*. At present, the Commission consists of three full-time members. The functions of the Commission are set out in section 180 of the *Veterans' Entitlements Act* and include:

- granting pensions, allowances and other benefits in accordance with the provisions of the Act;
- establishing, operating and maintaining hospitals and other institutions for the treatment of eligible persons;
- arranging the provision of treatment and other services for eligible persons;
- advising the Minister and providing him with information on matters relating to the Act;
- performing other functions conferred on the Commission by the Act or other Acts;
- administering the Act subject to the control of the Minister.

The Department of Veterans' Affairs provides the administrative machinery through which the Commission operates. The central office of the Department is in Canberra. There is a branch office in the capital city of each State which is under the control of the Deputy Commissioner. Regional offices are located in Newcastle, Wollongong, Canberra, Ballarat, Townsville and Darwin.

The principal functions of the Department cover:

- payment of disability and dependants' pensions, service pensions and allowances to eligible veterans and their dependants;
- provision of medical treatment for veterans for injuries and illnesses accepted as service-related;
- provision of medical treatment in certain circumstances for veterans who are suffering from injuries and illnesses whether service-related or not;
- provision of medical treatment for war/defence widows and certain dependants of deceased veterans;
- commemoration of eligible Australian veterans whose post-war deaths are related to their war service;
- provision of a wide range of other benefits for eligible persons.

Since 5 October 1976, the *Defence Service Homes Act 1918* has been administered by the Defence Service Homes Corporation (DSHC) within the Departmental framework. The Department also has responsibility for the Office of Australian War Graves and the Australian War Memorial.

Repatriation benefits are provided under the Veterans' Entitlements Act in respect of service with the Australian Defence Forces in World War I, World War II, Korea and Malayan operations, Australian contingent of the British Commonwealth Far East Strategic Reserve, Vietnam and South East Asia conflict and for service in the Regular Defence Forces on or after 7 December 1972. Certain civilians may also be eligible for benefits, as are Australian members of certain designated peacekeeping, observing and monitoring forces who had peacekeeping service overseas. Under the *Papua New Guinea (Members of the Forces Benefits) Act 1957*, indigenous inhabitants of Papua New Guinea who served in the Australian Forces in World War II and members of the Royal Papuan Constabulary and New Guinea Police Force who served in that conflict are eligible for compensatory type benefits. Australian mariners of World War II are eligible for compensation benefits under the *Seamen's War Pensions and Allowances Act 1940* and for income support benefits (service pension) subject to the conditions laid down in the Veterans' Entitlements Act. Members of other Commonwealth countries' forces and other allied veterans are not eligible for compensatory-type benefits in respect of their service, unless they were domiciled in Australia immediately before their enlistment. They may, however, qualify for income support payments such as the service pension.

The Annual Report of the Repatriation Commission provides more detailed information on Repatriation allowances, benefits and services.

VETERANS' AFFAIRS (excl. DSHC): TOTAL EXPENDITURE (a)
(\$'000)

Class	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88
Pensions, allowances and other benefits	1,719,058	2,035,026	2,334,799	2,587,404	2,766,858	3,111,508
Medical treatment	499,005	561,035	612,238	681,172	778,111	511,986
Administration	69,556	84,848	116,934	111,805	107,330	135,588
Works and maintenance	26,968	43,021	46,687	49,728	66,425	56,861
Total expenditure	2,314,587	2,723,930	3,110,658	3,430,109	3,718,724	3,815,943

(a) Includes expenditure by departments other than Veterans' Affairs.

Benefits Program

The objective of the Benefits Program is to compensate veterans and dependants for the effects of war or defence service. Benefits such as pensions and allowances are administered under two sub-programs, the Compensation Sub-program and the Income Support Sub-program.

Compensation Sub-program

The main benefits provided under this sub-program are the disability pension and the war/defence widow's pension.

The disability pension is a compensatory payment for incapacity due to eligible war, defence or peacekeeping service. It is paid at a general rate between 10 per cent and 100 per cent, depending on the degree of war- or defence-caused incapacity. Higher rates are payable for those incapacitated to the 100 per cent general rate level where the war- or defence-caused incapacity alone affects their capacity for work. The intermediate rate is payable where the person is unable to work more than 20 hours a week and the special rate is payable where the person is unable to work more than eight hours a week.

The war/defence widow's pension is payable to the widow of a veteran:

- whose death has been accepted as war- or defence-caused;
- who was receiving or entitled to receive a special rate disability pension at the time of his death.

Orphan's pension is payable to the children of these veterans.

The following tables provide an analysis of the number of pensions in force, and veteran's class of pension.

DISABILITY PENSIONS FOR INCAPACITATED VETERANS: NUMBER IN FORCE, BY CLASS OF PENSION: 30 JUNE 1988

<i>Class</i>	<i>1914-18 War</i>	<i>1939-45 War (a)</i>	<i>Korea, Malaya and FESR</i>	<i>Special Overseas Service</i>	<i>Peace- time forces</i>	<i>Miscel- laneous</i>	<i>Total</i>
Special Rate (T & PI or equivalent)	273	20,193	594	559	292	11	21,922
Intermediate Rate	4	821	23	33	24	2	907
General Rate—from 10 per cent to 100 per cent assessed disability	945	120,471	3,807	8,336	10,358	84	144,001
Total	1,222	141,485	4,424	8,928	10,674	97	166,830

(a) Includes Interim Forces.

DISABILITY PENSIONS: NUMBER IN FORCE

<i>Class</i>	<i>30 June 1987</i>	<i>30 June 1988</i>	<i>Variation per cent</i>
Veterans	169,257	166,830	-1.4
Wives and wife widows	117,980	112,532	-4.6
Children	14,598	12,933	-11.4
War widows	70,870	73,255	+3.4
Children of deceased veterans	854	767	-10.2
Orphans	36	30	-16.7
Other dependants	1,517	1,333	-12.1
Total	375,112	367,680	-2.0

The following table shows the number of pensions in force and the expenditure for disability pensions in each of the years ended 30 June 1982 to 1988.

DISABILITY PENSIONS

<i>Year</i>	<i>Number of disability pensions in force at 30 June</i>			<i>Total</i>	<i>Annual expenditure (a) (\$'000)</i>
	<i>Incapaci- tated veterans</i>	<i>Dependants of incapaci- tated veterans</i>	<i>Dependants of deceased veterans</i>		
1982-83	168,355	186,859	55,259	410,473	646,470
1983-84	166,062	183,105	58,110	407,277	722,660
1984-85	165,377	179,420	63,524	408,321	837,230
1985-86	169,109	170,589	70,044	409,742	549,125
1986-87	169,257	132,971	72,884	375,112	548,901
1987-88	166,830	125,821	75,029	367,680	586,691

(a) Includes associated allowances.

A number of specific need allowances are available to veterans for their war- or defence-caused incapacity. They include attendant allowance, specific disability (section 27) allowance, clothing allowance, recreation transport allowance, vehicle assistance scheme benefits, temporary incapacity allowance and loss of earnings allowance. Decoration allowance is also available.

SPECIFIC NEED ALLOWANCES

<i>Benefit</i>	<i>No. of recipients—</i>	
	<i>at 30 June 1987</i>	<i>at 30 June 1988</i>
Attendant allowance	1,014	977
Section 27 (items 1-6)	62	61
Section 27 (items 7-15)	1,239	1,244
Clothing allowance	2,365	2,486
Recreation transport allowance	3,332	3,160
Recreation allowance	1,311	1,314
Vehicle assistance scheme	82	74

The *Veterans' Children Education Scheme* provides assistance with education and training for the children of special rate disability pensioners and certain other incapacitated veterans and deceased veterans whose death has been accepted as war- or defence-caused or who were receiving special rate disability pension or a section 27 allowance (items 1-6) at the time of death.

VETERANS' CHILDREN EDUCATION SCHEME, EXPENDITURE (\$'000)

<i>Cost of education of beneficiaries</i>	<i>NSW (a)</i>	<i>Vic.</i>	<i>Qld</i>	<i>SA (b)</i>	<i>WA</i>	<i>Tas.</i>	<i>Aust:</i>
1985-86	1,344.8	929.5	731.1	303.1	270.4	162.7	3,741.6
1986-87	1,674.0	1,093.0	951.4	324.1	367.0	221.3	4,630.8
1987-88	1,754.0	1,233.1	1,166.0	387.6	349.2	267.2	5,157.1

(a) Includes ACT. (b) Includes NT.

VETERANS' CHILDREN EDUCATION SCHEME: NUMBER RECEIVING BENEFITS AT 30 JUNE 1988

<i>Type of training</i>	<i>NSW (a)</i>	<i>Vic.</i>	<i>Qld</i>	<i>SA (b)</i>	<i>WA</i>	<i>Tas.</i>	<i>Total</i>
At school—							
Primary (c)	128	101	113	52	64	33	491
Secondary	436	241	366	90	119	91	1,343
<i>Total at school</i>	<i>564</i>	<i>342</i>	<i>479</i>	<i>142</i>	<i>183</i>	<i>124</i>	<i>1,834</i>
Tertiary professional	174	122	91	51	46	21	505
Technical	31	53	11	—	1	3	99
Industrial	—	—	8	—	—	—	8
Total	769	517	589	193	230	148	2,446

(a) Includes ACT. (b) Includes NT. (c) Not in receipt of an education allowance.

Income-Support Sub-program

The main benefit paid under this sub-program is the service pension. This is an income and asset tested pension similar to the age and invalid pensions payable by the Department of Social Security. The pension is payable to veterans with qualifying service at age 60

(males) or 55 (females). Veterans with qualifying service may be paid the pension at any age if they are permanently incapacitated for work. Qualifying service generally means service in an area and at a time when danger from hostile enemy forces was incurred by the veteran.

Veterans of other Commonwealth and allied countries may also qualify for the service pension for service in wars or war-like conflicts in which Australia has engaged. Veterans of Commonwealth forces must have served outside the country of enlistment or be entitled to the award of a campaign medal for service within that country. Allied veterans must have served in formally raised forces. The veteran must be an Australian resident with at least ten years residency. Service pension is also available to Australians, other Commonwealth and allied mariners of World War II.

Service pensioners who satisfy a separate income and assets test may be eligible for 'fringe benefits', provided by the Commonwealth Government, which include medical and hospital treatment, pharmaceutical benefits and telephone rental concessions.

A funeral benefit is available to assist in defraying the cost of the funeral of a service pensioner eligible for fringe benefits. The benefit is also available in respect of the funeral for a veteran who died in needy circumstances or who was receiving a special rate disability pension at the time of death. It is also payable in respect of the funeral of a veteran whose death has been accepted as war- or defence-caused and, finally, for certain dependants of veterans.

The following table gives an analysis of the total number of pensions in force, as at 30 June 1988.

SERVICE PENSIONS: NUMBER IN FORCE, 30 JUNE 1988

Class	1914-18	1939-45	Korea, Malaya and FESR	Special Overseas Service	British Common- wealth	Allied Forces	Miscel- laneous	Total
	War	War						
Veterans—								
Old age	1,823	181,102	1,623	268	25,709	3,827	2,065	216,417
Permanently incapacitated	—	10,774	1,642	1,189	1,566	234	263	15,668
Tuberculosis (a)	4	601	12	1	8	—	—	626
Total	1,827	192,477	3,277	1,458	27,283	4,061	2,328	232,711
Wives and widows	1,009	139,994	2,156	1,023	21,055	3,219	1,697	170,153
Total	2,836	332,471	5,433	2,481	48,338	7,280	4,025	402,864

(a) Eligibility on these grounds ceased on 2 November 1978.

The following table provides a summary of Service Pensions in force.

SERVICE PENSIONS

	Pensions in force as at 30 June 1988			Annual expenditure (a) (\$'000)
	Veterans	Wives and widows	Total	
1982-83	200,492	140,656	341,148	1,057,950
1983-84	218,660	156,845	375,505	1,294,279
1984-85	227,705	164,794	392,499	1,477,874
1985-86	233,751	169,801	403,552	1,616,987
1986-87	234,209	170,585	404,794	1,745,888
1987-88	232,711	170,153	402,864	2,011,205

(a) Includes associated allowances.

Treatment for Veterans and Dependents of Veterans

Treatment is provided for all disabilities which have been accepted as service-related, and for pulmonary tuberculosis and cancer not related to service. In addition, and subject to certain conditions, treatment in Australia is provided for most non-service-related disabilities for: incapacitated veterans receiving disability pensions at or above the maximum (100 per cent) general rate; World War II veterans receiving both service pension at any rate and disability pension at the 50 per cent rate or higher; veterans or nurses who served in World War I; veterans of the Boer War; veterans who were detained by the enemy; war widows and certain other dependants of deceased male veterans whose deaths have been accepted as service related, and of deceased Special Rate pensioners; certain service pensioners; and returned servicemen of World War II.

Special emphasis is given to caring for the aged, aimed at limiting the dependence of veterans and war widows on nursing home care and encouraging the alternative of home care.

Treatment is provided at six repatriation general hospitals (one in each State), three auxiliary hospitals and Anzac Hostel in Victoria.

Expenditure totalled \$288.4 million in 1986-87 and \$319.7 million in 1987-88. In addition, expenditure of \$489.7 million in 1986-87 and \$493.3 million in 1987-88 was incurred on medical services outside these institutions.

Repatriation hospitals and institutions

The figures below represent an Average Staffing Level for the year ending 30 June 1988.

FULL-TIME EQUIVALENT OPERATIVE STAFF EMPLOYED UNDER THE PUBLIC SERVICE ACT AT 30 JUNE 1988

1987-88 Average Staffing Level	NSW	Vic.	Qld	SA	WA	Tas.	ACT	Aust.
Direct non-institutional care (a)	67.9	72.6	34.7	29.1	20.5	34.6	12.7	272.1
Short-term institutional care (b)	2,640.4	1,837.6	1,338.3	930.4	1,033.2	274.6	—	8,054.6
Long-term institutional care (c)	324.7	188.7	90.8	—	—	—	—	604.2
Total	3,033.0	2,098.9	1,463.7	959.5	1,053.7	309.2	12.7	8,930.7

(a) Includes VVCS limb and appliance centres and the Hobart Pathology Laboratory. (b) Includes Repatriation General Hospitals. (c) Includes Auxiliary Hospitals and ANZAC Hostel.

The following table gives details of in-patients treated at repatriation general hospitals and other repatriation institutions in each State (including community patients). The figures shown refer to treatment episodes, e.g. a person who is admitted to hospital twice during a year is counted twice.

In addition to the repatriation institutions, entitled persons are treated in other country and metropolitan hospitals and nursing homes at departmental expense. During 1985-86 and 1986-87, 54,868 and 64,810 entitled persons were accommodated and treated in non-departmental hospitals and 2,473 and 5,568 respectively in nursing homes.

Repatriation psychiatric patients requiring custodial care for a service-related disability are, by agreement with the State governments, accommodated at the expense of the Department of Veterans' Affairs in separate wings of psychiatric hospitals administered by the State authorities. Excluding 15 on trial leave, there were 301 repatriation patients in these hospitals at 30 June 1988.

Out-patient treatment is provided throughout Australia at repatriation hospitals and clinics and through the Repatriation Local Medical Officer Scheme. During 1987-88, 833,840 out-patients were treated at repatriation institutions, and local medical officers consultations

totalled 3,377,311. The number of repatriation local medical officers in Australia at 30 June 1988 was 14,539.

**REPATRIATION GENERAL HOSPITALS AND INSTITUTIONS: IN-PATIENTS TREATED
1987-88**

	<i>NSW</i>	<i>Vic.</i>	<i>Qld</i>	<i>SA</i>	<i>WA</i>	<i>Tas.</i>	<i>Aust.</i>
REPATRIATION GENERAL HOSPITALS							
Admissions during year	20,943	18,597	9,984	9,208	10,122	2,594	71,448
Discharges (including deaths)	20,818	18,516	10,042	9,166	10,153	2,580	71,275
Total in-patients treated	21,376	18,918	10,267	9,370	10,415	2,658	73,004
Daily average beds occupied	469	365	316	205	261	63	1,680
REPATRIATION AUXILIARY HOSPITALS							
Admissions during year	1,574	716	379	—	—	—	2,669
Discharges (including deaths)	1,563	708	381	—	—	—	2,652
Total in-patients treated	1,731	921	437	—	—	—	3,089
Daily average beds occupied	148	109	59	—	—	—	316

Other medical services

Entitled persons may also be provided with: medicines, drugs and dressings through the Repatriation Pharmaceutical Benefits Scheme; services of allied health professionals including physiotherapy and podiatry; optometrical services including spectacles; dental treatment through the Local Dental Officer Scheme; rehabilitation and social work services; counselling through the Vietnam Veterans Counselling Service; and surgical aids and aids-to-daily living.

Artificial limb and appliance services

The following table gives details of production by all centres and commercial firms as a result of orders placed by the Department.

**REPATRIATION ARTIFICIAL LIMB AND
APPLIANCE CENTRES AND COMMERCIAL
FIRMS: PRODUCTION, 1987-88
(number)**

CENTRES	
Legs	2,160
Arms	117
Surgical and adapted footwear	5,786
Other surgical appliances	1,346
Repairs	19,759
COMMERCIAL FIRMS	
Legs	2,409
Arms	177
Limb repairs	5,813

A wide range of artificial limbs and other surgical aids is supplied by the Repatriation Artificial Limb and Appliance Centre in each State capital and by sub-centres in Darwin, Townsville, Canberra, Newcastle and Albury. A mobile workshop operates in Victoria to provide services to remote locations. In addition, the Central Development Unit is located in Melbourne, and engages in research and development in the prosthetic and orthotic field.

Since 1973, artificial limbs have been provided free of charge to all members of the community who need them (except where patients are eligible for compensation), either through the Department's Repatriation Artificial Limb and Appliance Centres or on order through commercial limb-makers. The number of limbs supplied through the Department has increased significantly as the community has taken advantage of the Free-Limbs Scheme.

The cost of the Free Limb Scheme for 1986-87 was \$7.1 million.

The Office of Australian War Graves

The Office of Australian War Graves has two main functions. Its major area of responsibility by sheer volume of work is the implementation of government policy for the perpetual commemoration of eligible Australian veterans whose post-war deaths are related to their war service. The authority for this program was established by a War Cabinet Decision on 10 March 1922 and re-confirmed in several subsequent decisions.

It also maintains on behalf of the Commonwealth War Graves Commission, War Cemeteries and other commemorations in Australia, Papua New Guinea, Solomon Islands (Guadalcanal) and Norfolk Island. This responsibility is covered by a formal agreement between Australia and the Commonwealth War Graves Commission which was signed on 1 January 1975. Under a separate arrangement with the Commonwealth War Graves Commission the Office of Australian War Graves also maintains the Ambon War Cemetery in Indonesia.

The *War Graves Act 1980*, dated 23 May, created the statutory position of Director of War Graves. The Director is responsible under the Secretary of the Department of Veterans' Affairs for administering all matters associated with the Office of Australian War Graves' commemorative functions.

The Office maintains 19,199 war graves in 70 War cemeteries and 900 civil cemeteries. It also maintains 150,000 post-war commemorations scattered throughout 1,500 civil cemeteries. In 1987-88 it commemorated 10,700 veterans who died of war-related causes.

The Office provides an information service to those wishing to visit any of the 75,000 Australian war dead buried in some 70 countries overseas.

It holds records relating to the Commonwealth dead of World War II and the Australian dead of World War I.

Full details of the operations of the Office of Australian War Graves are contained in its Annual Report.

Household Expenditure

Official Australian involvement in household expenditure surveys can be traced back to the beginning of this century. In 1910-11 a survey entitled *Inquiry into the Cost of Living in Australia*, was undertaken by the then Commonwealth Bureau of Census and Statistics (now the Australian Bureau of Statistics). During this survey, diaries were distributed to some 1,500 volunteers who were asked to keep records of all expenditures over the twelve month period from July 1910 to June 1911. Only 222 diaries were returned, which severely impaired the reliability of the results.

Because of the poor response to the 1910-11 inquiry, the Bureau conducted a further expenditure inquiry in 1913 which was intended to achieve a higher response rate by reducing the diary-keeping period to four weeks. However, the response was again small, with only six per cent of the 7,000 diaries returned.

The next major Household Expenditure Survey was not conducted until 1974. This Survey ran from July 1974 till June 1975. Further expenditure surveys were conducted in 1975-76, 1984 and 1988-89. After the 1974-75 survey, geographical coverage was extended beyond

the six State capital cities and Canberra to include urban and rural areas in all States and Territories except remote and sparsely settled areas.

The 1988–89 Household Expenditure Survey was the fourth major survey of its kind undertaken by the Australian Bureau of Statistics. It was conducted continuously over the twelve month period July 1988 to June 1989. Household expenditure surveys are designed to find out how the expenditure patterns of private households vary according to income level and other characteristics such as household size, composition, location and principal source of income. Information gathered from household expenditure surveys is primarily for use in reviewing the weighting pattern of the Consumer Price Index (CPI) which is used universally as a measure of change in the cost of living.

Early information from the 1988–89 Survey will be available in the latter half of 1989.

Summary of findings from the 1984 Survey

In 1984, average weekly household expenditure on commodities and services in Australia was \$361.84. Household expenditure varied considerably across the States and Territories with the highest weekly expenditure being recorded in the two Territories at \$472.38 for households in the Australian Capital Territory and \$463.46 in the Northern Territory. Households in Tasmania had the lowest average weekly expenditure at \$311.90. These differences in household expenditure reflect to some extent the differences in average weekly household income across the States and Territories. Households in the Australian Capital Territory and the Northern Territory had the highest average weekly incomes at \$627.97 and \$583.96 respectively. Households in Tasmania had the lowest average weekly household income at \$392.47. These differences in household income are in turn related to such characteristics as the proportion of household income derived from earnings or government cash benefits, the average number of employed persons per household and the average age of the household head.

At the national level, average weekly household expenditure (*see figure below*) on *food and non-alcoholic beverages* (\$71.22 or 19.7 per cent of total expenditure on commodities and services), on *transport* (\$59.00 or 16.3 per cent) and on *current housing costs (for selected dwellings)* (\$46.46 or 12.8 per cent) accounts for 48.8 per cent of total expenditure. Much less significant is the expenditure on *personal care* (\$6.60 or 1.8 per cent) and on tobacco (\$5.73 or 1.6 per cent).

1984 HOUSEHOLD EXPENDITURE SURVEY: HOUSEHOLD EXPENDITURE BY HOUSEHOLD INCOME QUINTILE GROUP, AUSTRALIA (a)

	Average weekly household gross income distribution (\$)					All house- holds
	0- 171	172- 314	315- 472	473- 675	676 or more	
	Second Lowest 20% group	Third quintile group	Fourth quintile group	Highest 20%		
AVERAGE WEEKLY HOUSEHOLD EXPENDITURE (\$) (b)						
Broad expenditure group						
Commodity or service						
Current housing costs (selected dwelling)	25.92	35.20	50.27	55.13	65.85	46.46
Fuel and power (c)	7.25	9.28	10.68	11.53	14.06	10.56
Food and non-alcoholic beverages	38.53	57.70	69.23	81.73	108.97	71.22
Alcoholic beverages	3.88	8.12	11.53	15.48	22.52	12.30
Tobacco	3.13	5.50	6.21	6.54	7.25	5.73
Clothing and footwear	8.82	15.43	19.90	25.64	47.56	23.46
Household furnishings and equipment	11.49	19.38	26.12	34.12	47.38	27.69
Household services and operation	9.55	13.10	14.85	17.15	23.85	15.70
Medical care and health expenses	6.14	10.42	14.42	16.58	22.82	14.07
Transport (d)	19.98	41.67	56.02	72.18	105.25	59.00
Recreation	16.75	27.24	39.80	51.56	80.38	43.13
Personal care	3.18	4.77	5.98	7.76	11.33	6.60
Miscellaneous commodities and services	9.73	14.42	22.88	32.86	49.81	25.93
Total commodity or service expenditure	164.35	262.23	347.88	428.26	607.04	361.84
Selected other payments						
Income tax	6.28	25.90	66.28	105.15	197.07	80.07
Mortgage payments—principal (selected dwelling)	1.76	3.32	6.73	8.80	11.83	6.49
Other capital housing costs (e)	7.25	7.64	16.66	21.39	37.16	18.01
Superannuation and life insurance	0.93	3.46	10.37	16.40	26.43	11.51
HOUSEHOLD CHARACTERISTICS						
Average weekly household income (\$) (f)	116.23	238.47	389.13	568.57	956.97	453.60
Average number of persons per household (number)	1.67	2.68	3.06	3.20	3.57	2.84
Average age of household head (years)	59.72	49.55	42.04	40.93	42.99	47.05
Number of households in sample	1,772	1,811	1,933	2,017	2,038	9,571
<i>Estimated total number in population</i>						
Households ('000)	1,005.5	1,013.1	1,007.2	1,007.7	1,005.7	5,039.2
Persons ('000)	1,683.3	2,710.4	3,081.3	3,222.7	3,593.2	14,290.9

(a) The quintile groups in this table are 20% groupings of the estimated population when households are ranked in ascending order according to each household's total gross weekly income. (b) The average obtained when the total estimated expenditure for a particular broad expenditure group is divided by the estimated number of households within the scope of the survey in the relevant quintile group. (c) Excluded from this item are fuel and power for motor vehicles, which are included in Transport. (d) Includes fuel and power for motor vehicles. (e) Includes purchases of dwellings and other property; additions/extensions and renovations to dwellings; outside building and swimming pools; and payments to landscape contractors. (f) Household income is the sum of the gross weekly income of all household members.

1984 HOUSEHOLD EXPENDITURE SURVEY: HOUSEHOLD EXPENDITURE BY STATES AND TERRITORIES

	<i>NSW</i>	<i>Vic.</i>	<i>Qld</i>	<i>SA</i>	<i>WA</i>	<i>Tas.</i>	<i>NT</i>	<i>ACT</i>	<i>Aust.</i>
AVERAGE WEEKLY HOUSEHOLD EXPENDITURE (\$) (a)									
Broad expenditure group									
Commodity or service									
Current housing costs (selected dwelling)	52.05	45.70	43.17	36.63	41.50	39.04	67.42	60.78	46.46
Fuel and power (b)	9.76	12.19	9.27	10.72	10.37	10.91	10.71	13.57	10.56
Food and non-alcoholic beverages	73.14	73.18	69.32	62.79	69.18	62.80	88.24	86.06	71.22
Alcoholic beverages	13.13	11.11	12.21	11.49	13.24	9.45	25.04	15.05	12.30
Tobacco	5.65	6.41	4.63	5.50	6.27	5.56	9.60	4.42	5.73
Clothing and footwear	26.26	24.21	18.80	20.66	20.72	23.18	17.85	29.54	23.46
Household furnishings and equipment	28.85	27.67	23.04	29.84	28.54	23.93	37.26	35.62	27.69
Household services and operation	16.20	15.86	14.92	14.30	15.74	13.16	22.89	20.07	15.70
Medical care and health expenses	14.07	15.40	13.17	13.64	12.72	11.40	15.33	15.92	14.07
Transport (c)	57.22	61.92	58.24	54.89	62.47	47.59	68.47	80.93	59.00
Recreation	42.34	45.89	40.48	36.47	46.50	41.01	60.83	59.78	43.13
Personal care	6.74	6.89	6.01	6.72	6.24	5.70	7.01	7.87	6.60
Miscellaneous commo- dities and services	27.91	23.89	27.33	20.52	26.52	18.17	32.82	42.76	25.93
Total commodities or service expenditure	373.31	370.31	340.58	324.18	360.01	311.90	463.46	472.38	361.84
Selected other payments									
Income tax	82.35	85.35	69.32	67.63	81.82	66.06	106.55	131.49	80.07
Mortgage payments— principal (selected dwelling)	6.81	6.43	6.43	5.26	7.09	4.82	5.06	7.95	6.49
Other capital housing costs (d)	24.15	16.70	10.75	9.36	21.44	6.78	*25.82	*24.84	18.01
Superannuation and life insurance	10.93	12.07	11.14	10.75	11.47	10.53	19.77	23.25	11.51
HOUSEHOLD CHARACTERISTICS									
Average weekly household income (\$) (e)	458.43	472.22	424.07	417.13	452.87	392.47	583.96	627.97	453.60
Average number of persons per household (number)	2.82	2.83	2.93	2.73	2.82	2.80	3.03	3.03	2.84
Average age of household head (years)	47.34	47.64	46.95	47.52	45.33	46.79	37.44	41.83	47.05
Number of households in sample	2,040	1,947	1,504	1,049	1,084	718	587	642	9,571
<i>Estimated total number in population:</i>									
Households ('000)	1,766.9	1,320.6	794.5	461.6	450.9	144.5	26.0	74.3	5,039.2
Persons ('000)	4,983.9	3,737.1	2,329.8	1,261.7	1,269.7	404.7	78.8	225.2	14,290.9

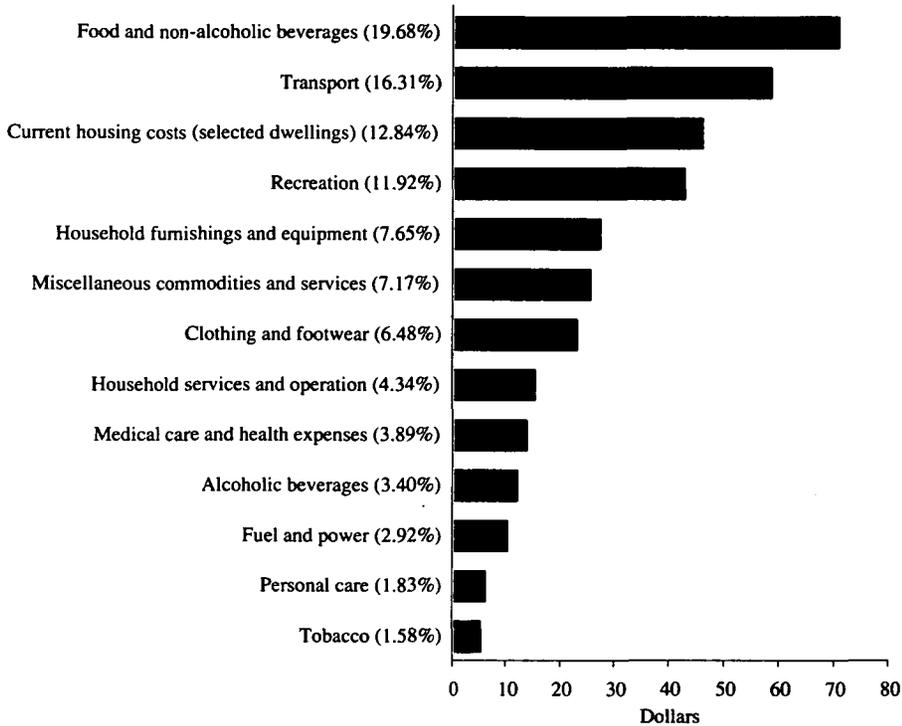
(a) The average obtained when the total estimated expenditure for a particular broad expenditure group is divided by the estimated number of households within the scope of the survey. (b) Excluded from this item are fuel and power for motor vehicles, which are included in Transport. (c) Includes fuel and power for motor vehicles. (d) Includes purchases of dwellings and other property; additions/extensions and renovations to dwellings; outside building and swimming pools; and payments to landscape contractors. (e) Household income is the sum of the gross weekly income of all household members.

1984 HOUSEHOLD EXPENDITURE SURVEY: AVERAGE INCOME, BENEFITS AND TAXES BY GROSS HOUSEHOLD INCOME DECILE

Income, benefits and taxes	Gross income decile (a)										All household holds
	Lowest 10%	Second decile	Third decile	Fourth decile	Fifth decile	Sixth decile	Seventh decile	Eighth decile	Ninth decile	Highest 10%	
Private income	11.83	29.31	80.09	221.38	315.14	397.39	491.22	595.04	738.02	1,136.91	401.43
Direct benefits:											
Age pension	51.10	51.78	39.85	11.36	5.74	5.66	4.87	4.58	3.54	3.10	18.16
Invalid pension	4.12	7.96	8.38	5.40	3.09	2.28	2.72	1.96	1.33	1.13	3.84
Veterans' Affairs pension	3.83	17.68	22.64	10.45	5.46	3.63	3.25	2.91	1.12	1.02	7.21
Unemployment benefit	5.48	11.92	22.33	13.51	7.49	5.67	3.49	3.87	2.95	3.25	8.01
Sole parent benefit	1.06	19.78	11.04	4.55	2.19	2.48	1.35	1.59	*	1.25	4.65
Family allowance	1.04	2.64	5.14	5.93	7.40	7.35	7.10	6.47	6.37	6.63	5.61
Other direct benefits	6.69	5.96	9.33	5.58	3.22	3.54	3.71	2.60	2.70	3.51	4.69
Total direct benefits	73.33	117.72	118.71	56.77	34.59	30.60	26.49	23.98	19.17	19.89	52.18
Gross Income	85.16	147.03	198.80	278.15	349.73	427.99	517.70	619.01	757.19	1,156.80	453.60
Direct tax	0.30	2.43	7.53	32.20	52.53	75.99	104.63	134.01	175.99	331.06	91.60
Disposable income	84.86	144.59	191.27	245.95	297.20	352.00	413.07	485.01	581.19	825.73	362.01
Indirect benefits:											
School education	4.21	12.36	21.56	26.17	27.21	30.58	31.33	31.91	31.28	32.07	24.88
Tertiary education	2.03	3.37	6.45	9.02	7.56	9.28	11.11	12.88	14.92	24.71	10.13
Other education benefits	0.46	1.15	2.10	2.55	2.83	3.16	3.37	3.55	3.72	4.44	2.73
Total education benefits	6.70	16.88	30.12	37.73	37.60	43.02	45.81	48.34	49.92	61.22	37.74
Hospital care	18.49	24.46	25.42	21.83	22.28	22.42	22.58	22.74	24.05	26.47	23.08
Medical clinics	4.79	7.16	8.24	7.65	8.27	8.17	8.25	8.22	8.56	9.47	7.88
Pharmaceuticals	3.23	4.54	4.06	1.71	1.34	1.30	1.20	1.13	1.10	1.16	2.08
Other health benefits	1.00	1.58	2.01	2.11	2.33	2.39	2.46	2.48	2.56	2.94	2.19
Total health benefits	27.52	37.74	39.73	33.30	34.22	34.27	34.49	34.56	36.27	40.05	35.22
Housing benefits	4.30	5.12	3.01	3.01	3.27	3.62	1.95	0.72	0.76	0.19	2.59
Social security and welfare benefits	13.83	15.02	13.14	6.76	4.86	4.58	3.96	3.76	3.06	3.23	7.22
Total indirect benefits	52.34	74.76	86.00	80.81	79.94	85.50	86.21	87.38	90.00	104.69	82.78
Disposal income plus indirect benefits	137.21	219.36	277.28	326.76	377.15	437.50	499.28	572.39	671.19	930.42	444.79
Indirect taxes by commodity group:											
Tobacco and petroleum products	2.16	3.35	5.03	5.83	7.14	7.58	8.59	9.28	10.63	12.72	7.23
Tobacco	1.52	2.16	2.95	3.54	3.42	3.91	3.88	3.84	4.20	4.35	3.38
Alcohol	1.17	1.47	2.28	3.23	3.43	4.44	4.84	5.60	6.18	8.58	4.12
Ownership of dwellings	1.80	2.01	2.16	3.10	3.61	4.03	4.30	4.39	4.89	5.69	3.60
Other indirect taxes	5.43	8.14	11.44	14.04	16.40	19.78	22.80	24.59	30.60	40.97	19.41
Total indirect taxes	12.07	17.14	23.86	29.73	34.00	39.74	44.40	47.70	56.48	72.31	37.74
Total income	125.13	202.22	253.42	297.03	343.15	397.76	454.87	524.69	614.71	858.11	407.05
Total benefits	125.67	192.48	204.72	137.58	114.53	116.11	112.69	111.36	109.17	124.58	134.96
Total taxes	12.37	19.57	31.39	61.93	86.53	115.73	149.04	181.70	232.48	403.38	129.34

(a) Ten per cent groupings of the estimated population when households are ranked in ascending order according to each household's total gross weekly income.

AVERAGE WEEKLY HOUSEHOLD EXPENDITURE ON COMMODITIES AND SERVICES AUSTRALIA, 1984



Distribution of Income

The effects of government benefits and taxes on household income

All households in Australia pay taxes to government, whether directly in the form of income tax or indirectly through taxes on goods and services purchased. Similarly, all households in Australia receive benefits from government, whether directly in the form of regular cash payments such as age pensions or indirectly in the form of a range of services which are provided to households either without charge or at less than their full cost to government. Using data from the 1984 Household Expenditure Survey, supplemented by data from other sources, the ABS undertook a study of the effects of government benefits and taxes on the distribution of income of households in 1984.

The methodological approach employed in this study is based on that used in similar studies conducted by the United Kingdom Central Statistical Office. The most that can be claimed for the approach is that it provides a useful framework within which a large body of information which is relevant to the assessment of the redistributive effects of transactions between households and governments can be drawn together. It is important to recognise that the estimates of the effects of government benefits and taxes on household income depend on the particular assumptions which have been made.

In the study, some major components of government outlays and revenues which affect households were allocated to the households which received the benefits or paid the taxes. The incidence of government benefits and taxes and their effects on average household income were then examined for various household groups.

To illustrate the effects of government benefits and taxes on household income, a series of income measures was calculated. The starting point of the analysis was *private income*: the total current weekly income of all members of the household before the deduction of taxes and excluding any government benefits. Private income includes income from employment, self-employment, investments and other non-government sources. Next, government direct benefits to persons, such as pensions and unemployment benefits, were added to private income to obtain *gross income*. Direct taxes were then deducted to obtain *disposable income*. Government indirect benefits for housing, education, health and social security and welfare were then added to give *disposable income plus indirect benefits*. Finally, indirect taxes paid were deducted to produce *final income*.

The following table shows the way in which the various income measures are related in the form of averages for all households and for two classes of households: those whose principal source of gross income was from private sources and those whose principal source of income was government pensions and benefits.

AVERAGE WEEKLY INCOME OF HOUSEHOLDS FOR VARIOUS INCOME MEASURES BY PRINCIPAL SOURCE OF GROSS INCOME OF THE HOUSEHOLD, 1984

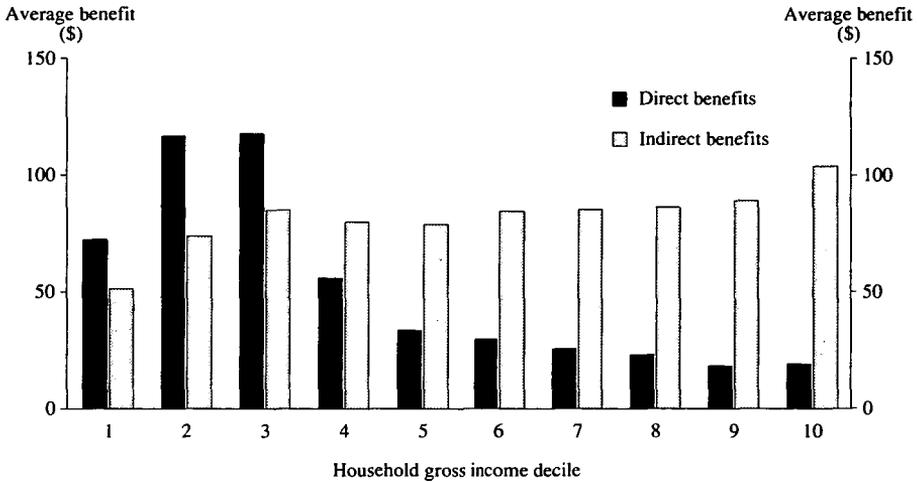
	<i>Principal source of gross income</i>		
	<i>Private income</i>	<i>Government pensions and benefits</i>	<i>All sources</i>
	—Average weekly value (\$)—		
Private income	537.38	19.32	401.43
<i>plus</i> Government direct benefits	21.69	137.85	52.18
Gross income	559.08	157.17	453.60
<i>less</i> Direct tax	123.29	2.52	91.60
Disposable income	435.78	154.65	362.01
<i>plus</i> Indirect benefits	83.62	80.43	82.78
Disposable income plus indirect benefits	519.40	235.08	444.79
<i>less</i> Indirect taxes	44.97	17.42	37.74
Final income	474.43	217.66	407.05
<i>Total benefits</i>	<i>105.31</i>	<i>218.28</i>	<i>134.96</i>
<i>Total taxes</i>	<i>168.26</i>	<i>19.94</i>	<i>129.34</i>

In this study the value of benefits allocated to households totalled \$35,365 million while the total tax revenue allocated was \$33,892 million. Translated into average values per household the value of benefits allocated was \$134.96 per week and the amount of total taxes allocated was \$129.34 per week.

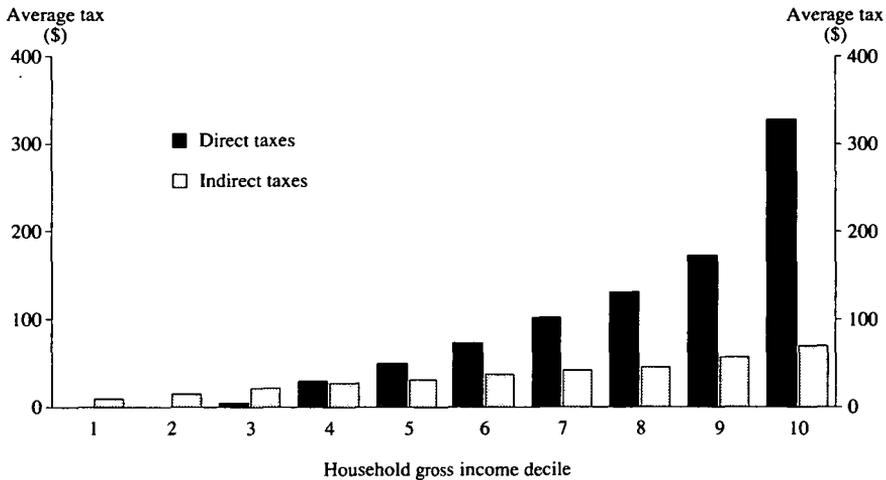
The fact that the total amount of benefits allocated did not differ greatly from the total amount of taxation revenue allocated has no particular significance, since both totals simply represent the aggregate of those components which could be readily allocated. It does, however, have the incidental effect of enabling the balance of benefits and taxes relating to particular household groups to be comprehended more readily as a broad measure of the net redistributive impact of those government activities which are included in the study.

The following diagrams illustrate the effect that government benefits and taxes have on household income when households are ranked according to their gross income.

AVERAGE WEEKLY BENEFITS PER HOUSEHOLD BY GROSS INCOME DECILE, 1984



AVERAGE WEEKLY TAXES PER HOUSEHOLD BY GROSS INCOME DECILE, 1984



Income Distribution Surveys

Surveys of income have been conducted by the ABS at irregular intervals. In the last such survey, conducted in the period September to December 1986, income was collected both on a last financial year basis, that is in respect of 1985-86, and on a current basis, that is at the time of interview.

As has been customary in such surveys, income was collected in respect of each of the following sources: wages or salaries; own business, trade or profession; government cash benefits; superannuation; interest, rent dividends; other sources. These were then aggregated to arrive at gross income.

The survey was designed to enable the production of estimates both for individuals and for groups of individuals such as income units, families and households. Preliminary and detailed final results of the survey were published in 1987, 1988 and 1989. The respective publications released are titled: *1986 Income Distribution Survey, Australia: Preliminary Results* (6545.0), *Persons with Earned Income* (6546.0) and *Income Units* (6523.0). Details of concepts, definitions, etc. employed in the survey and observations on the quality and reliability of the data can be found in these publications.

ALL INCOME UNITS: DECILE CLASSES, TYPE OF INCOME UNIT, GROSS INCOME SHARE AND MEAN GROSS WEEKLY INCOME, AUSTRALIA, SEPTEMBER-DECEMBER, 1986

<i>Decile class (a)</i>	<i>Married couple income units</i>									
	<i>With no dependent children</i>		<i>With dependent children</i>		<i>One parent income units</i>		<i>One person income units</i>		<i>All income units</i>	
	<i>Income share (per income cent)</i>	<i>Mean weekly (\$)</i>	<i>Income share (per income cent)</i>	<i>Mean weekly (\$)</i>	<i>Income share (per income cent)</i>	<i>Mean weekly (\$)</i>	<i>Income share (per income cent)</i>	<i>Mean weekly (\$)</i>	<i>Income share (per income cent)</i>	<i>Mean weekly (\$)</i>
Lowest	3.0	136	2.5	156	2.5	71	2.8	69	1.9	77
2nd	3.3	180	4.8	294	6.0	141	3.5	101	2.9	120
3rd	4.2	207	6.2	378	6.0	154	4.3	110	4.3	174
4th	5.1	252	7.1	446	7.1	165	5.1	137	5.4	225
5th	6.8	339	8.5	513	7.1	179	7.3	191	7.2	293
6th	9.1	440	9.4	578	8.0	202	9.5	251	8.7	362
7th	11.4	559	10.8	656	10.1	244	11.7	306	10.9	442
8th	13.9	682	12.4	760	12.0	314	13.6	361	13.5	550
9th	17.0	834	14.8	907	15.7	385	16.4	437	17.2	706
Highest	26.1	1,288	23.6	1,447	25.5	646	26.0	678	28.1	1,150
Total	100.0	491	100.0	614	100.0	251	100.0	264	100.0	410
Median gross weekly income (\$)		389		543		186		210		328
Mean gross weekly income (\$)		491		614		251		264		410
Mean gross weekly earned income (\$)		355		540		127		207		327
Number ('000)		1,785.2		1,968.6		315.1		3,392.2		7,464.1

(a) Ten per cent groupings of the estimated population when income recipients or income units are ranked in ascending order according to each income recipient's or income unit's total gross income.

FULL-YEAR, FULL-TIME WORKERS (a): MEAN GROSS ANNUAL EARNED INCOME BY EDUCATIONAL ATTAINMENT BY AGE BY SEX, AUSTRALIA, 1985-86

	<i>Males</i>	<i>Females</i>	<i>Persons</i>	<i>Males</i>	<i>Females</i>	<i>Persons</i>
	—'000—			—Mean gross annual earned income(\$)—		
With post-school qualifications—						
Degree	371.0	151.7	522.6	32,850	25,040	30,580
Certificate (non-trade)/ diploma	417.5	376.2	793.7	27,580	18,980	23,500
Trade certificate	986.1	42.4	1,028.4	22,070	16,830	21,850
Other	65.2	33.2	98.3	21,970	17,310	20,400
<i>Total</i>	<i>1,839.8</i>	<i>603.5</i>	<i>2,443.1</i>	<i>25,490</i>	<i>20,260</i>	<i>24,200</i>
Without post-school qualifications—						
Left school at age—						
18 or over	185.3	55.0	240.3	21,610	16,580	20,460
17	272.3	125.8	398.1	20,220	16,150	18,940
16	357.2	173.9	531.1	20,220	15,570	18,700
15 or 14	674.0	275.5	949.5	19,270	14,690	17,940
13 or under	140.9	35.3	176.3	18,890	13,260	17,760
<i>Total</i>	<i>1,629.7</i>	<i>665.5</i>	<i>2,295.3</i>	<i>19,870</i>	<i>15,270</i>	<i>18,540</i>
Total (b)	3,471.5	1,271.3	4,742.8	22,850	17,640	21,450

(a) Excludes 119,200 full-year, full-time workers whose earned income was zero. (b) May include a small number of persons who never attended school.

Welfare-related Surveys Conducted by the ABS

Disability and ageing

1981 Survey of Handicapped Persons

During February to May 1981 a survey was conducted throughout Australia to obtain information about the nature and extent of various disabilities and handicaps in the Australian community.

The Survey examined the needs of, and the kinds of problems experienced by, persons with different types of handicaps. The areas examined in respect of handicapped persons included causes, disabling conditions, services, aids, accommodation, employment, education, income, transport, recreation and institutionalised care.

The sample for the Survey consisted of two distinct parts. In the first part, a sample of 33,000 households was selected from all households in Australia and in the second part, a sample of 5,300 patients or residents was selected from 723 randomly selected health establishments throughout Australia.

Results of the Survey are published in *Handicapped Persons, Australia* (4343.0).

1988 Survey of Disability and Ageing

The Australian Bureau of Statistics conducted a survey throughout Australia in the period February–May 1988 to obtain information about the characteristics of disabled and aged people and their requirements for care. In common with the 1981 Survey of Handicapped Persons, the Survey comprised two parts. The first covered people living in a sample of households. The second covered residents and patients living in selected health establishments in Australia, for example, nursing homes and other aged persons' accommodation.

The Survey aimed to identify disabled and handicapped people and their abilities and requirements for help with a number of activities of personal and household daily living, for example showering/bathing and light housework. Data relating to handicapped and

disabled people are directly comparable with the 1981 Survey of Handicapped Persons with respect to numbers, causes of handicap, disabling conditions, employment, education and income.

The Survey also collected data on the care requirements of non-disabled people aged sixty years or more for the household activities of daily living. A small amount of information was also requested from those people who live with a disabled person and who are the main providers of help to that person with the personal activities of daily living.

Final survey results are expected to be released in the second half of 1989.

BIBLIOGRAPHY

ABS Publications

- Monthly Summary of Statistics, Australia* (1304.0)
- Social Indicators, Australia* (4101.0)
- Australia's Aged Population, 1982* (4109.0)
- 1981 Survey of Handicapped Persons, Australia* (4343.0)
- 1982 Family Survey, Australian Families* (4408.0)
- 1982 Family Survey, Information Paper, Sample File on Magnetic Tape* (4412.0)
- 1984 Survey of Ex-service Personnel and Widows* (4404.0)
- National Accounts, National Income and Expenditure* (5204.0)
- Commonwealth Government Finance* (5502.0)
- State and Local Government Finance, Australia* (5504.0)
- 1984 Household Expenditure Survey, Information Paper* (6527.0)
- 1984 Household Expenditure Survey, Summary of Results* (6530.0)
- 1984 Household Expenditure Survey, Household Characteristics* (6531.0)
- 1984 Household Expenditure Survey, States and Territories* (6533.0)
- 1984 Household Expenditure Survey, Detailed Expenditure Items* (6535.0)
- 1984 Household Expenditure Survey, The Effects of Government Benefits and Taxes on Household Income* (6537.0)
- 1984 Household Expenditure Survey, Information Paper, Sample File on Magnetic Tape* (6544.0)
- 1986 Income Distribution Survey, Australia, Income Units* (6523.0)
- 1986 Income Distribution Survey, Australia, Sample File on Magnetic Tape* (6543.0)
- 1986 Income Distribution Survey, Australia, Preliminary Results* (6545.0)
- 1986 Income Distribution Survey, Persons with Earned Income, Australia* (6546.0)