

KnowHow

Q&A: Social security support in times of need

2 April 2020

You, or someone you know, may have had a change in circumstances and may need support. We have put together some information to help you navigate these uncertain times and to answer some frequently asked questions.

Q: I am already a social security recipient already. Will my payment increase?

You may receive additional payments, depending on what benefit or concession you're entitled to. This could include:

- either one or two \$750 stimulus payments, or
- the \$550 per fortnight Coronavirus supplement on top of your regular payment.

Stimulus payments of \$750

To be eligible for the first payment, you must be residing in Australia and have been eligible for one of the income support payments, or a holder of one of the concession cards listed in the table below on a day between 12 March and 13 April 2020. If you had applied for an eligible payment and are subsequently granted the payment, you will also be eligible for the one-off payment. You'll also be entitled to a second payment of \$750 *unless eligible for the Coronavirus supplement* (see below) if eligible to receive that payment on 10 July 2020.

Income Support Payments		Concession Cards
Age Pension	Austudy	Pensioner Concession Card
Disability Support Pension	Youth Allowance	Commonwealth Seniors Health Care Card
Carer Payment	Special Benefit	Veteran Gold Card
Carer Allowance	Sickness Allowance	
Wife Pension	Family Tax Benefit (including Double Orphan Pensions)	
Parenting Payment	Farm Household Allowance	
Widow B Pension	Veteran Service Pension	
ABSTUDY (Living Allowance)	Veteran Income Support Supplement	
Bereavement Allowance	Veteran Compensation Payments	
Partner Allowance	War Widow Pension	
Widow Allowance	Veteran Payment	
Newstart Allowance		

If you are eligible the payments will be automatically made on:

- 31 March 2020 for the first payment, and
- 13 July 2020 for the second payment.

Coronavirus supplement

The Coronavirus supplement of \$550 per fortnight will be paid to new and existing recipients of:

- JobSeeker Payment
- Youth Allowance (JobSeeker)
- Parenting Payment
- ABSTUDY and Austudy
- Farm Household Allowance, and
- Special Benefit.

The supplement will be paid over the next six months and will be paid automatically with your ordinary fortnightly entitlement. It will be paid from 27 April.

Q: I have been temporarily stood down. What are my options?

You may be entitled to a payment from Centrelink. We explain these options in the next question.

However before applying for a social security benefit, you should ask your employer whether they will be applying for the 'JobKeeper' payment on your behalf. This payment of \$1,500 per fortnight would be paid from your employer to you, and would be assessed under the income test when calculating your entitlement to any social security entitlements. This will mean that you wouldn't be eligible to an income support payment from Centrelink.

For more information on the JobKeeper payment, please see our KnowHow: JobKeeper Payment.

If you've been stood down but you're receiving payments from your employer, such as annual leave or other paid leave, you'll need to disclose this to Centrelink. Depending on the amount of the payment, it may reduce your entitlement to a Centrelink benefit.

Low income health card

If you are ineligible for an income support payment, you may still be eligible for the Low Income Health Card from Centrelink. To be eligible, your weekly income needs to be below certain thresholds, depending on your family circumstances. If your income for the last eight weeks has exceeded the allowable threshold, it is worth reconsidering your circumstances and eligibility in future weeks, particularly if your circumstances have changed. Income uses the social security rules which does not always reflect the actual income you receive.

It is important to remember that the below income thresholds will include any income received by you and your partner (if applicable) and includes any amount of JobKeeper received by you or your partner.

Status	Maximum weekly income	Maximum income in 8 week period
Single, no children	\$570	\$4,560
Couple combined, no children	\$984	\$7,872
Single, 1 dependant child	\$984	\$7,872
Couple combined, 1 child	\$1,018	\$8,144
For each extra child	\$34	\$272

Q: I have been made redundant, lost my job, or have been stood down. Can I apply to receive a social security benefit?

You may be entitled to a social security benefit or concession card. The benefit or concession you're entitled to will depend on your circumstances but could include:

- JobSeeker payment
- Youth Allowance (jobSeeker), or
- Parenting Payment.

If you've reached your Age Pension age but have been continuing to work, you should instead apply for the Age Pension.

JobSeeker payment requirements	
Age requirements	People aged at least 22 but less than Age Pension age
Maximum entitlement per fortnight	<p>This varies depending on whether you have children, how many children you have, and whether you have a partner.</p> <p><u>Maximum entitlements (current)</u></p> <p>If you're single with no children: \$565.70 Single with children: \$612.00 Couples (each) \$510.80</p> <p><i>(current as at 20 March 2020 and may be indexed on 20 September 2020)</i></p>
How much will I actually get?	The amount that you're entitled to receive also varies depending on your income. The assets test has been waived for six months.
Do I need to serve a waiting period?	<p>Normally waiting periods apply before you can receive these payments. However, some waiting periods have been waived for a limited period. However, one waiting period you may need to undertake an income maintenance waiting period (calculated by considering any redundancy or other termination payments received, which may include lump sum payments for unused leave entitlements). Services Australia will be able to provide details of any specific waiting periods that apply to you.</p>
What evidence do I need?	Centrelink has temporarily waived the need to provide Employment Separation Certificates, or letters from employers to confirm a change in hours.
Do I need to demonstrate that I am looking for work?	<p>Ordinarily entitled to the payment requires a mutual obligation agreement. This includes activities such as actively seeking employment. However, the mutual obligation requirements have been suspended until 27th April 2020 (unless extended further). This means you're exempt activities during that time.</p> <p>It also means if you're continuing to earn some employment income, you don't need to report this each fortnight until this date.</p>

Youth Allowance (jobSeeker)	
Age requirements	<p>People aged 16-21 and:</p> <ul style="list-style-type: none"> • Looking for full time work • Doing approved activities • Studying part time and looking for work • Temporarily unable to work
Maximum entitlement	<p>This depends on your circumstances, including:</p> <ul style="list-style-type: none"> • whether you live with your parents or away from home • your age • whether you have children, and • your relationship status. <p>See servicesaustralia.gov.au for payment rates.</p>
How much will I get?	<p>The amount that you're entitled to receive also varies depending on your income. The assets test has been a waived for six months.</p>
Do I need to serve a waiting period?	<p>Normally waiting periods apply before you can receive these payments. Some waiting periods have been waived. However, you may also need to satisfy an income maintenance waiting period (calculated by considering any redundancy or other termination payments received, which may include lump sum payments for unused leave entitlements).</p>
What evidence do I need?	<p>Centrelink has temporarily waived the need to provide Employment Separation Certificates, or letters from employers to confirm a change in hours.</p>
Do I need to demonstrate that I am looking for work?	<p>Ordinarily entitled to the payment requires a mutual obligation agreement. This includes activities such as actively seeking employment. However, the mutual obligation requirements have been suspended until 27th April 2020 (unless extended further). This means you're exempt activities during that time.</p> <p>It also means if you're continuing to earn some employment income, you don't need to report this each fortnight until this date.</p>
My study load has been impacted because of COVID-19. Will this impact my payment?	<p>If you're self-isolated or your study load changes because your education provider has closed or reduced your study load, you may remain eligible if you stay enrolled and plan on returning to study.</p>

Parenting payment	
Who is eligible?	<p>You must be the principal carer of a child who is aged:</p> <ul style="list-style-type: none"> less than 8 if you're single, or less than 6 if you have a partner. <p>You must also be an Australian resident and in Australia at the time you claim.</p>
Maximum entitlement per fortnight	<p>Single: \$790.10</p> <p>Couple: \$510.80</p> <p>Couple (illness separated): \$612.00</p> <p><i>(current as at 20 March 2020 and may be indexed on 20 September 2020)</i></p>
How much will I get?	<p>The amount that you're entitled to receive also varies depending on your income. The assets test has been a waived for 6 months.</p>
Do I need to serve a waiting period?	<p>Normally waiting periods apply before you can receive these payments. However, some waiting periods have been waived for a limited period. However, one waiting period you may need to undertake an income maintenance waiting period (calculated by considering any redundancy or other termination payments received, which may include lump sum payments for unused leave entitlements). Services Australia will be able to provide details of any specific waiting periods that apply to you.</p>
Do I need to demonstrate that I am looking for work, studying and meeting other ordinary participation requirement?	<p>Ordinarily entitled to the payment requires a mutual obligation agreement. This includes activities such as actively seeking employment. However, the mutual obligation requirements have been suspended until 27th April 2020 (unless extended further). This means you're exempt activities during that time.</p> <p>It also means if you're continuing to earn some employment income, you don't need to report this each fortnight until this date.</p>

Q: Will my partner's income be assessed when determining my entitlement to JobSeeker?

Yes, a partner income test will still apply, which means your partner's income may impact your entitlement. This will depend on the income earned by your partner. It is only the assets test that is being waived for 6 months until 24 September 2020.

A temporary change to the partner income test will be made to increase the amount that your partner can earn before the JobSeeker entitlement reduces to zero. Currently, a partner can earn approximately \$47,900 pa before a part JobSeeker payment would cease (assuming that the applicant has no income of their own from any other sources). This will increase to \$79,762pa.

Any ongoing income that you earn yourself (such as any employment income, or income from investments) will also reduce your fortnightly payment as follows:

Applicant's fortnightly income	Reduction in payment
Up to \$104	\$0
\$104 to \$254	50 cents for every dollar over \$104
Over \$254	\$75 plus 60 cents for every dollar over \$254

Q: How do I apply for a benefit?

To determine what benefits or concessions you're entitled to, you should speak to your financial adviser, or a Centrelink or DVA representative.

Applications may be able to be made online, through MyGov, or in your nearest Centrelink office.

Q: I'm overseas and can't return home due to travel restrictions/quarantine/illness. Can my payment be extended?

It may be possible to extend your benefits. You will need to call Centrelink International Services on +613 6222 3455 between 8am-5pm AEST to discuss your circumstances.

Next steps

To find out more about these are any other issues or concerns you may have, we recommend you contact your financial adviser.

Important information

This document has been prepared by GWM Adviser Services Limited (ABN 96 002 071 749, AFSL 230692) (GWMAS), part of the National Australia Bank group of companies. Any advice provided is of a general nature only. It does not take into account your objectives, financial situation or needs. Please seek personal advice before making a decision about a financial product. Information in this document is current as at 2 April 2020. While care has been taken in its preparation, no liability is accepted by GWMAS or its related entities, agents or employees for any loss arising from reliance on this document. Any opinions expressed constitute our views as at 2 April 2020. Case studies are for illustration purposes only. Any tax information provided is a guide only. It is not a substitute for specialised tax advice.

GWM Adviser Services Limited (ABN 96 002 071 749, AFSL 230692) ('GWMAS'). A member of the National Australia Bank Limited ('NAB') group of companies. NAB does not guarantee or otherwise accept any liability in respect of GWMAS or these services.