

AUSTRALIAN PENSION NEWS



www.centrelink.gov.au

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Issue 27—October 2010

In this Issue UK pensions | Nominees | News from Australia | Tax agreements | Agreement with Poland | Rates | Payment dates

Introducing Tanya Plibersek, MP, the new Minister for Human Services and Social Inclusion



Tanya Plibersek became the new Minister for Human Services and Minister for Social Inclusion after the recent Federal Election.

Tanya grew up in the southern suburbs of Sydney, the youngest of three children. Her parents emigrated from Slovenia in the 1950s.

Before entering Parliament in 1998, Tanya was Women's Officer at the University of Technology, Sydney and worked for the Domestic Violence Unit at the NSW Government's Office for the Status and Advancement of Women. She has completed a Master of Politics and Public Policy at Macquarie University and a Bachelor of Arts degree in Communications (Hons) from the University of Technology, Sydney.

In her maiden speech to Parliament, Tanya highlighted her strong interest in social justice and her belief in ordinary people working together to achieve positive change.

Tanya has a long standing interest in the human services area, including as Shadow Minister for Human Services in 2006 and 2007 and as Minister for Housing and Minister for the Status of Women, where services to the community played a key role.

As Minister for Housing, Tanya delivered almost \$5 billion in new funding for affordable housing and homelessness services as part of the ambitious target to halve the rate of homelessness by 2020.

As Minister for the Status of Women, Tanya drafted the National Plan for Australia to Reduce Violence Against Women and their Children.

Tanya is a strong supporter of the principles of service delivery reform—which aims to deliver better services based on what the community needs and expects—and is looking forward to delivering programs that further improve the lives of Australians through their dealings with the Human Services portfolio.

On a personal note, Tanya lives in Sydney with her husband Michael and children Anna and Joseph and is expecting her third child in October.

Social Security Agreement between Australia and Poland

The Social Security Agreement between Australia and Poland started on 1 October 2010.

The Agreement may assist people to claim an Australian Age Pension while living in Poland and add their periods of insurance in Poland to meet the minimum requirements for Australian Age Pension.

The Agreement may also assist people to meet qualification requirements for Polish pensions by combining periods of residence in Australia between 16 years of age and age pension age, with Polish insurance periods.

If you already receive an Australian pension you do not need to reclaim under the Agreement.

If you do not currently receive a Polish pension and you have at least 12 months of insurance in Poland, you may wish to claim one under the new Agreement.

Claim forms for either an Australian Age Pension or a Polish pension are available from Social Insurance Institution (ZUS) or Agricultural Social Insurance Fund (KRUS) offices in Poland. Australian claim forms and the Social Security Agreement between Australia and Poland factsheet are available on our website www.centrelink.gov.au or by contacting Centrelink International Services.

Need someone to help deal with Centrelink on your behalf?

Centrelink is aware that there may be times in your life when it is difficult to manage your personal and financial circumstances due to a short-term crisis or ongoing medical condition. If you have problems communicating with Centrelink, have vision or hearing problems or for any other reason can no longer manage your own affairs, you can choose someone to help you with your Centrelink business.

You can choose a friend, family member, neighbour, community member or an organisation who you trust. Even if you have a person or organisation helping you with your Centrelink business, you can still contact Centrelink if you need to. You can also end or change the arrangement at any time. To do this contact Centrelink International Services.

No-one else can tell us information on your behalf, ask questions for you, or be told anything about you by Centrelink unless one of these arrangements is in place. There are three different arrangements that can be made.

Person permitted to enquire

Allows you to choose a person or an organisation that can contact Centrelink International Services on your behalf and ask questions about your payment. This arrangement will not allow them to tell us about changes in your circumstances.

Correspondence nominee

Allows a person or an organisation to contact Centrelink International Services on your behalf to request information, and also authorises them to advise us of changes in your circumstances. When Centrelink sends you a letter, a copy is also sent to your correspondence nominee.

If you appoint a correspondence nominee, Centrelink may contact the nominee instead of you. Your nominee is responsible for either acting on your behalf, or communicating with you about actions that are required.

Payment nominee

Allows a person to receive your Centrelink payments on your behalf. You should only appoint someone as your payment nominee if you are certain they will act in your best interests, as they will have full access to all your payments sent by Centrelink.

If you want a person to receive your payments and your correspondence from Centrelink, you will need to appoint both a correspondence nominee and a payment nominee. The person you appoint as correspondence nominee can be different to the person you appoint as payment nominee.

To appoint a nominee or a person permitted to enquire on your behalf, you will need to complete a form entitled 'Authorising a person or organisation to enquire or act on your behalf' (form number SS313). This form can be found at www.centrelink.gov.au (follow the 'Forms' link).





News from Australia

Here is some information about events that have happened in Australia or to prominent Australians over the past few months.

March

- Melbourne experienced flooding after a once-in-a-century thunderstorm of marble-sized hailstones, which tore the roof from a railway station and led to the postponement of many sporting events.
- The A-League football (soccer) title was won by Sydney FC, who defeated Melbourne Victory in the Grand Final.
- Australia and Indonesia signed an agreement to combat people smuggling.
- The birth of a live elephant at Sydney's Taronga Zoo was hailed as a miracle after he was thought to have died inside his mother's womb.

April

- A Chinese coal ship ran aground off Queensland causing widespread damage to three kilometres of the Great Barrier Reef. The cleanup was the biggest operation of its kind ever undertaken in Queensland.
- The West Australian goldfields city of Kalgoorlie-Boulder experienced an earthquake measuring 5.0 on the Richter scale.

May

- 16 year old Australian sailor Jessica Watson completed a six-month solo circumnavigation of the world when she sailed into Sydney harbour on 15 May 2010.
- The Henry Review of the Australian taxation system was unveiled, with substantial changes recommended to the ways in which Australians pay tax.

June

- Julia Gillard became the first female Prime Minister of Australia.
- Tennis player Samantha Stosur lost the grand final of the French Open to Italian Francesca Schiavone.

July

- The Prime Minister announced a Federal election to be held on 21 August.
- Record-breaking weather conditions were experienced across Australia. Throughout the month the Northern Territory recorded both its highest July temperature ever (37.5 °C) and the coldest July day (6.7 °C) as well as the wettest month on record. Tasmania experienced the warmest and driest July on record.

August

- The Federal Election was held on 21 August, with Julia Gillard announced as Prime Minister in September.
- Jessica Schipper won the 200m Butterfly and Emily Seebohm won the 100m Backstroke at the Pan Pacific Swimming Championships.



Avoid double taxation

If you are an Australian resident and receive a foreign pension, or reside outside Australia and receive an Australian pension, you need to be aware of double taxation agreements (DTAs).

DTAs, also known as tax treaties, are agreements between countries that ensure that you are not subject to double taxation on your Australian or non-Australian income. You may only be affected by a tax treaty if you are a resident of Australia or one of Australia's treaty partners and are receiving income, including pensions.

Countries with which we have agreements

Australia has entered into over 40 tax treaties, with countries including Austria, Canada, Germany, Greece, Italy, Malta, the Netherlands, New Zealand, Spain, Turkey, the United Kingdom and the USA. The full list of Australia's tax agreements is maintained by Australian Treasury and can be found on the Treasury website www.treasury.gov.au

Check with your country

DTAs aim to ensure that you are only taxed on your pension once. Generally, you will not be liable for Australian tax on your Australian pension if you live in a country that has a double taxation agreement with Australia, as under most agreements pensions are only taxed in the country where you live. However there are some agreements that require pensions to be taxed by the paying country rather than by the country in which you live. Because of the differences between individual agreements with different countries, it is recommended that you review the relevant treaty between Australia and the country in which you live.

For more information on DTAs, including who to contact, visit www.ato.gov.au/taxtreaties

If you receive a pension from the United Kingdom, read on...

Since the International Social Security Agreement between Australia and the United Kingdom (UK) was terminated on 1 March 2000, Centrelink does not provide any of your personal details to the UK Department of Work and Pensions (DWP).

This means that if there are changes to your circumstances, when you advise Centrelink of these changes you will have to advise DWP as well.

For example, if you change your address, Centrelink will not give the DWP your new mailing details and they will continue to send any correspondence to your previous address. This may be important as the DWP will need to let you know of any changes to your UK pension entitlements. You will then have to let Centrelink know about these changes as they may affect your Australian pension entitlements. Failure to do so may result in a debt that will have to be repaid.





From the Editor's desk

Welcome to the 27th issue of *Australian Pension News*.

We are always striving for ways to improve *Australian Pension News* and welcome your comments and suggestions. If you write to us, we will try to provide you with an individual response.

In every issue of *Australian Pension News* we share customer feedback that highlights important issues that may affect you.

Letters to the Editor

"I owe Centrelink money because I forgot to tell you that my Argentinean pension had gone up. Can I repay that money by direct credit, or do I have to send you a cheque?" (M.R., Argentina)

Hi M.R.

Debts to Centrelink can be paid by cheque, direct credit, or by international money order. To repay a debt by direct credit, you should contact your local bank to request a direct credit payment in Australian dollars. The bank will need to know the following information to make the direct credit payment:

Destination:	Reserve Bank of Australia
Swift code:	RSBKAU2S
Account title:	Collectors Receipt Account
BSB number:	093003
Account number:	318778
Reference:	Please use your Centrelink Customer Reference Number

Please let us know if you make a payment using this method by contacting Centrelink International Services.

You can also pay your account using the internet via:

- Postbillpay—visit www.postbillpay.com.au (Post billpage code 0802), **or**
- BPAY—visit www.bpay.com or your bank's website (BPAY biller code is 21915).

If using postbillpay or BPAY, the payment reference number is found on the account sent to you.

Please note: Centrelink does not accept credit card payments by BPAY.

Payments can also be made via the telephone by using postbillpay's telephone service. To use this service call **+61 2 9245 0821** (normal call costs will apply).

"I was wondering why my wife receives the Australian Pension News magazine but I don't get a copy." (Mr C, Spain)

Centrelink is committed to reducing our impact on the environment. One of the ways we are doing this is to reduce the amount of paper we use. This means that if you are part of a couple and both of you are Centrelink customers, only one copy of *Australian Pension News* will be sent to your address. If the *Australian Pension News* hasn't been sent to you or your partner or you receive an incorrect language version, please contact Centrelink International Services for a copy.

News briefs

Centrelink International customer service survey

In May, our latest customer service survey was completed. We thank all the customers who were called by our contracted survey company and provided us with such useful feedback about our standards of service. We are pleased that 98% of customers surveyed were satisfied with our service.

If you have any feedback about the things we do well, or not so well, please contact us. We always welcome your thoughts and ideas. You can find our contact details on page four.

Centrelink International Services closed dates

Due to national public holidays, Centrelink International Services will be closed on:

- Monday 27 December 2010
- Tuesday 28 December 2010
- Monday 3 January 2011
- Wednesday 26 January 2011
- Friday 22 April 2011, **and**
- Monday 25 April 2011.

We will be open but providing a limited service on:

- Monday 14 February 2011
- Monday 14 March 2011, **and**
- Tuesday 26 April 2011.

Have your CRN ready when calling Centrelink

When you contact us by telephone or mail, please state your Customer Reference Number (CRN). This will help us respond to your query faster. Your CRN can be found on any letters you receive from Centrelink. If your personal file is accessed during a phone call with Centrelink, you may request a receipt number as a record of your call.

You can find our contact details on page four.

What you must tell us

There are a number of events and changes in personal circumstances that you need to tell us about. You have 28 days to let us know about the change, starting from the day after the change happens. We need to know about changes for both yourself and your partner, if you have one.

We need to know about changes to your or your partner's:

- income
- assets
- financial investments and bank accounts
- personal circumstances, including changes to your address, marital status or your school age dependants
- international travel plans, **and**
- compensation claims.

You must also tell Centrelink if you:

- are imprisoned
- make any gifts to family, friends or charities, **or**
- receive an inheritance.

If you do not tell us about any of the changes outlined above, you may receive too much Australian pension and will have to repay the amount you were overpaid. If there has not been any change in your circumstances, as outlined above, you do not need to contact us.

If you are unsure about whether to tell us about an event in your life please contact us to find out. You can find our contact details on page four.

Gifts and cards

With the end of the year fast approaching many Centrelink customers will soon be celebrating holiday periods throughout the world. Each year we receive hundreds of cards, and while these cards are appreciated and your personal comments and best wishes are welcomed by our staff, we cannot accept gifts. We appreciate the thought behind sending gifts and wish all our customers and readers a safe and happy holiday period.

Do you speak another language?

This magazine is available in Arabic, Croatian, Dutch, English, German, Greek, Italian, Macedonian, Maltese, Polish, Portuguese, Serbian, Spanish and Turkish.

If a magazine in any of these languages suits you better than the one you receive, please contact us.





Rates

Pension Rates and Thresholds	SINGLE	COUPLE both eligible	COUPLE one eligible partner	COUPLE separated due to ill health
How much pension^{1,2}	Per Year	Per Year	Per Year	Per Year each
Maximum basic rate	A\$17 118.40	A\$25 807.60	A\$12 903.80	A\$17 118.40
Basic Pension Supplement ³	A\$525.20	A\$873.60	A\$436.80	A\$525.20
Total	A\$17 643.60	A\$26 681.20	A\$13 340.60	A\$17 643.60
Allowable Income⁴	Per Year	Combined	Combined	Combined
Full pension	A\$3 796.00	A\$6 656.00	A\$6 656.00	A\$6 656.00
Part pension	A\$39 083.20	A\$60 018.40	A\$60 018.40	A\$77 230.40
Allowable Assets⁵	Single	Combined	Combined	Combined
Full pension—Home owner	A\$181 750	A\$258 000	A\$258 000	A\$258 000
Full pension—Non-home owner	A\$313 250	A\$389 500	A\$389 500	A\$389 500
Part pension—Home owner	A\$643 250	A\$942 500	A\$942 500	A\$1 163 000
Part pension—Non-home owner	A\$765 750	A\$1 074 000	A\$1 074 000	A\$1 294 500
Deeming Rates and Thresholds	Single	Combined	Combined	Combined
Threshold	A\$43 200	A\$72 000	A\$72 000	A\$72 000
Rate below threshold	3.0%	3.0%	3.0%	3.0%
Rate above threshold	4.5%	4.5%	4.5%	4.5%

These figures are a guide only. Effective 20 September 2010 unless otherwise stated.

These rates are applicable to customers who are permanently outside Australia or are absent from Australia for greater than 13 weeks.

1. Rate of payment is calculated under both the income and assets tests. The test that results in the lower rate (or nil rate) is the one that is applied. There is no income or assets test for customers who are permanently blind. Some assets are deemed to earn income and there are special rules for other types of income.
2. Some customers may receive a transitional rate of pension. The transitional rate is based on the pre-20 September 2009 income test rules and payment rates, and indexed in line with the Consumer Price Index. The rates in the table above do not apply to pensioners who are paid a transitional rate.
3. The Pension Supplement is subject to the income test, however when a certain level is reached, a minimum component will always be paid until the rate of pension is no longer payable. Customers in the first 13 weeks of a temporary absence from Australia may also continue to receive a higher Pension Supplement, increasing this rate.
4. Income over this amount generally reduces the rate of pension payable by 50 cents in the dollar for single pensioners and 25 cents in the dollar each for couples. For customers who are over Australian age pension age, only 50 per cent of the first A\$500 of two-weekly employment income is included in the pension income test. Any employment income over A\$500 per two weeks is included in full.
5. Single and combined couple rates are reduced by A\$1.50 per two weeks for every A\$1000 of additional assets above the allowable assets limits. Certain assets are not included in the assets test.

Information about your payments

You will receive 13 regular four-weekly payments each year.

Your four-weekly pension payments

Your payment will be issued by Centrelink on:	Direct deposit customers should receive payment by:	Cheque customers should receive payment by:	Payment covers the period:
7 October	13 October	27 October	9 September to 6 October
4 November	10 November	24 November	7 October to 3 November
2 December	8 December	22 December	4 November to 1 December
30 December	5 January	19 January	2 December to 29 December
27 January	2 February	16 February	30 December to 26 January
24 February	2 March	16 March	27 January to 23 February
24 March	30 March	13 April	24 February to 23 March
21 April	27 April	11 May	24 March to 20 April

Direct deposit payments

If you receive your payment by direct deposit into your bank account it will be available two to six days after issue.

If your payment has not arrived within 10 days of being issued, you should check with your local bank before contacting Centrelink as the bank may have received the payment, but has not yet deposited it into your account.

Cheque payments

Cheque payments are available 14 to 20 days after issue.

Cheques are sent in local currency for most countries, or in US dollars.

Cheques are sent through the international and local mail systems and there are often delays before the cheque arrives at your address. These delays are beyond Centrelink's control.

When you receive your cheque, deposit it into your bank account. You will have to wait for the cheque to clear before you can access the funds. Clearance delays

can be around two weeks if the cheque is in local currency, or four weeks for US dollar cheques. Clearance delays vary depending on your local bank.

If you do not receive your cheque, it may be due to mail delays. You should check with the postal authorities in your country before contacting us.

Generally, if your cheque has not arrived within 20 days of being issued please contact us. We will send you a new cheque, but the new cheque may also take some time to reach you.

If a cheque is received after you have asked us to cancel it, you should not cash it as you may incur penalty bank charges. You may also have problems with your bank when you next want to cash a cheque. Please contact us if you are unsure which cheque to cash.

Centrelink can pay pensions directly into bank accounts in most countries, and encourages this method of payment as it is safe, quick and reliable. Please call us if you would like to discuss changing to direct deposit payments.

DISCLAIMER: The Commonwealth of Australia has attempted to ensure the information in this publication is accurate. However, the Commonwealth does not warrant that the information is accurate or complete nor will it be liable for any loss suffered by any person because they rely on it in any way. You should contact Centrelink for full details of any entitlements and services to which you may be eligible or how any pending changes in legislation, programs or services may affect you.

If you need to talk to us

You can call Centrelink International Services between 8.00 am and 5.00 pm Hobart Time, Monday to Friday. As at 1 October 2010, Hobart time is approximately:

- three hours behind New Zealand
- two hours ahead of Singapore
- seven hours ahead of Greece
- eight hours ahead of central Europe
- nine hours ahead of the United Kingdom
- 14 hours ahead of eastern USA/Canada, **and**
- 17 hours ahead of western USA/Canada.

Outside of these times, you will be able to leave a message with our answering service and we will return your call. Please include your name, Customer Reference Number (CRN), the country you are calling from, telephone area code and number as well as a brief summary of your query.

Phone calls from the following countries are a free call. Just dial the number shown without any international or country codes before it.

Austria	0800 295 165
Canada	1888 2557 493
China (North)*	10 800 610 0427

China (South)
Denmark
Germany
Greece
India
Indonesia
Italy
Republic of Korea
The Netherlands
New Zealand
Philippines
Portugal
Singapore
Spain
Thailand
Turkey
United Arab Emirates
The United Kingdom
The United States of America
Other countries

*China (North) includes the provinces of Beijing, Tianjin, Hebei, Shanxi, inner Mongolia, Heilongjiang, Liaoning, Jilin, Shandong and Henan. All other provinces are considered as China (South) for this purpose.

10 800 261 1309
8088 3556
0800 180 2482
0080 0611 26209
000 800 61 01098
001 803 61 035
800 781 977
003 081 32326
0800 0224 364
0800 441 248
1800 1611 0046
800 861 122
800 6167 015
900 951 547
001 800 611 4136
00 800 6190 5703
800 061 04319
0800 169 5865
1866 3433 086
+61 3 6222 3455

Note: A free call may not be available from every location within the country and may not be free from mobile or public phones. If using a pay telephone, you will need to insert coins or a card as for a local call and this may not be refunded at the end of the call.

- If you are in one of the countries listed, you should use the number shown as it is free and direct.
- If you are in a country that is not listed, or if you are not able to use the free call number listed above, please contact us on **+61 3 6222 3455**. You may reverse the charges by dialling your local operator. If reverse charge calls are not available in your country please speak to your local telephone provider to discuss the cheapest way to contact us, or send us an email with your name, Customer Reference Number, telephone number and query and we will call you back. Some Australian telephone providers also offer services that allow you to make reverse charges calls from foreign countries.

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