

Senate Community Affairs Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
SOCIAL SERVICES PORTFOLIO
Inquiry into the Social Services Legislation Amendment (Ending Carbon Tax
Compensation) Bill 2017
26 July 2017

Outcome Number: Cross outcomes

Question No: 5

Topic: Energy Supplement

Hansard page: 19

Senator Watt asked:

Senator WATT: It may be that at a past hearing about this bill, or perhaps in a question on notice, you have already broken down that figure of 1.7 million by payment type and electorate. Do you know whether you've provided that information previously?

Ms Halbert: I believe we've tabled one that broke it down by payment type, not by electorate.

Senator WATT: Could you check for us, and if you haven't done so already, provide it to us, broken down by payment. I recognise we have a fairly short turnaround time for questions on notice.

Ms Halbert: We have that and can provide that to you.

Answer:

The numbers, by payment type, were tabled by departmental officers on Thursday 9 March 2017 during the Senate Community Affairs Legislation Committee hearing into the *Social Services Legislation Amendment (Omnibus Savings and Child Care Reform) Bill 2017*.

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Inquiry into the Social Services Legislation Amendment (Ending Carbon Tax Compensation) Bill 2017

26 July 2017

Number of customers estimated to lose the Energy Supplement, linked to a social security income support payment, by 30 June 2020, by payment type and state

CUSTOMER NUMBERS (BY PAYMENT TYPE AND BY STATE) AFFECTED BY CLOSURE OF ENERGY SUPPLEMENT TO NEW WELFARE RECIPIENTS UNDER SCHEDULE 9 OF THE SSLA (OMNIBUS SAVINGS AND CHILD CARE REFORM) BILL 2017 (as at 7 March 2017)																			
STATE	PAYMENT TYPE																		TOTAL
	ABSTUDY - Secondary	Age Pension	Austudy	Bereavement Allowance	Carer Payment	Disability Support Pension	Newstart Allowance	Parenting Payment Partnered	Parenting Payment Single	Partner Allowance Pension	Sickness Allowance	Special Benefit	Widow Allowance	Widow B Pension	Wife Pension (Age)	Wife Pension (DSP)	Youth Allowance (Student)	Youth Allowance (Other)	
NSW	2,123	130,137	13,562	66	32,073	34,911	143,284	20,068	42,578	0	2,463	4,193	833	0	0	0	64,866	46,877	538,034
VIC	1,591	100,392	10,071	34	26,546	27,151	118,696	15,667	35,531	0	2,033	2,768	651	0	0	0	48,615	35,132	424,878
QLD	1,325	83,365	8,403	35	21,723	22,318	99,194	14,111	28,582	0	1,572	2,046	527	0	0	0	40,489	29,260	352,950
SA	431	29,525	2,694	6	8,054	8,274	38,754	5,558	12,210	0	610	1,124	200	0	0	0	13,158	9,508	130,106
WA	663	37,492	4,790	19	8,952	9,754	43,484	6,144	11,943	0	739	1,400	248	0	0	0	20,273	14,651	160,552
TAS	192	11,305	1,377	8	3,743	3,054	14,845	2,718	3,995	0	273	576	95	0	0	0	5,872	4,243	52,296
NT	89	6,108	453	4	2,859	2,287	7,968	1,335	2,362	0	123	231	55	0	0	0	2,714	1,961	28,549
ACT	110	4,912	1,128	1	1,678	1,578	6,737	887	1,693	0	122	105	28	0	0	0	3,351	2,421	24,751
Total	6,524	403,236	42,478	173	105,628	109,327	472,962	66,488	138,894	0	7,935	12,443	2,637	0	0	0	199,338	144,053	1,712,116

Source: DSS estimates as at 7 March 2017.

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Outcome Number: Cross outcomes

Question No: 6

Topic: Energy Supplement

Hansard page: 20

Senator Watt asked:

Senator WATT: ...You would have data as to the proportion of people who receive certain types of payments within electorates.

Ms Halbert: Based on current recipients, yes, we could do that.

Senator WATT: You wouldn't mind taking on notice a breakdown by electorate based on current figures as to percentages of people receiving certain payments? I recognise that those figures can only be estimates.

Answer:

Because the actual individuals who will lose the Energy Supplement linked to an income support payment cannot be identified in advance, the electorates in which they live also cannot be so identified.

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26 July 2017

Outcome Number: Cross outcomes

Question No: 7

Topic: Energy Supplement

Hansard page: 20

Senator Watt asked:

Senator WATT: Can we focus on that group—I think we explored this at estimates as well—of people who currently receive the energy supplement but will lose it if this bill passes. Do we have a number for that group of people?

Ms Halbert: Yes. It's 669,137.

Senator WATT: Have you already provided a breakdown of that figure by payment type?

Ms Halbert: Yes, we have, in a question on notice.

Senator WATT: Would you also be able to provide a breakdown of that figure by electorate?

Ms Halbert: Possibly on the same basis as we said before

Answer:

Because the actual individuals who will lose the Energy Supplement linked to an income support payment cannot be identified in advance, the electorates in which they live also cannot be so identified.

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Outcome Number: Cross Outcome

Question No: 8

Topic: Energy Supplement

Hansard page: 20

Senator Watt asked:

How much of that overall projected saving is attributable to people who currently receive the Supplement, but will lose it?

Answer:

The number of people who currently receive the Supplement but will lose it from September 2017 will diminish over time as some recipients will stop receiving their payment due to a variety of reasons, such as finding employment. Consequently, the savings for the people who currently receive the Supplement have not been estimated.

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Outcome Number: 2.1

Question No: 9

Topic: Emergency Relief

Hansard page: 22

Senator Watt asked: On emergency relief, do you have any dollar figures on how much someone can obtain?

Answer:

The amount of assistance provided is not prescribed by the Department and can be determined flexibly by emergency relief service providers according to the needs of the individual.

Assistance provided under the Commonwealth's Emergency Relief Program is predominantly in the form of vouchers (eg. supermarket) or direct payments (eg. utilities).

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Outcome Number: 2.1

Question No: 10

Topic: Emergency Relief

Hansard page: 22

Senator Watt asked: Who qualifies for emergency relief?

Answer:

The Commonwealth's Emergency Relief Program is available to all individuals and families in immediate financial crisis.

Individual service providers may have certain criteria that need to be met in order to access their particular Emergency Relief service.

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**Inquiry into the Social Services Legislation Amendment (Ending Carbon Tax
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Outcome Number: 1

Question No: 11

Topic: Advance Payments

Hansard page: 22

Senator Murray Watt asked: Information on advance payments. An explanation of what they are, who is eligible for an advance payment and what it amounts to.

Answer:

Advance payments are delivered by Centrelink and allow pension, allowance, and family assistance recipients to receive a portion of their future entitlement as a lump sum. Different rules apply to pensions, allowances and family payments.

The eligibility criteria and amounts payable for each payment are available on the Centrelink website at <https://www.humanservices.gov.au/customer/enablers/advance-payment-options>.

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26 July 2017

Outcome Number: 1

Question No: 12

Topic: Advance Payments

Hansard page: 22

Senator Murray Watt asked: Information on advance payments. Advice on the number of people who have applied for and received an advance payment.

Answer:

Period	Total number of recipients receiving an Advance Payment
July 2016 – June 2017	1,323,886

The data in the table is the total number of recipients who received advance payments in 2016-17. Please note that some recipients are able to receive more than one advance payment per year.

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Outcome Number: 2.1

Question No: 13

Topic: Emergency Relief

Hansard page: 22

Senator Watt asked: Perhaps if you could advise us whether there has been a change in the amount budgeted for those hardship payments, in an overall sense, and whether there has been a change in the number of applicants and successful applicants expected following the abolition of the supplement.

Answer:

There is no increase in funding for the Commonwealth Emergency Relief program as a result of the changes to the Carbon Tax Compensation.

The Department monitors demand for the Commonwealth Emergency Relief program on an ongoing basis.

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Outcome Number: Cross outcomes

Question No: 14

Topic: Energy Supplement

Hansard page: 23

Senator Watt asked:

On the presumption that there will be an increase in applications, do you know if there has been any work done to determine the impact of those applications on the ability of Department of Human Services staff to respond in a timely way to requests for assistance generally?

Ms Halbert: In terms of the emergency assistance, I am not sure if there is a direct correlation, and again I will take that on notice. In terms of the advance payments, I do not know the answer but we can find out.

Answer:

When preparing for a change, the Department of Human Services factors in an estimated level of contact from recipients based on the nature of the measure and in the context of previous recipient behaviour.

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Outcome Number: 1.10 Working Age Payments

Question No: 15

Topic: Newstart Allowance churn

Hansard page: 23

Senator Watt asked:

Are you able to get for us the proportion or the number of Newstart recipients who do come off Newstart and claim again in, say, a three-month period or a six-month period?

Answer:

In 2016, 626,823 recipients exited Newstart Allowance (NSA). Of this number 180,920 (29 per cent) returned to NSA payments within three months of exiting payment and 46,739 (7 per cent) returned to NSA payments between three and six months after exiting payment. Some recipients may have exited and returned to NSA on more than one occasion in 2016 and may be counted more than once in the above figures.

NSA recipients have access to existing arrangements which provide incentives to take up short term work where it is available. These arrangements allow eligible recipients to remain connected to the payments system for period after starting work and return to payment easily if they subsequently cease work. For example, job seekers whose earnings are sufficient to reduce their payment to nil may qualify for an “employment income nil rate period” of up to 12 weeks if they continue to report their fortnightly earnings. If, during the employment nil rate period, the job seeker ceases work or their earnings decrease so their rate would no longer be nil, their payment recommences and they do not need to make a new claim.

Recipients who are in an employment income nil rate period are still considered to be on payment and therefore would not lose entitlement to Energy Supplement. The above exit figures capture the number of recipients who have exited fully from NSA and do not include recipients who started a nil rate period and subsequently recommenced payment.

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26 July 2017

Outcome Number: 1.5

Question No: 16

**Topic: Inquiry into the Social Services legislation Amendment (Ending Carbon Tax
Compensation) Bill 2017**

Hansard page: Written

Senator Siewert (Deputy Chair) asked:

How many single parent families will be impacted by the proposed changes in this Bill?

Answer:

It is estimated, based on March 2017 population data that by 30 June 2020, there will be approximately 215,000 single parents receiving income support, but not receiving Energy Supplement.