Department of Social Services

ANSWER TO QUESTION ON NOTICE

Senate Community Affairs Legislation Committee

Inquiry into the Social Security and Other Legislation Amendment (Technical Changes No. 2) Bill 2025

Public Hearing – 3 October 2025

Topic: Debt wavier

Question reference number: IQ25-000027

Question asked by: Penny Allman-Payne

Type of Question: Written. **Hansard Page/s:** N/A

Date set by the Committee for the return of answer: 14 October 2025

Question:

Can you please outline how the decision to increase the debt waiver value from $200 to $250 was reached?

A number of the submissions have outlined how if the value of the debt waiver had increased in line with indexation, it should currently be $440. Why wasn't indexation of the debt waiver value used to determine the increase?

Answer:

The new single threshold of $250 reflects a more up-to-date understanding of what is cost effective to recover and standardises the existing two-threshold system. For current recipients, the threshold will increase from $50 to $250.

The new threshold will be indexed annually to CPI, ensuring the threshold maintains its value over time.