# **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.