

Senate Economics Legislation Committee

ANSWER TO QUESTION ON NOTICE

Department of Social Services

Topic: Treasury Laws Amendment (Protecting Your Superannuation Package) Bill 2018

Question reference number:

Outcome Number: Outcome 1 – Social Security

Senator: Senator Chris Ketter

Type of Question: Hansard

Date set by the Committee for the return of answer: 30 July 2018

Question:

What is the basis of the calculation of an increase in the Department of Social Services' expenditure by \$64.8 million over the forwards? How many people in what category of Centrelink DVA payments and with what value of lost insurance payments?

Answer:

In relation to the 'Tailoring the Rules for Insurance in Superannuation' 2018-19 Budget measure, changes in expenditure for the Department of Social Services relate to the impact on social security payments of people who do not take up insurance in their superannuation, and subsequently cannot work due to injury or illness, either temporarily or permanently. These people are expected to access income support, subject to eligibility criteria including means testing.

Based on data provided by the Treasury, the Department of Social Services estimated over the forward estimates that an additional 1,482 people would receive Disability Support Pension; 4,799 people would receive Newstart Allowance or Sickness Allowance, both of which will become the new JobSeeker Payment from 20 March 2020; and 159 people would receive Youth Allowance (other). This includes people receiving a part-rate of payment.