

## **Senate Community Affairs Legislation Committee**

### **ADDITIONAL BUDGET ESTIMATES - 14 FEBRUARY 2013 ANSWER TO QUESTION ON NOTICE**

#### **Human Services Portfolio**

**Topic:** Income Management

**Question reference number:** HS 10

**Senator:** Cash

**Type of question:** Written

**Date set by the committee for the return of answer:** 5 April 2013

**Number of pages:** 2

#### **Question:**

- a) What is the total appropriation allocated to Income Management in the Northern Territory over the forward estimates for the DHS? Can you provide a breakdown of these costs by voluntary and compulsory Income Management?
- b) What is the total appropriation allocated to Income Management in the trial sites over the forward estimates for the DHS? Can you provide a breakdown of these costs?
- c) What is the total appropriation allocated to all Income Management measures and related programs and sub-programs over the forward estimates?
- d) What are the costs of administering income management per head (i.e. per customer) per site (i.e. NT, APY Lands, trial sites, WA sites); and for a breakdown of these costs per customer?

#### **Answer:**

- a) The Department of Human Services will be appropriated \$75.230 million for Income Management in the Northern Territory for the remaining financial years of the measure, as reported in the forward estimates. This measure is a terminating measure with the majority of funding ceasing on 30 June 2014. The Department of Human Services does not track income management costs on a customer number or measure basis. The cost of administering Income Management includes a very high proportion of fixed costs that are incurred regardless of the number of customers. Fixed costs include infrastructure, remote service delivery costs, travelling to and from vast geographical locations, program management costs etc.
- b) The Department of Human Services has been appropriated \$133.077 million for Income Management in the trial sites over the forward estimates. All the Income Management measures are classified as trial sites because funding is time limited. Funding for all Income Management trials is scheduled to cease 30 June 2014 and 2016 inclusive.
- c) The Department of Human Services has been appropriated \$136.319 million for Income Management measures and related programs and subprograms over the forward estimates.

- d) The Department of Human Services does not track Income Management costs on a customer number basis. The cost of administering Income Management includes a very high proportion of fixed costs that are incurred regardless of the number of customers. These costs include infrastructure, remote service delivery costs, traveling to and from vast geographical locations, program management costs etc.