

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
SOCIAL SERVICES PORTFOLIO
2014-15 Additional Estimates Hearings

Outcome Number: 4.1 Housing and Homelessness Question No: SQ15-000028

Topic: Commonwealth Rent Assistance for Private Rental

Hansard page: 77

Senator McLucas asked:

With regard to Commonwealth Rent Assistance for private rental, in the current setting how do you calculate the amount that you will allocate in the out years? What are the inputs that lead us to a number that we can understand, please?

Answer:

Commonwealth Rent Assistance (CRA) is a supplementary payment included in the calculation of the primary income support payment, family tax benefit or service pension.

The methodology to produce expenditure estimates for primary payments uses total actual expenditure and customer numbers to derive an average payment rate for each payment; therefore, the CRA component is an element in the derived average payment rate. Using forward year forecasts of indexation parameters, the derived payment rates are indexed and applied to projected customer numbers to produce forward year expenditure estimates for the primary payment.

In its Portfolio Budget Statements, DSS provides cash projections for CRA for the current and next financial years only.