

**Community Affairs  
Legislation Committee**

**Examination of Budget Estimates 2000-2001**

**Additional Information Received**

**VOLUME 1**

**(Centrelink, Output Groups: 1.1, 1.2, 1.3, 1.4, 2.1, 2.2,  
3.1, 3.2, 3.3, 3.4)**

**FAMILY AND COMMUNITY SERVICES  
PORTFOLIO**

**JULY 2000**

Note: Where published reports, etc. have been provided in response to questions, they have not been included in the Additional Information volume in order to conserve resources. The title page of each report has been included in this document for reference purposes.

## **ADDITIONAL INFORMATION RELATING TO THE EXAMINATION OF BUDGET EXPENDITURE FOR 2000-2001**

Included in this volume are answers to written and oral questions taken on notice relating to the estimates hearing held on 24 May 2000

### **FAMILY AND COMMUNITY SERVICES PORTFOLIO**

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# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING 24 MAY 2000

### Family & Community Services

Output group: Centrelink

Question No: 1

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA258).

#### QUESTION:

Can you provide me with details of any problems at all with any of your mailouts since the 8th February 2000 Estimates Hearings.

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#### ANSWER:

The attached table provides details of known mailout problems with letters generated by Centrelink's central computer systems that have occurred since 8th February 2000.

These mailout problems represent slightly less than 0.04% of the approximate 30.2 million letters posted by Centrelink since 8 February 2000.

**CENTRELINK MAILOUT PROBLEMS**  
**February to May 2000**

<b>Date</b>	<b>MAILOUT details</b>
8/3/00	<b>Centrelink Education System (CEPS).</b> Letters issued to <b>Assistance for Isolated Children</b> customers without the customer name above the address.
14/3/00	<b>Community Support Program (CSP).</b> Small number of CSP Provider letters were sent to incorrect addresses. The first line of the address was correct (contained the provider's postal address). The second line of the address was incorrect (contained the suburb of a Customer Service Centre). Some letters were successfully delivered by Australia Post.
22/3/00	<b>Family Assistance Office (FAO) Mailout.</b> 10,000 letters sent by mailing house without inserts. Letters reissued with inserts next day.
23/3/00	<b>Mobility Allowance.</b> Small number (less than 20) review forms were issued to customer's old address. Customers were identified and issued correct forms.
3/4/00	<b>Employment Services.</b> 934 customers received letters containing name of another customer rather than name of the recipient. All other details pertaining to the recipient were correct. Corrected letters were issued to affected customers.
26/4/2000	One batch of 263 letters were not posted to customers in Tasmania. The failure was not detected in two checking processes. 100 Youth Allowance and Austudy Payment customers were suspended, and after identification of the problem, reinstated. These 100 customers have received an apology from Centrelink. The remaining 163 customers have been identified, and investigation of the impact of nondelivery of those letters has been referred to Area Tasmania. <b>Centrelink and contractor staff have been instructed to adhere more strictly to checking procedures, and an additional checking step has been included.</b>
8/2/2000 to date	Twelve (12) instances of privacy breaches for bulk mail were reported. These were the result of errors in the mechanical process of inserting letters in envelopes which resulted in two unrelated letters being mailed together.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING 24 MAY 2000

### Family & Community Services

Output group: Centrelink

Question No: 2

Senator Denman asked on notice on 24 May 2000 the following question (Hansard reference: CA262).

#### QUESTION:

After training temporary staff for four to six weeks for a position, once permanent positions become available, what percentages of them do you employ back?

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#### ANSWER:

Figures on the number of temporary staff who become full time employees are not available. Centrelink does not keep detailed records of the previous employment history of permanent staff.

Some temporary staff, taken on to meet particular peaks in workload, do find permanent employment in both Call Centres and Customer Service Centres. It should be noted that the pool of applicants for temporary and permanent positions is often quite different. Many people are exclusively seeking temporary work while others will not apply for positions unless they are permanent.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING 24 MAY 2000

### Family & Community Services

Output group: Centrelink

Question No: 3

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA268).

QUESTION:

Can you provide me with details of the number of claims lodged and the number of claims accepted for stress related compensation.

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ANSWER:

<b>CLAIMS FOR STRESS RELATED ILLNESS</b>				
<b>Financial year</b>	<b>Claims lodged number</b>	<b>Claims lodged incidence rate per 1,000 staff</b>	<b>Claims accepted number</b>	<b>Claims accepted incidence rate per 1,000 staff</b>
1995/96- DSS	414	18.1	251	11
1996/97- DSS	252	12.1	152	7.3
1997/98 - C'lnk	288	12.75	138	6.1
1998/99 - C'lnk	206	9.38	78	3.6
1999/00* - C'lnk	81	3.67	15	0.7

\* The data for the 2000 financial year is for nine months to March 2000.

The above table indicates that since Centrelink commenced operations on 1 July 1997, claims lodged for stress related illness have been consistently decreasing. As of 31 March 2000, one reporting quarter before the completion of 3 years of Centrelink operations, there has been an overall decrease of 71.2% in the lodgement of claims for stress related illness.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING 24 MAY 2000

### Family & Community Services

Output group: Centrelink

Question No: 4

Senator Evans asked on notice on 24 May 2000 the following question (Hansard reference: N/A Written Question).

#### QUESTION:

How many Centrelink offices in each State have been separated into "Family front end offices" comprising family payments, aged and disability and "Employment front end offices" or roughly similar divisions?

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#### ANSWER:

There are currently 38 'specialist' type Centrelink offices across Australia which provide service to individual customer segment groups. These offices do, however, provide first point of contact for all services. The offices are categorised as follows:-

- Family Service Centre;
- Retirement Service Centre;
- Career Information Centre;
- Specialist Youth Services Unit; and
- Employment Services.

A number of specialist offices provide a combined service across several customer segment groups. The number of specialist offices per State and Territory is as follows:-

- |                                |    |
|--------------------------------|----|
| • Queensland                   | 10 |
| • New South Wales              | 8  |
| • Australian Capital Territory | 1  |
| • Victoria                     | 10 |
| • South Australia              | 3  |
| • Northern Territory           | 1  |
| • West Australia               | 1  |
| • Tasmania                     | 4  |

The attached table provides further detail regarding the location of specialist offices in each State and Territory of Australia.



# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING 24 MAY 2000

### Family & Community Services

Output group: Centrelink

Question No: 5

Senator Evans asked on notice on 24 May 2000 the following question (Hansard reference: N/A - Written Question).

#### QUESTION:

How many Centrelink “very small offices” have been opened and what is the location of each of these offices?

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#### ANSWER:

Small offices operated by Centrelink are those which are less than 250m<sup>2</sup> in size, and typically accommodate 10 staff. There are currently 32 Centrelink offices of this size located across Australia, with the number per State and Territory as follows:

- Queensland 8
- New South Wales 9
- Australian Capital Territory 2
- Victoria 5
- South Australia 2
- Northern Territory 1
- West Australia 2
- Tasmania 3

The location of each office by State and Territory is detailed in the attached table.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING 24 MAY 2000

### Family & Community Services

Output group: Centrelink

Question No: 6

Senator Evans asked on notice on 24 May 2000 the following question (Hansard reference: N/A - Written Question).

QUESTION:

How many "agents" provide services on behalf of Centrelink and what is the location of these "agents" by State?

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ANSWER:

There are 317 Agents providing services on Centrelink's behalf.

**The state by state breakdown of these services is:**

	NSW	VIC	QLD	SA	WA	TAS	NT	TOTAL
Centrelink Agent	30	11	27	12	15	2	0	97
Community Agent Programme	10	1	35	11	45	0	41	143
Basic Access Points	2	2	1	8	57	0	0	70
Rural Transaction Centres	2	1	3	1	0	0	0	7
	44	15	66	32	117	2	41	317

Agent services are categorised as follows:

**Centrelink Agents** - provide a variety of services on behalf of Centrelink using existing networks of community based organisations. They give Centrelink access to a greater depth of local knowledge and a wider community acceptance. Centrelink agents are able to respond to most general enquiries for information, provide access to Centrelink forms and publications, make appointments with Centrelink on behalf of customers, identify the need for access to and link customers directly with specialist officers such as Social Workers, and provide direct access to Centrelink staff where more assistance is needed.

A more enhanced service is also provided by those agents who Centrelink has supported with technology such as videoconferencing, Internet enabled PCs for customer access to the Internet, photocopiers and dedicated freecall fax and phone facilities providing direct access to the local Centrelink office.

**Community Agent Programme** - provide Centrelink services on an agency basis in remote indigenous communities where it is not practical to have a permanent Centrelink presence. They provide a range of Centrelink forms and publications and a forms lodgement facility.

**Basic Access Points** - provide basic access to Centrelink services and information in many very small rural locations where there are low population numbers but distance issues limit access to services. These access points can provide access through technology such as dedicated freecall fax and phone facilities, videoconferencing, the provision of a dedicated Internet enabled PC for access to Centrelink information and other relevant information on the Internet, as well as the provision of daily courier services and the display of Centrelink forms and general information products.

**Rural Transaction Centres** - Centrelink supports RTCs where population numbers warrant the provision of basic Centrelink services. Services include the provision of information and forms, access to a telephone with lines dedicated to Centrelink Call Centres, a free facsimile service for Centrelink documentation, and responding to basic customer enquiries.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING 24 MAY 2000

### Family & Community Services

Program: Family Assistance/ Youth and Student Support

Question No: 7

Senator Harradine asked on notice on 24 May the following question.

- (a) Under the existing Family Assistance and Youth Allowance arrangements, a one income family of four children with income of \$36,000 a year, where the eldest child turns age 16, suffers a drop in assistance of about \$76 per fortnight. How does this compare to what will happen post July 2000, arising from the changes to the family assistance payment arrangements and the changes to the YA arrangements encompassing the GST compensation arrangements?
- (b) Will the family of 4 children with income of \$36,000 be better off post July 2000? By how much?
- (c) When a child turns 16, remains at school, the parents income and expenses remain the same, and there are no changes in the family's circumstance, what is the rationale for the government reducing family assistance simply because of a birthday?

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The answers to the questions are:

- (a). The family's fortnightly reduction in assistance when a student child turns 16, is \$49.80 not \$76.00. After 1 July 2000 a family with income at \$36,000 who has a child who turns 16 will have a drop in assistance of \$51.90 per fortnight.
- (b) Yes. After 1 July this family will have an increase in assistance of approximately \$138 per fortnight.
- (c) The policy of successive Australian Governments has been to provide higher rates of Family Allowance until age 16. Beyond that age, the income support structure is designed to take into account the variety of paths taken by young people. Some continue secondary education, while others enter the workforce or undertake other forms of training and job search. Also, at this age many young people, including students, participate in the workforce thereby contributing to their own upkeep. Youth Allowance acts as an integrated system of support for young people irrespective of the activity they undertake, while providing better incentives to remain in full-time education than did the former AUSTUDY scheme. Although the rate of Youth Allowance is parentally means tested, most young people from low and middle income families are able to receive some payment. Family Allowance for 16 year olds and over provides a basic level of assistance to those who cannot qualify for any Youth Allowance, or would only receive a very low rate of payment.

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: 1.1 Family Assistance

Question No: 8

Senator Evans asked on notice on 24 May 2000 the following question (Hansard reference: N/A – Written Question).

**QUESTION:**

How many people does the Department estimate will be in a worse position after July 1 in terms of level of family payments access before income tax changes are taken into account?

What specific circumstances of these families create this outcome?

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**ANSWER:**

At this stage it is not possible to make any such estimates.

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: 1.1

Question No: 22

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA290):

QUESTION:

In relation to the Family Tax Benefit and shared care arrangements, what modelling was done to assess the impact of these changes on the custodial parents and children? Was there anything done?

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ANSWER:

Analysis has been undertaken within the department of the impact of the shared care arrangements for Family Tax Benefit on separated parents with more than 70 per cent care of a child. The analysis looked at a number of scenarios to compare the situation before and after 1 July 2000.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Program: 1.1

Question No: 23

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA290):

#### QUESTION:

How many custodial parents will experience pro rata cuts for care under 30 per cent and how many children will this affect. I would also like you to quantify the amount of FTB lost by income band.

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#### ANSWER:

As was previously indicated during debate in Parliament, the department is unable to determine at present the number of separated parents receiving 100 per cent of existing family assistance payments for a child who will receive a shared percentage of Family Tax Benefit due to the other parent having at least 10 per cent, but less than 30 per cent, care of the child. In such cases, as only one parent is receiving the full payment, the existing data held in the Centrelink system does not record the degree of care held by either parent.

It will be possible to determine the number of such cases after the commencement of Family Tax Benefit, including the difference in the amount of assistance and the person's level of income.

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: 1.1

Question No: 24

Senator West asked on notice on 24 May the following question (Hansard reference: CA290):

**QUESTION:**

What happens where the income of a non-custodial parent with care in excess of 10 per cent, exceeds the income thresholds for the FTB?

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**ANSWER:**

If the non-resident parent's income exceeds the threshold then the other parent will receive the percentage of Family Tax Benefit which represents the percentage of care they have. Entitlement will not increase to 100% of FTB unless the resident parent has more than 90% of the care of the child. Only around 1% of non-resident parents have income above the higher income threshold that will apply to FTB.



# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Outcome: 1 Stronger Families

Output group: 1.2 Youth and Students

Question No: 9

Senator Stott Despoja asked on notice on 24 May 2000 the following question (Hansard reference: N/A – Written Question).

#### QUESTION:

Noting that both the HECS and the Student Financial Support Scheme (SFSS) debts are indexed to CPI, and are adjusted annually in June, can you please provide:

- a) The total amount of accumulated SFSS debt for 2000 and 2001 (estimate)
- b) The total number of people who have outstanding SFSS debts for 2000 and 2001
- c) (estimate) with delineation between those with their SFSS debt still held by the Commonwealth Bank (ie before the five year cut off period) and those whose debt has been transferred to the ATO
- d) A breakdown of current students with SFSS loans by equity groups for the years 1996-2000.

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#### ANSWER:

- a) The total debt for the SFSS as at 31<sup>st</sup> March is \$1,644,091.

An estimate for June 2001 has not been prepared as this would require the application of indexation on outstanding loan balances as at 1<sup>st</sup> June 2001 based on the Consumer Price Index (All Groups). An estimate of this figure has not as yet been released by the Treasury.

- b) The total number of people who have debts as at 31<sup>st</sup> March 2000 is approximately 260,500.

A further estimation of total debtors for 2001 (including additions and reductions) is 285,000.

- c) As at 31<sup>st</sup> March 2000, the total number of persons with SFSS debts held by the Commonwealth Bank was approximately 185,745, whilst those whose debt has been transferred to the ATO number approximately 74,755.

- d) The breakdown of current students with SFSS loans by equity groups is not currently available.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Program: Youth and Students

Question No: 10

Senator Stott Despoja asked on notice on 24 May 2000 the following written question (Hansard reference: N/A – Written Question)

#### QUESTION:

How will the increase in CPI affect students and former students with outstanding SFSS debts.

Specifically:

How much will the accumulated SFSS debt rise in 2001 after indexation?

How much will the accumulated SFSS debt rise in 2001 due to the 2.75% shift in inflation as a result of the GST.

How much additional debt will individual student face due to the 2.75% shift in inflation as a result of the GST.

---

#### ANSWER:

a) Outstanding SFSS loan balances are indexed on 1<sup>st</sup> June each year, based on movements in the Consumer Price Index (All Groups). The indexation adjustment is applied only to the outstanding loan balance owed by the student to the Government.

b) The increase/decrease to the accumulated SFSS debt after indexation is not currently known as this will be affected by future movements in the Consumer Price Index which are not currently known. Treasury has a policy of not publicly releasing information relating to the economic parameters other than the information provided in the Budget papers.

c) The increase/decrease to the individual SFSS debts after indexation as a result of any shift in inflation caused by the GST is not currently known. Treasury has a policy of not publicly releasing information relating to the economic parameters other than that information provided in the Budget papers.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Program: Youth and Students

Question No: 11

Senator Stott Despoja asked on notice on 25 May 00 the following written question (Hansard reference: N/A – Written Question ):

#### QUESTION:

Has the Minister informed universities and students and SFSS debtors of the impact the GST related rise to inflation will have on these student loans?

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#### ANSWER:

Outstanding SFSS loan balances are indexed on 1<sup>st</sup> June each year, based on movements in the Consumer Price Index (All Groups). The indexation adjustment is applied only to the outstanding loan balance owed by the student to the Government.

Students are informed of the effects that the CPI has on outstanding loans balances in the following documents/statements;

- The SFSS scheme: A guide for applicants handbook provided to all loan applicants;
- Student Eligibility Notices (SEN's) provided to all entitled students in January each year.
- A financial statement is provided to all SFSS debtors in June each year detailing the applied indexation and methodology.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 May 2000

### Family & Community Services

Program: Youth and Students

Question No: 12

#### QUESTION:

Senator Stott Despoja asked on notice on 24 May 2000 the following written question (Hansard reference: N/A – Written Question) :

Given that education is nominally categorised as GST-free, will the Minister act to quarantine SFSS debts from the rise in inflation in 2001.

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#### ANSWER:

An indexation adjustment is made on 1 June each year to the amount of loan outstanding. The indexation is applied from the year after the loan is taken out. This indexation is based on the Consumer Price Index and is applied each year until the debt is repaid.

A rise in the Consumer Price Index (CPI), itself a retrospective indicator, will affect the individual debts held by students under the SFSS. As is usual in any year the impact of the CPI cannot be determined until it is calculated and released.

This indexation is embodied in an instrument set up under Section 10612X of the Social Security Act 1991.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Program: Youth and Students

Question No: 13

Senator Harradine asked on notice on 24 May the following question.

QUESTION:

What are the changes to Youth Allowance from 1 July 2000?

(Hansard Reference: N/A – Written Question)

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ANSWER:

The changes to Youth Allowance from 1 July 2000 are:

- maximum rates increase by 4%;
- maximum rate of Rent Assistance will increase by 7%;
- Income free areas increase by 2.5%;
- Parental Income Test free areas increase by 2.5%;
- Sibling concession amounts increase by 2.5%;
- Asset limits for both the family and personal assets tests increase by 2.5%.

#### Youth Allowance Rates of Payment 1 July 2000

Customer Circumstances		Maximum Rate per fortnight
Single, no children, under 18	Living at home	\$153.90
	Away from home	\$281.10**
Single, no children, 18 and over	Living at home	\$185.00
	Away from home	\$281.10**
Single, with children		\$368.30**
Partnered*, no children		\$281.10**
Partnered*, with children		\$308.70**
Special rates for long-term unemployed, aged 21+ years entering full-time study	Single, Living at home	\$227.20
	Away from home	\$341.40**
	Partnered, no children	\$308.70**
* Partnered means legally married or in a de-facto relationship for at least one year.		
** Rent Assistance may be available.		

## Rent Assistance rates 1 July 2000

<b>Family Situation</b>	<b>Maximum payment per fortnight</b>	<b>No payment if your fortnightly rent is less than</b>	<b>Maximum payment if your fortnightly rent is more than</b>
Single, no children	\$82.60	\$73.80	\$183.93
Single, no children, sharer	\$55.10	\$73.80	\$147.27
Couple, no children	\$77.60	\$120.20	\$223.67
One of a couple who are separated due to illness, no children*	\$82.60	\$73.80	\$183.93
One of a couple who are temporarily separated, no children	\$77.60	\$73.80	\$177.27
Single, 1 or 2 children	\$96.60	\$97.00	\$225.80
Single, 3 or more children	\$109.20	\$97.00	\$242.60
Couple, 1 or 2 children	\$96.60	\$143.60	\$272.40
Couple, 3 or more children	\$109.20	\$143.60	\$289.20

\*includes respite care and partner in gaol.

## **Personal Income Test**

From 1 July 2000, full-time students can have income up to \$236 gross (before tax) a fortnight without it affecting their Youth Allowance. If their income is between \$236 and \$316, each \$1 over \$236 will reduce their fortnightly Youth Allowance by 50c. Income above \$316 per fortnight reduces the allowance by 70c in the dollar.

The below table shows the income point from 1 July 2000 at which Youth Allowance is not payable.

<b>Full-time Student</b>		<b>Earnings Per fortnight</b>
Single, no children, under 18	Living at home	\$478.72
	Away from home	\$660.43
Single, no children, 18 and over	Living at home	\$523.15
	Away from home	\$660.43
Single, with children		\$785.00
Partnered, no children		\$660.43
Partnered, with children		\$699.86

From 1 July 2000, other young people can have income up to \$62 a fortnight without affecting payment. Income between \$62 and \$142 reduces fortnightly Youth Allowance by 50c in the dollar. Income above \$142 per fortnight reduces the allowance by 70c in the dollar.

## **Personal Assets Test**

If the Parental Means Test applies to a young person, the Personal Assets Test does not apply, as the young person's assets are included in family assets.

If a customer is independent for Youth Allowance purposes a Personal Assets Test will apply.

The assets limits from 1 July 2000 are:

- \$133,250 for a single independent young person who is a homeowner;
- \$228,750 for a single independent young person who is a non-homeowner;
- \$189,500 for a partnered independent who is a homeowner;
- \$285,000 for a partnered independent who is a non-homeowner.

### **Family Assets Test**

From 1 July 2000, the Family Assets Test threshold will increase to \$424,750. A 50 per cent discount for farm/business assets applies to the Family Assets Test.

### **Parental Income Test**

Please see attached table on next page. The income free area for Youth Allowance from 1 July 2000 has increased to \$24,388. The rate for Youth Allowance reduces if parents' income exceeds \$24,388 plus additional siblings.

### **Sibling concessions**

From 1 July 2000, sibling concessions will also increase to:

\$1230 for one additional child under 16 years;

\$2562 for each subsequent child under 16 years;

\$3792 for each child aged 16-24 attracting Youth Allowance, Family Tax Benefit, Veteran Children's Education Scheme or ABSTUDY;

\$7585 for a tertiary student getting living away from home rate of Youth Allowance where there are two such children in the family.



# 1 July 2000 Income Limits for the Parental Means Test

(Youth Allowance is payable below these limits)

CHILDREN			YOUTH ALLOWANCE		
Number*	Ages	Circumstances	No Rent Assistance	Full Rent Assistance (single, no children \$82.60 pf) **	Sharer's Rate Rent Assistance (\$55.10 pf)**
One	16	At home	\$40,396	N/a	N/a
One	16	Away from home	\$53,624	\$62,216	\$59,356
One	18	At home	\$43,628	N/a	N/a
One	18	Away from home	\$53,624	\$62,216	\$59,356
Two	1x16	Both at home	\$44,188	N/a	N/a
	1x18		\$47,420	N/a	N/a
Two	1x16	Both away from home	\$57,416	\$66,008	\$63,148
	1x18		\$57,416	\$66,008	\$63,148
Two	1x18	Tertiary Students Both away from home	\$61,209	\$69,801	\$66,941
	1x19		\$61,209	\$69,801	\$66,941
Three	1 x 16	At home	\$47,980	N/a	N/a
	1x16	Both away from home	\$61,208	\$69,800	\$66,940
	1x18		\$61,208	\$69,800	\$66,940
Three	1 x 16	At home	\$55,566	N/a	N/a
	1x18	Both tertiary students, away from home	\$68,794	\$77,385	\$74,525
	1x19		\$68,794	\$77,385	\$74,525

\*Income limits can be higher if there are other additional dependent siblings in the family.

\*\*Rent Assistance is indexed in March and September each year.

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING  
24 MAY 2000**

**Family & Community Services**

Program: Youth and Students

Question No: 14

Senator Evans asked on notice on 25 May 00 the following written question (Hansard reference: N/A – Written Question):

**QUESTION:**

Could I have a copy of the report by Eureka Strategic Research Pty Ltd on the consultancy survey of attitudes, expectations, perceptions and behavioural responses of young people and their families regarding the respective roles of family and government in providing financial support to young people. Can we have a summary of the results of this consultancy.

---

**ANSWER:**

Attached is a copy of the report. A summary of the key research findings can be found on pages 2 to 12 of the report.

**Report details:**

Eureka Strategic Research – Research on Family Responses to Youth Allowance  
November 1999, Project 2174

Eureka Strategic Research Pty Ltd  
PO Box 767, Newtown NSW 2042  
Ph 02 9519 2021  
Fax 02 9519 3451  
Email [eureka@eurekasr.com.au](mailto:eureka@eurekasr.com.au)

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 May 2000**

**Family & Community Services**

Program: Youth and Students

Question No: 15

Senator Denman asked on notice on 24 May 00 the following question (Hansard reference: CA274:1.2):

Subject: National Illicit Drugs Strategy (Supporting Families Measure)

QUESTION:

Could you table a document on what sorts of particular services each of the States were offering within the broader illicit drugs strategy.

---

ANSWER:

Attached are copies of the Victorian, Queensland, Western Australian, South Australian, Tasmanian and Australian Capital Territory Governments' Strategy on National Illicit Drugs

The New South Wales and Northern Territory Governments have requested that their proposals not be tabled until negotiations with the Department have been finalised.

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 May 2000**

**Family & Community Services**

Program: Youth & Students

Question No: 16

Senator Gibbs asked on notice on 24 May 00 the following question (Hansard reference: CA277):

Subject: National Illicit Drugs Strategy (Supporting Families Measure)

**QUESTION:**

Of the \$11.3 million being spread over the four years for all States, could you please provide as many statistics as possible for Queensland, particularly the south-west corner stretching out through to Ipswich.

---

**ANSWER:**

Approximately \$1.84 million over four years will be allocated to the Queensland Government under the Strengthening and Supporting Families Coping with Illicit Drug Use.

Proposals from Queensland indicate that the services will be initially targeted to the Brisbane, Logan and Inala areas.

Question 17 - Question by Senator Evans relating to the child abuse prevention program - as at 26 July 2000 answer not provided by DFACS. If further information is required please contact the Committee Secretariat on phone 02 6277 3516, or em [community.affairs.sen@aph.gov.au](mailto:community.affairs.sen@aph.gov.au)

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: Output group 1.3 Child Support

Question No: 18

Senator Denman asked on notice on 24 May 2000 the following question (Hansard reference: CA 286):

QUESTION:

*Child Support percentage tables*

Could you please provide a copy of the table of percentages that acknowledge all of the children that the parent is paying child support for and the different levels of contact that the parent may have with the individual children?

---

ANSWER:

The legislation is still being drafted. A copy of the table will be provided as soon as possible.

[The table is expected to be available in August 2000]

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: Output group 1.3 Child Support

Question No: 19

Senator Gibbs asked on notice on 24 May 2000 the following question (Hansard reference: CA 288):

QUESTION:

*Child Support Payments*

Do you have any sort of research or do you have any sort of outcomes in the Department that are actually pointing to a gender imbalance regarding women, who are, in the greatest number of cases, the custodial parent but whose incomes are reduced and who are basically living in near poverty?

---

ANSWER:

A copy of the publication *Child Support Scheme – Facts and Figures 1998-99*, which includes information about the relative incomes of payees and payers, is attached.

Publication details:

Child Support Scheme Facts and Figures 1998-99  
December 1999

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**  
**BUDGET ESTIMATES HEARING**  
**24 MAY 2000**

**Family & Community Services**

Program: Output group 1.3 Child Support

Question No: 20

Senator Gibbs asked on notice on 24 May 2000 the following question (Hansard reference: CA289):

QUESTION:

*Family Court*

When the broader parenting issues go back to the Family Court – how long does that take?

---

ANSWER:

The Family Court has advised that for 'broader parenting issues' which include residence of and contact with children and parenting plans, parents may apply to any of the 22 Family Court locations or, in most cases, one of the many Magistrates' Courts in Australia. The time it takes for a matter to proceed from filing to hearing depends entirely on:

- the individual court (backlogs, staff and resources),
- the complexity of the matter (whether a Registrar or a Judge can hear it, the issues and the material/documentation involved).
- whether the matter is contested *and* at what point, during the mediation or counselling procedures inherent in the Family Court process, the matter stops being contested.

An estimate of the time taken to have issues determined in the Family Court are:

- parenting plans: there is a two-week cooling-off period and then the plan is dealt with relatively quickly by a Registrar.
- consent orders: consent orders may be done that day if urgent, otherwise they are processed relatively quickly. Consent orders could deal with a range of issues.
- children's issues: anywhere from 6-8 weeks to 2 years depending on the factors listed above.



# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Program: 1.3

Question No: 21

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA290):

QUESTION:

In relation to the five per cent across-the-board average, can you provide me with a breakdown by income range of what the amount of benefit will be to the non-custodial parent?

ANSWER:

The five per cent figure is incorrect. The measure to reduce child support liabilities for payers exercising contact with their children of 10–30% of the nights of the year will result in an average reduction in liabilities of \$5 per week. This reflects the average income levels of child support payers. The median income level of child support payers is \$18,971. Table 1 below shows the breakdown by income level of the variation in liability where payers exercise contact. Table 2 shows the cumulative percentage of payers at different income levels.

**Table 1 Costs of Contact Formula Comparison**

	10% to 19% Contact				20% to 29% Contact			
	Before	After	\$ Var	Weekly	Before	After	\$ Var	Weekly
<b>Pvr Inc</b>	<b>18%</b>	<b>16%</b>			<b>18%</b>	<b>15%</b>		
<b>\$15,000</b>	\$813	\$723	\$90	<b>\$1.74</b>	\$813	\$678	\$136	<b>\$2.61</b>
<b>\$20,000</b>	\$1,713	\$1,523	\$190	<b>\$3.66</b>	\$1,713	\$1,428	\$286	<b>\$5.49</b>
<b>\$25,000</b>	\$2,613	\$2,323	\$290	<b>\$5.58</b>	\$2,613	\$2,178	\$436	<b>\$8.38</b>
<b>\$30,000</b>	\$3,513	\$3,123	\$390	<b>\$7.51</b>	\$3,513	\$2,928	\$586	<b>\$11.26</b>
<b>\$40,000</b>	\$5,313	\$4,723	\$590	<b>\$11.35</b>	\$5,313	\$4,428	\$886	<b>\$17.03</b>
<b>\$50,000</b>	\$7,113	\$6,323	\$790	<b>\$15.20</b>	\$7,113	\$5,928	\$1,186	<b>\$22.80</b>
<b>\$60,000</b>	\$8,913	\$7,923	\$990	<b>\$19.05</b>	\$8,913	\$7,428	\$1,486	<b>\$28.57</b>
<b>\$70,000</b>	\$10,713	\$9,523	\$1,190	<b>\$22.89</b>	\$10,713	\$8,928	\$1,786	<b>\$34.34</b>
<b>\$80,000</b>	\$12,513	\$11,123	\$1,390	<b>\$26.74</b>	\$12,513	\$10,428	\$2,086	<b>\$40.11</b>
<b>\$90,000</b>	\$14,313	\$12,723	\$1,590	<b>\$30.58</b>	\$14,313	\$11,928	\$2,386	<b>\$45.88</b>
<b>\$100,000</b>	\$16,113	\$14,323	\$1,790	<b>\$34.43</b>	\$16,113	\$13,428	\$2,686	<b>\$51.65</b>

**Table 2 Payer Income Levels**

(Figures are from lodged income tax returns and payer estimates.)

**53%** have incomes **below \$20,000** per year

**71%** have incomes **below \$30,000** per year

**85%** have incomes **below \$40,000** per year

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Program: 1.3

Question No: 25

Senator West asked on notice on 24 May 1999 the following questions (Hansard reference: CA292).

#### QUESTION:

When was the Murray Woods consultancy let? How was it let? How were the decisions made to let it that particular way, what was the value of the consultancy, and what length of time?

---

#### ANSWER:

The consultancy was let to Murray Woods and Associates on 15 December 1997.

The Department contracted Murray Woods and Associates to undertake this research as they had carried out previous research into compliance behaviour on behalf of the Child Support Agency. Tenders were not sought from other researchers.

The Department wished to pursue follow-up research on contact behaviour with the same group of clients interviewed for the previous research, on the basis that it would assist in maximising participation in the survey. As the consultant had recently conducted similar work with the same group, he had training and procedures in place that could be applied to the survey.

The total cost of the project was \$65,868. Of this \$64,000 was the consultant's fee and \$1,868 was reimbursement of CSA costs for support services provided during the survey. The consultant's report was provided to the Department on 27 March 1998. The research was evaluated over several months before being put forward for publication as part of the Department's normal publication program.

A copy of the research paper is attached.

#### Research paper details:

Policy Research Paper No. 75

The Behaviour and Expenditures of Non-resident Parents during Contact Visits

Results of a survey conducted by Murray Woods & Associates Pty Ltd  
May 1999

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: Output group 1.3 Child Support

Question No: 26

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA293):

QUESTION:

*Income Minimisation Package*

Part of the income minimisation package allowed the registrar to initiate a change of assessment and the effect of that change is that 184 cases have been finalised – how many cases are pending?

---

ANSWER:

113 cases are still under inquiry, based on our current case selection methodology. As these cases progress to finalisation, further cases will be selected for inquiry; ie the process is an ongoing one.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING 24 MAY 2000

### Family & Community Services

Program: Output group 1.3 Child Support

Question No: 27

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA294):

QUESTION:

*Payers and Payees*

In relation to the evaluation of the \$260 minimum assessment, I would like to know how the contract was let, who won it, the reasons for their selection and the cost.

---

ANSWER:

The contractor was chosen through a select tender process. Potential market and social research organisations were obtained through recommendations within the Department and from the consultant assisting with the tender documentation (Paul Sweeney, Enterprise Outsourcing Pty Ltd). It was necessary to select organisations with the capacity to undertake a large computer assisted telephone interview project. The selection comprised:

- Australian Institute of Family Studies;
- Millward Brown Australia;
- Quantum Market Research; and
- Roy Morgan Research.

The Australian Institute of Family Studies declined to submit a tender.

The selection panel comprised three CSA officers with a balance of research and contracting out experience. A decision was made to proceed with a contract with Millward Brown Australia on the following basis:

- demonstrated value for money;
- demonstrated understanding of the client group;
- methodology;
- quality control of data; and
- ability to provide the data in the required formats.

The contract price was \$58 860, plus 500 additional interviews at a cost of \$26 per interview. The CSA may also request coding for some open ended responses in the survey, which will be charged at \$45 per hour.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Program: Output group 1.3 Child Support

Question No: 28

Senator Evans asked on notice on 24 May 2000 the following question (Hansard reference: CA294):

QUESTION:

*Child Support for Low Income Earners*

Have you got a breakdown of the sorts of groups of people who do not have much income but still have to pay the \$5 a week minimum assessment?

---

ANSWER:

The following is a list of those groups that fall into the categories identified.

- Payers who have a taxable income less than \$11,929 and are paying child support for one child.
- Payers who are in receipt of Newstart Allowance, Disability Support Pension or other income support payments.
- Young payers whose only source of income is from part time work outside school hours
- Payers in prison receiving a small daily allowance.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Program: Output group 1.3 Child Support

Question No: 29

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA294):

QUESTION:

*Lower Child Support payments*

How many custodial parents are receiving lower payments and how many children are living in those affected households?

---

ANSWER:

As a result of the legislation changes that came into effect on 1 July 1999, approximately 150,000 payees (approximately 240,000 children) are now receiving between \$1 - \$260 per annum who would have previously received nothing. Approximately 335,000 payees (approximately 536,000 children) are receiving less child support as a result of the payers' exempt income amount being increased from 100% of the basic pension rate (\$9,043 per annum) to 110% of the basic pension rate (\$10,219 per annum).

The size of the child support reduction for these payers would be:

For payees with one child - \$180 per annum

For payees with two children - \$270 per annum.

For some payees these losses would be partly offset (up to 50%) by an increase in family payment.

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: Output group 1.3 Child Support

Question No: 30

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA295):

QUESTION:

*Private collection pilot*

You are doing a pilot of 100 parents required to undertake private collection activity – what was your initial pool that you collected that hundred from?

---

ANSWER:

1134 cases were initially selected.

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: Output group 1.3 Child Support

Question No: 31

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA296):

QUESTION:

*New Child support cases*

Can you tell me how many new cases per month are coming to the Child Support Agency?

---

ANSWER:

Approximately 6,400 applications per month are accepted by the Child Support Agency.



# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Program: Output group 1.3 Child Support

Question No: 32

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA296):

QUESTION:

*Child Support Caseload*

Do you have a set pattern of encouragement to get the present caseload of 44 percent of parents collecting their child support to 60 per cent?

---

ANSWER:

The CSA New Client Stream was set up specifically to assist newly separated parents to understand the options available to them under the child support scheme. The objective is to contact both parents prior to registration of an application for child support.

The topics discussed include an explanation of the child support scheme; how the child support formula works; the timing of child support payments being made by the payer and disbursed to the payee; and the types of changes in circumstances the CSA needs to be notified of. Also discussed is the option of private collection.

As at March 2000, 65% of new registrations were for private collection compared with the overall private collect average in CSA of 44.5%.

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: Output group 1.3 Child Support

Question No: 33

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA296):

QUESTION:

*Disbursement of Child Support payments*

Are many parents opting to have the discretion of how and when they spend up to 25 per cent of child support payments?

---

ANSWER:

Since 1 July 1999, 541 prescribed non-agency payments have been accepted. These payments total \$298,061.11 of which \$95,769.02 has already been credited as maintenance. The balance will be credited progressively, as liabilities are posted to accounts.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Program: 1.3

Question No: 34

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: \_CA297):

#### QUESTION:

Has the Department got any work going on the monitoring of poverty of children in single- parent families post divorce and the role of child support payments in alleviating poverty?

---

#### ANSWER:

The Department has a continuing program of research into the impact of its programs and the circumstances of family types, including previous and forthcoming work on benefit receipt and poverty in sole parent families and international comparisons of payments. The Australian Institute of Family Studies has recently released research conducted as part of its Australian Divorce Transitions project on financial living standards after divorce.

While the Department has not done specific work to date on the question of post-divorce living standards, its capacity to answer question on the effects of family breakdown on living standards will in future be significantly increased by the development of a series of longitudinal data sources, including a Longitudinal Data Set of administrative data, major work on a Household Income and Labourforce Dynamics Analysis and the development of the Australian Institute of Family Studies Family Panel Survey.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Program: 1.3

Question No: 35

Senator Chris Evans asked on notice on 24 May 2000 the following question (Hansard reference: CA298):

QUESTION:

What is the benefit for the non-custodial parent? Earlier you provided some gross figures of the impact on liability for the total payment. Could I have not only the number of payers but what the extent of the saving is for them as a group. Have you got that calculation for that group?

---

ANSWER:

This question relates to the Budget proposal to align the measure of 'average weekly earnings' that sets the upper limit or 'cap' on payer taxable income used in their child support assessment with that used for the payee's disregarded income amount.

As a group, the estimated 4,000 payers affected by this measure will have their assessed liabilities reduced by approximately \$12.4 million, or an average of around \$60 per week per payer. These payers will continue to pay an average of around \$15,300 per annum (\$295 per week) in child support.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING 24 MAY 2000

### Family & Community Services

Program: Output group 1.3 Child Support

Question No: 36

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA 299):

QUESTION:

*Income from second jobs and overtime*

As to the assessment of income for child support parents undertaking overtime or second jobs, am I right in saying that non-custodial parents will have the income for a second job or overtime excluded from the assessment for child support if it is to be of benefit for their second family?

Do you have some examples that might assist the Committee in looking at how the circumstances would be treated?

---

ANSWER:

Yes. However, strict criteria will be applied before the income is disregarded. Income from second jobs or overtime will only be disregarded where:

- a parent can demonstrate that the additional income is earned for the benefit of the children (both natural/adoptive and step-children) in their current (subsequent) family;
- the additional income is not earned as part of the normal earning pattern established by the parent prior to establishing a subsequent family, for example, through regular or seasonal overtime or seasonal employment; and
- the additional income does not arise from a condition of an existing income source, for example, mandatory overtime, shift work conditions or normal incremental increases in pay (including normal career advancements).

Senior case officers will make a decision as part of the Change of Assessment process. The amount of any change in child support will take into account the circumstances of both parents and children and whether the change is just and equitable in that particular case. As well, the amount of income to be excluded will be limited to a maximum of 30 per cent of the parent's total child support income.

Attached are some examples that might assist the Committee.

## **Assessment of Income for Payers and Payees undertaking Overtime/Second Jobs**

### **Example A**

Alan has an income of \$36,000. He pays Barbara \$4,680 child support each year for their son, Charles. Alan marries Dianne who has 2 children under the age of 5 years. Alan takes on a second job at the weekend and earns an additional \$8,000 per year. Alan's child support income would increase to \$44,000 and his child support would increase to \$6,120.

- a. Alan would apply to CSA to have the income from the weekend job excluded. The likely outcome would be that his child support would revert to \$4,680.
- b. However, in the course of the application it is determined that Dianne's ex-husband (who also earns \$36,000 per year) pays Dianne \$7,020 in child support. The likely outcome is a possible reduction of child support, but not to \$4,680.

### **Example B**

Elaine and Fred and their daughter, Gemma, lived on a combination of casual work and social security payments. When the marriage broke up, Elaine and Gemma continued to live on social security payments, however Fred obtained a job with a salary of \$22,000. He paid child support of \$2,160 a year. Fred married Helen and within a year they had a child, Iris. Once Iris was born Fred's child support was reduced to \$540. Fred starting working at a service station at the weekend at earned an additional \$5,000 per year. His child support would increase to \$1,440.

Fred would apply to have his child support reduced. The SCO would look at the situation of Elaine and Gemma as well as Fred's new family. It would be recognised that the birth of Iris had already reduced the child support for Gemma from \$2,160 to \$540 and that it would probably not be just and equitable to ignore all the additional income. The child support would be set at a level between \$540 and \$1,440.

### **Example C**

James and Kathy have a 14 year old son Llew. They have been divorced for 5 years and James pays child support of \$6,260 based on his income of \$45,000 per year. Kathy has remarried and receives the base rate of family payment. James has also remarried and his wife Mary has a 12 year old son, Neil. James subsequently decided to undertake additional work to better provide for his new family. As a result he expects to earn \$10,000 a year from this second job. With a total income of \$55,000 James child support would increase to \$8,013. James would apply to have the income from his second job excluded from his assessment. His application is likely to succeed, with child support reduced to the original amount.

### **Example D**

When Oliver and Pauline separated, their 15 year old son Quentin elected to live with Pauline. Pauline has an annual income of \$30,000 and Oliver earns \$30,000. Oliver pays child support of \$3,500 per annum. Pauline enters a de facto relationship with Robert who has two young children. To create a better life for her blended family, Pauline takes on a second job earning \$10,000 per year. This would reduce Oliver's child support payments to Pauline from \$3,500 to \$2,700.

Pauline could apply for the child support entitlement not to be reduced and that the income from the second job be excluding from calculating his child support entitlement. The likely outcome would be the child support remaining at \$3,500.

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: 1.3

Question No: 37

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA300):

QUESTION:

Is it possible for you to give us an average benefit to non-custodial parents by income band?

---

ANSWER:

No. The amount of any increase in Family Tax Benefit as a result of this change is dependent on a number of factors apart from the non-resident parent's income. These factors include, the combined income of the non-resident parent and their partner, the number (and age) of children in the new household, the amount of private rent (if any), the amount of any child support received in the new household, the amount of child support paid, and the child care arrangements in the new household.

Modelling of the average affect of this measure indicates that approximately 10,000 child support payers with children in new families would benefit by an average of around \$8 per week. There is no impact on payees.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING 24 MAY 2000

### Family & Community Services

Output group 1.4 Childcare Support

Question No: 38

Senator Evans asked on notice on 24 May 2000 the following question (Hansard reference: CA306):

#### QUESTION:

Can you explain the large difference between the child care support appropriations in the 2000-01 PBS, compared to Budget Paper 3 and the 1999-00 PBS?

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#### ANSWER:

The tables in Budget paper 3 (tables B4, B5 and B6) show a drop in the amount allocated by the Commonwealth to Children's Services specific purpose payments to local government authorities;

- from \$163.217m in 1999-00 to \$48.636m in 2000-01 for current funding and
- from \$2.194m in 1999-00 to \$0.929m in 2000-01 for capital funding

The explanation for these changes is as follows:

The \$163.217m figure in 1999-00 included two different types of support for local government childcare services. These were Childcare Assistance (CA) and other recurrent grants/subsidies for childcare services (Support for Childcare).

CA is a payment made to services to provide means tested fee relief for low and middle income families. The amount paid to services under this scheme depends on the number of children in care and the circumstances of their parents (in particular, family income). The full amount of the payment made to each service has to be passed on to the relevant parents as fee reductions. CA for Commonwealth approved childcare services operated by local governments accounted for around \$115m of the \$163.217m in 1999-00.

Support for Childcare payments are ongoing subsidy payments to childcare services. Most of these payments are based on the number of children using the service (irrespective of the circumstances of those families). The main payments in this category are operational subsidies to family day care schemes but also included are some less common subsidies for children with special needs.



CA is being abolished from 1 July 2000. It will be replaced by a new benefit called Child Care Benefit (CCB). This will not mean an actual reduction in Commonwealth funding of approved local government childcare services. However, because the legislation establishing CCB defines it as a legal entitlement of the parent, government accounting rules do not allow CCB paid to local government childcare services to be classified as a specific purpose payment to local government. In reality CCB will normally be paid in exactly the same way as CA (a payment to the service that is passed on to parents as a fee reduction.)

In fact the amounts paid to approved local government childcare services through CCB can be expected to be considerably higher than have been paid under CA. This is because:

1. The CCB paid to services will now include a component equivalent to the Childcare Cash Rebate (CCR) which has until now been paid direct to parents through Medicare offices on production of a receipt.
2. The rate of CCB is generally higher than the combined CA & CCR amount.

On average CCB paid to services will be at least 10 to 15% higher than under CA .

Support for Childcare payments are unchanged and are still classified as specific purpose payments to local government when paid to childcare services operated by a local government authority. This accounts for the remaining \$48m under direct payments-current.

The reduction in capital payments is due to the expiry of some one off and limited term Commonwealth/ State capital funding agreements/ growth strategies for childcare.

Table 2.1.1 at page 54 of the Department of Family and Community Services Portfolio Budget Statement shows the effect of the change from CA to CCB.

This shows large reductions in the CA and CCR allocations and a new allocation for CCB.

The CA and Support for Childcare SPPs shown for Appropriation Bill 2 covers SPPs to State Governments only. In table 2.1.1 the amount for SPPs to local government were in fact part of the CA and Support for Childcare under Appropriation Bill 1.

In summary, the \$115m reduction in the children's services specific purpose payments to local government, shown in Budget Paper 3, is all part of the \$690m reduction in CA shown in the FaCS PBS. This \$690m reduction is more than off set by the new allocation for CCB of \$989m

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Output Group 1.4 Childcare Support:

Question No: 39

Senator Evans asked on notice on 24 May 2000 the following question (Hansard reference: CA307):

QUESTION:

Can we have a breakdown of the increased childcare allocation by rate increases and other causes, including the assumptions used.

---

ANSWER:

The following tables track the changes in childcare allocations from the 1999-00 Additional Estimates to the 2000-01 Budget allocations as shown in table 2.1.1 of the FaCS Portfolio Budget Statement.

<b>Childcare Assistance Bill 1</b>	<b>No. of Places</b>	<b>Estimate (\$m)</b>
Estimate for 1999-00 as at 1999-00 Additional Estimates	370,396	743.658
Revised Estimate for 1999-00 as at 2000-01 Budget		706.500
<b>Base estimate for 2000-01</b>		<b>706.500</b>
<b>Additional Bill 1 places assumed for 2000-01</b>	17,320	14.935
		2.000
<b>Transfer from Bill 2 to remove SPP distinction</b>		
Less funds for block funded services transferred to Support for childcare item		-15.000
Transfer to Childcare Benefit		-691.435
<b>Estimate for 2000-01 as shown in FaCS PBS</b>		<b>17.000</b>
 <b>Childcare Assistance Bill 2</b>		
Estimate for 1999-00 as at 1999-00 Additional Estimates	5,385	20.137
Revised Estimate for 1999-00 as at 2000-01 Budget		20.137
<b>Base estimate for 2000-01</b>		<b>20.137</b>
<b>Additional Bill 2 places assumed for 2000-01</b>	255	1.319
Remove SPP distinction (transfer to Bill 1)		- 2.000
Transfer to Childcare Benefit		-19.456
<b>Estimate for 2000-01 as shown in FaCS PBS</b>		<b>0.000</b>
 <b>Childcare Rebate</b>		
	<b>No. of Claims</b>	<b>Estimate (\$m)</b>
Estimate for 1999-00 as at 1999-00 Additional Estimates	181,944	147.044
Revised Estimate for 1999-00 as at 2000-01 Budget		134.980
<b>Base estimate for 2000-01</b>		<b>134.980</b>
<b>Additional claims expected 2000-01</b>	5,458	11.325
Transfer to Childcare Benefit		-96.305
<b>Estimate for 2000-01 as shown in FaCS PBS</b>		<b>50.000</b>

## Child Care Benefit

Estimate (\$m)

Transfer from Childcare Assistance Bill 1	691.435
Transfer from Childcare Assistance Bill 2	19.456
Transfer from Childcare Rebate	96.305

### New Policy features for CCB

<ul style="list-style-type: none"><li>• One off increase under CCB (\$7.50 at LDC average fee).</li><li>• Abolition of the minimum parent contribution</li><li>• Indexation (from April 1999 to June 2000).</li><li>• Introduction of a 10% part-time loading for long day care. (Based on usage as per preliminary 1999 Childcare Census)</li><li>• Extension of the multiple child percentage to include Outside School Hours Care Services.</li><li>• Multiple child rates applying for second and subsequent children.</li><li>• Lower taper rates: 10% for 1 child, 15 &amp; 25% for 2 children, 15 &amp; 35% for 3 or more children.</li></ul>	181.553
<ul style="list-style-type: none"><li>• Higher income limits for payments.</li><li>• Income limits increase with every child.</li></ul>	1.220

### Total estimated cost of new policy

#### 2000-01 New policy (flexible childcare options)

#### Accrual adjustments

Appropriation receivable	-10.486
Appropriation payable	9.900

**Estimate for 2000-01 as shown in FaCS PBS 989.383**

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING 24 MAY 2000

### Family & Community Services

Output group: 1.4 Child Care Support

Question No: 40

Senator EVANS asked on notice on 24 May 2000 the following question (Hansard reference:CA308:

#### QUESTION:

Could I have an explanation of the \$13 million carried over into the \$188 million and where those funds are now represented?

---

#### ANSWER:

\$13.1 million was carried forward from the 1998-99 allocation to the 1999-2000 allocation in the Budget.

The roll-over was necessitated by a number of factors including:

- slippage in program delivery, particularly in rural and remote areas;
- an inability to have all capital initiatives at a stage where funding could be released; and
- the need to identify funding which could be used to support new initiatives within the program in 1999-2000.

These funds sit within 1.4 Support for Childcare.

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Output Group 1.4 Childcare Support:

Question No: 41

Senator Evans asked on notice on 24 May 2000 the following question (Hansard reference: CA309):

QUESTION:

Can we have a breakdown of the increases in child care benefit – Can you give me an analysis of what is driving the higher allocation?

---

ANSWER:

The information requested in this question is contained in the answer to question 39 asked by Senator Evans on 24 May 2000 (Hansard reference CA307)

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Output Group 1.4 Childcare Support:

Question No: 42

Senator Evans asked on notice on 24 May 2000 the following question (Hansard reference: CA310):

QUESTION:

What calculation underpins the budget figure in terms of parents claiming childcare benefits as compared to last year?

---

ANSWER:

The information requested in this question is contained in the answer to question 39 asked by Senator Evans on 24 May 2000 (Hansard reference CA309)

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Output Group 1.4 – Childcare Support

Question No: 43

Senator Evans asked on notice on 24 May 2000 the following question (Hansard reference: CA311):

QUESTION:

Can you provide me with a breakdown on the increases in total childcare benefit to families?

---

ANSWER:

The increases in assistance to families as a result of the introduction of Child Care Benefit (CCB) will vary according to factors such as income levels, fees charged, eligible hours used and type of childcare service. A table showing the level of increases under a selection of family situations is attached.

The new policy features of CCB are listed in the answer to question 39. Of those, the features that contribute most to the increases families receive are the increase in the maximum rate of assistance, indexation and the 10% part time loading for long day care.

[Table titled weekly increases under child care benefit is available from the Secretariat]



**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: Stronger Families

Question No: 44

Senator Evans asked on notice on 24 May 2000 the following question (Hansard reference: CA313/314):

**QUESTION:**

What is the number of accredited and unaccredited centres for childcare and what is the longest time we have had someone under a plan of action?

---

**ANSWER:**

As at 31 March 2000:

2,917 centres were accredited with 3 years between reviews

203 centres were accredited with 2 years between reviews

485 centres were accredited with 1 year between reviews

252 centres unaccredited and working through a plan of action

210 centres in self-study, in review, in moderation or awaiting Council decision

The longest time a centre has been working through a plan of action is 4 years and 5 months.

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: Stronger Families

Question No: 45

Senator Denman asked on notice on 24 May 2000 the following question (Hansard reference: CA314):

QUESTION:

Could I have a list of the states that do spot checks on child care centres

---

ANSWER:

All States and Territory governments carry out spot check on long day childcare centres.

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: Housing Support

Question No: 46

Senator Evans asked on notice on 24 May 2000 the following question (Hansard reference: N/A – Written Question).

**QUESTION:**

Has the Minister viewed a copy of the report prepared by Econtech on the impact of the GST on boarding house rents which was funded by the Housing Branch of FaCS?

---

**ANSWER:**

Yes.

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: Housing Support

Question No: 47

Senator Evans asked on notice on 25 May 2000 the following question (Hansard reference: N/A – Written Question).

QUESTION:

On what date was a draft of the Econtech report forwarded to FaCS by the consultants?

---

ANSWER:

A draft report was received by FaCS on 8 December 1999.

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: Housing Support

Question No: 48

Senator Evans asked on notice on 25 May 2000 the following question (Hansard reference: N/A – Written Question)

QUESTION:

Can the Department provide a copy of the project brief for the study conducted by Econtech?

---

ANSWER:

Yes. See attached Request for Tender.

[Request for tender – Boarding House cost structures and the implications of the GST Department of Family and Community Services, 1999]

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: Housing Support

Question No: 49

Senator Evans asked on notice on 25 May 2000 the following question (Hansard reference: N/A – Written Question).

QUESTION:

What was the total cost of the Econtech study?

---

ANSWER:

\$29,000.

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: Housing Support

Question No: 50

Senator Evans asked on notice on 25 May 2000 the following question (Hansard reference: N/A – Written Question).

**QUESTION:**

What briefs, minutes or other advice have been provided to the Minister on the Report?

What briefs, minutes or other advice have been drafted on this issue within the Department?

---

**ANSWER:**

Details of briefings or advice provided to Ministers is confidential.

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: Housing Support

Question No: 51

Senator Evans asked on notice on 25 May 2000 the following question (Hansard reference: N/A – Written Question).

QUESTION:

On what date was the Econtech report forwarded by the Minister to the Treasurer?

---

ANSWER:

The Minister forwarded the final Econtech report to the Treasurer on 5 April 2000.



**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: Housing Support

Question No: 52

Senator Evans asked on notice on 25 May 2000 the following question (Hansard reference: N/A – Written Question).

**QUESTION:**

Could I have a copy of the report by AC Nielsen Research Pty Ltd on Consultancy to develop a detailed understanding of the living arrangements of Rent Assistance customers? Can we have a summary of the results of this consultancy?

---

**ANSWER:**

Yes. Attached is a copy of AC Nielsen's final report on the 1998 National survey of Rent Assistance recipients. The report includes an executive summary setting out the main findings from the survey.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Program: 2.1

Question No: 53

Senator Gibbs asked on notice on the 24 May 2000 the following question (Hansard reference: CA315).

QUESTION:

Could I have figures on the numbers of homeless including a break-up state by state and also information on trends in numbers?

---

ANSWER:

There have been two recent attempts to estimate the number of homeless people in Australia. The two attempts utilised different methodologies and produced different estimates of homelessness. The first study, conducted by the Consilium Group, using mathematical predictive model, estimated 53,000 people (including accompanying children) to be homeless as at 30 June 1997. The second study, undertaken by the Centre for Youth Affairs, Research and Development (CYARD) at RMIT, involved an analysis of the ABS 1996 Census data and estimated the homeless population at 105,300 on census night.

While State breakdowns were not available in the Consilium study, the CYARD project (conducted by Chamberlain and MacKenzie) gave an estimate of the homeless population by State as follows:

State/Territory	Estimated number	Per cent
New South Wales	29,608	28
Queensland	25,649	24
Victoria	17,840	17
Western Australia	12,252	12
Northern Territory	9,906	9
South Australia	6,837	7
Tasmania	2,014	2
Australian Capital Territory	1,198	1
<b>Total</b>	<b>105,304</b>	<b>100</b>

These estimates are regarded as indicative only. Apart from SAAP data, there is no reliable estimates on the trends in homeless numbers. Over the three years that data have been collected, the number of SAAP clients (excluding accompanying children) fluctuated between 83,000 and 94,000 per year.

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: 2.1

Question No: 54

Senator Denman asked on notice on the 24 May 2000 the following question (Hansard reference: CA316):

QUESTION:

Could I have information on the number of children who are homeless and could I also be provided with a copy of the report on homelessness amongst children?

---

ANSWER:

Using the 1998-99 Supported Accommodation Assistance Program (SAAP) data, it is estimated that there were 45,000 children supported by SAAP (represented by 65,800 occasions of SAAP support given to accompanying children). A report on the Special Collection on Accompanying Children is currently being drafted by the Australian Institute of Health and Welfare. A copy of the Report will be forwarded as soon as it becomes available.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING 24 MAY 2000

### Family & Community Services

Program: 2.1

Question No: 55

Senator WEST asked on notice on 24 May 2000 the following question (Hansard reference: CA318)

#### QUESTION:

What does the department do in terms of looking at the full range of housing issues, not just housing for low income and homeless?

---

#### ANSWER:

Mr Whalan responded to the question and offered to provide Senator West a paper copy of a publication entitled *Australian Housing Market Statistical Update* and alert her when the revised version is on the website.

The publication *Australian Housing Market Statistical Update*, which is produced quarterly, complements the Department's Research FaCS Sheet Number 5 *Australian Housing Market*. Copies of both these publications are attached for Senator West.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Program: 2.2 Community Support

Question Nos: 56

Senator Harradine asked on notice on 24 May the following questions (Hansard reference: N/A – Written Questions)

#### QUESTION:

1. What is the total allocation provided to the Young Women's Christian Association (YWCA) in the 2000-2001 financial year?
  2. What is the breakdown of expenditure to the YWCA (salaries, projects etc)?
  3. How does this compare with allocations in previous years?
  4. Could the Department provide a list of office and interim office bearers for the YWCA?
- 

#### ANSWER:

1. The YWCA is funded to deliver the Emergency Relief Program in the Northern Territory and the Australian Capital Territory. Final funding figures are still being finalised, but it is anticipated that funding will remain at a similar level to 1999/2000 funding (\$3 315 in the NT, \$6, 376 in the ACT).

In addition the YWCA Sydney is funded to deliver a Youth Activities Service Program (YAS) and Family Liaison Program (FLW) in Whalan, Sydney NSW. The YAS program is on recurrent funding and is allocated \$46,719 for 2000/2001 though this will alter slightly due to the GST provision. The FLW program was allocated funding until 30<sup>th</sup> of June 2000 though the agreement has been extended to include a further 12 months funding. The funding amount for the period 2000/2001 is \$20,492.

2. Funding is provided for the purpose of providing emergency financial assistance to individuals and families in financial crisis. Assistance may be in the form of cash, provision of a purchase voucher of fixed value, or payment of an outstanding account on behalf of the client. Emergency Relief agencies may use up to 15% of their grant for administration purposes. In the Northern Territory, for the past two years the YWCA agency has reported nil expenditure on administration costs. The ACT agency's 1999/2000 acquittal is not due until September. In previous years their administration costs were \$550 (1998-1999), \$650 (1997-1998) and \$500 (1996-1997).

Funding is provided for the purpose of youth activities and family support for families with adolescents. Approximately 58% is for salaries and 42% for the project costs. The salary component of the money is toward wages to employ a full-time Youth Program Coordinator / Family Support Counsellor.

3. NT: 1999/2000 \$3,315  
1998/1999 \$3,400

ACT: 1999/2000 \$6,376  
1998/1999 \$5,580  
1997/1998 \$5,500  
1996/1997 \$5,000

NSW YAS: 1999/2000 \$46,634  
1998/99 \$48,053  
1997/98 \$45,799

NSW FLW: 1999/2000 \$20,454  
1998/99 \$20,262  
1997/98 \$12,460

4. NT: President: Elizabeth Desailly  
Vice Presidents: Danyelle Bodaghi & Alison Bonney  
Treasurer: Carol Borovic

ACT: Joint Presidents: Barbara Podger & Katrina Nitschke  
Vice Presidents: Elizabeth Kentwell & Jessica Reynolds  
Joint Treasurers: Yolanda Hanbridge & Kelli Lander

NSW: President: Jane Diplock  
Vice President: Kate Dixon & Sam Reichel  
Treasurer: Kathlene Montgomery

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: 2.2 Community Support

Question No: 57

Senator West asked on notice on 24 May the following question (Hansard reference CA 321):

QUESTION:

Could I have a breakdown of what the intended budget is in relation to the preparation for the International Year of Volunteering?

---

ANSWER:

Funding of \$7 million over two years for the International Year of Volunteers is provided through the Stronger Families and Communities Strategy. The Department of Family and Community Services is currently conducting workshops with the voluntary sector to develop a series of objectives for the Year. Once these are established, a program of activities will be prepared to support specific objectives. The Department, working closely with an Interdepartmental Committee, is also currently developing a communication strategy for the year.

We are awaiting the outcome of these activities before we develop a detailed budget for the International Year.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Program: 2.2 Community Support

Question No: 58

Senator West asked on notice on 24 May the following question (Hansard reference: CA322):

#### QUESTION:

Could I have information on people who are volunteering as part of mutual obligations and also information on insurance relating to volunteers?

---

#### ANSWER:

Customers have the option of undertaking voluntary work as their Mutual Obligation activity. Customers must:

- take part for:
  - 200 hours over 26 weeks if 18-20 years old
  - 240 hours over 26 weeks if 21 years and over
- put the details of voluntary work in their Mutual Obligation Job Seeker Diary;
- arrange for the volunteer organisation to verify attendance in the Mutual Obligation Jobseeker Diary;
- record job contacts.

For voluntary work to count, the organisation must be community-based and not-for-profit. There are some types of voluntary work that would not be approved, including work that replaces a paid worker, or work that does not have a community focus.

The Voluntary Work Initiative (VWI) contract is with Volunteering Australia (VA) to provide volunteer referral placement and training services for Centrelink clients and volunteer management training for not-for-profit organisations. The VWI is specifically targeted at unemployed people in receipt of Newstart or Youth Allowance.

23 330 people have been placed under VWI over the period 20 September 1997 to 20 May 2000.

The Department's policy includes that unemployed people should be able to volunteer with any not-for-profit organisation of their choosing. While all VA members must carry volunteer insurance as a condition of membership, mutual obligation volunteers are not obliged to volunteer with a VA member organisation.



Two regions in NSW (Coffs Harbour and Hunter Valley) have particularly come to the attention of the Department. VA recently surveyed their member organisations in these areas to ascertain the level of insurance coverage. The majority of organisations have indicated that they are able to provide jobs for Mutual Obligation customers with adequate insurance cover.

VA continues to promote insurance groups that do offer suitable insurance policies to their member organisations. As a result, the vast majority of registered organisations across Australia are suitably covered and able to offer appropriate “protection” for Centrelink customers.

In negotiating the new VWI contract in September this year, the Department intends to be more specific about the obligations of participating organisations.

The two brochures available from Centrelink on voluntary work are attached for the Senator’s information.

Brochure details:

A guide for community organisations: Centrelink customers doing voluntary work

Giving everyone a go: Voluntary Work Initiative

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING 24 MAY 2000

### Family & Community Services

Program: 2.2 Community Support

Question No: 59

Senator Gibbs asked on notice on 24 May the following question (Hansard reference: CA323):

QUESTION:

Could I have a list of the volunteer agencies across Australia?

---

ANSWER:

The 25 agencies contracted to deliver the Volunteer Management Program are:

- Volunteering NSW
- Volunteering VIC
- Volunteering QLD
- Volunteering SA
- Volunteering WA
- Volunteering Tasmania
- Volunteering NT
- Volunteering ACT
- Wimmera Volunteers Inc
- Townsville Volunteers Inc
- Northern Volunteering SA
- Fleurieu Volunteer Resource Centre
- New School of Arts Neighbourhood House Inc
- Eastern Management Project
- Bathurst Information and Neighbourhood Centre
- Albury/Wodonga Volunteer Resource Bureau
- Peel Volunteer Referral Agency
- Northern Resource Centre (Launceston)
- Wollongong City Council – Volunteering Illawarra
- Hunter Volunteer Centre
- Liverpool Volunteer Centre
- Geelong Volunteer Resource Centre
- Far North Queensland Volunteer Resource Agency
- Wide Bay Volunteer resource Agency
- Esperance Volunteer Resource Centre

The 33 agencies delivering the Voluntary Work Initiative are:

- Volunteering NSW
- Bathurst Information and Neighbourhood Centre
- Central Coast Volunteer Referral Agency
- Volunteering Coffs Harbour
- Northern Beaches Neighbourhood Service
- Hunter Volunteer Centre
- New School of Arts Neighbourhood Centre
- Lismore Volunteer Referral Service
- Nepean Volunteer Referral Service
- Port Macquarie Neighbourhood Centre
- Wagga Wagga Volunteer Centre
- Boroondara Volunteer Referral Centre
- Eastern Volunteer Referral Centre
- Monash Volunteer Referral Centre
- Albury/Wodonga Volunteer Referral Centre
- Wimmera Volunteers inc
- Shepparton Information and resource Centre
- La Trobe Information and Support Centre
- The Centre for Continued Education
- Geelong Volunteer Resource Centre
- Volunteering Queensland
- Volunteering Townsville
- Volunteering South Australia
- Fleurieu Volunteer Resource Centre
- Northern Volunteering – SA
- Volunteering Western Australia
- Centacare Family Services
- Peel Volunteer Centre
- South West Volunteer Referral and Resource Centre
- Volunteering Tasmania
- Volunteering ACT
- Volunteering NT

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Program: 3.1

Question No: 60

Senator West asked on notice on 24 May 2000 the following question (Hansard reference:CA324/325):

#### QUESTION:

Could you provide me with a copy of the guidelines for the tender process late last year that resulted in the funds that were previously provided in total to the SPRC being split between three agencies of which the SPRC remains one and the evaluation report on the SPRC.

---

#### ANSWER:

Please find attached the following information as requested:

1. The report of the Review Committee for the Review of the Social Policy Research Centre (chaired by Mr Ian Castles), completed in February 1998.
2. A copy of the Request for Proposal for the provision of social policy research services to the Department of Family and Community Services.

A Request for Proposal (RFP) was advertised nationally by the Department on 27 November 1999. An independent Legal Probity Adviser from Minter Ellison Consulting advised on the RFP process. The deadline for the receipt of proposals was Friday 21 January 2000.

During February 2000, an assessment panel consisting of senior Departmental staff and the probity adviser assessed the proposals against the four selection criteria included in the RFP. The selection criteria relating to research capability and ability to provide a dedicated, world class research facility for the Department were given a higher weighting than the criteria relating to commercial viability and organisation capability and experience.

There were three highly rated proponents that are now preferred tenderers with which the Department is seeking to negotiate contracts - the Melbourne Institute of Applied Economic and Social Research, the Australian National University (ANU) and the SPRC. The Department believes that it is not appropriate to provide a copy of the evaluation report, as it contains relative assessments of all fourteen proposals including unsuccessful tenderers.

#### Report details:

1997 Review of the Social Policy Research Centre, University of New South Wales  
Report of the Review Committee, February 1998.

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: Labour Market Assistance

Question No: 61

Senator Gibbs asked on notice on 24 May 2000 the following question (Hansard reference: \_CA326):

Does the \$30 million over 10 years for pre-vocational training include the underspend from 1998-99?

---

The answer to the question is:

Training funds allocated for JET customers of \$3 million per year commenced in March 1998. \$503,000 was carried over from 1997/98 into 1998/99. Total expenditure for 1998/99 was \$1.63m. No further carryover was sought to transfer unspent funds into 1999/2000.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Program: 3.2

Question No 62

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA327):

QUESTION:

Could I be provided with a list of disability organisations that are currently funded by the Department and a breakdown of their funding.

---

ANSWER:

ACROD	\$269,953
Deafness Forum of Australia	\$169,239
National Council on Intellectual Disability (NCID)	\$129,785
Women with Disabilities Australia (WWDA)	\$112,432
Physical Disability Council of Australia (PDCA)	\$112,432
National Caucus of Disability Consumer Organisations (NCDCO)	\$82,316
Australian Association of the Deaf (AAD)	\$114,134
Blind Citizens Australia (BCA)	\$165,386
National Ethnic Disability Alliance (NEDA)	\$112,759
Head Injury Council of Australia (HICOA)	\$112,758

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: 3.2

Question No:63

Senator West asked on notice on 24 May the following question (Hansard reference: CA 327/328)

**QUESTION:**

Could you provide me with the date when the report (Stakeholder Analysis by consultants Elizabeth Morgan and Helen Disney) was first provided to the Minister and the date that it was finally submitted. I would also like a full copy of the brief given to the consultants and how much the consultancy cost.

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**ANSWER:**

The date when the report (Stakeholder Analysis by consultants Elizabeth Morgan and Helen Disney) was first provided to the Minister on the 15 March 2000.

The date when the report (Stakeholder Analysis by consultants Elizabeth Morgan and Helen Disney) was finally submitted to the Minister on the 15 March 2000.

A full copy of the brief given to the consultants is attached.

The consultancy cost \$24,365.

# STATEMENT OF REQUIREMENT

## Stakeholder Analysis of National Secretariat Program Peak Bodies

### 1. Name of Project

*Stakeholder Analysis of National Secretariat Program Peak Bodies*

### 2. Objective

To undertake a stakeholder analysis of peak bodies funded under the Department of Family and Community Services' National Secretariat Program and provide advice on:

- The views of stakeholders as to the potential to restructure or rationalise the national organisations providing peak body services;
- Whether there is a shared view or a preferred option which is emerging within the sector;
- The potential barriers and opportunities for such a restructure or rationalisation and related timing issues;
- Whether the sector is willing and/or able to undertake such a process without significant government intervention;
- If the sector is unwilling to undertake such a process what the potential implications might be for government;
- What is considered to be best practice based on national and international experiences in the disability or other fields;
- A map of existing peak bodies which outlines: services provided; membership levels and membership base; unique characteristics; similarities and differences; areas of overlap and linkages; and funding sources.
- The cost of the consultancy will be up to \$22,000.

### 3. Background

This project seeks to provide information to enable informed public policy consideration of proposals to streamline and rationalise national secretariat peak bodies. These peak bodies are currently funded in part or wholly by the Department of Family and Community Services.

Agreement has been reached on the value of a stakeholder analysis of the National Secretariat's peak bodies being undertaken by an independent body. A discussion of suitable candidates resulted in Morgan Disney and Associates being put forward. Ms Morgan and Ms Disney have proven sound knowledge and a good understanding of the non-government sector.

The department's decision not to follow the general principle of purchasing services via the open competition process, was based on the following:

- The consultant represents excellent value for money;
- The timeframe for undertaking the project is tight – the Department is expected to provide the Minister for Family and Community Services with a progress report in November 1999;
- For the project to succeed, the consultant must have essential qualifications; and
- The consultant's sound knowledge and extensive experience linked to a high level of satisfaction on the part of the department and several other portfolios that have purchased services from them.



#### 4. Project Description

The consultant will work with stakeholders to:

- Map the sector to provide a comprehensive picture of peak body secretariats;
- Undertake face-to-face interviews with all of the Chairs of national bodies;
- Provide a report to the Department of Family and Community Services outlining the key issues in any future discussions regarding the range of organisations which might be funded by Government.

##### 1.1.1 Characteristics

All information obtained during the life of the consultancy and the products prepared will be the property of FaCS.

#### 5. Product

- A “map” of current peak bodies;
- A written report which details issues, opportunities, barriers, principles to assist in progressing changes to funding, and information regarding current trends and practices in funding disability peak bodies, future process options; and
- A process which builds a better understanding by the sector of the need to change.

#### 6. Timeline

November 1999 Commencement of consultancy

December 1999 Final delivery of Report

#### 7. FaCS Project Manager

FaCS Project Manager will be Susan Mullins, Director, Government and Community Team, Partnerships and Service Delivery Branch, GPO Box 7788, Canberra Mail Centre ACT 2610, phone 02 6244 5529, fax 02 6244 7321, email: [susan.mullins@facs.gov.au](mailto:susan.mullins@facs.gov.au).

#### 8. FaCS Liaison Officer

FaCS Liaison Officer will be Ethne McLeod, Government and Community Team, Partnerships and Service Delivery Branch, GPO Box 7788, Canberra Mail Centre ACT 2610, phone 02 6244 7628, fax 02 6244 7321, email [ethne.mcleod@facs.gov.au](mailto:ethne.mcleod@facs.gov.au)

#### 9. Project Manager and Project Team - Consultant

The Project Manager will be Elizabeth Morgan of Morgan Disney and Associates. Ms Morgan will work jointly with her partner, Helen Disney of Morgan Disney and Associates for the duration of the project. The Project Manager will not change during the life of the project without FaCS' agreement.

#### 10. Ownership of intellectual property and products of the project

Ownership of intellectual property and products of the project shall rest with the Commonwealth of Australia.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Program: 3.2

Question No: 64

Senator West asked on notice on 24 May the following question (Hansard reference: CA 329/330):

#### QUESTION:

What share of the \$3.164 million funding has been allocated to the peak bodies in the disability sector. Could I also have a list of all the organisations that fall under this figure.

---

#### ANSWER:

The allocation to the peak bodies in the disability sector is \$1,381,194.

A list of all the organisations that fall under the \$3.164 million figure are:

#### National Secretariat Program - Disability Organisations

National Caucus of Disability Consumer Organisations

Physical Disability Council of Australia

Women with Disabilities Australia

National Ethnic Disability Alliance

Head Injury Council of Australia

Australian Association of the Deaf

Blind Citizens of Australia

#### ACROD

Deafness Forum of Australia

National Council on Intellectual Disability

#### National Secretariat Program - Other

Australian Council of Social Services

Australian Early Childhood Association

Australian Federation of Homelessness Organisations

Volunteering Australia

Secretariat of National Aboriginal and Islander Child Care

Lone Fathers Association of Australia

National Council of Single Mothers and their Children

Family Services Australia

Relationships Australia

Centacare Australia

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: Support for People with a Disability

Question No: 65

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA333):

QUESTION:

Supported Wage System Evaluation

Have participants and service providers been contacted about participating in the evaluation?

---

ANSWER:

The first Supported Wage System Evaluation meeting with consumers and industry was held on Friday 12 May 2000. Consultations and focus groups with participants and service providers will be conducted by the consultant during June and July 2000.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Program: 3.2

Question No: 66

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA336):

#### QUESTION:

Was the department involved in the drafting of the background paper 'Supporting Australians with severe or profound disabilities – a service partnership'? What were the guidelines for preparing this draft and have any of the three complementary strategies proposed for the ministers to consider been discussed at any level?

---

#### ANSWER:

Yes, the department was involved in the drafting of the background paper 'Supporting Australians with severe or profound disabilities – a service partnership'.

The forum of Commonwealth and State disability officials prepared the draft. There were no specific guidelines in place. The paper was discussed by the Commonwealth and State Ministers responsible for disability at their April 1999 conference on unmet need. Following on from the discussions the Commonwealth fully funded one of the identified areas of unmet need, *Supporting ageing carers*.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Program: 3.2 Support for People with a Disability

Question No: 67

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: \_336):

QUESTION:

Disability Employment Assistance

Could I have a breakdown of disability employment expenditure for 2000-01 through to 2003-04, by indexation component, superannuation guarantee levy, efficiency dividend and growth money.

ANSWER:

The following table provides the requested information for the Employment Assistance and Other Services Appropriation.

Separate estimates of future years expenditure for disability employment assistance are not available as funding priorities for non-recurrent funds are determined annually.

<b>EMPLOYMENT ASSISTANCE AND OTHER SERVICES</b>				
<b>(INCLUDING EXPENDITURE UNDER THE DSA 1986)</b>				
	2000-01(Est)	2001-02 (Est)	2002-03 (Est)	2003-04 (Est)#
	\$'000	\$'000	\$'000	\$'001
Previous Year Budget Estimate	272,167	279,371	272,547	281,437
Growth#	4,741	5,206	5,412	1,091
Service Transfers Out+	-8,199			
Efficiency Dividend	-2,503	-2,586	-2,660	-2,748
Indexation	3,505	4,656	3,687	3,808
Superannuation Guarantee Charge Supplementation	2,307	0	2,451	0
Net Rephased expenditure*	7,353	-14,100		
<b>TOTAL Estimate</b>	<b>279,371</b>	<b>272,547</b>	<b>281,437</b>	<b>283,588</b>
Notes:				

# In 2003-04, includes \$5.516m for growth less \$4.425m for the finalisation of the respite care initiative.

\*Relates mainly to the slow take-up and delayed start of the Case Based Funding Trial

+Contingence Aids Assistance Scheme (CAAS) transferred to DHAC.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Program: 3.3 Support for Carers

Question No: 68

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA337):

QUESTION:

*Carer Allowance*

How many applications for Carer Allowance were accepted and rejected for both full Carer Allowance and the Health Care Card between the beginning of July 1998 to July 1999 and July 1999 to December 1999 – how many of these rejections applied to children suffering from cystic fibrosis and epilepsy.

---

ANSWER:

The data available is for the period 1 July 1998 to end April 2000. During that period there were 24,142 grants and 10,496 rejections for full Carer Allowance and 13,311 grants and 918 rejections for Health Care Card only. Breakdown into the periods requested would require significant effort and analysis. I am not prepared to authorise the expenditure of resources and effort that would be involved.

It should be noted that these are figures for “gross” activity and may include, for example, a customer who may be granted then go off payment and later be re-granted, or a customer who has been rejected but subsequently granted.

The figures for carers of children with cystic fibrosis and epilepsy are provided for 1 July 1998 to 31 March 2000 in the following table:

<b>Cystic Fibrosis</b>	<b>1/7/98 to 30/6/99</b>	<b>1/7/99 to 31/3/00</b>
Grants Full CA	67	27
Rejections Full CA	36 (includes 21 granted HCC only)	5 (includes 4 granted HCC only)
Grants HCC Only	45	32
Rejections HCC Only	Nil	1
<b>Epilepsy</b>		
Grants Full CA	466	177
Rejections Full CA	245 (includes 102 granted HCC only)	96 (includes 7 granted HCC only)
Grants HCC Only	261	173
Rejections HCC Only	23 (5 rejected for payment and HCC)	9

Figures in this table have been manually extracted to 31 March 2000.

Figures may be subject to minor adjustment at the end of the 1999-2000 financial year due to data refinement.

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: 3.3 Support for Carers

Question No: 69

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA337):

QUESTION:

*Carer Allowance*

Of the rejections applied to children with cystic fibrosis and epilepsy, how many of these appealed and were successful with their appeals.

---

ANSWER:

Data is not currently available to enable an accurate response at this time. It is expected that data will be available at the end of June 2000 and a full response will be provided at that time.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING 24 MAY 2000

### Family & Community Services

Program: 3.3 Support for Carers

Question No: 69a

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA337):

QUESTION:

*Carer Allowance*

Of the rejections applied to children with cystic fibrosis and epilepsy, how many of these appealed and were successful with their appeals.

---

ANSWER:

From 1 July 1998 to 31 March 2000 there were 15 appeals from carers of children with cystic fibrosis, and in 3 cases the Centrelink decision was set aside.

From 1 July 1998 to 31 March 2000 there were 37 appeals from carers of children with epilepsy, and in 5 cases the Centrelink decision was set aside.



**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: 3.3 Support for Carers

Question No: 70

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA337):

QUESTION:

*Review of Carer Payment*

Could I have information on what the cost was to the Department for the Review of Carer Payment.

---

ANSWER:

The departmental cost of the Review of Carer Payment was approximately \$35,000.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING 24 MAY 2000

### Family & Community Services

Program: 3.3 Support for Carers

Question No: 71

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA338):

QUESTION:

*People with very severe and profound disabilities*

Could you provide me with details of the number of carer payment applications – for carers with profoundly disabled children since July 1998 including the number of acceptances and rejections and some indication as to why rejections were made.

---

ANSWER:

Since 1 July 1998 there have been 3,767 claims for Carer Payment from carers of children with disabilities. Of these, 1,222 claims were granted and 2,545 claims were rejected. Almost all of the claims rejected were due to the medical assessment not meeting the legislative criteria for a “profoundly disabled child” and a small number were rejected because the carer did not meet the pensions income test.

As at March 2000 there were 978 customers in receipt of Carer Payment in respect of children with profound disabilities.

Figures may be subject to minor adjustment at the end of the 1999-2000 financial year due to data refinement.

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: 3.4 Support for the Aged

Question No: 72

Senator Evans asked on notice on 24 May 2000 the following question (Hansard reference: N/A – Written Question).

**QUESTION:**

Based on current forward estimates for expenditure on aged pensions what measure (MTAWE or CPI) does the Department believe will increase pensions in the September 2000, and the March 2001 adjustments

---

**ANSWER:**

We are unable to provide an answer to this question because Treasury has a policy of not releasing publicly information relating to the economic parameters required to answer the question. The only available information is that provided in the budget papers.

**SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE**

**BUDGET ESTIMATES HEARING**

**24 MAY 2000**

**Family & Community Services**

Program: 3.4 Support for the Aged

Question No: 73

Senator Evans asked on notice on 24 May 2000 the following question (Hansard reference: N/A – Written Question).

**QUESTION:**

For each of these adjustment periods, what is the estimated increase in the single rate of aged pension

---

**ANSWER:**

We are unable to provide an answer to this question because Treasury has a policy of not releasing publicly information relating to the economic parameters required to answer the question. The only available information is that provided in the budget papers.

# SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

## BUDGET ESTIMATES HEARING

24 MAY 2000

### Family & Community Services

Program: 3.4 Support for the Aged

Question No: 74

Senator West asked on notice on 24 May 2000 the following question (Hansard reference: CA340).

#### QUESTION:

Could I have a breakdown (in brackets of \$0 - \$50 and \$50-\$100) of people eligible for the Self-Funded Retiree bonus and the age pensioner bonus

---

#### ANSWER:

We are unable to provide details of people who will receive the Self Funded Retirees Supplementary Bonus because such people are, by definition, not receiving a payment from this portfolio.

The following table provides a snap shot of the people receiving income support payments under the Social Security Act who are likely to receive an Aged Persons Savings Bonus.

The following should be noted:

- People who receive an income support payment and who lodge tax returns will receive their bonus through the Australian Taxation Office. This analysis does not exclude such people as they can not be readily identified from the portfolio data base. As such, the table over states the number of people who will receive a bonus through Centrelink.
- The bonus will be worked out using the assessment (from the data Centrelink used to determine the rate of payment during the period 1 July 1998 to 30 June 2000) that yields the highest bonus entitlement. As the attached data is a snap shot of the data base from June 2000, the actual bonus paid may be higher than estimated.

<b>Estimated Bonus Amount</b>	<b>Number Paid</b>
\$1.00 - \$50.00	302,298
\$50.01 - \$100.00	90,046
\$100.01 - \$150.00	68,371
\$150.01 - \$200.00	55,011
\$200.01 - \$250.00	47,873
\$250.01 - \$300.00	46,150
\$300.01 - \$350.00	41,572
\$350.01 - \$400.00	37,801
\$400.01 - \$450.00	35,725
\$450.01 - \$500.00	34,184
\$500.01 - \$550.00	33,565
\$550.01 - \$600.00	32,496
\$600.01 - \$650.00	29,748
\$650.01 - \$700.00	28,996
\$700.01 - \$750.00	27,237
\$750.01 - \$800.00	25,781
\$800.01 - \$850.00	26,123
\$850.01 - \$900.00	24,501
\$900.01 - \$950.00	22,904
\$950.01 - \$999.99	21,635
\$1,000.00	723,282
Total	1,755,299