

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
SOCIAL SERVICES PORTFOLIO
2016-17 Supplementary Estimates Hearings

Outcome Number: 1.10 Working Age Payments

Question No: SQ16-000420

Topic: Welfare Payments Reform

Hansard page: 14

Senator Sam Dastyari asked:

The \$33 envelope as it was announced in the budget and the breakdown of what that \$33 million is being spent on, what has already been committed and what is in the contract phrase? Also, what has been spent, what remains and what still is to be allocated.

Answer:

The \$33.7 million provided by the Government in the 2015-16 Budget, comprises of the following components:

- \$20.7 million over four years to develop a detailed annual actuarial valuation of the lifetime liability of Australia's welfare system from 2015, including identifying groups of people most at risk of welfare dependency and the factors that lead to long term dependency.
- A breakdown of this funding is as follows:
 - \$10 million – for actuarial services. The current contract with PricewaterhouseCoopers (PwC) to provide actuarial analysis to support the Investment Approach across 2015 to 2018 is \$10.1 million (GST inclusive). To date, PwC has been paid \$4.9 million (GST inclusive).
 - \$800,000 – the validation of the actuarial model. The Department entered into an agreement with the University of Queensland (UQ) to conduct the validation of the actuarial valuation across 2015-16 to 2016-17 with a commitment of \$176,000 (GST inclusive). To date, UQ has been paid \$33,000 (GST inclusive).
 - \$9.9 million – Departmental expenses to ICT capital and operational costs, and departmental resources to implement the Priority Investment Approach. These funds are committed within the broader ICT and resource environment of the Department to support the Investment Approach.
- \$13.0 million over two years to maintain four longitudinal surveys and undertake a review of the future longitudinal data necessary to support actuarial assessments. The surveys include the Household, Income and Labour Dynamics in Australia data collection, the Longitudinal Study of Australian Children, the Longitudinal Study of Indigenous Children and the Longitudinal Study of Humanitarian Migrants. All \$13.0 million has been committed to maintain the longitudinal surveys and conduct a review of the longitudinal data.

Information about the 2015-16 appropriation is available in the DSS Portfolio Budget Statements 2015-16 on page 32 and 34.