

Farm Household Allowance – questions from Senator Sterle
(around 11:20am 21 October 2020 taken on notice by
the Department of Agriculture, Water and the Environment)

Sen. Sterle asked:

- 1. How many farmers will be eligible for Farm Household Allowance based on the new criteria?**
 - Our modelling, which is based on ABARES Farm Survey data and ABS Census data, indicates that around 35,000 farmers and their partners are likely to be eligible for the Farm Household Allowance based on their likely mix of income and assets.
 - The model estimates eligibility by determining the quantum of farmers and their partners that are likely to meet both the income and assets tests. This estimation is the maximum eligibility pool and is neither an indication of, or a target for, uptake.
 - The model includes those people who have already accessed the program (some of whom still have time left in their four years).
- 2. How many FHA applications were received in the 2019-20 financial year?**
 - According to Services Australia, over 6,900 applications for FHA were received in the 2019-20 financial year.
- 3. What was average processing time?**
 - According to Services Australia, during 2019-20, the average time to process an FHA claim was 41 days.
 - As at 30 September 2020, the average time to process FHA claims in the 2020-21 financial year was 18 days.
 - The average claim processing time is inclusive of both simple and complex claims.
- 4. Between 1 July and 30 September – how many individuals and couples exhausted FHA? What was the break-down of couples and single recipients who received the one-off payment?**
 - A total of 316 people exhausted FHA between 3 July and 30 September 2020 (noting that our data reports are run on the first Friday of the month. As a result the July data is available from 3 July 2020).
 - Of the 316 people, 264 were members of a couple and 52 were single.
 - The one-off lump sum was paid automatically by Services Australia (there was no application process) and the department is unaware of anyone who did not receive their payment.
- 5. How many respondents are there to the FHA survey?**
 - Since 2017, the department has received around 1,300 completed responses to the FHA exit survey.
- 6. How many fish farmers are on FHA (by state and length of time)?**
 - Farmers involved in aquaculture include those operating fish farms, seafood farms, and oyster growers.
 - Fewer than 20 aquaculture operators have applied for FHA since the program commenced and none of those are currently receiving payment.

7. When the net asset threshold changed to \$5.5 million, how many applications have been received since 11 June 2020 and how many were successful?

- Farm Household Allowance is available regardless of the cause of need. Therefore the applicant is not asked the reason they have chosen to claim. It is difficult to ascertain how many people have applied for payment as a direct result of the changes.
- However, anecdotal evidence from Services Australia shows that 79 applicants lodged an application in the weeks prior to 11 June, in anticipation of the changes to the net assets threshold (so that a preliminary assessment could be conducted).
- When working out the number of applications that were successful, relative to those received in the period, the department has an incomplete data set from Services Australia. The department cannot say definitively how many were granted.
- Of the over 1,100 applications received between 12 June and 30 September 2020 more than 70 per cent are likely to have been successful (based on historical rates of success).

8. Since 11 June how many FHA recipients accessed the Activity Supplement?

- The Activity Supplement has been available since the program commenced, however, the amount of the supplement increased from \$4,000 to \$10,000 from 11 June 2020.
- Also from that date, the costs for reasonable travel and accommodation to training could also be paid for.
- Since 1 July 2014 (until 30 September 2020) almost 5,700 FHA recipients have accessed their Activity Supplement, at a cost of over \$14.6 million.
 - Of those, almost 500 recipients accessed the Activity Supplement since 11 June 2020.

9. Examples of the range of activities that can qualify for the Activity Supplement

- Access to the Activity Supplement is approved by the Services Australia Farm Household Case Officer. Limited data is sent to the department about the types of activities that are approved (they are noted as 'advice' or 'training' only).
- However, where a recipient wishes to access training with a non-Registered Training Organisations, the department assesses the suitability of the provider (checking their training, professional memberships, insurances, and any qualification they are issuing).
- As a result of this process the department has access to details about the types of training for these applications. In the 2020 calendar yet we have given 135 approvals so far, and of these requests can be collected under the following themes:
 - Business skills – 60 approvals
 - Farming practices – 52 approvals
 - Aviation – 11 approvals
 - Miscellaneous – 9 approvals (such as music teaching, tourism adviser)
 - Driving qualifications – 3 approvals