

Senate Community Affairs Legislation Committee

Public Hearing – 17 February 2020 ANSWER TO QUESTION ON NOTICE

Department of Social Services

Topic: Senate Community Affairs Legislation Committee inquiry into the Social Services and Other Legislation Amendment (Simplifying Income Reporting and Other Measures) Bill 2020 - Spoken 3

Question reference number: SQ20-000053

Senator: Helen Polley

Type of Question: Spoken. Hansard Page/s: 26

Date set by the Committee for the return of answer: 19 February 2020

Question:

Senator POLLEY: Yes. If a person earns \$2,000 in one week but nothing for the next three weeks, and if they're paid monthly, will they be any worse off compared to a person who is paid on a fortnightly or a weekly basis?

Mr Bennett: Chair, I'm going to take that one on notice because that's quite specific. My feeling is that they should not, because the same principle of apportionment will occur. If it's a monthly pay, it goes out for a month. Therefore, I'm not aware initially of how they could be worse off. But because it's such a specific question I will take it on notice

Answer:

Refer to SQ20-000064.

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Department of Social Services

Topic: Senate Community Affairs Legislation Committee inquiry into the Social Services and Other Legislation Amendment (Simplifying Income Reporting and Other Measures) Bill 2020 - Senator McCarthy Written QoN 5

Question reference number: SQ20-000067

Senator: Malarndirri McCarthy

Type of Question: Written. Hansard Page/s:

Date set by the Committee for the return of answer: 19 February 2020

Question:

What if a person has not yet received their pay slip at the date they are required to report income for the period? What will they be expected to do – will they have to estimate?

Answer:

Under the change of assessment model people will be required to report their income paid for the reporting period. If they have not received income in the reporting period, they will report zero income.

If they have received income (ie. received a salary payment from their employer) but have not yet received their payslip, people should contact their employer for their employment income information. Employers have an obligation to issue employees with a payslip, either digitally or in hard copy.

If someone does not have a payslip and has difficulty in obtaining information from their employer, they should contact Services Australia to discuss their circumstances and how they can meet their reporting obligations to enable them to access their social security payment.

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Department of Social Services

Topic: Senate Community Affairs Legislation Committee inquiry into the Social Services and Other Legislation Amendment (Simplifying Income Reporting and Other Measures) Bill 2020 - Senator McCarthy Written QoN 8

Question reference number: SQ20-000070

Senator: Malarndirri McCarthy

Type of Question: Written. Hansard Page/s:

Date set by the Committee for the return of answer: 19 February 2020

Question:

How many pensioners and other income recipients who will be impacted by the changes?
(broken down by payment type)

Answer:

Refer to SQ20-000071.

Senate Community Affairs Legislation Committee

Public Hearing – 17 February 2020 ANSWER TO QUESTION ON NOTICE

Department of Social Services

Topic: Senate Community Affairs Legislation Committee inquiry into the Social Services and Other Legislation Amendment (Simplifying Income Reporting and Other Measures) Bill 2020 - Senator McCarthy Written QoN 9

Question reference number: SQ20-000071

Senator: Malarndirri McCarthy

Type of Question: Written. Hansard Page/s:

Date set by the Committee for the return of answer: 19 February 2020

Question:

Currently, how many people receiving a social security payment are reporting income from employment?

a) How many of those are on each payment type?

b) On average, how much does a person on Newstart earn per fortnight?

c) How long on average have people who are on Newstart and have reported earnings from employment:

- Been receiving Newstart?
- Been in receipt of a social security payment?

Answer:

As at September 2019 around 497,000 people in receipt of a social security payment reported earnings from employment:

| Payment type | Total Payment Population | Number with Earnings Reported | Percentage with Earnings Reported |
|-----------------------------|--------------------------|-------------------------------|-----------------------------------|
| ABSTUDY (Living Allowance) | 9,171 | 1,643 | 18% |
| Age Pension | 2,525,124 | 106,720 | 4% |
| Austudy | 36,808 | 12,443 | 34% |
| Carer Payment | 281,933 | 25,718 | 9% |
| Disability Support Pension | 747,762 | 58,240 | 8% |
| Newstart Allowance | 680,009 | 128,143 | 19% |
| Parenting Payment Partnered | 69,939 | 7,491 | 11% |
| Parenting Payment Single | 225,421 | 64,946 | 29% |

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|---|---------|--------|-----|
| Partner Allowance | 995 | 54 | 5% |
| Sickness Allowance | 4,966 | 465 | 9% |
| Special Benefit | 6,815 | 101 | 1% |
| Widow Allowance | 7,478 | 370 | 5% |
| Widow B Pension | 288 | <5 | <2% |
| Wife Pension (Partner on Age Pension) | 3,976 | 505 | 13% |
| Wife Pension (Partner on Disability Support Pension) | 3,858 | 822 | 21% |
| Youth Allowance (other) | 76,548 | 13,785 | 18% |
| Youth Allowance (student and apprentice) | 191,015 | 75,829 | 40% |

As at September 2019, of the Newstart Allowance recipients who report earnings, the average earnings reported are \$696.80 a fortnight. As at September 2019, of those Newstart Allowance recipients who have reported earnings from employment:

- The average number of weeks they have spent on Newstart Allowance is 177.
- The average number of weeks they have spent on Income Support is 353.