

Senate Select Committee on COVID-19

Public Hearing – 30 July 2020
ANSWER TO QUESTION ON NOTICE

Department of Social Services

Topic: Senate Select Committee on COVID-19 – Question 1

Question reference number: SQ20-000528

Senator: Murray Watt

Type of Question: Spoken. Hansard Page/s: 49

Date set by the Committee for the return of answer: 13 August 2020

Question:

Senator WATT: Do the options that you provided to the government include modelling the increase in poverty levels that would arise from reverting to the original jobseeker rate?

Ms Campbell: We were just checking on the different modelling. I don't have all the modelling with me. We can take on notice which scenarios in detail we've modelled. But we have modelled many scenarios, so we'll take that specific question on notice.

Answer:

The Australian Government is committed to a welfare system that supports the most vulnerable, encourages those who are able to work or study, and is sustainable for future generations.

The Department of Social Services regularly provides advice on a range of issues related to social security payments such as JobSeeker Payment. There is no single accepted definition of poverty and successive governments have not adopted a target.

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Department of Social Services

Topic: Senate Select Committee on COVID-19 – Question 2

Question reference number: SQ20-000529

Senator: Murray Watt

Type of Question: Spoken. Hansard Page/s: 49

Date set by the Committee for the return of answer: 13 August 2020

Question:

Senator WATT: ... All I'm trying to establish is whether you've provided advice to government about the future of jobseeker beyond the cut-off date of 31 December.

Ms Campbell: I'd have to take on notice what the time frames were, unless there's someone else at the table that can answer. Actually, we have provided so many scenarios we'll take that one on notice.

Answer:

The Department of Social Services regularly provides advice on a range of issues related to social security payments such as JobSeeker Payment and the Coronavirus Supplement.

The Government announced the following measures as part of the July Economic and Fiscal Update related to JobSeeker Payment:

- An extension of the Coronavirus Supplement at the revised rate of \$250 per fortnight from 25 September 2020 to 31 December 2020.
- The introduction of a higher income free area for JobSeeker Payment and Youth Allowance (Other) from \$106 per fortnight to \$300 per fortnight and a single taper rate of 60 cents from 25 September 2020 to 31 December 2020.
- An extension of the partner income test taper rate to maintain the existing temporary annual income cut out of approximately \$80,000 from 25 September 2020 to 31 December 2020.
- An extension of the expanded eligibility to JobSeeker Payment for permanent employees who are stood down or have lost their employment, sole traders, the self-employed, casual workers, and contract workers who meet the income tests as a result of the pandemic. This will be extended from 25 September 2020 to 31 December 2020.
- An extension of the waiver on the following waiting periods: One Week Ordinary Waiting Period, Seasonal Work Preclusion Period and Newly Arrived Residents' Waiting Period. This will be extended from 25 September 2020 to 31 December 2020.
- The assets test and Liquid Assets Waiting Period will be reinstated as scheduled on 25 September 2020.

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Department of Social Services

Topic: Senate Select Committee on COVID-19 – Question 3

Question reference number: SQ20-000530

Senator: Murray Watt

Type of Question: Spoken. Hansard Page/s: 50

Date set by the Committee for the return of answer: 13 August 2020

Question:

Senator WATT: My question was whether any policy advice to government had been provided about what happens to jobseeker after 31 December.

Ms Campbell: And again, Senator, I'll take it on notice. We have modelled a number of scenarios and we'll take on notice which ones we've provided. I don't think we can add any more at the moment.

Answer:

Refer to answer provided in SQ20-000529.

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Department of Social Services

Topic: Senate Select Committee on COVID-19 - Question 4

Question reference number: SQ20-000531

Senator: Rachel Siewert

Type of Question: Spoken. Hansard Page/s: 54

Date set by the Committee for the return of answer: 13 August 2020

Question:

Senator SIEWERT: Can I then go to what information you used to provide advice to government in answer to one of my questions about the various data, or assumptions that were made, in terms of the provision of advice for the original decision on jobseeker. I realise that you probably don't know all of it off the top of your head, but are you able to provide, on notice, that advice—that is, the advice you used for those predictions in order to provide the advice for this decision on the supplement?

Ms Campbell: Is that the expected number of people—

Senator SIEWERT: Yes.

Ms Campbell: The recipient numbers?

Senator SIEWERT: Yes. It was in answer to question 223. Sorry, I lost the question number that you responded to. It's question 223. Could you provide that same advice or data for this round?

Ms Campbell: We don't have question 223 at the table, but we might be able to answer that now. Can we?

Mr Bennett: I don't think so.

Mr Williamson: We will take that on notice, Senator, and provide an updated 223 for the 250 step down.

Ms Campbell: On different months.

Senator SIEWERT: Fantastic, thank you.

Answer:

The costing assumption figures for social security recipients who will be qualified for the \$250 Coronavirus Supplement from 25 September 2020, based on anticipated recipients in the December 2020 quarter is around 2 million. This includes:

- 9,000 on ABSTUDY
- 33,000 on Austudy
- 1,350,000 on Jobseeker Payment
- 70,000 on Parenting Payment Partnered
- 230,000 on Parenting Payment Single
- 500 on Partner Allowance
- 8,000 on Special Benefit
- 3,000 on Widow Allowance
- 134,000 on Youth Allowance (Other)
- 169,000 on Youth Allowance (student)

Assumptions on payment recipients are based on available information at a point in time. Estimates may be revised as additional information becomes available.

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Department of Social Services

Topic: Senate Select Committee on COVID-19 - Question 5

Question reference number: SQ20-000532

Senator: Rachel Siewert

Type of Question: Spoken. Hansard Page/s:

Date set by the Committee for the return of answer: 13 August 2020

Question:

Senator SIEWERT: Are you able to tell me the number of children of parents who are now receiving the coronavirus supplement, or who you expect to be receiving it at the end of September?

Ms Campbell: Just the supplement—I don't know that we've got the number of children per jobseeker recipient. We might have family tax benefit numbers, which are a bit of a proxy. Do we have family tax benefit numbers for jobseeker recipients?

Mr Bennett: Not with me, sorry.

Ms Campbell: We can take it on notice and see what we can do.

Senator SIEWERT: Take it on notice. I want the overall number, and I would also like it broken down by payment, if possible.

Ms Campbell: We'll take it on notice and see what we can do. If we don't have the information about the number of children per recipient, we'll see what we can do in the family tax benefit space because, generally, if someone is on jobseeker and they have children, they'll be a family tax benefit recipient.

Senator SIEWERT: Yes, but the reverse doesn't work, does it? The number of people on benefits aren't necessarily all on jobseeker.

Ms Campbell: I think we might be able to work out who are on both.

Mr Williamson: If we don't have the data in exactly the way you're after, what we're saying is we'll see if we can find a proxy to try to help you.

Answer:

The following table shows the number of Family Tax Benefit children who have a parent receiving a qualifying payment for the Coronavirus Supplement.

Table: The number of Family Tax Benefit (FTB) children who have a parent receiving a qualifying payment for the coronavirus supplement as at 31 July 2020.

Payment qualifying for Coronavirus Supplement	Number of FTB children^{a.b.}
Parenting Payment Single	493,922
JobSeeker Payment	503,860
Youth Allowance (Other)	2,261
Youth Allowance (Student and Apprentice)	930
Special Benefit	3,156
Austudy	13,151
Abstudy	1,180
Widow Allowance	N/P
Parenting Payment Partnered	125,379
Partner Allowance	<5
Total	1,143,916

Notes:

- a. To protect individuals' privacy, populations with less than 5 persons are reported as '<5'. Additional data has been suppressed and replaced with 'N/P' (not provided) to prevent the derivation of identified populations that have values of less than 5. That is, if the Widow Allowance figure was included, the actual number of Partner Allowance recipients could be calculated.
- b. To avoid double counting for couple families that are both on an income support payment, the payment counted is based on the following hierarchy:
 1. JobSeeker Payment
 2. Youth Allowance (Other)
 3. Youth Allowance (Student and Apprentice)
 4. Special Benefit
 5. Austudy
 6. Abstudy
 7. Parenting Payment Partnered
 8. Partner Allowance

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Department of Social Services

Topic: Senate Select Committee on COVID-19 - Question 6

Question reference number: SQ20-000533

Senator: Rachel Siewert

Type of Question: Spoken. Hansard Page/s: 55

Date set by the Committee for the return of answer: 13 August 2020

Question:

Senator SIEWERT: It's okay. Is the government still going to pursue the changes proposed to the waiting periods for the liquid assets tests?

Ms Campbell: I haven't asked in recent times but I can take it on notice and ask the minister.

Senator SIEWERT: Could you take that on notice?

Ms Campbell: Yes.

Senator SIEWERT: Because that's going to make it even more harder for people in the current scenario.

Ms Campbell: I'll take that on notice.

Answer:

The measure forms part of the Social Services Legislation Amendment (Payment Integrity) Bill 2019 that was introduced into Parliament on 11 September 2019 and is currently before the Senate.