

Senate Select Committee on COVID-19

Public Hearing – 30 April 2020
ANSWER TO QUESTION ON NOTICE

Department of Social Services

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

Question reference number: SQ20-000390

Senator: Katy Gallagher

Type of Question: Spoken. Hansard Page/s: 3

Date set by the Committee for the return of answer: 07 May 2020

Question:

CHAIR: Are you getting feedback similar to the feedback that we are getting around some of the difficulties that parents in the situation I just outlined to you are experiencing because they're getting less even though they are still caring for a child and, indeed, a child with sometimes additional costs?

Ms Campbell: We regularly receive feedback on the different rates of payment across the payment structure. I haven't seen any specific feedback, as per the example that you provided, but I can take that on notice and review the feedback that we've been receiving.

Answer:

Yes, the Department of Social Services has received feedback on this issue.

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Department of Social Services

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

Question reference number: SQ20-000391

Senator: Rachel Siewert

Type of Question: Spoken. Hansard Page/s: 7

Date set by the Committee for the return of answer: 07 May 2020

Question:

Senator SIEWERT: I'm aware of that. It's not the question I asked. Did you take on board the work from NATSEM that showed, even though DSP is higher, that they are paying, on average, an extra \$107 a week for basic living essentials than other Australians, including those living on other payments?

Ms Campbell: We take into account a variety of inputs—I'll have to take on notice whether that was one of those—that are taken regularly into consideration in our advice on DSP.

Answer:

The National Centre for Social and Economic Modelling (NATSEM) report was commissioned by the Australian Federation of Disability Organisations (AFDO).

The Department of Social Services (the department) considers all such reports as inputs into its policy processes. The department regularly provides advice on a range of issues related to social security payments, such as the Disability Support Pension, including policy options, payment rates, cohort analysis and commentary on analysis undertaken by research and other organisations.

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Department of Social Services

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

Question reference number: SQ20-000392

Senator: Rachel Siewert

Type of Question: Spoken. Hansard Page/s: 7

Date set by the Committee for the return of answer: 07 May 2020

Question:

Senator SIEWERT: Ms Campbell, you just heard me outline what additional costs people are reporting to us that they're bearing. Those two stimulus payments do not cover those additional costs, so they're still bearing extra costs. Have you had any work done on that? Have you had any correspondence from anybody in the community? Has the minister asked you to address that issue?

Ms Campbell: We can take on notice whether or not we've received correspondence on this matter. As I said earlier, we haven't provided advice on it.

Answer:

Yes, the Department of Social Services has received correspondence on this matter.

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Public Hearing – 30 April 2020 ANSWER TO QUESTION ON NOTICE

Department of Social Services

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

Question reference number: SQ20-000393

Senator: Perin Davey

Type of Question: Spoken. Hansard Page/s: 14

Date set by the Committee for the return of answer: 07 May 2020

Question:

Senator DAVEY: I accept that the farm household allowance is a policy area under the ag department, but given that your services are the front line who deliver the service, have we got any line of sight that there was concern in the past? Farm household allowance is time limited; you can only access it four years in 10. Given that we have waived some other requirements of jobseeker due to the COVID pandemic, has any thought been given to extending access to farm household allowance during this period of time?

Ms Campbell: I think we'd have to take that one on notice and consult with our colleagues in the agriculture department and provide advice after we've done that.

Answer:

The Department of Agriculture, Water and the Environment has advised that Farm Household Allowance (FHA) provides eligible farmers and their partners experiencing financial hardship (from whatever cause) with assistance through planning and training for long-term financial improvements, as well as income support. Time-limiting the payment is an important way to prevent welfare-dependency and to keep people focussed on their long-term financial security. In 2019 the time-limit was changed and the payment is now available for up to four years in every ten year period. The next ten year period commences on 1 July 2024.

Recipients coming to the end of their first four year limit in the 2019–20 financial year have, or will be paid a Relief Supplement as a lump sum. Members of a couple receive \$6,500 each and single people receive \$7,500.

During their time on payment, recipients have had case support with activities designed to help them implement financial strategies and plan the way forward. As FHA recipients reach their four years, Services Australia staff will continue to work with them to ensure they get the most out of their activity supplement. This supplement gives farmers an opportunity to develop skills and training to open up other revenue streams. Farmers can also use it for professional advice to improve their farm yield. In addition, the agri-business experts

employed through the Rural Financial Counselling Service are always available, at no cost, to help farmers explore and work through their options.

FHA recipients who have exhausted their first four years of payment, and those who do not qualify due to the value of their assets may be eligible for the JobSeeker Payment during this period. The temporary changes to the JobSeeker Payment assets test do not extend to the already generous FHA assets test, however, from 11 June 2020 the FHA asset test is being simplified from its current 2 tiers which count farm and non-farm assets separately, to a single net value threshold of \$5.5 million.

In response to the impacts of the coronavirus:

- a. On 1 April 2020, all FHA recipients received the \$750 Economic Stimulus Payment (around 7,100 people).
- b. From 27 April 2020, an additional \$550 per fortnight Coronavirus Supplement applies to all FHA recipients.
- c. When combined with the legislated change that takes effect from 11 June 2020, FHA recipients who are eligible for any payment in a fortnight will receive the maximum rate plus the Coronavirus Supplement.
- d. An exemption from certain obligations can be provided for up to 13 weeks where an individual has been impacted by coronavirus (i.e. they are ill, self-isolating due to risk factors or cannot attend a training activity due to cancellation of courses).

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Department of Social Services

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

Question reference number: SQ20-000394

Senator: Murray Watt

Type of Question: Spoken. Hansard Page/s:

Date set by the Committee for the return of answer: 07 May 2020

Question:

Senator WATT: Does the department have any figures about the number of people who have stopped receiving jobseeker because they have moved across to JobKeeper or are at least intending to move?

Ms Campbell: Not yet. We will watch that to see whether we can determine whether there are people who withdraw because of JobKeeper, but I don't think we have that to date. We can take it on notice. I'm just checking with the other officers at the table. We don't have that to date. It is a bit early.

Answer:

The Department of Social Services does not hold this information.

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Department of Social Services

Topic: Senate Select Committee on COVID-19 - Question 7

Question reference number: SQ20-000396

Senator: Rachel Siewert

Type of Question: Spoken. Hansard Page/s: 19

Date set by the Committee for the return of answer: 07 May 2020

Question:

Senator SIEWERT: If you those on notice, that would be great. Can I go to visa holders. I know that Senator Davey asked some questions earlier. I wanted to drill down a little bit more. The government thinks people can access their super. Are you aware of many visa holders have super and what the level of holdings of super is for visa holders?

Ms Campbell: We don't have that, but we could take it on notice and get you that material.

Senator SIEWERT: So you don't have it on hand?

Ms Campbell: No.

Senator SIEWERT: Do you have access to that information?

Ms Campbell: We don't have access. We would have to go to the Treasury and see whether the tax office and the Treasury had any information sources that could support an answer to that question.

Answer:

The Treasury advises:

Based on 2017-18 taxation data (the most recent available), there were around 1.7 million visa holders with a non-zero superannuation balance holding \$40.8 billion in accumulation phase superannuation accounts. The mean balance was \$24,212 while the median was \$7,249. This figure is for all visa holders in 2017-18, including both temporary and permanent visa holders.

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Department of Social Services

Topic: Senate Select Committee on COVID-19 - Question 8

Question reference number: SQ20-000397

Senator: Rachel Siewert

Type of Question: Spoken. Hansard Page/s: 20

Date set by the Committee for the return of answer: 07 May 2020

Question:

Senator SIEWERT: Could you take on notice whether you did know what level of super people could actually access and how many had it?

Ms Campbell: We'll take that on notice

Answer:

The Treasury advises:

Based on 2017-18 taxation data (the most recent available), there were around 1.7 million visa holders with a non-zero superannuation balance holding \$40.8 billion in accumulation phase superannuation accounts. The mean balance was \$24,212 while the median was \$7,249. This figure is for all visa holders in 2017-18, including both temporary and permanent visa holders.

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Department of Social Services

Topic: Senate Select Committee on COVID-19 - Question 9

Question reference number: SQ20-000398

Senator: Rachel Siewert

Type of Question: Spoken. Hansard Page/s:

Date set by the Committee for the return of answer: 07 May 2020

Question:

CHAIR: Have any people moved from the DSP to the jobseeker payment since the coronavirus supplement was announced? If so, how many?

Ms Campbell: I don't think we've got that data. Clearly, we're looking for those eventualities but I don't think we've been able to get that data yet, because our priority has been just processing.

CHAIR: Yes.

Ms Campbell: I understand that the committee would be interested in that question, but I don't think we've got it yet. But we'll take it on notice and see whether we can get for you.

CHAIR: Okay. It's not in one of your detailed charts, Ms Skinner?

Ms Skinner: No, I don't have that data.

Answer:

To date, since the commencement of JobSeeker Payment on 20 March 2020 to 24 April 2020, there have been seven people commence JobSeeker Payment within a fortnight of ceasing Disability Support Pension.