

Senate Standing Committee on COVID-19
ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Inquiry into the Australian Government's response to the COVID-19 pandemic

2019 - 2020

Division: Retirement Income Policy Division
Topic: Super fund response timing
Reference: 001 Hansard page 8, 7 May 2020, IQ20-000057

Question:

Senator PATERSON: Great. Do you have any breakdown by funds or by category of funds?
Ms Wilkinson: In relation to that timing, no, I don't. We got this information from APRA. We can seek information from APRA as to whether they have that breakdown, but I haven't received that.

Senator PATERSON: I'd be particularly interested to know if there are any funds in particular which are taking significantly longer to respond to requests than others and if there are any categories of funds that are taking longer to respond to those requests.

Ms Wilkinson: I'm happy to take that on notice and consult with my colleagues at APRA as to whether that information is available.

Answer:

On 11 May 2020, APRA published fund-level data on its website:
<https://www.apra.gov.au/covid-19-early-release-scheme>

The APRA data shows that of all of the funds that have made early release payments, 117 (82 per cent) made more than 90 per cent of payments within the five business days guideline indicated by APRA. That includes 57 funds that have made all payments within five business days, 24 that paid 99 per cent within that timeframe, and another 18 funds that paid 98 per cent within five business days.

According to the APRA data, some funds have taken longer (generally 6-9 days) to process applications.

Funds with longest waiting times (with over 1,000 applications received)

Name of Fund	Applications received	Applications paid	Average Payment	Within 5 business days	Within 6 to 9 business days
Intrust Super Fund	12,174	8,795	\$7,169	26.8%	73.2%
Australian Catholic Superannuation and Retirement Fund	1,075	390	\$7,987	34.3%	63.9%

Qantas Superannuation Plan	3,186	1,961	\$4,518	44.4%	55.6%
ASGARD Independence Plan Division Two	4,619	699	\$9,280	44.6%	55.4%
ING Superannuation Fund	4,575	3,677	\$8,358	53.1%	46.5%

Source: APRA (current as at 11 May 2020)

In terms of the timeliness of payments, APRA has indicated in its public guidance that it expects that:

- where the fund's automated checking has not identified a red flag, payments will generally be made within five business days of receipt of a determination from the ATO; and
- in exceptional circumstances – such as where the fund's automated checking has identified a red flag and additional fraud or other verification steps are required or where the payment is being made from interests held in defined benefit funds – APRA acknowledges that the process for making a payment may take longer. Nonetheless, APRA expects the fund to make payments as expeditiously as possible in these cases.

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2019 - 2020

Division: JobKeeper Division
Topic: Breakdown of JobKeeper enrolment numbers
Reference: 002 Hansard page 15, 7 May 2020 – IQ20-000058

Question:

Senator LAMBIE: Are enrolment numbers tailing off or are you still getting sustained interest in the program?

Ms Wilkinson: They're still increasing from one day to the next. We had an increase over the 24 hours prior to the middle of yesterday of about 200,000 employees covered by businesses who are eligible under the scheme. So it's still increasing.

Senator LAMBIE: Do you think that you will be able to provide the enrolment numbers week by week on notice? Could we see that from the beginning, just to break down those numbers so we can see what's been going on week by week?

Ms Wilkinson: I think we should be able to provide that information to the committee, yes. Let me take that on notice.

Answer:

There is a sustained interest in the JobKeeper program, with enrolment numbers continuing to increase since enrolments opened on Monday 20 April.

The total number of businesses enrolled for the JobKeeper program has continued to increase each week. Enrolment numbers for the first three weeks are provided below:

- **Week 1 of enrolments:** As at Sunday 26 April, there were 505,932 businesses enrolled in the JobKeeper program.
- **Week 2 of enrolments:** As at Sunday May 3, there were 728,640 businesses enrolled in the JobKeeper program.
- **Week 3 of enrolments:** As at Sunday May 10, there were 838,797 businesses enrolled in the JobKeeper program.

An enrolled business is one which has completed the business enrolment form. The form is to notify intent to claim, and confirm the financial institution details for receiving the JobKeeper payment.

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2019 - 2020

Division: JobKeeper Division
Topic: Changes to eligibility for JobKeeper
Reference: 003 Hansard page 21, 7 May 2020 – IQ20-000059

Question:

Senator WATT: For the sake of time I might put this question on notice properly so that it's crystal clear. You'd be aware that since the JobKeeper program was legislated the Treasurer has exercised his discretion to exclude quite a large number of groups who would otherwise be eligible. For instance, he's excluded some university workers, 16- to 17-year-old full-time students that are not financially independent. There are a range of other groups who had been excluded since the JobKeeper package was legislated. Are you able to tell us the total number of workers who have been excluded from the program via the Treasurer's discretion?

Ms Wilkinson: The Treasurer has clarified the rules in a number of different ways—in some ways that have made some employees eligible who would not otherwise be eligible and in some ways in the other direction. I don't think that we have an estimate of the impact of the number of employees who would be covered by every one of the rule changes, but I'm happy to take it on notice and see what information we can provide. I think it's important to note that the rules which have been implemented over time have expanded the number of employees that are available and in the other direction. For example, the rule that was implemented to allow the ATO to provide information to the banks in order to assist the banks in providing credit to business clearly increased the opportunity for some businesses to participate in the scheme because it helped address some of their cashflow issues. I think it's going to be very difficult for us to provide detailed estimates for those, but we'll see what we can provide.

Answer:

The JobKeeper scheme is demand driven and businesses need to self-assess their eligibility before applying. Individual businesses have the best information on whether they and each of their employees meet the JobKeeper eligibility criteria.

The Government has made a number of changes to the JobKeeper scheme. The majority of these changes expand eligibility. However, in the context of the size of the scheme, the amendments do not materially change the estimated financial impact of JobKeeper or (by extension) the number of employees covered.

The JobKeeper Program was designed to support a broad range of businesses and their employees, and will support millions of Australian jobs. As with any government program, there needs to be some definitions and lines drawn on eligibility. Eligibility has focused on maximising the reach of the JobKeeper Program while still ensuring that the Program is appropriately targeted.

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2019 - 2020

Division: JobKeeper Division
Topic: Industries most effected by JobKeeper eligibility changes
Reference: 004 Hansard page 22, 7 May 2020 – IQ20-000060

Question:

Senator WATT: Okay. Are you able to tell us which industries are most affected by the decision to, for instance, exclude short-term casuals?

Ms Wilkinson: Again, I can take that question on notice. I don't have estimates of the distribution of casuals by industry, but I can see what information we could provide.

Answer:

The Australian Bureau of Statistics labour force data (Cat. No. 6291.0.55.003), provides a breakdown of all categories of casual employees by industry sector for 2019, including those that are regular and systematic casual employees for a period of more than 12 months. Many casual employees will be eligible to be nominated by their employer for JobKeeper if they meet certain criteria, such as having been employed on a regular and systematic basis for a period of 12 months.

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2019 - 2020

Division: JobKeeper Division
Topic: Payslips for JobKeeper payment
Reference: 005 Hansard page 28, 7 May 2020 – IQ20-000061

Question:

Page 28 - Senator LAMBIE: Is an employer required to specify a JobKeeper payment on an employee pay slip to comply with section 536 of the Commonwealth Fair Work Act 2009 and 3.33 of the Fair Work Regulations 2009?

Ms Wilkinson: I apologise, but that's a very specific question that goes to the Fair Work Act, and I don't know the answer to that question. I don't know whether you've got the Attorney-General's Department coming to speak to the committee. They would be the appropriate department to answer that specific question. I'm happy to take it on notice and to consult with Attorney-General's and come back to you if we can provide an answer, but, otherwise, that would be my suggestion.

Senator LAMBIE: Could you take that on notice, because I'm having complaints about people not having their pay slips provided and, therefore, they're using their holidays and they can't see what's going on. I would have thought that, by law, you would have to supply a pay slip.

Ms Wilkinson: I'm happy to take that on notice.

Answer:

Under the *Fair Work Act 2009* an employer must give an employee a pay slip within one working day of paying an amount to the employee in relation to the performance of work. The payslip must include any information prescribed by the *Fair Work Regulations 2009*.

The JobKeeper payment is paid by the Commonwealth government to an employer, subject to their eligibility for and participation in the scheme. Amounts paid by an employer to an employee in relation to the performance of work should be included on payslips, including if the cost to the employer is met from the JobKeeper Payment.