

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

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

2020 - 2021

Division: Retirement Income Policy Division
Topic: Early access superannuation data
Reference: Written Question from Senator Gallagher –31 July, IQ20-000199

Question:

I refer to Treasury analysis of banking data and ABS data referenced by Treasurer Frydenberg in news reports of 30 July 2020 in The Australian and by the ABC:

- a) Please provide copies of each of these surveys and analysis (ie, the Treasury analysis of banking data and the ABS survey)?
- b) Please provide the methodology, sample size and any underlying assumptions for each of these surveys/analysis?
- c) Please advise if these surveys/analysis were in the public domain prior to 30 July 2020. If not, are they in the public domain now? If so, when were they made public? If not, is Treasury planning on releasing these publicly?
- d) For each of these surveys/analysis can Treasury advise if they require participants to self-report?
- e) For each of the surveys/analysis can Treasury advise if they analyse intentions or retrospective behaviour?

Answer:

a) Please provide copies of each of these surveys and analysis (ie, the Treasury analysis of banking data and the ABS survey)?

The banking data analysis quoted in the media was not performed by Treasury.

The Treasurer's statements refer specifically to the ABS Household Impacts of COVID-19 Survey (Cat No, 4940.0) release published on 29 May 2020.

The survey is publicly available and can be accessed on the ABS website:

<https://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4940.0Main+Features112-15%20May%202020?OpenDocument>

b) Please provide the methodology, sample size and any underlying assumptions for each of these surveys/analysis?

The ABS has published this information in the explanatory notes for the ABS Household Impacts of COVID-19 Survey (Cat No, 4940.0) release published on 29 May 2020.

The explanatory notes can be accessed via the link above or directly at this address:

<https://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4940.0Explanatory%20Notes112-15%20May%202020?OpenDocument>

c) Please advise if these surveys/analysis were in the public domain prior to 30 July 2020. If not, are they in the public domain now? If so, when were they made public? If not, is Treasury planning on releasing these publicly?

The results from the fourth ABS survey in the Household Impacts of COVID-19 series were published on 29 May 2020.

d) For each of these surveys/analysis can Treasury advise if they require participants to self-report?

The ABS states that the participants were asked to self-report (i.e. they voluntary responded to questions asked by the ABS interviewers about what they had spent their early release amounts on).

e) For each of the surveys/analysis can Treasury advise if they analyse intentions or retrospective behaviour?

The ABS survey questions go to both the future intentions and past behaviour of participants. On early release specifically, the ABS has published results on how people self-reported that they had spent, or planned to spend, amounts released from superannuation.

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

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

2020 - 2021

Division: Australian Charities and Not-for-profits Commission (ACNC)
Topic: Windup and Closure of charities
Reference: Written Question from Senator Gallagher – 31 July, IQ20-000200

Question:

1. Since January 2019, in each month up until the present date:
- How many charities have contacted the ACNC to seek advice on how to windup their organisation?
 - How many charities have contacted the ACNC to initiate a windup process?
 - How many charities have notified the ACNC of their closure?

Answer:

- a) These figures reflect charities calling the ACNC to ask about the process of winding up, including how to notify the ACNC they had wound up since January 2020. Data for 2019 has not been provided due to the significant resources required to identify these enquiries.

2020	Jan	Feb	Mar	Apr	May	Jun	Jul	<i>Total</i>
Telephone enquiries	9	82	60	1 (call centre closed)	5	29	27	213
Written enquiries	18	28	14	21	24	26	27	158

- b) These figures reflect the number of charities that submitted a form to the ACNC to request voluntary revocation of the charity as it was merging with another charity or no longer operating (winding up).

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	<i>TOTAL</i>
2019	64	68	84	73	81	116	74	110	76	67	118	71	1002
2020	85	91	79	66	45	91	51	N/A	N/A	N/A	N/A	N/A	508
													1510

- c) These figures reflect the number of charities that submitted a voluntary revocation request, where the ACNC agreed to the voluntarily revocation of the charity's registration. This excludes any requests the ACNC is still considering. It should be noted that not all

voluntary revocation requests result in the charity proceeding with the voluntary revocation request.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
2019 TOTAL	63	68	82	72	81	116	73	109	75	67	117	69	992
~ Voluntarily Revoked Merged	12	14	17	17	16	19	10	14	12	10	49	8	198
~ Voluntarily Revoked No Longer Operating	51	54	65	55	65	97	63	95	63	57	68	61	794
2020 TOTAL	84	89	78	64	45	86	46	N/A	N/A	N/A	N/A	N/A	492
~ Voluntarily Revoked Merged	9	19	10	27	3	11	3	N/A	N/A	N/A	N/A	N/A	82
~ Voluntarily Revoked No Longer Operating	75	70	68	37	42	75	43	N/A	N/A	N/A	N/A	N/A	410

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

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

2020 - 2021

Division: Budget Policy Division
Topic: Infrastructure and Debt
Reference: Written Question from Senator Siewert – 31 July, IQ20-000204

Question:

You've used an average bond yield of 0.8% to estimate the cost of debt:

3. What impact has recent increases in government debt had on bond yields?
4. What impact would a further increase in government debt, say 5% or so, to fund infrastructure likely have on bond yields?

Answer:

Bond yields are determined by a range of market factors. Increases in debt would not necessarily impact yields.

The weighted average cost of borrowing for the future issuance of Treasury Bonds fell from around 1.1 per cent in the 2019-20 Mid-Year Economic and Fiscal Outlook to around 0.8 per cent in the July 2020 Economic and Fiscal Update.

If the Government were to increase government debt by 5 per cent (\$34.2 billion) in 2020-21, public debt interest payments would be estimated to increase by around 0.01 per cent of GDP in that year.

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

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

2020 - 2021

Division: Individuals and Indirect Tax Division
Topic: Boosting Cashflow for Employers
Reference: Written Question from Senator Siewert – 31 July, IQ20-000206

Question:

The Australian Government introduced the Boosting Cashflow for Employers measure to provide eligible businesses with between \$20,000 and \$100,000, split evenly between the June and September quarters. The Treasury Fact Sheet for the measure states the measure will support businesses to manage cashflow challenges and help businesses retain their employees. Eligible payments include:

- Salary and wages
- Director fees
- Eligible retirement or termination payments
- Compensation payments
- Voluntary withholding from payments to contractors

The ABS Business Impacts of COVID-19, July 2020 survey revealed that of the firms surveyed who had received the cashflow boost, 61 per cent used the money to support employees, 56 per cent paid fixed costs, 33 per cent to service loans or debt, 29 per cent added to their savings or cash reserves and 15 per cent into capital investment.

1. Please indicate whether these applications of the funds from the support measures meet the eligibility requirements set out for the program, for example, savings, cash reserves and capital investment.

2. Does the Treasury or ATO have figures on how much money from the program is being used by employers for the purposes identified in the ABS survey:

- a. support employees
- b. paid fixed costs
- c. serviced loans or debt
- d. added to their savings or cash reserves
- e. capital investment.

Answer:

1. The Boosting Cash Flow for Employers measure provides eligible small and medium-sized entities, including not-for-profits, with payments of between \$20,000 and \$100,000 across the March to September 2020 reporting periods. The payments are based on the tax withheld from eligible payments to employees and are automatically received as credits upon lodging their activity statements for the March to September 2020 periods. Businesses are able to use the support according to their individual needs and the support is expected to help businesses keep operating, pay their rent, electricity and other bills, and retain staff as outlined on the Treasury website and in line with the original announcement: <https://treasury.gov.au/coronavirus/businesses/cash-flow-pay-bills>
2. Data is not available to this level of specificity.