

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
Social Services Portfolio
2014-15 Budget Estimates Hearings

Outcome Number: 1

Question No: 513

Topic: Disability Support Pension

Hansard Page: Written

Senator Siewert asked:

What are the numbers of people that will be affected by the changes in the DSP freezing of indexation? How much do you calculate it is going to impact a week on someone on DSP? Please provide this broken down the demographics of the number of people that are on DSP, particularly over 50 and 60 but also include all other age cohorts.

Answer:

Pausing indexation of the pension income test and asset test free areas, and social security deeming thresholds, for three years from 1 July 2017 has the following estimated impacts in the first year of the pause (2017-18):

- Pension assets test free area: 14,000 assets tested recipients of Disability Support Pension will forgo an average weekly increase to their pension of \$3.48.
- Pension income test free area: 84,000 income tested recipients of Disability Support Pension will forgo an average weekly increase to their pension of \$1.00.
- Social security deeming thresholds: 53,000 income tested recipients of Disability Support Pension will forgo an average fortnightly increase to their pension of \$0.16.

The following table provides estimated customer impact numbers in the first year of the pause (2017-18) according to age. These age-specific estimates have been produced by applying the current age profile of Disability Support Pension recipients assessed under the pension asset test free, pension income test, and deeming provisions to the abovementioned customer 2017 impacts for the Disability Support Pension population as a whole.

Age Range	Pension Asset Test Free Area	Pension Income Test Free Area	Deeming Thresholds
<30	50	7,000	1,600
30-39	250	9,200	3,800
40-49	1,000	16,150	8,600
50-59	3,950	27,800	18,150
60-69	8,550	22,650	20,000
70+	300	850	900

Because the costing for this measure was based on the population of Disability Support Pension recipients as a whole, age-specific average weekly impacts on payments amounts are not available.