Senate Community Affairs Committee ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

FAMILIES, HOUSING, COMMUNITY SERVICES AND INDIGENOUS AFFAIRS PORTFOLIO

2011-12 Budget Estimates Hearings

Outcome Number: 2 Ouestion No: 246

Topic: Rent Assistance and Housing Assistance

Hansard Page: Written

Senator Siewert asked:

What is the cost of increasing the maximum rate of RA by \$15 pw and \$25 pw? If such increases were to occur, please indicate how many recipients by payment type and in each state and territory would no longer be considered to be in "housing stress". (Use recipient data from January 2011 (if appropriate).

Answer:

The annual cost of increasing the maximum rate of RA by \$15 per week is \$596 million. The annual cost of increasing the maximum rate of RA by \$25 per week is \$932 million. These costings are indicative only, as they are based on the RA population at only one point in time.

Figures have been provided of the number of recipients who would be in housing stress at current rates of payment and at the increased rates.

Table 1 at **Attachment A** shows the total number of RA recipients by payment type, as well as the number of recipients, by payment type and state and territory that would not be in "housing stress" at current rates of payment.

Table 2 at **Attachment A** shows the number of recipients, by payment type and state and territory that would not be in "housing stress" if the maximum rate of Rent Assistance was increased by \$15 per week.

Table 3 at **Attachment A** shows the number of recipients, by payment type and state and territory that would not be in "housing stress" if the maximum rate of Rent Assistance was increased by \$25 per week.

Data used is at 11 March 2011, the most recent available.