



Social Security (Disaster recovery allowance rate calculator) Determination 2020

I, David Littleproud, Minister for Water Resources, Drought, Rural Finance, Natural Disaster and Emergency Management, make this instrument under subsection 1061KC(2) of the *Social Security Act 1991*.

Dated 19 January 2020

Minister for Water Resources, Drought, Rural Finance, Natural Disaster and Emergency Management

1 Name of instrument

This instrument is the *Social Security (Disaster recovery allowance rate calculator) Determination 2020*.

2 Commencement

This instrument is taken to have commenced on 1 July 2019.

3 Definitions

In this instrument:

Act means the *Social Security Act 1991*.

average weekly income means the average weekly ordinary earnings for a full-time adult in Australia according to the Australian Bureau of Statistics.

compensation payment means any payment to a person for personal injury, disease, illness or loss that compensates the person, at least in part, for a loss of earnings or capacity to earn, other than:

- (a) landlord protection insurance or other payment that compensates for loss of rental income on rental property; or
- (b) a payment to the person under an income protection insurance policy related to the person's inability to earn, derive or receive income from remunerative work.

disaster affected income, for a person, means the fortnightly income that the person has earned, received or derived, or will earn, receive or derive, in the 13 weeks after the date when the person suffered a loss of income as a direct result of the Part 2.23 major disaster.

income, for a person:

- (a) includes:
 - (i) an income amount earned, received or derived by the person for the person's own use or benefit; or
 - (ii) a periodical payment of a gift or allowance; or
 - (iii) a periodical benefit of a gift or allowance; and
- (b) does not include:
 - (i) any amount excluded by subsection 8(4), (5) or (8) of the Act; or
 - (ii) interest or investment returns on an amount held in a bank account or trust for a person (the **trustee**) where the trustee does not, at the time the trustee's income is being assessed under this instrument, have access to the interest or investment returns earned; or
 - (iii) an amount paid by a proprietary company to a person who is a director of or shareholder in the company other than an amount that is earned, derived or received by the person as an employee of the company; or
 - (iv) compensation payments; or
 - (v) adjusted disability pension payments under section 118NA of the *Veterans' Entitlement Act 1986*.

Note **income** is used in a difference sense to that used in the Act.

income amount means any of the following, whether or not of a capital nature:

- (a) valuable consideration;
- (b) personal earnings;
- (c) moneys;
- (d) profits.

4 Disaster recovery allowance rate calculator

The fortnightly rate of disaster recovery allowance is to be worked out in accordance with this section.

Method statement

Step 1	Work out the person's maximum rate of disaster recovery allowance under: (a) if the person is under 22 years—subsection 1061KC(4) of the Act; or (b) if the person is at least 22 years—subsection 1061KC(5) of the Act.
Step 2	Work out the person's disaster affected income.
Step 3	Multiply the person's disaster affected income by 26 to work out the person's annualised disaster affected income.
Step 4	Multiply the average weekly income by 52 to work out annualised average weekly income.
Step 5	If the person's annualised disaster affected income is at least annualised average weekly earnings, the fortnightly rate is nil.
Step 6	If the person's annualised disaster affected income is less than annualised average weekly earnings, the fortnightly rate is the maximum rate.
Step 7	If, based on information provided by the person, the person's annualised disaster affected income for any fortnightly period after the first fortnight the person receives DRA is at least the annualised average weekly earnings, the person's fortnightly rate for that fortnight is nil

5 Application

(1) This instrument applies in relation to a Part 2.23B major disaster determined by the Minister under subsection 36A(1) of the Act on or after 1 July 2019.

(2) However, if under the *Social Security (Disaster Recovery Allowance) (Rate calculator) Determination 2015* (the **old instrument**) the amount a person would, but for subsection (1) and section 6, receive for the period commencing on 1 July 2019 and ending on the day this instrument is registered, is greater than the amount the person would receive under this instrument for that period, the old instrument as in force immediately before the commencement of this instrument continues to apply on and after that commencement to the person.

6 Repeal

(1) *The Social Security (Disaster Recovery Allowance) (Rate calculator) Determination 2015* (registered instrument F2015L00022) is repealed.

(2) Despite the repeal of *Social Security (Disaster Recovery Allowance) (Rate calculator) Determination 2015* by subsection (1), that instrument as in force immediately before the commencement of this instrument continues to apply on and after the commencement of this instrument to a Part 2.23B major disaster determined by the Minister under subsection 36A(1) of the Act before 1 July 2019.