From: S22
To: Working Age Team

**Subject:** FW: Opposition policy on Jobseeker and media reporting of Govt analysis [SEC=OFFICIAL]

**Date:** Thursday, 18 May 2023 4:16:40 PM

Attachments: <u>image001.jpg</u>

## **OFFICIAL**

FYI



| Director

Social Services and Indigenous Australians Branch

**Budget Group** 

Department of Finance

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Classification: OFFICIAL

Classified by: mark.roddam1@finance.gov.au on: 18/05/2023 4:14:37 PM

**From:** Roddam, Mark <Mark.Roddam1@finance.gov.au>

**Sent:** Thursday, May 18, 2023 4:15 PM

To: Patterson, Cath < Cath. Patterson@finance.gov.au>

**Cc:** S22 @finance.gov.au>; Valenti, Donna

<Donna.Valenti@finance.gov.au>

Subject: RE: Opposition policy on Jobseeker and media reporting of Govt analysis [SEC=OFFICIAL]

## **OFFICIAL**

Hi Cath

- We have not been involved in costing this option either for the 2022-23 October Budget or for the 2023-24 Budget. However, we can't confirm if Finance has costed this or a similar options under the previous Government.
- The amount per fortnight Jobseeker recipients can earn before payments reduce to zero depends on individual circumstance but tends to range between \$1,232.84 (partnered recipients) to \$2.053.25 (single principal carer with a dependent child younger than 16). It is unclear if the Opposition's proposal would impact the higher end thresholds (income test cut off) for people receiving Jobseeker. Assuming it does not, the Opposition's proposal would likely impact existing Jobseeker recipients in the first instance rather than expanding eligibility at the upper end of the income test threshold. That said, we would assume that a minor increase in Jobseeker recipients could be realised by a change to the amount recipients can earn before triggering the taper rate simply as a more favourable

income threshold for Job seeker support (\$300 rather than \$150 for example) may incentivise some people to seek Jobseeker payment – we would expect this cohort to be low in number and at the margin noting this cohort would already be at the very low/no income level and likely to be receiving Jobseeker payments already in the vast majority of cases. We would expect the Opposition's proposal to increase the average payment rate for Jobseeker recipients noting the taper rate would be triggered at a higher threshold than is currently set. However, as noted above, we have not costed this option so don't have a sense of the broader impact at this stage.

Thanks Mark

Classification: OFFICIAL

Classified by: Cath.Patterson@finance.gov.au on: 18/05/2023 2:02:20 PM

**From:** Patterson, Cath < <u>Cath.Patterson@finance.gov.au</u>>

**Sent:** Thursday, May 18, 2023 2:02 PM

To: Roddam, Mark < Mark.Roddam1@finance.gov.au >; Valenti, Donna

<Donna.Valenti@finance.gov.au>

**Subject:** Opposition policy on Jobseeker and media reporting of Govt analysis

## **OFFICIAL**

Hi

Media is reporting again today (the Australian - Geoff Chambers) on Government analysis of the Opposition's JobSeeker proposal - that says 50,000 Australians would be pushed back onto welfare support payments at a direct cost of \$400m over 4 years.

Two questions from me:

- can you confirm that we have NOT been involved in or consulted on this analysis of the Opposition's proposal (Senator Hume will ask us this)
- I assume that by increasing the income free threshold from \$150 to \$300 that people currently not on JSP due to then earning too much would become eligible for JSP providing their income was below \$300.

Thanks

C

Cath Patterson
Deputy Secretary
Budget Group
Department of Finance