

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
ADDITIONAL ESTIMATES 2014-15

Finance Portfolio

Department/Agency: Department of Finance
Outcome/Program: 1/1.1
Topic: Cost of wages growth

Senator: Ludwig

Question reference number: F6

Type of question: Hansard, F&PA Committee, Page 38, 24 February 2015

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Question:

Senator LUDWIG: What level do you estimate, though, for wage growth? Is there a parameter that you put into your modelling?

Mr Thomann: It is Social Services who would have that in their model. I am not sure that they actually have that particular parameter in the model. I will have to take that on notice in terms of what is actually in the model. But certainly what they are modelling is a combination of what they are seeing in terms of the wages that they are seeing and the actuals of what people are claiming in relation to what is their family income.

...

Ms Halton: I think we are getting to a level of specifics here in terms of what is in the model. We will have to have a look at it.

Senator LUDWIG: Okay. I am happy for you to take that on notice.

Ms Halton: Yes.

Answer:

The Family Tax Benefit model uses actual customer data, including information on family incomes and estimated rates of growth, to project future expenditure. Questions on the specific parameters included in the model should be directed to the Department of Social Services.