

**Senate Standing Committee on Education Employment and Workplace
Relations**

**QUESTIONS ON NOTICE
Additional Estimates 2012-2013**

Outcome 3 - Employment

DEEWR Question No. EW0918_13

Senator Cash asked on 13 February 2013, Hansard page 81

Question

Increasing number of hours that a Newstart recipient can work

Senator CASH: Has the department done any modelling on the cost of increasing the number of hours a Newstart recipient is able to work before their payment is reduced?... That was in relation to the inquiry; thank you. Has the minister at any time requested, asked or directed the department that this modelling be undertaken?
Ms Paul: I think, once again, we would need to take it on notice. To get it comprehensive for you, let us take it on notice and we will get the dates and so on.

Answer

Increasing the number of hours that a person can work before their rate of Newstart Allowance is reduced would mean increasing the income free area for the Newstart Allowance income test.

The Department undertook indicative costing of increasing the income free area for Newstart Allowance in the context of preparing the joint agency Submission to the Senate Inquiry into the allowance payment system, in responding to subsequent questions from the Senate Inquiry Committee, and in considering the recommendations of the Inquiry Report regarding this element.