

EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS

**SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE
2008-09 BUDGET ESTIMATES HEARING**

Outcome 7

DEEWR Question No. EW545_09

Senator Fisher asked on 2 June 2008, EEWWR Hansard page 9.

Question

Newstart Allowance

There is an increase of \$800 million in the budgeted amount for Newstart this year. Is that right? Can you explain the reasoning behind the increase?

Answer

The projected increase of \$813 million in the budgeted amount for Newstart Allowance (NSA) is primarily results from Treasury forecasts.

The increase also takes into account announced existing and new policy in the Budget, as well as increases to the rate of NSA in line with CPI increases. CPI adjustments are made to NSA payments every March and September.