

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

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

**Outcome 3 - Employment**

**DEEWR Question No.** EW0917\_13

**Senator Cash asked on 13 February 2013, Hansard page 80**

**Question**

**Increasing the rate of Newstart Allowance**

Senator CASH: Has the department done any modelling on the cost of increasing the Newstart allowance?... Senator CASH: If the modelling was done—I appreciate some of it has been done as part of the inquiry, but I am looking at whether or not the minister gave the department a direction to undertake modelling on increasing the Newstart allowance and, if so, when did the minister provide that direction? Ms Paul: I am not quite sure what you mean by 'direction'. We have offered a range of advice, naturally, on this issue to the minister and to government. I cannot go to that obviously because that is— Senator CASH: No; I appreciate that you cannot go to that and I am not asking you to. Ms Paul: We would have to take on notice when, because there will be a range. This has been an issue over a long period. Meanwhile, in terms of increases, some of these have been canvassed at the inquiry. Perhaps Ms Taylor can remind us; but of course it will already be on the record.....Senator CASH: Would it be fair to say: did the minister ask the department to undertake some modelling as opposed to 'direct the department'? Did the minister ask the department to undertake modelling? Ms Paul: I am not actually trying to split hairs on that. Whether it came from him or from us, naturally in the nature of these things with an inquiry going on et cetera obviously we would have given advice. I would have to take on notice the direction of the communication, and I am happy to do that.

**Answer**

The Department undertook indicative costing of increasing the rate of Newstart Allowance in the context of a request from the Australian Greens to the Prime Minister (and through the Minister) as part of the 2012-13 Budget process. This was in accordance with the previous agreement between the Australian Labor Party and the Australian Greens, whereby the Australian Greens could request analysis and costing of proposed new policies.