From:

s 47F

Sent:

Tuesday, 8 November 2016 1:24 PM

To:

's 47F

Subject:

FW: Dodgy math - Fairfax Media request [SEC=UNCLASSIFIED]

Security Classification:

UNCLASSIFIED

From: \$47F

Sent: Saturday, 29 October 2016 12:27 PM

To: s 47F

Cc: HALBERT, Cath; \$ 47F

WILSON, Serena; Media

Subject: FW: Dodgy math - Fairfax Media request [SEC=UNCLASSIFIED]

Hi s 47F

Please see the response below cleared by Group Manager Cath Halbert. It also contains the Cameo sent on Thursday.

Kind regards,

s 47F

Without knowing the exact circumstances of a given family, it is difficult to calculate their exact FTB entitlement. However, their FTB entitlement wouldn't change until the family fit the lower income free area, which is approximately \$51,000.

Hi s47F

As requested,

DSS SES clearance officer

Emma Kate McGuirk

DSS proposed response

<u>Cameo</u>

Parenting Payment Single recipient under Age Pension age with 100% care of four children aged 13, 10, 7 and 4 years paying \$400 a week rent with no employment income or child support.

Parenting Payment Single

Basic rate

\$738.50 per fortnight (includes pension supplement of \$22.70 per fortnight)

Energy Supplement

\$12.00 per fortnight

Pharmaceutical Allowance

\$6.20 per fortnight

Total

\$756.70 /14 x 365 = **\$19,728.25**

Note: an income support bonus of \$223.20 was payable for 2016, however, this payment has now ceased and has not been included.

Family Tax Benefit

FTB (A)

\$548.52 per fortnight (\$182.84 for each child aged 0 to 12 years)

FTB (A)

\$237.86 per fortnight (each child aged 13-15 years)

Rent Assistance FTB(A)

\$173.18 per fortnight

FTB (B)

\$155.54 per fortnight

Sub Total

 $$1,115.10/14 \times 365 = $29,072.25$

FTB (A) Supplement

 $$726.35 \times 4 = $2,905.40 \text{ per annum}$

FTB (B) Supplement

\$354.05 per annum

Total

\$32,331.70

Energy Supplement FTB(A)

\$273.75 per annum (\$91.25 per child under 13 years

Energy Supplement FTB(A)

\$116.80 per annum (each child aged 13-15 years)

Energy Supplement FTB(B)

\$73.00 per annum

Total

\$463.55

TOTAL OF ALL PAYMENTS

\$52,523.50

From: s 47F

Sent: Saturday, 29 October 2016 10:50 AM

To: Media

Subject: Fwd: Dodgy math - Fairfax Media request [SEC=UNCLASSIFIED]

Can I please get a response to this by midday please.

Thanks

s 47F

From: Adam Gartrell <adam.gartrell@fairfaxmedia.com.au>

Date: 29 October 2016 at 7:32:27 am AWST

To: |s 47F

Subject: Dodgy math - Fairfax Media request

Hi s 47F

My colleague Peter Martin and I are writing a story about the figures that were circulating yesterday that thousands of parents on benefits earn more than if they had a job.

We have spoken with several experts who point to a "glaring omission" in this analysis.

They all point out that the calculation excludes \$30,916 in FTB that the parent working full-time would also receive.

That means parents working would be about \$28,000 better off, rather than \$2692 worse off.

Can you explain this discrepancy or was it indeed an error?

Kind regards, Adam

Adam Gartrell

National Political Correspondent for The Sun-Herald and The Sunday Age Fairfax Media

Suite 119, Press Gallery
Parliament House
Canberra ACT 2600
(02) 6122 7211
0427 008 525
@adamgartrell
adam.gartrell@fairfaxmedia.com.au | www.fairfaxmedia.com.au | Subscribe to the SMH

The Sun-Herald **sundayage**

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From:

s 47F

Sent:

Saturday, 29 October 2016 11:52 AM

To:

HARDY, Matthew

s 22

Subject:

FW: Parenting payment [SEC=UNCLASSIFIED]

Importance:

High

Hi Matthew

The cameo below looks ok.

The key issue as pointed out by the journo is that FTB would also be payable at the maximum rate for a family up to the lower income free area, around 51,000 for FTB A (then would taper) For a single income family FTB B would not cut out until 100k.

Cheers \$47F

From: Media < Media@dss.gov.au>

Date: 29 October 2016 at 11:33:23 AM AEDT

To: \$ 47F

HARDY, Matthew < Matthew. HARDY@dss.gov.au>

Cc: Media < Media@dss.gov.au>

Subject: FW: Parenting payment [SEC=UNCLASSIFIED]

Importance: High

Colleagues, this is the cameo provided to the office on Thursday.

s 47F

From: Media

Sent: Thursday, 27 October 2016 4:50 PM

To: s 47F

Cc: s 47F

Media; DLOs; ^{s 47F}

Subject: RE: Parenting payment [SEC=UNCLASSIFIED]

Importance: High

Hi ^{s 47F}

As requested,

DSS SES clearance

Emma Kate McGuirk

officer

DSS proposed response

Cameo

Parenting Payment Single recipient under Age Pension age with 100% care of four children aged 13, 10, 7 and 4 years paying \$400 a week rent with no employment income or child support.

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FTB (A)

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\$173.18 per fortnight

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Sub Total

\$1,115.10 /14 x 365 = \$29,072.25

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\$32,331.70

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Energy Supplement FTB(A)

\$116.80 per annum (each child aged 13-15 years)

Energy Supplement FTB(B)

\$73.00 per annum

Total

\$463.55

TOTAL OF ALL PAYMENTS

\$52,523.50

From: \$ 47F

Sent: Thursday, 27 October 2016 12:10 PM

To: Media

Subject: FW: Parenting payment [SEC=UNCLASSIFIED]

Hi team,

Are we able to present a list of payments and amounts which would get someone up into the \$45k for parenting payment recipients?

Eg a cameo? Do we have one - and can we get one today?

Would need by 4pm.

Thanks,

s 47F

From:

s 47F

Sent:

Thursday, 27 October 2016 4:20 PM

To:

s 47

Cc:

Subject:

RE: Parenting payment [SEC=UNCLASSIFIED]

Security Classification:

s 22

UNCLASSIFIED

Hi s 47F

As discussed we have checked your calculations and they are all correct.

Cheers

s 47F

s 47F

A/g Assistant Director
Family Payment Manager

Family Payment Management and Implementation Family Payments and Child Support Policy Branch

Department of Social Services

s 47F

| F: 02 6206 9576 | s 47F

From: |s 47F

Sent: Thursday, 27 October 2016 3:21 PM

To: |s 47F

Subject: FW: Parenting payment [SEC=UNCLASSIFIED]

His 47F

We have been asked to put together a cameo of a PP recipient getting over \$45k per year. Can you please check our FTB calculations.

Unfortunately this is urgent.

Regards

s 47F

Cameo

Parenting Payment Single recipient under Age Pension age with four children aged 13, 10, 7 and 4 years paying \$400 a week rent with no employment income.

Parenting Payment Single

Basic rate

\$738.50 per fortnight (includes pension supplement of \$22.70 per

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TOTAL - \$52,523.50

From: |S 47F

Sent: Thursday, 27 October 2016 1:21 PM

To: \$ 47F Cc: \$ 47F

Subject: RE: Parenting payment [SEC=UNCLASSIFIED]

His 47F

I'm chasing up the source of the 10% etc below but just on the back of an envelope, a simple scenario

A singlé parent with 4 children, 2 teenagers and 2 younger, a private renter with no employment.

PP: \$19,217 FTB-A: \$24,842

FTB-B: \$4,409 (if youngest child aged under 5)

Max RA: \$4,508

Total = \$52,976

From: |s 47F

Sent: Thursday, 27 October 2016 12:52 PM

To: \$ 47F

Subject: FW: Parenting payment [SEC=UNCLASSIFIED]

From: |S 47F

3411

Sent: Thursday, 27 October 2016 12:27 PM

To: |s 47F

Cc: s 47F

Subject: FW: Parenting payment [SEC=UNCLASSIFIED]

Hi Is 47F

Thanks for the chat. As discussed – the request is below. Let me know if something by 4pm is likely – and if the request is possible.

We'll need BM clearance.

Thanks

s 47F

From: S 47F

Sent: Thursday, 27 October 2016 12:10 PM

To: Media Cc: s 47F

Subject: FW: Parenting payment [SEC=UNCLASSIFIED]

Hi team,

Are we able to present a list of payments and amounts which would get someone up into the \$45k for parenting payment recipients?

Eg a cameo? Do we have one – and can we get one today?

Would need by 4pm.

Thanks,

s 47F

From:

Media

Sent:

Tuesday, 8 November 2016 2:04 PM

To:

,s 47F

Subject:

FW: Parenting payment [SEC=UNCLASSIFIED]

s 22

Importance:

High

Security Classification:

UNCLASSIFIED

From: Media

Sent: Thursday, 27 October 2016 4:50 PM

To: s 47F

Cc:

Media; DLOs; s 47F

Subject: RE: Parenting payment [SEC=UNCLASSIFIED]

Importance: High

Hj. s 47F

As requested,

DSS SES clearance

Emma Kate McGuirk

officer

DSS proposed response

Cameo

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TOTAL OF ALL PAYMENTS

\$52,523.50

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Hi team,

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Eg a cameo? Do we have one – and can we get one today?

Would need by 4pm.

Thanks,

s 47F

From:

s 47F

Sent:

Thursday, 27 October 2016 4:37 PM

To:

s 47F

Subject:

FW: URGENT - Parenting payment [SEC=UNCLASSIFIED]

Security Classification:

UNCLASSIFIED

s22

All good to go.

From: MCGUIRK, Emmakate

Sent: Thursday, 27 October 2016 4:34 PM

To: s 47F

Subject: RE: URGENT - Parenting payment [SEC=UNCLASSIFIED]

[UNCLASSIFIED]

Cleared.

EΚ

Sent with Good (www.good.com)

From: |S 47F

Sent: Thursday, 27 October 2016 4:19:46 PM

To: MCGUIRK, Emmakate

Cc: \$ 47F

Subject: URGENT - Parenting payment [SEC=UNCLASSIFIED]

Hi EK

For clearance please.

Below is the cameo cleared by Family Payment and Implementation Section.

Regards

s 47F

<u>Cameo</u>

Parenting Payment Single recipient under Age Pension age with 100% care of four children aged 13, 10, 7 and 4 years paying \$400 a week rent with no employment income or child support.

Parenting Payment Single

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Total

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.

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1

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Total - \$463.55

TOTAL OF ALL PAYMENTS - \$52,523.50

From: \$ 47F

Sent: Thursday, 27 October 2016 12:27 PM

To: \$ 47F Cc: \$ 47F

Subject: FW: Parenting payment [SEC=UNCLASSIFIED]

Hi I^{S 47F}

Thanks for the chat. As discussed – the request is below. Let me know if something by 4pm is likely – and if the request is possible.

We'll need BM clearance.

Thanks

s 47F

From: s 47F

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To: Media Cc: s 47F

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Eg a cameo? Do we have one – and can we get one today?

Would need by 4pm.

Thanks,

s 47F

From:

s 47F

Sent:

Monday, 31 October 2016 10:04 AM

To:

s 47F

Cc:

s 47F

Subject:

RE: Dodgy math - Fairfax Media request [SEC=UNCLASSIFIED]

s 22

Security Classification:

UNCLASSIFIED

As I mentioned last week:

"FTB entitlement wouldn't change until the person hit the LIFA, so there isn't necessarily a "disincentive to work" as suggested in the article. However, the person's PPS entitlement would start to taper at 40% past the "\$7,000 income free area (for a four child family), so there would be some disincentive there. "

...and s 47F mentioned before – and suggested caveats – when we originally did the cameos:

"However, it is important to note that a single income family on minimum wage would also still receive Family Tax Benefit at the maximum rate in line with the figures outlined in the cameos."

It looks like these caveats didn't quite flow through all the way to the article.

As for the interaction between income and the PPS income test, a single parent could earn \$50,000 and still get the full amount of FTB and a decent (5 2,400) amount of PPS (plus, of course, their \$50,000 income).

PPS	ĺ		
max entitlement	\$19,728.00	<- according to article	
IFA - 4 kids	\$6,841.00	<- \$188.60 pf plus \$24.60 per additional child	
taper after IFA	40%		
ATI	\$50,000.00		
reduction	\$17,263.60		
income-tested PPS	\$2,464.40		

From: \$ 47F

Sent: Monday, 31 October 2016 9:21 AM

To: \$ 47F Cc: \$ 47F

Subject: FW: Dodgy math - Fairfax Media request [SEC=UNCLASSIFIED]

From: Media

Sent: Saturday, 29 October 2016 11:18 AM

To: HARDY, Matthew; \$ 47F

Cc: Media

Subject: FW: Dodgy math - Fairfax Media request [SEC=UNCLASSIFIED]

Colleagues can I please ask for your urgent assistance with the query below.

s 47F

From: \$ 47F

Sent: Saturday, 29 October 2016 10:50 AM

To: Media

Subject: Fwd: Dodgy math - Fairfax Media request [SEC=UNCLASSIFIED]

Can I please get a response to this by midday please.

Thanks

s 47F

From: Adam Gartrell <adam.gartrell@fairfaxmedia.com.au>

Date: 29 October 2016 at 7:32:27 am AWST

To: \$ 47F

Subject: Dodgy math - Fairfax Media request

Hi s 47F

My colleague Peter Martin and I are writing a story about the figures that were circulating yesterday that thousands of parents on benefits earn more than if they had a job.

We have spoken with several experts who point to a "glaring omission" in this analysis.

They all point out that the calculation excludes \$30,916 in FTB that the parent working full-time would also receive.

That means parents working would be about \$28,000 better off, rather than \$2692 worse off.

Can you explain this discrepancy or was it indeed an error?

Kind regards, Adam

Adam Gartrell

National Political Correspondent for The Sun-Herald and The Sunday Age Fairfax Media

Suite 119, Press Gallery Parliament House Canberra ACT 2600 (02) 6122 7211 0427 008 525 @adamgartrell

adam.gartrell@fairfaxmedia.com.au | www.fairfaxmedia.com.au | Subscribe to the SMH



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From:

s 47F

Sent:

Friday, 28 October 2016 11:23 AM

To: Cc: s 47F

Subject:

RE: Ministers Office query- Parenting Payment [SEC=UNCLASSIFIED]

s 22

Security Classification:

UNCLASSIFIED

The FTB figures in the article line up perfectly (see below).

As *47F mentioned when we originally provided these cameos, FTB entitlement wouldn't change until the person hit the LIFA, so there isn't necessarily a "disincentive to work" as suggested in the article. However, the person's PPS entitlement would start to taper at 40% past the ~\$7,000 income free area (for a four child family), so there would be some disincentive there. It's a pretty complicated income test though.

The article is comparing apples and oranges with pretty deliberate wording, and it seems like the author hasn't spent too much time thinking about how the payments actually work, and what their intent is.

s 47F

From the article:

A single parent with four children aged 13, 10, seven and four years, who paid \$400 a week in rent without any employment income or child support, would receive a basic parenting payment of \$738.50 a fortnight, along with an energy supplement of \$12 a fortnight and a pharmaceutical allowance of \$6.20 fortnight.

This provides a base payment of \$19,728 a year, which would then be augmented by family tax benefits A and B, further supplements for each child and rent assistance, which would pay an extra \$32,331 a year.

Finally, energy supplements for each child receiving family tax benefits would total an additional \$463 a year, bringing the total take-home pay to \$52,523.

Parenting Payment Single \$19,728.25 a year

Family Tax Benefit (A & B plus supplement) \$32,331.70 a year

Energy Supplement FTB (A & B) \$463.55

Total \$52,523.50

Median wage * \$46,500

From my calculator:

^{*} All workers, including part-time

Primary earner income Secondary earner income Family ATI \$0 \$0

☑ Private renter?
Rent paid per fortnight
Rent assistance (per fortnight)
Rent assistance (per year)

\$800.00 \$173.18 \$4,515.05

	2015-16	2016-17
FTB Part A entitlement	\$28,294.80	\$28,313.05
SKB	\$1,716.00	\$0.00
SIFS	\$0.00	\$0.00
FTB Part B entitlement	\$4,412.85	\$4,482.20
TOTAL FTB ENTITLEMENT	534,423,65	\$32,795.25

From: S 47F

Sent: Friday, 28 October 2016 9:08 AM

To: s 47F

Subject: FW: Ministers Office query- Parenting Payment [SEC=UNCLASSIFIED]

Hi s 47F Please have a look at this using your calculator. Thanks. - s47F

From: \$47F

Sent: Friday, 28 October 2016 8:51 AM

To: \$ 47F

Subject: FW: Ministers Office query- Parenting Payment [SEC=UNCLASSIFIED]