

December Quarter - \$250 Coronavirus Supplement not income tested, \$300 income free area, 60c taper

Single, no dependents	
	JobSeeker Payment with \$250 COVID Supplement
JobKeeper - \$1,200	\$284.50 (\$1,484.50 total)
JobKeeper - \$750	\$554.50 (\$1,304.50 total)

Couple, 2 children under 13 - P2 receives income support	
	JobSeeker Payment with \$250 COVID Supplement and FTB A
JobKeeper - \$1,200	\$1,138.37 (\$2,338.37 total)
JobKeeper - \$750	\$1,646.52 (\$2,396.52 total)

JobSeeker Payment and ^{s 22}

General points

- The Government is extending income support for individuals to continue to assist them during the COVID-19 pandemic.
 - With the revised \$250 per fortnight Coronavirus Supplement, a single person, with no dependents and not renting will have a maximum payment amount of \$824.50 per fortnight.
 - This is more than half the National Minimum Wage (currently \$1,507.60 per fortnight)

Background

JobSeeker Payment and s 22

- With the revised \$250 per fortnight Coronavirus Supplement, a single recipient, with no dependents and not renting will have a maximum payment amount of **\$824.50 per fortnight**.
 - This is composed of fortnightly payments of: Maximum Base Rate of \$565.70 + Energy Supplement of \$8.80 + Coronavirus Supplement of \$250.
- Further, a JobSeeker Payment recipient:
 - may be eligible for other social security support, such as Commonwealth Rent Assistance; and
 - from 25 September to 31 December 2020, can earn up to \$300 per fortnight without it affecting their Maximum Base Rate.
 - : In that situation, a recipient would receive \$1,124.50 per fortnight.
- The Australia Institute's recent report *Poverty in the age of coronavirus – The impact of the JobSeeker coronavirus supplement on poverty* (20 July 2020) utilises the Henderson Poverty line (see Background) as a benchmark poverty rate.
 - The Henderson Poverty Line consists of multiple 'poverty lines' depending on household composition, how housing is treated and whether the 'head' of the household is in the workforce.
- For the December quarter 2019¹, the Henderson Poverty Line for a single person with no children is estimated to be \$730.76² per fortnight after tax, excluding housing.
- The continuation of the Coronavirus Supplement of \$250 in the December quarter means that a single JobSeeker Payment recipient with no dependents and not renting continues to receive above this poverty line amount.
 - Note: This is illustrative, and compares a December 2019 Henderson Poverty Line with the income support to be provided to a single JobSeeker Payment recipient with no dependents and not renting in December 2020.

¹ https://melbourneinstitute.unimelb.edu.au/__data/assets/pdf_file/0004/3369397/Poverty-Lines-Australia-December-2019-Final.pdf

² This rate assumes the single person is in the workforce, since JobSeeker Payment recipients are usually required to search for employment to be eligible for payment. The Melbourne Institute use this same assumption in their comparisons.

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JOBSEEKER PAYMENT**Key message**

- The Australian Government is continuing to support individuals, families and the economy during the COVID-19 pandemic by providing additional financial assistance to people who lose their jobs or have reduced income as a result of the pandemic.
- The level of support provided to jobseekers is being adjusted to reflect the gradually improving economic conditions.
- Decisions on JobSeeker Payment and the social security system complement decisions taken on JobKeeper Payment to balance the support required by individuals who continue to be affected by the economic impact of COVID-19.

Key facts and figures

- The Coronavirus Supplement will continue to be \$550 per fortnight for payments up to and including the reporting period ending 24 September 2020.
- The Coronavirus Supplement will be extended at the rate of \$250 per fortnight from 25 September 2020 until 31 December 2020.

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- On 21 July 2020, the Government announced the following changes will be made to JobSeeker Payment from 25 September 2020:
 - The Coronavirus Supplement will be extended at the rate of \$250 per fortnight until 31 December 2020.

- Income support categories eligible to receive the Coronavirus Supplement are:
 - JobSeeker Payment (and all payments transitioning as a result of JobSeeker Payment);
 - Youth Allowance;
 - Parenting Payment (Partnered and Single);
 - Austudy;
 - ABSTUDY Living Allowance;
 - Farm Household Allowance;
 - Special Benefit;
 - Department of Veterans' Affairs Education Schemes; and
 - eligible New Enterprise Incentive Scheme (NEIS) recipients (*may elect to receive an income support payment that attracts the Coronavirus Supplement instead of NEIS Allowance*).

Example:

A single person, with no dependents, not renting who only receives the \$750 per fortnight JobKeeper payment, will have total gross fortnightly income of **\$1,304.50** (in the December quarter).

The composition of \$1,304.50 per fortnight gross income for that individual will be:

Income component	Amount (\$, per fortnight)	Comment
JobKeeper Payment	\$750	
Coronavirus Supplement	\$250	<i>Non Income-tested</i>
JobSeeker Payment base rate	\$304.50	<i>Single, no dependent, not renting, maximum base rate (\$565.70 p.f.) and the Energy Supplement (\$8.80 p.f.), adjusted by the \$300 p.f. Income Free Area (IFA) and 60 cents in the dollar taper for income above the IFA, which applies from 25 Sept to 31 Dec.</i>
Total	\$1,304.50	

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