

FARMAKIS-GAMBONI, Samantha

From: Peter Saunders <p.saunders@unsw.edu.au>
Sent: Friday, 26 April 2019 3:51 PM
To: FARMAKIS-GAMBONI, Samantha
Cc: Megan Bedford
Subject: Re: Query regarding Budget standards research: Table 5.17 [SEC=UNCLASSIFIED]

This is fine with me

Sent from my iPhone

On 26 Apr 2019, at 13:19, FARMAKIS-GAMBONI, Samantha <Samantha.FARMAKIS-GAMBONI@fwc.gov.au> wrote:

Dear Professor Peter Saunders,

The Expert Panel for annual wage reviews publishes all correspondence and submissions received from parties and any additional material that assists with their decision making. In this instance, the Expert Panel wishes to publish correspondence regarding research on Budget Standards: A new healthy living minimum income standards for low-paid and unemployed Australians (Budget standards research).

The following summary is based on our discussions regarding findings presented in Table 5.17 of the Budget standards research:

- There are some errors in safety net income calculations contained in Table 5.17 of the 2017 Budget Standards report. These errors resulted in an over-estimation of the safety net incomes of the families affected.
- The source of the error relates to the treatment of social security income received by the low-paid individuals/families—specifically to the fact that they were incorrectly assigned Rent Assistance for which they would not be eligible. It is not likely that NSA itself was included for some low-paid families, just the Rent Assistance component.
- The errors in Table 5.17 are important, although they do not effect the overall content and context of the report, which is most valuable for the new budget standard estimates that are not affected by the error.
- The process that led to this error is complicated and revised estimates are not intended to be published.
- Apologies to the Commission and others who may have been misled by it.

Would you please confirm to me that this summary is acceptable to you and is a fair representation of our discussions.

This email will be posted to the Fair Work Commission's website.

Kind regards,
Sam.

Samantha Farmakis-Gamboni
Director, Modern Awards, Economics and Research Section

Fair Work Commission