

THE VOICE of Pensioners and Superannuants

14 September 2020

JobSeeker or pre-Age Pension?



OLDER people are more likely than younger people to be on JobSeeker payments for long periods of time, says a report just released by the Parliamentary Budget Office (PBO) on 30 September.

In the 1990s and early 2000s, JobSeeker recipients were typically young men. Fast-forward to 2019, and those on JobSeeker were predominantly people 40 and older.

People over 55 on JobSeeker can do up to 15 hours of approved volunteer work per fortnight. They also have to do or look for at least 15 hours of paid work per fortnight.

Over 60s who have been on the payment for at least 9 months receive a slightly higher payment. They can choose to do 30 hours per fortnight of approved volunteer work without doing or looking for paid work.

These concessions are an acknowledgement that older people are less likely to find work. Almost a third of people over 55 remain on JobSeeker for five years or more.

“JobSeeker appears to be functioning as a kind of pre-Age Pension payment for some older Australians”, says the report.

So why were there no announcements in the recent federal Budget to get older people back into work if the Government knows older unemployed people stay out of work for longer?

JobSeeker recipients aged between 22 and 34 more than doubled between March and May as COVID-19 decimated industries that employed a young, casualised workforce.

It is understandable that the Australian Government wants to get these young people back into work. To achieve this the Government has proposed a wage credit scheme that will pay employers up to \$200 of a workers’ weekly wage if they are 29 years or younger or \$100 of a weekly wage for workers aged between 30 and 35.

The young are not the only ones unemployed. Before COVID-19 there were less than 200,000 people 55 and over on JobSeeker. By June 2020 there were almost 320,000 people over 55 receiving a JobSeeker Payment.

The over 55s on JobSeeker can expect to be on the payment for a lot longer than their younger counterparts as they now have to compete with the young employee wage credit scheme.

Matters are even worse for women who have experienced higher job losses than men, which is especially bad news for older women who experience unemployment the longest and are the fastest growing cohort of homeless Australians.

The JobSeeker Payment was reduced by \$300 on September 25 and will be reduced again on 1 January 2021 back to the pre-COVID rate of \$40 a day. Older unemployed people are likely to live below the poverty line until they reach pension age which is due to increase to 66.5 on 1 July 2021.

People over 55 have plenty to offer in skills and experience. They need jobs!

Cutting a path through the comparator website jungle



THERE are plenty of comparator websites these days claiming to allow you to find the best deals on insurance, financial products and products and services generally.

Not all of them are fair-dinkum.

For example, iSelect was fined \$8.5 million for pretending its website compared all electricity plans offered by its partner retailers and recommended the most suitable or competitive plan when it didn't. Also, it recommended plans to almost 5,000 consumers, which ended up costing more than advised. The total price for some plans was up to \$140 per quarter higher.

So, use comparator websites with caution. Here are some of the things to keep in mind.

Comparator websites are usually paid for by businesses that are listed. This can influence recommendations but also means that businesses which don't want to pay don't get listed.

Sometimes a comparator website only compares the products and services offered by the website owner, not giving competitors a look-in.

Check the site's privacy policy. Some operators use your information for purposes other than comparing products. Make sure you are comfortable with how your personal information will be used.

Always work out the total cost of what's on offer. Be aware that these websites may compare the headline price only, with additional fees and charges only disclosed further down the track.

Where available, it is better to use a government comparator website. For example, energymadeeasy.gov.au allows you to compare electricity and gas plans, while [NSW](#) and [Victoria](#) have their own government-run energy comparator websites.

The Commonwealth Ombudsman operates www.privatehealth.gov.au

The NSW Government runs fuelcheck.nsw.gov.au, which allows you to find the cheapest petrol in your area.

There is greenslips.nsw.gov.au allows you to find the cheapest third-party injury insurance for your car.

Government comparator websites may be a bit harder to find, but they are better than the commercial comparator websites. No comparison, really.

In fact, governments could lift their performance in the area of consumer protection by setting up more of these comparator websites, particularly for financial products and services.