

**Jobseekers' allowance: changes between pre-Budget and Budget forecasts**

The OBR's pre-Budget forecast published on 14 June 2010 included all policy announcements made by the previous Government, but did not include any measures announced or introduced by the Coalition Government.

The Budget forecast published on 22 June reflected the direct and indirect effects of all firm and final policy announcements made by the Government, including the public expenditure cuts announced on 24 May and the measures announced in the Budget.

The changes in the forecast of total social security between the pre-Budget forecast and the Budget are shown in Table C14 of the Budget document.

As set out in Table C9 of the Budget document, the changes across all of the fiscal aggregates are due to:

- the direct effect of Budget policy decisions, as set out in Table 2.1;
- debt interest, excluding the effect of updated market interest rates
- the updated assumptions on market interest rates, oil prices and equity prices; and
- other changes to the economic forecast.

The effect of the additional changes to the economic forecast can be derived by subtracting the direct effects of policy decisions, which are set out in Table 2.1, from the total changes set out in Table C14.

The following table shows the changes to the forecast for Jobseekers' allowance, due to the direct effect of the Budget measures (as set out in Table 2.1) and the additional changes to the economic forecast. Totals may not sum due to rounding.

A detailed split of the Budget forecast for all DWP social security benefits is available on the DWP website at: [http://research.dwp.gov.uk/asd/asd4/alltables\\_budget2010.xls](http://research.dwp.gov.uk/asd/asd4/alltables_budget2010.xls)

Forecasts for Total Jobseekers' Allowances payments	£ billion				
	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>
June 2010 Budget <sup>1</sup>	4.6	4.9	5.1	5.0	4.9
OBR Pre-Budget forecast	4.6	4.9	4.9	4.9	4.8
Revisions in the June Budget	0.0	0.1	0.1	0.1	0.0
of which:					
Direct effect from Budget measures	0.0	0.0	-0.1	-0.1	-0.2
Effect of additional changes to the economic forecast	0.0	0.1	0.2	0.2	0.2

<sup>1</sup> As published on the DWP's website at:  
[http://research.dwp.gov.uk/asd/asd4/alltables\\_budget2010.xls](http://research.dwp.gov.uk/asd/asd4/alltables_budget2010.xls)