

**SENATE EMPLOYMENT, WORKPLACE RELATIONS AND EDUCATION  
LEGISLATION COMMITTEE**

**2005-2006 BUDGET SENATE ESTIMATES HEARING  
30 ,31 MAY and 3 JUNE 2005**

**EMPLOYMENT AND WORKPLACE RELATIONS PORTFOLIO**

**QUESTIONS ON NOTICE**

**Outcome 3: Increased workforce participation**

**Output Group 3.1: Working age policy**

**Outputs 3.1.1: Working Age Policy and Legislation**

**Question Number: W137-06**

**Question:**

Senator Wong provided in writing:

- (a) How many new claims are anticipated for PP by
  - sole parents and
  - married parentsin each of the 3 years from 2006-07?
- (b) How many in each year are projected to be granted? Please break down by age of youngest child (e.g. 0-5, 6-15 years).
- (c) In each of the 3 years from 2006-07, how many
  - sole parents and
  - partnered parentswill receive an alternative income support payment, and how many are projected to receive no payment, as a result of the proposed changes to PP eligibility rules (including those who receive PP initially but transfer to other payments within this period as their child reaches 6 years of age)?
- (d) In each of the 3 years from 2006-07, what alternative payments will they receive (e.g. Newstart Allowance, Austudy), and how many are projected to receive each of these?

**Answer:**

- (a) The following table provides the number of anticipated claims for PPP and PPS over three years from 2006-07:

<b>Financial Year</b>	<b>PPP Claims</b>	<b>PPS Claims</b>
2006-07	64,000	65,000
2007-08	64,000	65,000
2008-09	64,000	65,000

- (b) The following table provides the number of anticipated successful claimants over three years from 2006-07, broken down by age of youngest child:

<b>Financial Year</b>	<b>PPP Successful Claims</b>			<b>PPS Successful Claims</b>		
	All	Youngest Child 0 to 5	Youngest Child 6 and over	All	Youngest Child 0 to 5	Youngest Child 6 and over
2006/07	50,000	50,000	0	55,000	55,000	0
2007/08	50,000	50,000	0	55,000	55,000	0
2008/09	50,000	50,000	0	55,000	55,000	0

- (c)

- In 2006-07, it is estimated that around 23,900 sole parents will receive an alternative payment (to Parenting Payment Single) as a result of the eligibility changes associated with the Welfare to Work reforms. This estimate increases to around 63,100 in 2007-08 and around 95,100 in 2008-09.
- The estimated number of partnered parents who are expected to receive an alternative payment (to Parenting Payment Partnered) is around 7,770 in 2006-07, increasing to around 19,400 in 2007-08 and 26,100 in 2008-09.

For costing purposes only, this group were treated as if they were remaining on Parenting Payment Partnered after their youngest child turns six rather than moving to another payment. As a consequence, there is no breakdown of customers who were estimated to receive an alternative payment to Parenting Payment Partnered (see part (d)). The vast majority of this group will receive Newstart Allowance, which has the same rate of payment as Parenting Payment Partnered, and therefore, this will have a negligible cost impact.

- In 2006-07, it is estimated that around 100 people will receive no payment as a result of the proposed changes to Parenting Payment eligibility rules. This estimate increases to 1,600 in 2007-08 and 4,800 in 2008-09.

Please note that these figures are annual averages and have been rounded to the nearest 100.

- (d) In the main, people who do not meet the new eligibility requirements for Parenting Payment may be eligible for:
- Newstart Allowance,
  - Austudy,
  - Disability Support Pension, or
  - Carer Payment.

Customers estimated to receive alternative payments other than PPS<sup>1</sup>

<b>Payment</b>	<b>2006/07</b>	<b>2007/08</b>	<b>2008/09</b>
Newstart Allowance	21,800	57,300	86,200
Austudy	900	2,500	3,800
DSP	1,000	2,700	4,100
Carer Payment	200	600	1,000

Notes: <sup>1</sup> These figures have been rounded to the nearest hundred, and therefore components may not add to the total provided in the first dot point of part (c).

<sup>1</sup> These figures are annual averages.

<sup>1</sup> These estimates do not include estimates of alternative payments to PPP (see the answer to the second dot point of part (c)).