

Senator Zed Seselja Committee Chair Community Affairs Legislation Committee Senate Standing Committee on Community Affairs PO Box 6100 Parliament House Canberra ACT 2600

Dear Senator Seselja

I am writing to provide correct and updated information to the Committee that my Department provided on the evening of Wednesday the 4th of June 2014, at the Committee's Budget Estimates proceedings.

Firstly, I refer to my answer to a question from Senator Moore, as recorded on page 122 of the Committee's Hansard, which I have copied below.

"Senator MOORE: One of the areas is 'carer' and there has been a concern that there has been some variation about the definition of 'carer' for a range of issues but particularly for this payment. The Department of Human Services website states that a principal carer parent would be exempt. Speaking on ABC radio, Minister Andrews said that the exemptions applied to those who are 'the parent of a child or a principal carer'. The budget papers say 'principal carer of a child'. Which is right?

Ms S Wilson: I think they are all talking about the same thing, which is a principal carer parent. That is the title we give them. So there is someone who has the primary responsibility for the care of a child."

To clarify my answer, under the Earn or Learn measure, in addition to principal carer parents, a parent of a Family Tax Benefit (FTB) child who is an FTB child of that parent (a parent with at least 35 per cent care of a child), including both single and partnered parents, will be exempt from serving the six month waiting period.

Secondly, I refer to the answers provided by Finn Pratt, Cath Halbert and Ty Emerson to a question from Senator Brown, as recorded on pages 127 and 128 of the Hansard, which I have copied below.

"Senator CAROL BROWN: Is there a maximum period where a recipient may receive no payment? Is the maximum period six months, or can it be more?

Ms Halbert: It can be more than six months.

Mr Pratt: But someone would have to have significant -

Ms Halbert: Personal resources.

Mr Emerson: The maximum would be 11 months."

To clarify the answer to this question, the maximum period where a recipient may receive no payment will be determined by the individual's requirement to serve waiting periods in addition to the six month waiting period, for example the Ordinary Waiting Period, the Income Maintenance Period, the Liquid Assets Waiting Period, and the waiting period applied to those who move to an area of lower employment prospects. The total waiting period cannot be less than one month (the minimum waiting period), however it may exceed 11 months, depending on individual circumstances.

Because waiting periods can also be influenced by an individual's own actions, such as failing to comply with the Activity Test, it is difficult to determine a maximum time that an individual may spend servicing waiting periods.

I trust that the Committee is satisfied with the updates and corrections provided.

Yours sincerely

Serena Wilson

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