

EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS

**SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE
2008-09 BUDGET ESTIMATES HEARING**

Outcome **7**

DEEWR Question No. EW248_09

Senator Abetz provided in writing.

Question

Newstart Allowance (NSA) and Parenting Payment Single (PPS) duration.

Table 2.7B on page 119 of the Portfolio Budget Statement indicates that the average duration on income support by current income support payment in weeks is estimated to rise for Newstart Allowance and Parenting Payment Single. Can the Department explain this expected increase?

Answer

The performance indicator in Table 2.7B of *Portfolio Budget Statements 2008-09, Education, Employment and Workplace Relations Portfolio* for average duration on income support by current income support payment is a forecast based on a time series of previous quarterly results.

Newstart Allowance (NSA)

The average duration is increasing as the trend in the proportion of NSA recipients who are unemployed for more than two years has been increasing slightly.

Parenting Payment Single

The 1 July 2006 qualification rules for PPS limit new entrants to people with a youngest child aged 0-8. Those on payment prior to 1 July 2006 (the grandfathered group) can stay on payment until their youngest child turns 16. As the grandfathered group comprises the majority of the PPS population the average duration on payment is increasing.