

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

**2005-2006 SUPPLEMENTARY BUDGET SENATE ESTIMATES HEARING
2 and 3 NOVEMBER 2005**

EMPLOYMENT AND WORKPLACE RELATIONS PORTFOLIO

QUESTIONS ON NOTICE

Outcome 3: Increased workforce participation

Output Group 3.1: Working age policy

Output 3.1.1: Working age policy legislation

Question Number: W490-06

Question:

Senator Wong asked in writing:

Has the Department sought to raise the matter of whether suspension of a parent's payment whose child is over 6 under the new compliance regime from 1 July 2006 will trigger higher "at risk" alert or greater concerns about a child's well-being by various state Government child welfare authorities where a family experiencing difficulties has their payment cut for 8 weeks? If the Department has sought the views of state child authorities, what were they? If the Government has not sought the views of how state authorities might feel about whether a parent of a child or children at risk have their income support payments cut by 2 months, why has it not looked into this important issue?

Answer:

The new participation framework for parents is designed to ensure that their requirements take into account their caring responsibilities and other relevant circumstances and that they can reasonably be expected to meet those requirements. The compliance framework is designed to ensure that they will not be penalised if they have a valid reason for not meeting those requirements. Even where they do not have a valid reason, it will be possible to avoid a penalty through immediate re-engagement.

If a parent does incur an 8 week non-payment penalty they will be eligible for financial assistance to meet essential expenses through the case management initiative administered by Centrelink. It should be noted that add-on payments that are not contingent upon the job seeker's basic payment will not be affected by the non-payment penalty. This includes Family Tax Benefit and Rent Assistance paid through the Family Tax system.

The Department did consider whether or not additional procedures might be required to alert relevant state authorities to a situation in which a parent refused case management and a Centrelink specialist officer had reason to believe this would jeopardise the well-being of their children. However, referral procedures are already in place to ensure that appropriate action can be taken in such cases.