

**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 1: Efficient and effective labour market assistance

Output Group 1.1: Working age payments

Output 1.1.1: Working age payments and compliance

Question Number: W497-06

Question:

Senator Wong asked in writing:

Welfare to Work - Can we have for the year 2004-05 a breakdown by payment type and the average number of days served under the Ordinary Waiting Period, the Liquid Assets Waiting Period, the Income Maintenance Period and the Seasonal Workers Preclusion Period?

Answer:

The attached tables provide the information requested for 2004-05. The tables also provide comparable data for Income Maintenance Periods (IMPs) and Seasonal Workers Preclusion Periods (SWPPs) served in the financial years 2001-02 to 2003-04. This replaces IMP and SWPP data provided previously in response to Question 218, 2004-05 Budget Estimates, 31 May – 4 June 2004, which did not include the impact of leave payments on income support partners and showed the number of SWPPs considered rather than those actually applied.

Waiting, Income Maintenance and Seasonal Work Preclusion Periods

Period	Ordinary Waiting Periods (OWPs) and Liquid Assets Waiting Periods (LAWPs) served and average days served, 2004-05															
	Austudy Payment (AUS)	Days	Newstart Allowance (NSA)	Days	Partner Allowance (PA)	Days	Sickness Allowance (SKA)	Days	Youth Allowance (YA)	Days	Parenting Payment Partnered (PPP)	Days	Parenting Payment Single (PPS)	Days	Other	Days
Ordinary Waiting Period (OWP)	N/a	N/a	111,092	6.9	N/a	N/a	9,750	6.9	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a
Liquid Assets Waiting Period (LAWP)	1,294	67.8	28,968	56.1	N/a	N/a	2,119	45.8	3,769	49.7	N/a	N/a	N/a	N/a	N/a	N/a

The data provided in the tables above and below is a record count of the waiting, income maintenance or preclusion period(s) any day of which was served in the relevant financial year.

Note: (i) In certain circumstances, liquid assets waiting periods can be served concurrently with income maintenance periods. The extent of concurrence cannot be identified.

(ii) The number of periods does not equate to the number of customers as some customers have served more than one period.

(iii) The "average days" is impacted by (i) and (ii) above and also represents days served in the relevant financial year only, where the period commenced in the previous financial year or ended in the following financial year.

- IMP and SWPP data previously provided in Question 218, 2004-05 Budget Estimates, 31 May – 4 June 2004 for 2001/02-2003/04 has been revised (see tables below).
 - The previous SWPP data showed the number of SWPPs *considered* rather than those actually *applied*. (Many SWPPs were not actually applied as the person was not earning above Average Weekly Ordinary Time Earnings in the 6 months prior to claiming income support).
 - The previous IMP data did not include the impact of leave payments on income support partners. Revised IMP data extraction methodology is outlined on the next page.

Year		Income Maintenance Periods (IMPs) served and average days served, 2001-02 – 2004-05													
		AUS	Days	NSA	Days	SKA	Days	YA	Days	PPP	Days	PPS	Days	Other*	Days
2001-02	Customer	3816	31.6	130508	33	8733	17.1	19950	13.8	9260	34.1	14817	27.1	1236	101.2
	Partner	738	29	12114	40.1	572	34.6	921	14.6	25106	30.5	1423	30.9	8969	79.2
	All	4554	31.2	142622	33.6	9305	18.2	20871	13.8	34366	31.5	16240	27.4	10205	81.86
2002-03	Customer	3735	28.6	118238	30.6	9681	15.9	20677	13.1	8709	31.5	17843	31.7	1320	83.9
	Partner	674	30.1	11392	39.8	504	42	927	13	22369	28.4	1062	26.5	7646	70.6
	All	4409	28.8	129630	31.4	10185	17.2	21604	13.1	31078	29.3	18905	31.4	8966	72.56
2003-04	Customer	3296	27	102502	28	10299	16.5	19592	12.8	8114	30.9	21363	32.8	673	54
	Partner	565	30.5	12544	41.9	429	38.7	859	13.3	19328	26.8	824	24.3	1649	70.8
	All	3861	27.5	115046	29.5	10728	17.4	20451	12.8	27442	28	22187	32.5	2322	65.93
2004-05	Customer	3197	25.2	93633	25.8	10438	16.4	18606	12.6	8046	27.1	33996	19.3	491	38.6
	Partner	549	29.2	11186	40.9	375	27.2	797	12.6	17873	23.7	522	24.4	311	41.3
	All	3746	25.8	104819	27.4	10813	16.8	19403	12.6	25919	24.8	34518	19.4	802	39.65

* Data on Partner Allowance IMPs is included in 'Other' column.

Year	Period		SWPP served and average days served, 2001-02 – 2004-05									
			NSA	Days	PA	Days	YA	Days	PPP	Days	Other	Days
2001-02	Seasonal Worker Preclusion Period (SWPP)	All	395	34.2	1	7	23**	29.8	0	0	0	0
2002-03		All	381	34.9	1	14	13**	20.4	0	0	0	0
2003-04		All	377	33.8	0	0	13**	21	0	0	0	0
2004-05		All	294	33.3	0	0	14**	15.5	0	0	0	0

** Youth Allowance (other) recipients. The Seasonal Worker Preclusion Period does not apply to Youth Allowance full-time students.

IMP data extraction methodology

- IMP is NOT a waiting or exclusion period. It is an income test measure that spreads lump sum leave payments and some termination payments over a period broadly equivalent to the number of days in respect of which those payments are made. For the purposes of NSA, YA, PA, MAA, Austudy, WA, PP and SA, the IMP is therefore the period of time in which people who have received payment for leave have their leave payment treated as income. This means that a leave payment may not always preclude a person from receiving any income support but, instead, result in a part-rate payment of income support either for the person themselves (if on income support) and/or for their partner (if on income support). In some cases it is possible for an IMP to have no effect on the rate payable.
- The IMP data:
 - categorises IMPs by payment type based on the payment type the person was on at the time they received the leave payment or the first payment type claimed after the IMP period has ceased (irrespective of time elapsed between those two events);
 - aggregates leave payments received consecutively;
 - includes leave payments recorded in the system:
 - : where the associated IMP finished prior to a claim for income support;
 - : for which an IMP was imposed at the time the person claimed income support, including those where the claim for income support was subsequently rejected. It also records those IMPs imposed *during* the period the person (and/or their partner) was receiving income support;
 - : which resulted in an IMP impacting on the person's income support partner. The person to whom the leave payment belongs may never have received an income support payment themselves. Where a leave payment has resulted in an IMP impacting on the income support of the person and their partner (whether it be precluding them from payment outright or resulting in a reduced income support payment), the leave payment has been recorded as two IMP occurrences and recorded separately against the payment type of the person and the partner.