

**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 and legislation

Question Number: W657-06

Question:

Senator Siewert asked in writing:

References below are to Budget related paper 1.9B - Department of Human Services, Centrelink and HIC 2005-06 – pages 84-87: In relation to the projected figures for the increased participation of people with a disability on page 85:

- (a) How have these figures been modelled and what assumptions do they make about increasing employment of those currently receiving disabilities payments?
- (b) Does this modelling take into account the relative proportion of people with disabilities currently living in rural areas given variations in the relative likelihood of new jobs being created in these areas?
- (c) Does this modelling take into account the education and skill levels of people with disabilities in the type of work likely to be available – given that according to ABS 97.5% of the 236,000 new jobs created last year were high skilled positions that went to people with a university degree, TAFE diploma or equivalent work experience – and given that the majority of people with disabilities have only year 10 education?

Answer:

The Department of Employment and Workplace Relations (DEWR) provided estimated numbers of people expected to be affected by the measure for Centrelink to use in estimating its departmental costs.

- (a) DEWR's estimates make no assumptions about people who were receiving Disability Support Pension (DSP) on 10 May 2005 (Budget night). These people

will not be affected by the Welfare to Work changes to DSP eligibility criteria. Their entitlement to DSP will continue to be assessed against the current criteria.

The estimates include an assumption that approximately 20,000 people who will be granted DSP between 11 May 2005 and 30 June 2006 will be transferred to Newstart Allowance following normal periodic reviews after 1 July 2006.

(b) No. The figure reflects an average national estimate.

(c) No