SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE

Inquiry into the Employment and Workplace Relations Legislation Amendment (Welfare to Work and other Measures) Bill 2005 and the Family and Community Services Legislation Amendment (Welfare to Work) Bill 2005.

22 NOVEMBER

DEPARTMENT OF EMPLOYMENT AND WORKPLACE RELATIONS

QUESTIONS ON NOTICE

Question 1:

Have there been any changes to the estimates of people with disabilities and parents (including the rule change to retaining PPS until youngest child turns 8 years old) getting work in 2006-09 – in context of Senate Estimates discussion p143, 2 November Hansard?

Answer:

People with disabilities
The numbers of people with disability expected to receive Newstart as a result of the Welfare to Work package were provided in the answer to Senate Estimates question on notice W136-06. The answer included the following table:

Estimated numbers of people with disability expected to receive alternative income support payments each year

Income Support Payment	**2006/07**	**2007/08**	**2008/09**
Newstart Allowance	17,600	17,600	17,600
Parenting Payment (Single)	700	700	700
Parenting Payment (Partnered)	500	500	500
Youth Allowance (unemployed)	300	300	300
Youth Allowance (students)	300	300	300
Carer Payment	300	300	300
Special Benefit	300	300	300
Austudy	200	200	200

Parents
There has not been any change to the number of principal carer parents obtaining an employment outcome. Although single principal carer parents (claiming income support from 1 July 2006) will now be able to remain on Parenting Payment Single until their youngest child turns 8, they will continue to face participation requirements when their youngest child turns 6.

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QUESTIONS ON NOTICE

Question 2:

How many people will not get HD status because of the Budget changes?

Answer:

Job Network services are demand driven. The number of persons affected will depend entirely on the characteristics of individual job seekers who approach Job Network for services and their assessed level of disadvantage.

There is no cap or fixed limit on the number of job seekers able to get HD status if they need it. The most disadvantaged job seekers <u>will</u> continue to receive Highly Disadvantaged status, including early access to Intensive Support customised assistance. Job seekers who are not Highly Disadvantaged will continue to receive quality services under the *Active Participation Model*. They will immediately receive Job Search Support. If they remain unemployed after 3 months, they will proceed into Intensive Support, starting with Intensive Support job search training. Any job seeker who remains unemployed for more than 12 months is guaranteed a place in Intensive Support customised assistance.

The JSCI is currently being re-examined in response to the Welfare-to-Work initiatives that are to be implemented from early July 2006. The identification of relative labour market disadvantage through the JSCI is likely to be adjusted to reflect the expected increase in the number of job seekers who are parents of school-age children and/or people with disabilities with part-time work capacity.

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QUESTIONS ON NOTICE

Question 3:
What is the actual mean and median duration of time on Parenting Payment, by PPS and PPP?

Answer:

For recipients current at 24 June 2005:

	Mean duration (days)	**Median duration (days)**
Parenting Payment (Single)	1530 (4yrs 2mths)	1110 (3yrs)
Parenting Payment (Partnered)	1133 (3yrs 1mth)	704(1yr 11mths)

Notes:

1) PPS duration is for recipients who have been continuously in receipt of PPS or a similar previously existing payment for single parents, allowing for breaks of 14 days or less.

2) PPP duration is for recipients who have been continuously in receipt of PPP or a similar previously existing payment for partnered parents, allowing for breaks of 14 days or less.

3) Bob Gregory has previously noted single parents spend on average around 12 years on various forms of income support, including PPS. His figures for average duration on just PPS are around the same as those above.

Source: Centrelink administrative data.

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QUESTIONS ON NOTICE

Question 4:

What additional resources will Centrelink get to handle activity test exemptions for people with a partial capacity to work (mostly relates to parents)?

Answer:

The costs associated with the activity test exemptions for people with a partial capacity to work form part of the overall costs of the package and cannot be separately identified.

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DEPARTMENT OF EMPLOYMENT AND WORKPLACE RELATIONS

QUESTIONS ON NOTICE

Question 5:

How many people will get the higher rate of NSA because of the 3 exemption categories?

Answer:

The number of single principal carer parents in receipt of NSA who are expected to receive the higher rate of NSA due to an exemption based on their involvement in providing foster care, home schooling or distance education is as follows:

2006-07	**2007-08**	**2008-09**	**2009-10**
559	1,443	2,220	2,871

Note: These figures are annual averages and should therefore be understood as at least partly cumulative in nature.

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DEPARTMENT OF EMPLOYMENT AND WORKPLACE RELATIONS

QUESTIONS ON NOTICE

Question 6:

Did the government/department do any research on the impact of lower income support payments on people getting work (Senator Wong);
More generally, Senators Bartlett and Siewert want to know of any research that would give an indication of the impact of lower income support payments on incentives to work.

Answer:

The Welfare to Work reforms announced in the 2005-06 Budget are not about making parents and people with disabilities who may have the capacity to work part time worse off. No parent currently on payment and no person with a disability prior to Budget night will be moved off their current payments when the new eligibility criteria are put into place.

New clients who qualify for Newstart Allowance under the changed eligibility criteria will have a payment rate and income test which is focused on getting a job. A parent or a person with disabilities working 15 hours per week at the minimum wage will be better off financially than a jobless pensioner. The previous system of pensions and allowances drew a distinction between those who are expected to work and those who were not expected to find work for the foreseeable future. This distinction is no longer applicable in the labour market where many parents and people with disabilities who still have some capacity to work can realistically participate in the work force on a part time basis.

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QUESTIONS ON NOTICE

Question 7:

Provide details of the OECD's figures on Australia's ranking on jobless families and low rate of earnings by people on disability benefits

Answer:

Jobless households
In 1998, out of 18 OECD countries Australia had the third highest rate of joblessness in households with children and one or two adults. Ireland and the UK are the only countries listed that have higher rates of joblessness.

In single adult households with children, Australia had a jobless rate of 57.1 per cent compared with an average of 39.7 per cent of the 18 OECD countries. In two adult households with children, Australia had a jobless rate of 9.4 per cent compared with an average of 6.0 per cent of OECD countries.

Source: OECD Employment Outlook 1998, page 18.

Disability earnings

Only 10.5 per cent of people in Australia on the Disability Support Pension have paid employment. This was the lowest rate of paid employment out of a comparison of 16 countries OECD countries.

Source: OECD report, *Turning Disability into Ability*

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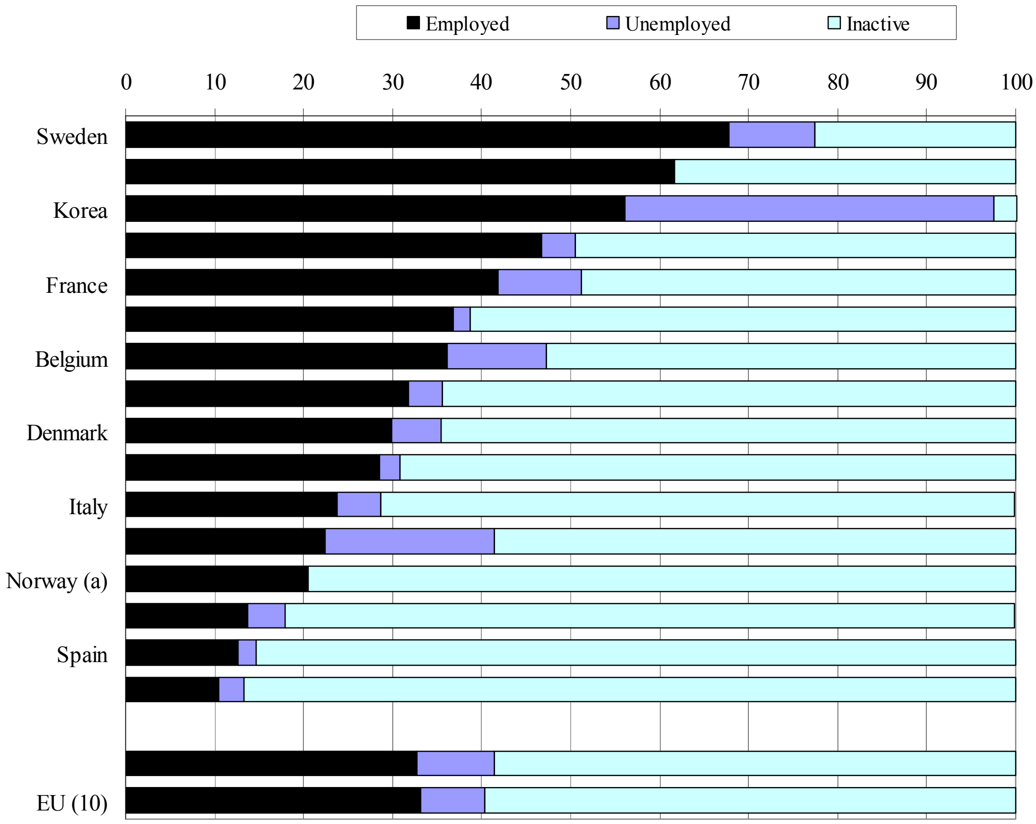
QUESTIONS ON NOTICE

Question 8:
Does Australia have a high rate of people with disabilities in the labour force compared to other countries (eg those in the OECD comparison)?

Answer:
Only 10.5 per cent of people in Australia on the Disability Support Pension had paid employment in the late 1990s compared with an average OECD employment rate of 33 per cent (out of 16 OECD countries). Out of these 16 countries Australia has the lowest rate of paid employment for people on disability related benefits. See chart below.

Chart: Work status of disability benefit recipients, percentages, late 1990s



Note: (a) Inactive means not employed.

Source: OECD report, *Turning Disability into Ability*

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DEPARTMENT OF EMPLOYMENT AND WORKPLACE RELATIONS

QUESTIONS ON NOTICE

Question 9:

What are the projections of workforce shortages [by skill type?] by year for the next 40 years.

Answer:

The Department of Employment and Workplace Relations (DEWR) does not produce data which look forward 40 years. The Skills in Demand research programme assesses the current and short term (over the next 6 to 12 months) labour market for skilled occupations in Australia, focusing on Professions, Trades and Information and Communication Technology (ICT) skills.

The Department also prepares indicative projections of employment growth for around 150 industries (at the Australian and New Zealand Standard Industrial Classification (ANZSIC) 3 digit level) and over 300 occupations (at unit group level of the Australian Standard Classification of Occupations (ASCO) to 2009-10. These are based on forecasts from economic forecasting organisations, especially the Centre of Policy Studies (CoPS) at Monash University, and information on recent employment growth, industry trends and prospective industry developments.

Attached is analysis of industry and occupation employment change since 1995 as well as forecasts through to 2009-10.

Attachment

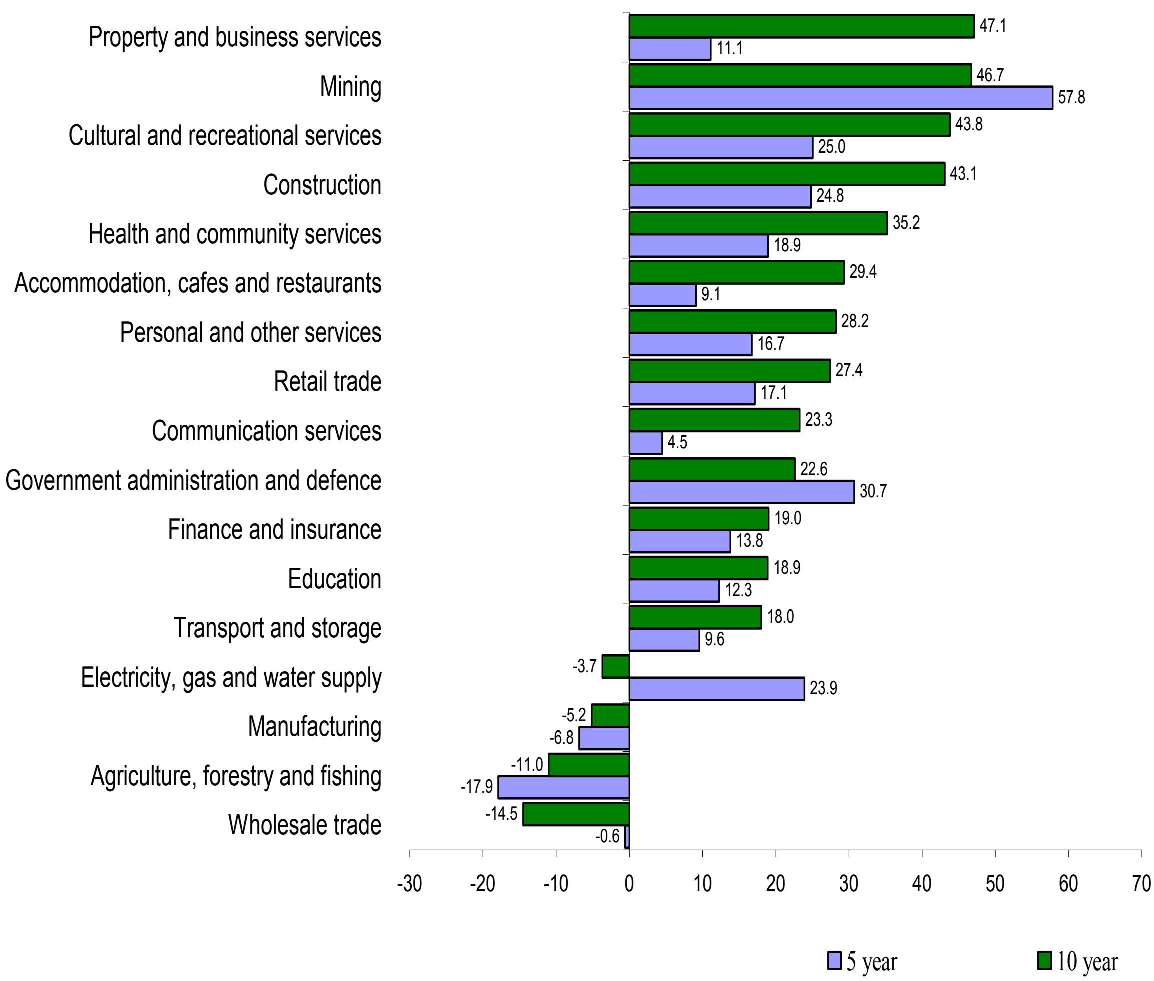
INDUSTRY EMPLOYMENT TRENDS AND PROSPECTS

Strongest growing industries

The Construction and Health and Community Services industries have had strong rates of employment growth in both the past five and 10 years.

- Over the past five years Mining and Government Administration and Defence also had strong growth rates, while over the last 10 years Property and Business Services experienced the strongest rate of growth and Culture and Recreational Services and Accommodation, Cafes and Restaurants ranked third and sixth respectively - see Figure 1.

Figure 1: Employment growth rate (%) over five and ten years Aug 2005 by industry *



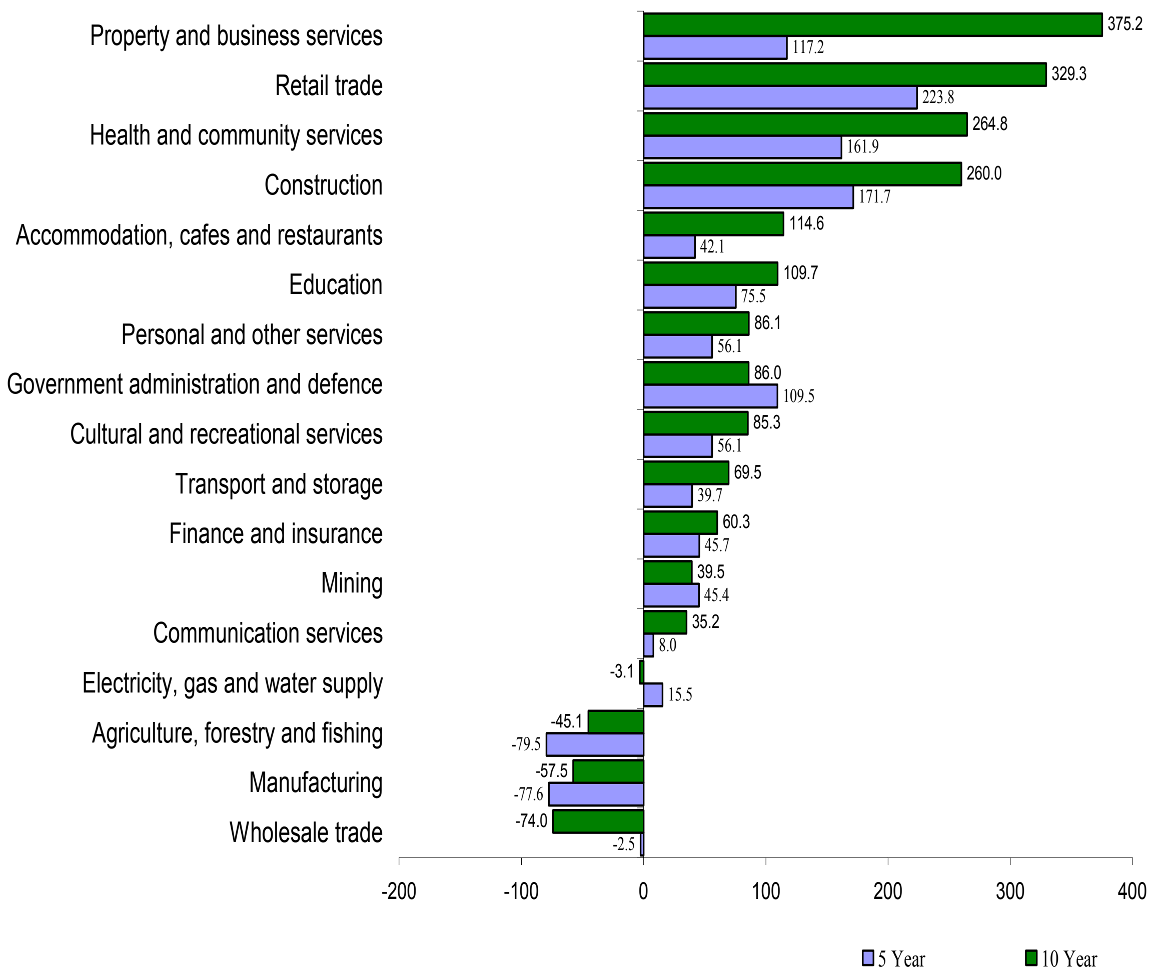
* ranked by percentage growth over past ten years.

Source: ABS *Labour Force Survey* data trended by DEWR

In terms of numerical increase in employment, the Property and Business Services, Retail Trade, Health and Community Services and Construction were the industries with the largest employment growth in the last 10 years. Similarly over the past 5 years, Retail Trade, Constuction and health and Community Services were the strongest growing industries. Government Administration and Defence ranked fifth for the past five years - see Figure 2.

- Property and Business Services had the largest increase in employment for the last 10 years as well as the strongest employment growth rate (Figures 1 and 2).

Figure 2: Numerical employment growth over five and ten years to Aug 2005 by industry*



* ranked by numerical growth over past ten years.

Source: ABS *Labour Force Survey* data trended by DEWR

Industry growth and skill shortages

Skill shortages are evident in industries with strong employment growth rates and large numerical increases in employment - Health and Community Services, Construction and, to a lesser extent, Property and Business Services. Many trade skill shortages, nevertheless, are associated with manufacturing and retail activity. Manufacturing employment declined in the past five and 10 years. The Retail industry has had a moderate rate of employment growth, ranking outside the top third strongest growing industries, but, due to its size, a large numerical increase in employment - see Figures 1 and 2.

- The Health and Community Services industry is the major industry employing the following occupations in shortage: Child Care Coordinator, Child Care Workers, Registered Nurses, Registered Midwives, Registered Mental Health Nurses, Occupational Therapists, Physiotherapists, Speech Pathologists, Podiatrists, Medical Imaging Professionals, Other Health Professionals (Audiologists), Dental Practitioners and Social Workers. It was also the second most important source of employment for Cooks, accounting for one in five Cooks.
- Construction is the main employing industry for the in-shortage occupations of Electricians, Refrigeration and Airconditioning Mechanics, Carpenters and Joiners, Fibrous Plasterers, Bricklayers, Solid Plasterers and Plumbers. One in five Civil Engineers is also employed in the Construction industry.
- Property and Business Services is the major source of employment for the in-shortage occupations of Civil Engineers, Legal Professionals and Electronic and Office Equipment Tradespersons.
- Accommodation, Cafes and Restaurants, an industry with a relatively strong growth rate over the past ten years, is the main employing industry for Chefs and Cooks, with the former occupation having been in shortage for many years.
- The Retail Trade is the largest employing industry (see Table 3) and is the major source of employment for the in-shortage occupations of Pharmacists, Motor Mechanics, Automotive Electricians, Panel Beaters, Vehicle Painters and Bakers and Pastry Cooks. The industry employs about one in five Refrigeration and Airconditioning Mechanics, Electronic Instrument Tradespersons and Electronic and Office Equipment Tradespersons.
- Manufacturing, an industry with declining employment, is the major employer of the in-shortage trades of Metal Fitters and Machinists, Toolmakers, Structural Steel and Welding Tradespersons, Sheetmetal Workers, Cabinetmakers and Upholsterers. Manufacturing also employs about one in five Electricians, Refrigeration and Airconditioning Mechanics and Electronic Instrument Tradespersons.
- Education, with moderate growth, and Electricity, Gas and Water, with volatile employment, are respectively the main employers of Secondary School Teachers and Electrical Distribution Tradespersons.

Indicative projected employment growth by industry

DEWR prepares indicative projections of employment growth for around 150 industries, presently to 2009-10. These are based on forecasts from economic forecasting organisations, especially the Centre of Policy Studies (CoPS) at Monash University, and information on recent employment growth, industry trends and prospective industry developments.

The strongest growth industries to 2009-10 are expected to be Health and Community Services (2.8 per cent per annum), Property and Business Services (2.7 per cent per annum), Cultural and Recreation Services and Accommodation, Cafes and Restaurants (both 2.2 per cent per annum), followed by Personal and Other Services and the Retail Trade - see Figure 3.

Figure 3: Projected employment growth by industry to 2009 -2010 (% pa)

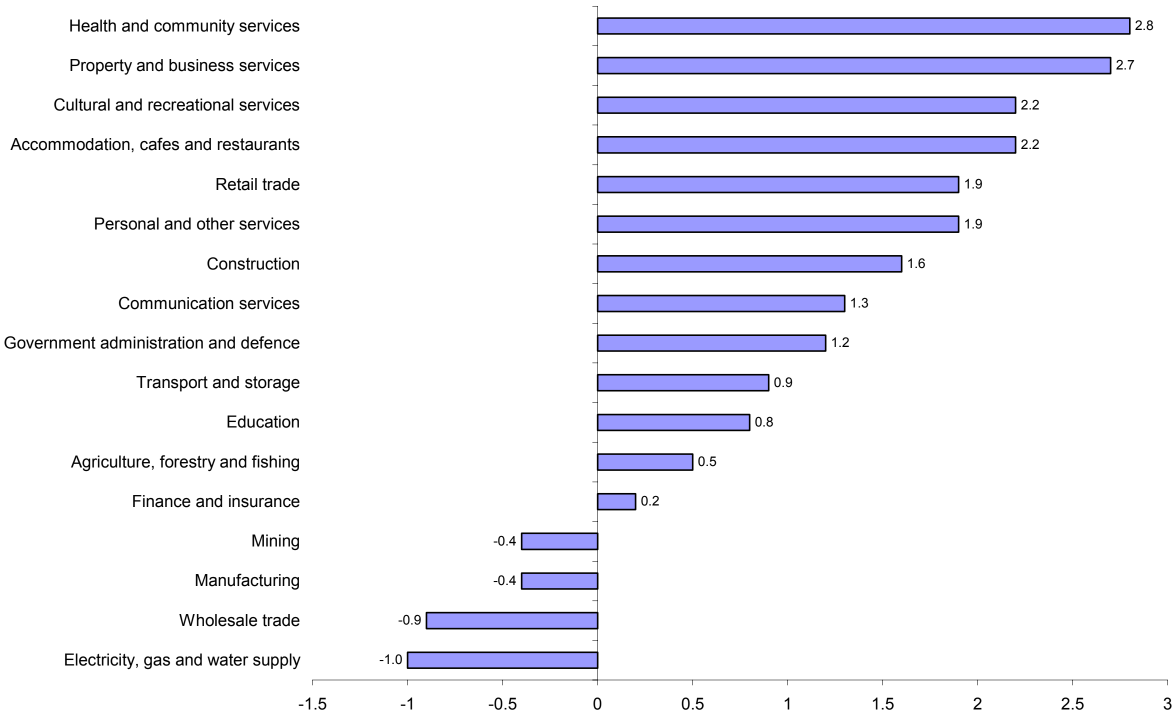


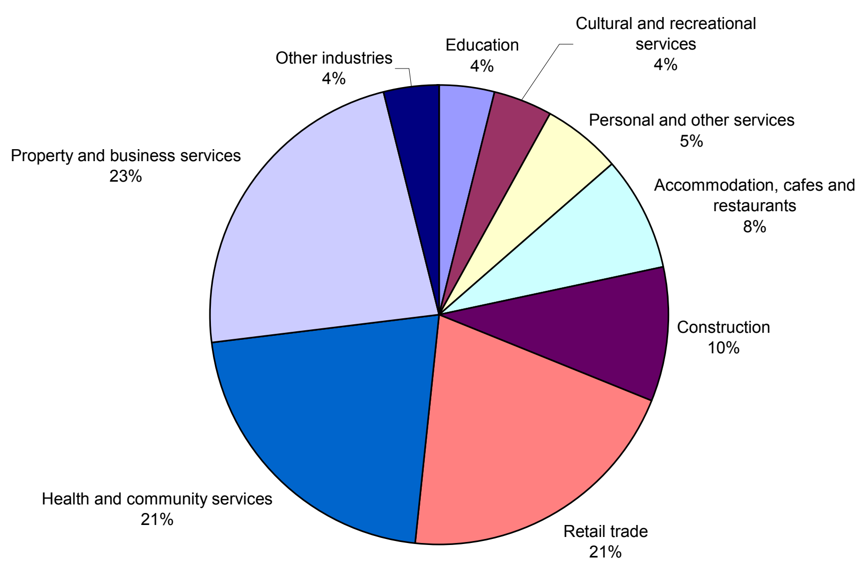
Table 1: Industry Employment

Industry	Employment Aug 200	Employment Change 10 years to Aug 2005		5 years to Aug 2005		Projected annual j growth to 2009-10	
	'000	'000	%	'000	%	% pa	'000 pa
Agriculture, Forestry and Fishing	363.9	-45.1	-11.0	-79.5	-17.9	1.9	0.5
Mining	123.9	39.5	46.7	45.4	57.8	-0.5	-0.4
Manufacturing	1056.6	-57.5	-5.2	-77.6	-6.8	-4.4	-0.4
Electricity, Gas and Water	80.4	-3.1	-3.7	15.5	23.9	-0.8	-1.0
Construction	863.2	260.0	43.1	171.7	24.8	13.7	1.6
Wholesale Trade	436.5	-74.0	-14.5	-2.5	-0.6	-3.7	-0.9
Retail Trade	1530.2	329.3	27.4	223.8	17.1	29.6	1.9
Accommodation, Cafes and Restaurants	504.9	114.6	29.4	42.1	9.1	11.7	2.2
Transport and Storage	454.9	69.5	18.0	39.7	9.6	4.0	0.9
Communication Services	186.6	35.2	23.3	8.0	4.5	2.5	1.3
Finance and Insurance	376.7	60.3	19.0	45.7	13.8	0.8	0.2
Property and Business Services	1171.7	375.2	47.1	117.2	11.1	33.2	2.7
Government Administration and Defence	466.1	86.0	22.6	109.5	30.7	5.4	1.2
Education	690.8	109.7	18.9	75.5	12.3	5.8	0.8
Health & Community Services	1016.8	264.8	35.2	161.9	18.9	30.5	2.8
Cultural and Recreation Services	280.0	85.3	43.8	56.1	25.0	6.0	2.2
Personal and Other Services	391.4	86.1	28.2	56.1	16.7	7.9	1.9

Source: ABS *Labour Force Survey* data seasonally adjusted and trended by DEWR.

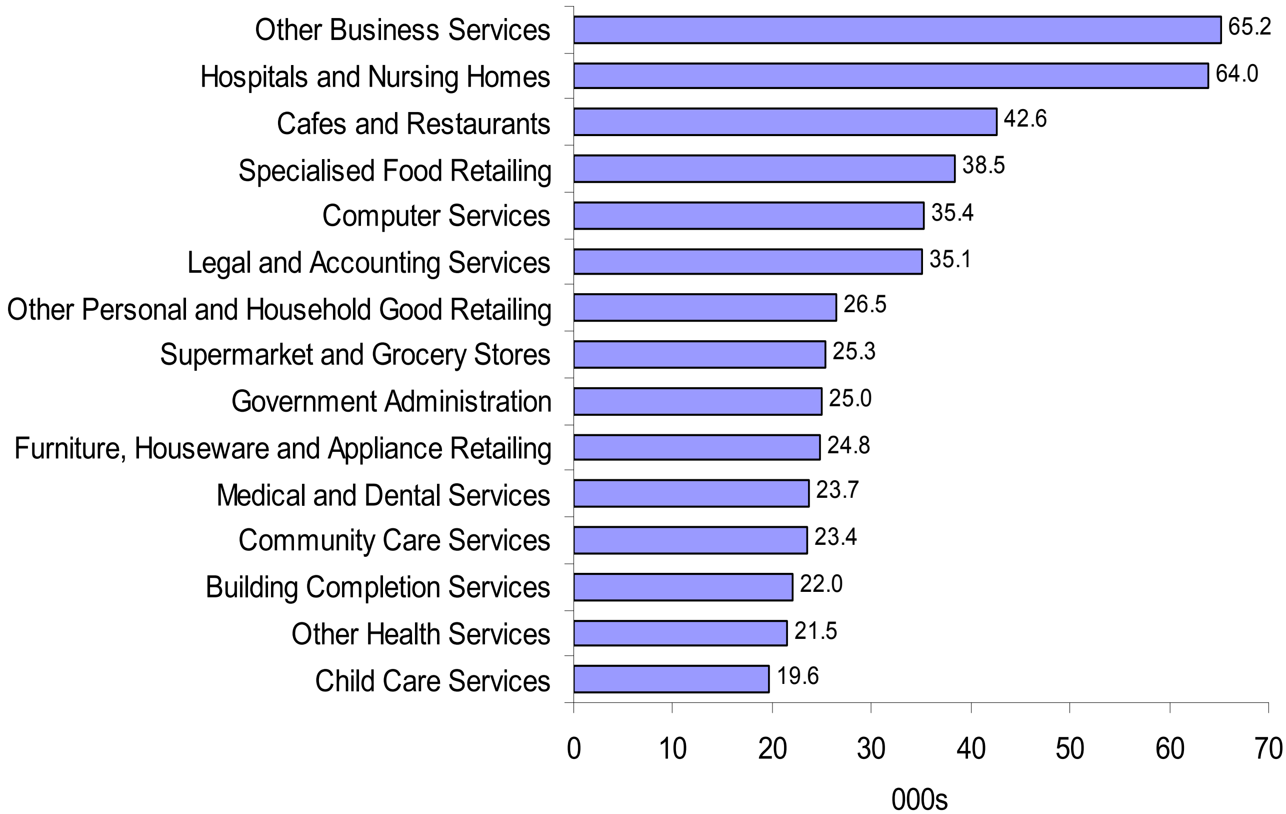
Five broad industries (see Figure 4 below) are expected to provide more than 80 per cent of new jobs to 2009-10 with the largest share accounted for by Property and Business Services (23 per cent) - see Figure 4. Retail Trade and Health and Community Services, with projected growth of 1.9 per cent and 2.8 per cent per annum respectively have the next largest shares of projected new jobs (21 per cent each). Construction and Accommodation, Cafes and Restaurants are the other two main contributors to future employment growth (accounting for 10 per cent and 8 per cent respectively).

Figure 4: Projected employment growth by industry to 2009-10 (% share)



Within the broad industry groups, there are specific industries that play a major role in providing new jobs (see Figure 5 showing projected growth over five years). The top five are Other Business Services, Hospitals and Nursing Homes, Cafes and Restaurants, Specialised Food Retailing and Computer Services. The top twelve specific industries are expected to account for six in ten new jobs.

Figure 5: Projected new jobs over five years for specific industries ('000)



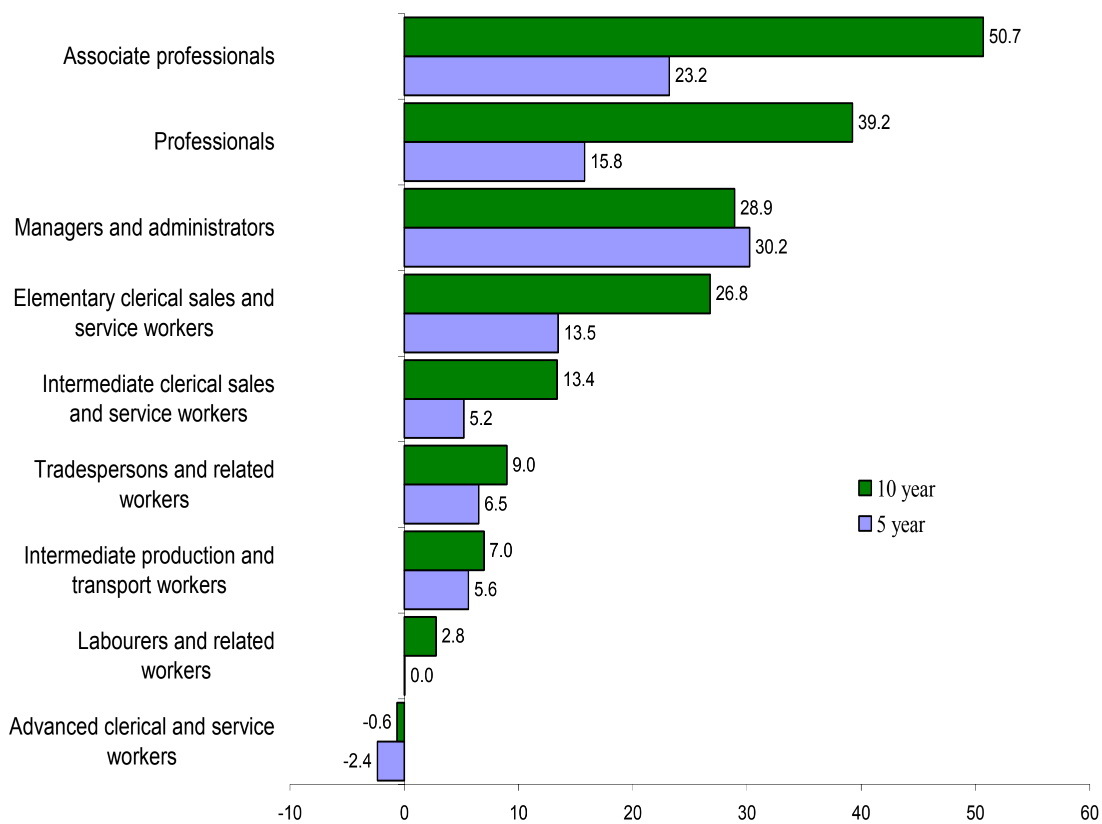
OCCUPATIONAL EMPLOYMENT TRENDS AND PROSPECTS

Comparative growth of major occupational groups

While the ranking differed over the last five and 10 years, the major occupational groups with the strongest employment growth rates over both periods were: Associate Professionals; Professionals; Managers and Administrators; and Elementary Clerical, Sales and Service Workers.

- Tradespersons, an area of widespread skill shortages, had modest employment growth rates over both the last five and ten years - see Figure 6.

Figure 6: Employment growth rate (%) over five and ten years to Aug 2005 by major occupational group *



* ranked by percentage growth over past ten years.

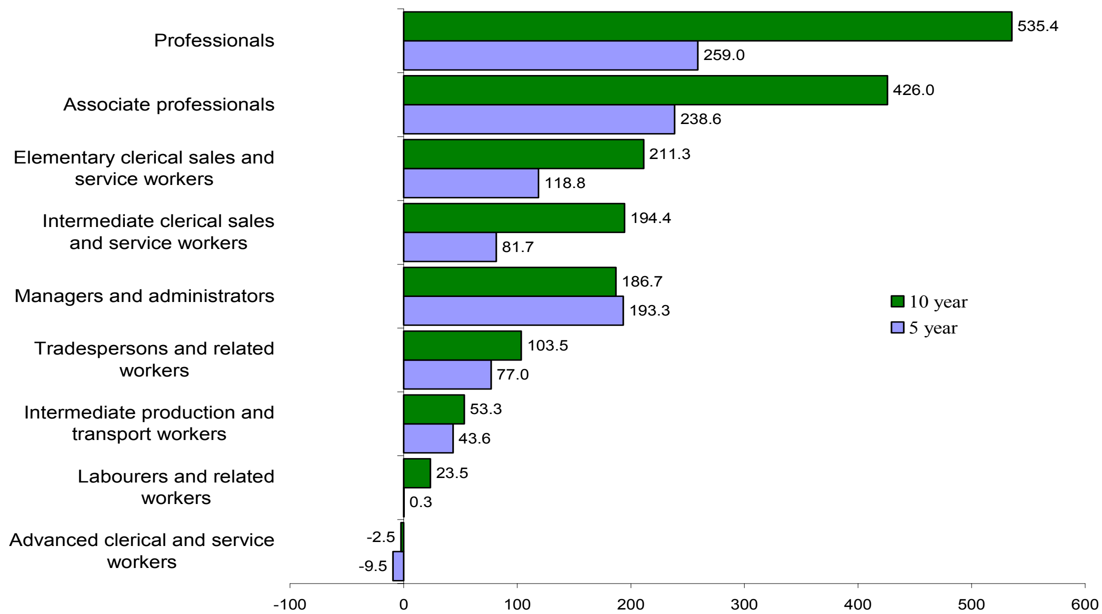
Source: ABS *Labour Force Survey* data trended by DEWR

Professionals and Associate Professionals, relatively highly skilled occupational groups[1], not only had strong growth rates but also had the largest numerical increases in employment in

[1] The Australian Standard Classification of Occupations (ASCO), 2nd Edition allocates major occupational groups into five skill level occupations into with Managers and Administrators and Professionals as the

the last five and 10 years. The numerical increases in employment of Tradespersons were moderate in both periods - see Figure 7.

Figure 7: Numerical employment growth over five and ten years to Aug 2005 by major occupational group *



* ranked by numerical growth over past ten years.

Source: ABS *Labour Force Survey* data trended by DEWR

top skill level, Associate Professionals as the second skill level, Tradespersons and Advanced Clerical Workers as the third skill level; Intermediate Clerical, Sales and Service Workers and Intermediate Production and Transport Workers as the fourth skill level and Elementary Clerical, Sales and Service Workers and Labourers as the lowest skill level.

Strong growing occupations

The occupations[2] with the largest numerical employment growth were somewhat similar for the last five and 10 years (see Figures 8 and 9). Of the top 20 occupations with the largest employment increases over the two periods, 14 were the same.

Figure 8: Occupations with the largest growth the five years to Aug 2005 ('000s)

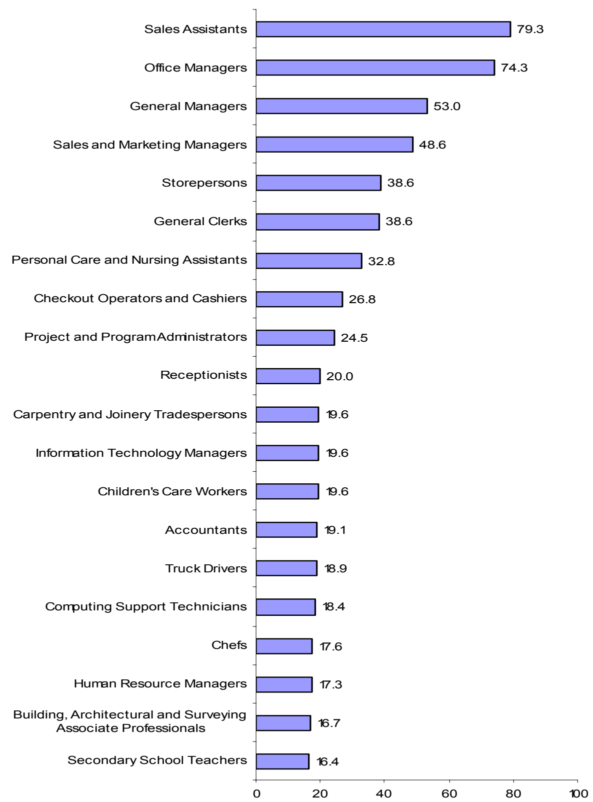
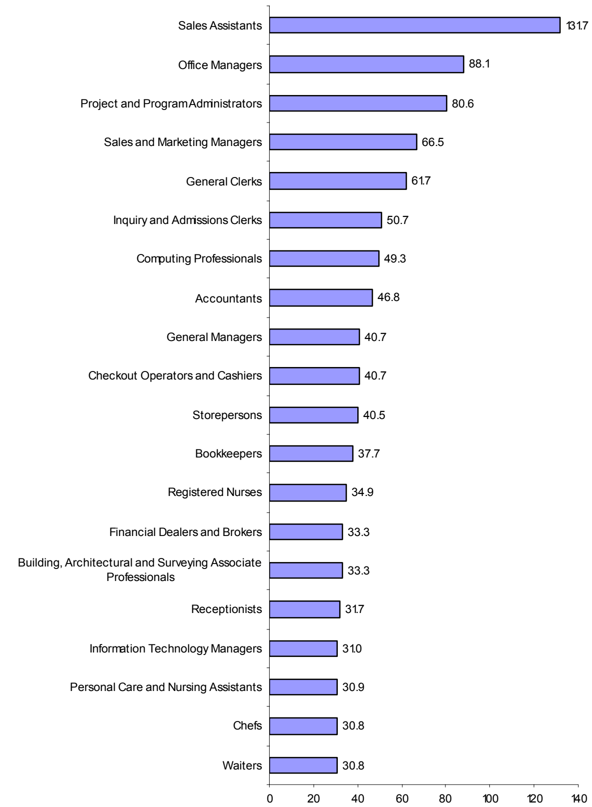


Figure 9: Occupations with the largest growth the ten years to Aug 2005 ('000s)



Source: ABS *Labour Force Survey* data trended by DEWR

Occupations with the strongest rates of growth were, to a degree, similar over the last five and ten years, with almost half (9) of the top 20 strongest growing occupations being the same in both periods.

Details of the strongest growing occupations over the last five and 10 years are presented in Figures 16 and 17 respectively.

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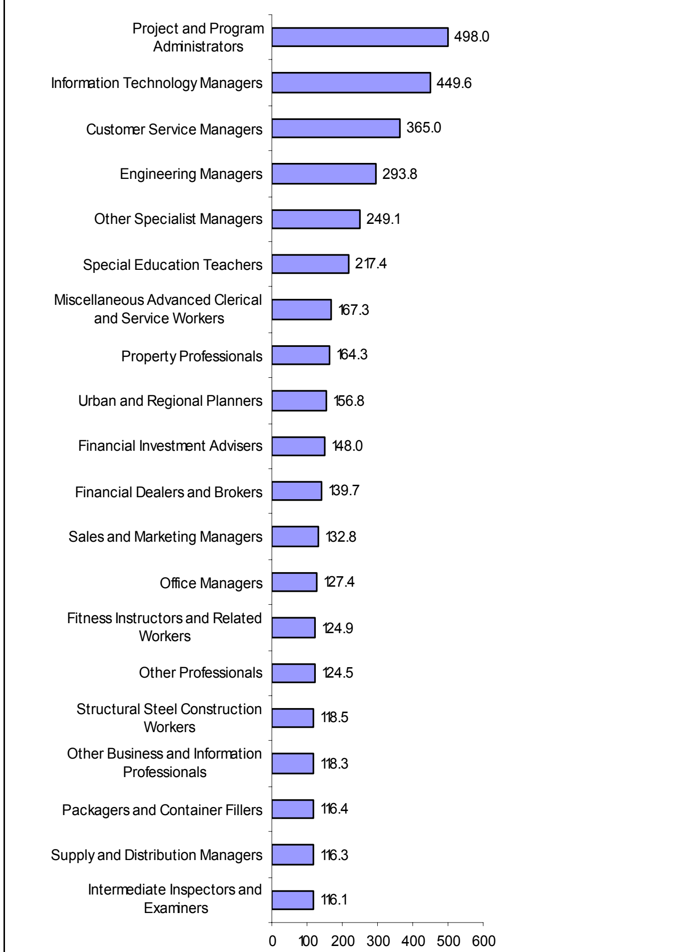
[2] The 'occupations' referred to in this report are technically 'Unit Groups' in the classification structure of ASCO, 2nd Edition.

Figure 10: Occupations with the strongest growth rates in the five years to Aug 2005	**Figure 11: Occupations with the strongest growth rates in the ten years to Aug 2005**
	

Source: ABS *Labour Force Survey* data trended by DEWR

Four occupations, all concentrated in the service sector, had numerically large growth as well as strong rates of growth over both the last five and ten years. These occupations are: Information Technology Managers; Sales and Marketing Managers, Office Managers; and General Clerks.

Occupational growth and skill shortages

Only a small number of skill shortages identified by DEWR are among the occupations with the largest numerical increases in employment, with not one being in the top 20 occupations with the strongest rate of employment growth. The areas of skill shortage with substantial employment increases are:

- Accountants and Child Care Workers, both with large increases in employment over the last five and 10 years.

- Chefs and Carpenters and Joiners, with strong employment increases over the past five years.
- Registered Nurses, with a large rise in employment over the last 10 years.

Occupations likely to grow strongly

Occupations expected to generate the largest number of new jobs as well as having the strongest growth rates in the next five years cover a range of skill levels. These are:

- Computing Professionals;
- the Associate Professional occupations of Project and Program Administrators, Financial Dealers and Brokers and Office Managers; and
- Child Care Workers - classified as an Intermediate Clerical, Sales and Service Workers occupation.

The occupations expected to have the strongest rates of growth to 2009-10 are listed in Figure 12, while those occupations expected to have the largest numerical increases in employment are presented in Figure 13.

Among the occupations expected to experience strong growth over the next five years, a minority are currently in shortage. These occupations are:

- Child Care Workers (an occupations with an expected strong growth rate and numerical increase);
- Chefs (with an expected strong growth rate); and
- Registered Nurses and Accountants (with expected strong numerical increases).

Figure 12: Projected growth for selected strong growth occupation (% pa to 2009-10)

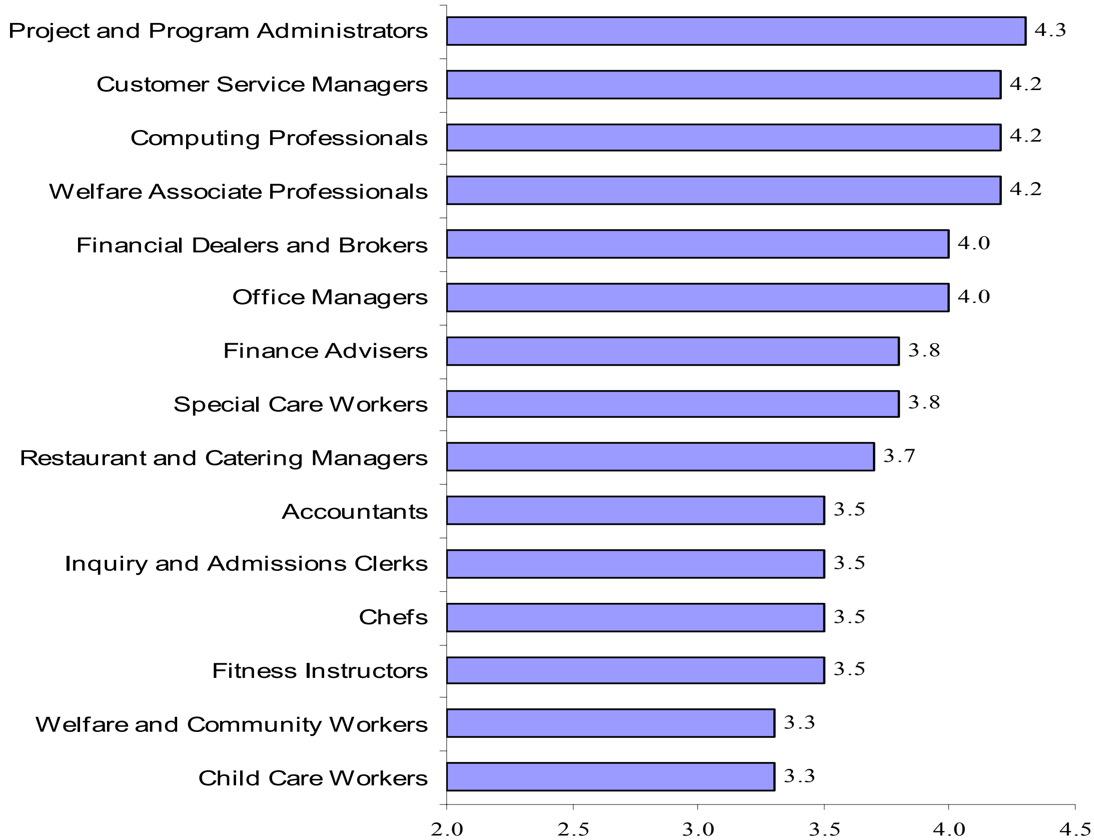
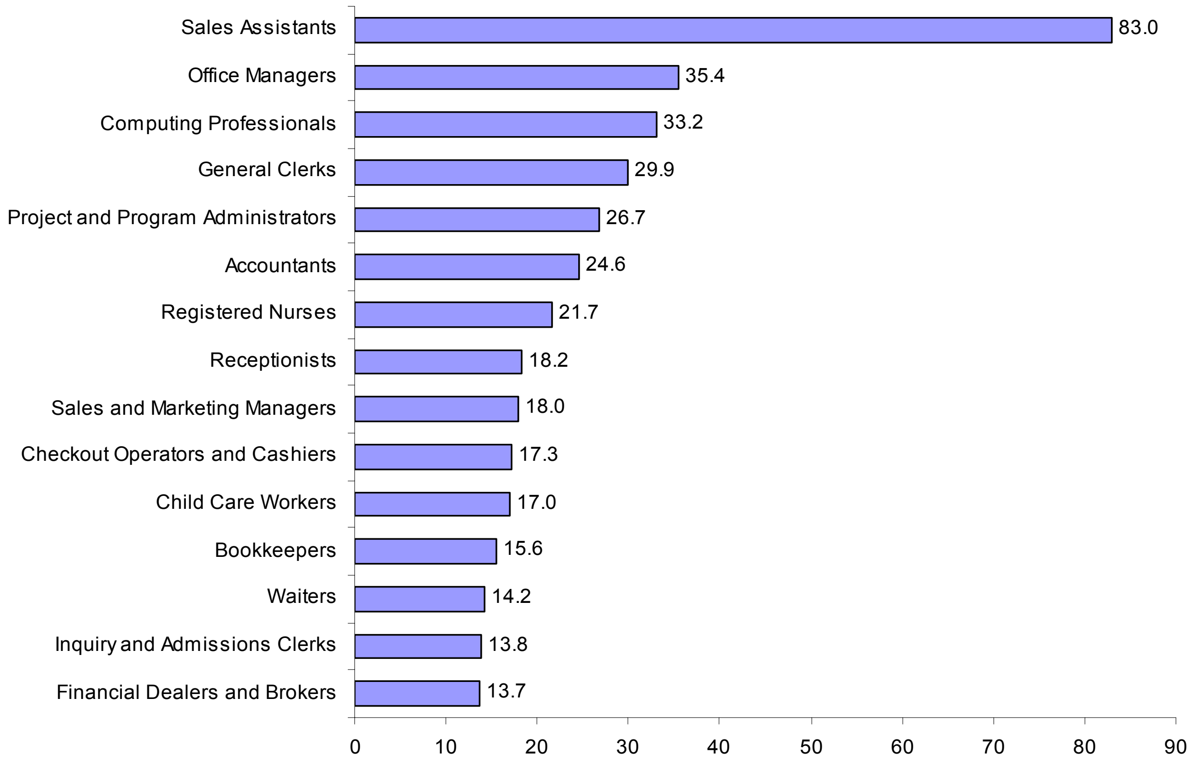


Figure 13: Projected new jobs for selected occupation ('000 over next five years)



Source: (Figures 20 and 21) DEWR

Skill shortages will not necessarily emerge in occupations not currently in shortage but expected to grow strongly. A range of factors are associated with the emergence of skill shortages, including new entrants to an occupation, technological change and movement out of an occupation to other occupations or out of the labour force.

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DEPARTMENT OF EMPLOYMENT AND WORKPLACE RELATIONS

QUESTIONS ON NOTICE

Questions asked by Senator Joyce

1. What is the Government doing to ensure people with a disability are matched to jobs which are matched to the capacity and ability of these people to work? I am concerned that by focussing on the capacity of a disabled person to work, that barriers to work are overlooked, and that the job may not suit their ability and interest.

The results of the Comprehensive Work Capacity Assessment (CWCA) will be provided to employment services to assist them find work for people with disabilities that matches their work capacity and addresses their employment barriers. Outcome fees paid to Job Network Members and Disability Open Employment Services will be linked to the job seeker's work capacity. For example, if a person with a disability is assessed as having a work capacity of 15-22 hours a week, an employment provider will be paid full outcome fees for employment of 15 hours a week and an intermediate outcome for employment of 10 hours a week.

Job Network Members and Disability Open Employment Services must comply with the Service Guarantee. The Service Guarantee requires providers to deliver services in a manner sensitive to the job seeker's culture, circumstances and background, and tailored to both the job seeker's needs and the local labour market needs.

2. People under the new system of Disability Support Pension are close but not below the poverty line. What safeguards does the Government have in place to ensure that unforeseen circumstances do not put people on the DSP payments into poverty?

Answer:

As now, people on Disability Support Pension (DSP) will not have participation requirements, however they will be able to volunteer for programmes of assistance.

People on DSP will have the safety net of a return to DSP provision if, having returned to work, they are unable to maintain work for any reason. This means they will be able to return to DSP without the need to reclaim or to attend an external assessment within two years. From 1 July 2006, the requirement to notify Centrelink of commencing work within 14 days of doing so will no longer be necessary for people to access the return to DSP provision.

People receiving DSP on 10 May 2005 will not be affected by the changes to DSP unless they lose entitlement to the payment under the current eligibility criteria.

To ensure that people with disabilities on Newstart do not incur financial penalties inappropriately:

- participation requirements will be tailored to individual circumstances and will reflect individual capacity and caring responsibilities. This will be specified in the legislation. If a job seeker’s requirements prove not to be manageable, the job seeker will not be penalised;
- current legislative safeguards requiring the job seeker's circumstances to be considered before any penalty is imposed will be retained and expanded, with additional emphasis on taking into account any circumstances of people with disabilities that might have impeded their ability to comply.
- In addition, job suitability, costs of compliance and travel time will be taken into account.

3. Whilst through Newstart there are provisions to assist disabled people get skilled and find suitable work, what incentives does the Government have to employers to employ people with a disability?

The Government’s Employer Incentive Scheme provides incentives for employers to employ people with disabilities. It includes four components:

- Wage Subsidy Scheme – payment of wage subsidies for job seekers placed by Disability Open Employment and Vocational Rehabilitation Services (Job Network Members can use the Job Seeker Account to pay wage subsidies). The Budget increased funding for this initiative by $12.2 million;
- Workplace Modifications Scheme – reimbursement of the cost of equipment and workplace modifications. The Budget increased funding for this initiative by $25 million;
- Supported Wage Scheme – allows for the assessment and payment of below award wages linked to a person’s assessed productivity; and
- National Disability Recruitment Co-ordinator – a national central point of contact for employers to recruit job seekers with disabilities.

A new online information and advice service for employment of people with disabilities will be developed during 2005-06, modelled on the US Job Accommodation Network. It will include a website and personalised advice service covering a range of disability employment issues. This may include information on ways to remove barriers to employment, including workplace modifications. This site will form a hub of information and advice for employers.

4. Many people receiving the Disability Support Pension would like to work but they face barriers like discrimination, lack of access to public transport and difficulties with access to buildings. How has the government addressed these barriers in the Welfare to Work Bill?

These barriers are not addressed in the Welfare to Work Bill. However, the Welfare to Work package includes an Employer Demand strategy for people with disabilities. This strategy includes an increase in funding of $25m over four years for Workplace Modifications Scheme and the development of an online information and advice service from July 2006. This service will provide employers with a single point of contact for advice, both online and by phone. It will promote the employment of people with disabilities. Employers will be able to access Workplace Modifications Funding through this online service.

The Government has also sought employers' views on the way that employer demand for people with disabilities may be increased through the Employer Roundtable for People with Disabilities.

5. Many people with a disability genuinely wanting to work are faced with barriers including the cost and access to transport, how does paying a near poverty line payment help them to better prepare and access the workforce?

Receipt of Newstart or Youth Allowance (other) will give people with disabilities access to the full range of vocational and pre-vocational programmes to help them with job preparation and job search activities. Places in vocational rehabilitation and employment services will be guaranteed for Newstart and Youth Allowance recipients with disabilities who have part time work capacity.

Newstart and Youth Allowance (other) recipients able to work part-time only will get the Pensioner Concession Card, with access to the pharmaceutical and other concessions available to card holders. Newstart and Youth Allowance (other) recipients will be able to keep their Pensioner Concession Card for 12 months if they leave payment because of employment. They will also have access to Pharmaceutical Allowance and Telephone Allowance to assist with costs.

From 1 July 2006, the Government is introducing a second level of Mobility Allowance ($100 per fortnight, up from $69 per fortnight). This new tier recognises that people unable to use public transport because of their disability may have higher costs associated with their new part time participation requirements. The higher rate will be available to Disability Support Pension, Newstart and Youth Allowance (other) recipients who are working 15 hours a week or looking for such work under an agreement with an employment service provider.

6. Will people in rural and regional areas receive extra benefits to make up for the lack of public transport and jobs in those areas?

Newstart and Youth Allowance (other) recipients able to work part-time only, living in rural and regional areas will have the same access to additional benefits and concessions as other Newstart and Youth Allowance recipients able to work part-time only. This includes the Pensioner Concession Card, Pharmaceutical Allowance, Telephone Allowance and Mobility Allowance if they are unable to use public transport because of their disability (note – a person may still receive Mobility Allowance even if public transport is not available to them, providing they meet the eligibility criteria).