



When did 'Welfare' become
a 4 Letter Word?

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Welfare is not a dirty word




Dirty welfare words

- Shirker
- Lazy
- Rorting
- Single mum
- Cheaters
- Sponging
- Bad backs



Dirty words from the welfare sector

- Mutual obligation
- Partical capacity
- Participation
- Government knows (best)
- One size fits all



Why are there 1.5 #\$\$%& million Australians

- Poverty postcodes
- Mondo grass and macchiato
- Consumers before citizens
- Community to individual focus



What's the real truth

- People make the best choices they can
- Lack of access to services and supports
- Intergeneration unemployment
- Government focus and ageing population



What is shared in the participation agenda?

- ACOSS and its members support the participation agenda - the goal to move more people into jobs
- ACOSS and its members supported the overall outcomes of the McClure Report and Australians Working Together legislation



The elephant in the room from July

- To make the package more equitable and effective we make the following recommendations:
 - Maintenance of current rates of payment for Sole Parents and People with disability
 - Enhanced investment in employment assistance
 - Legislate reasonable and relevant activity requirements
 - Ensure that maximum penalties do not place undue harm on children and people with disabilities



Numbers of recipients

- 2 million on payments
 - Including:
 - 700 DSP
 - 600 PP
 - 300 LTU
- 1.5 million are jobless

Who are those Australians being affected by the package

○ Jobless single parents

Facts:

- Majority are 30-50yrs
- Less than 3% are teenagers
- 45% of PPS recipients with school aged children are working

Barriers to work:

- Over 60% of jobless single parents have year 10 only
- 20% recently experienced violence
- 5-10% moved in the last year

Those Australians affected by packages

○ **People with disability**

Facts:

- Fastest growth in DSP is among mature age women, not 'men with bad backs'

Barriers to work:

- Employer reluctance
- Over 60% have year 10 education or less
- Extra costs (taxis, workplace modifications)
- Around 40% previously on Newstart Allowance
- Need to move to low rent areas

Job outcomes from Job Network Customised Assistance - RR (2004)

Job outcomes 3 months after assistance	People with disability on Newstart Allowance	Single parents	Very long term unemployed (24-36 months)	Mature age (50 or more)
Full time job	12%	11%	15%	14%
Part time job	25%	39%	28%	28%

Shortfalls in employment assistance

Target groups

- 200,000 jobless parents with older children + 30,000 new recipients p.a.
- 700,000 DSP recipients + over 20,000 people with disabilities moving onto NSA each year
- 200,000 VLTU, + 50,000 per year becoming VLTU
- 70,000 mature aged unemployed

Extra places per year

- VET - 5,000 places
- Open Employment - 5,000 places
- Rehab - 14,000 places
- Wage Assist - 7,000 places
- PSP - 3,000 places



Existing rates of payment (June 2005)

- DSP (single adult): \$241 pw
- DSP (partnered): \$201 pw
- Sole parent (2 chn, incl. FTB): \$415 pw
- Rent Assistance: \$45 to \$65pw
- Pensioner Education Supplement: \$31pw
- Newstart Allowance: \$201pw (single no chn), \$219pw single parent

Reduction in income for new recipients after July 2006

Pilot/voluntary	Single adult with disability able to work part time (\$ per week)	Single parent with primary school age children (\$ per week)
Jobless	-\$46	-\$29
Employed 15 hours per week at minimum wage (\$200pw)	-\$101	-\$96
Studying fulltime (not renting)	-\$113	-\$60
Studying fulltime (renting)	-\$164	-\$60

Effective marginal tax rates

Private Income (\$ per week)	Single parent, 2 children		Single adult with disabilities	
	Parenting Payment Single	Newstart Allowance	Disability Support Pension	Newstart Allowance
	%	%	%	%
\$0	0	0	0	0
\$50	0	65	0	65
\$100	40	65	40	65
\$150	40	75	55	75
\$200*	57	75	55	73
\$300	68	66	55	67
\$400	66	66	57	17
\$500	66	34	76	36
\$600	78	30	72	32



Some standard Newstart Allowance activity requirements

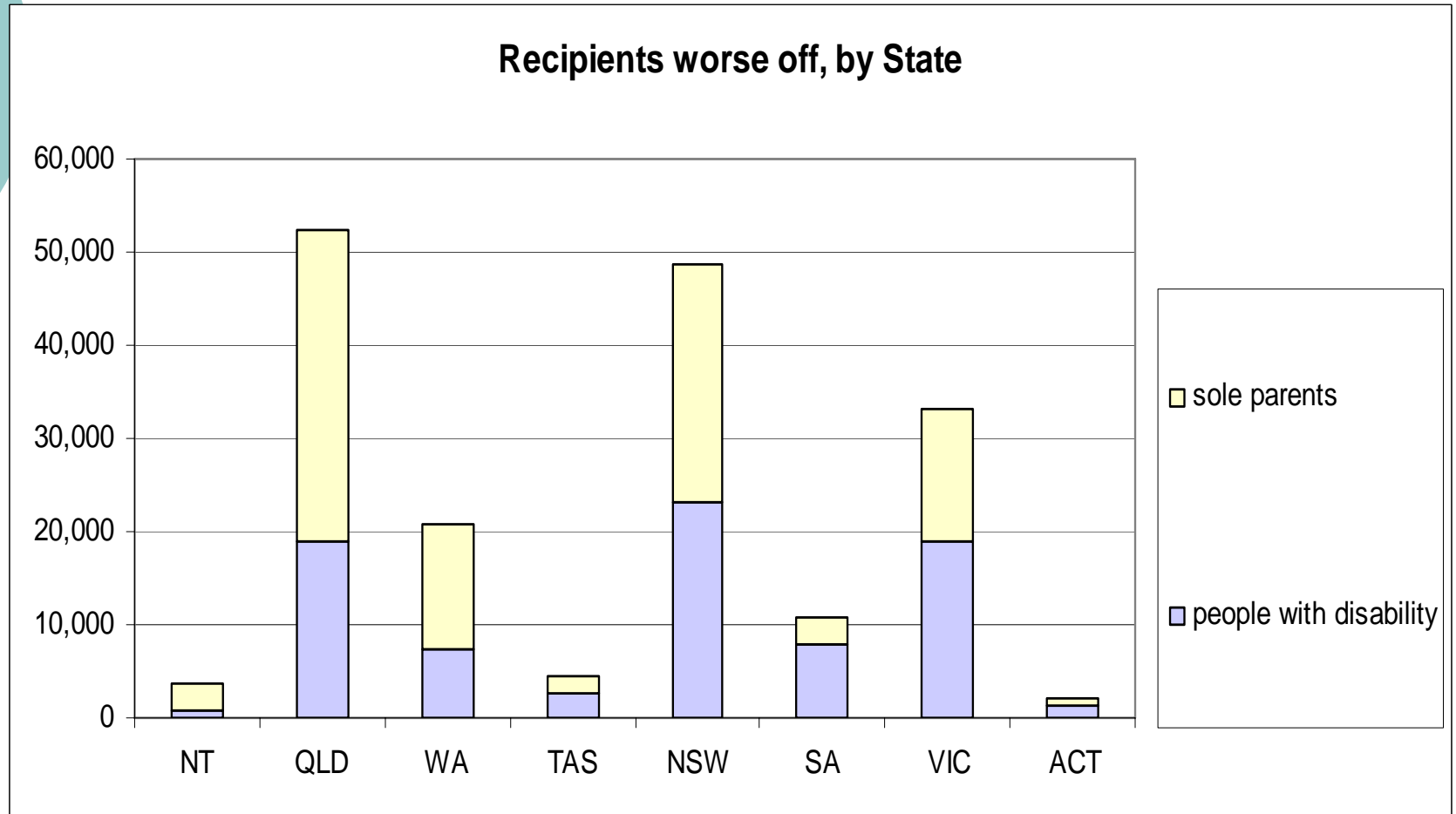
- Look for 10 jobs a fortnight
- Personally attend Centrelink each fortnight
- Accept a job involving up to 3 hours' travel per day
- Work for the Dole
- No full time study



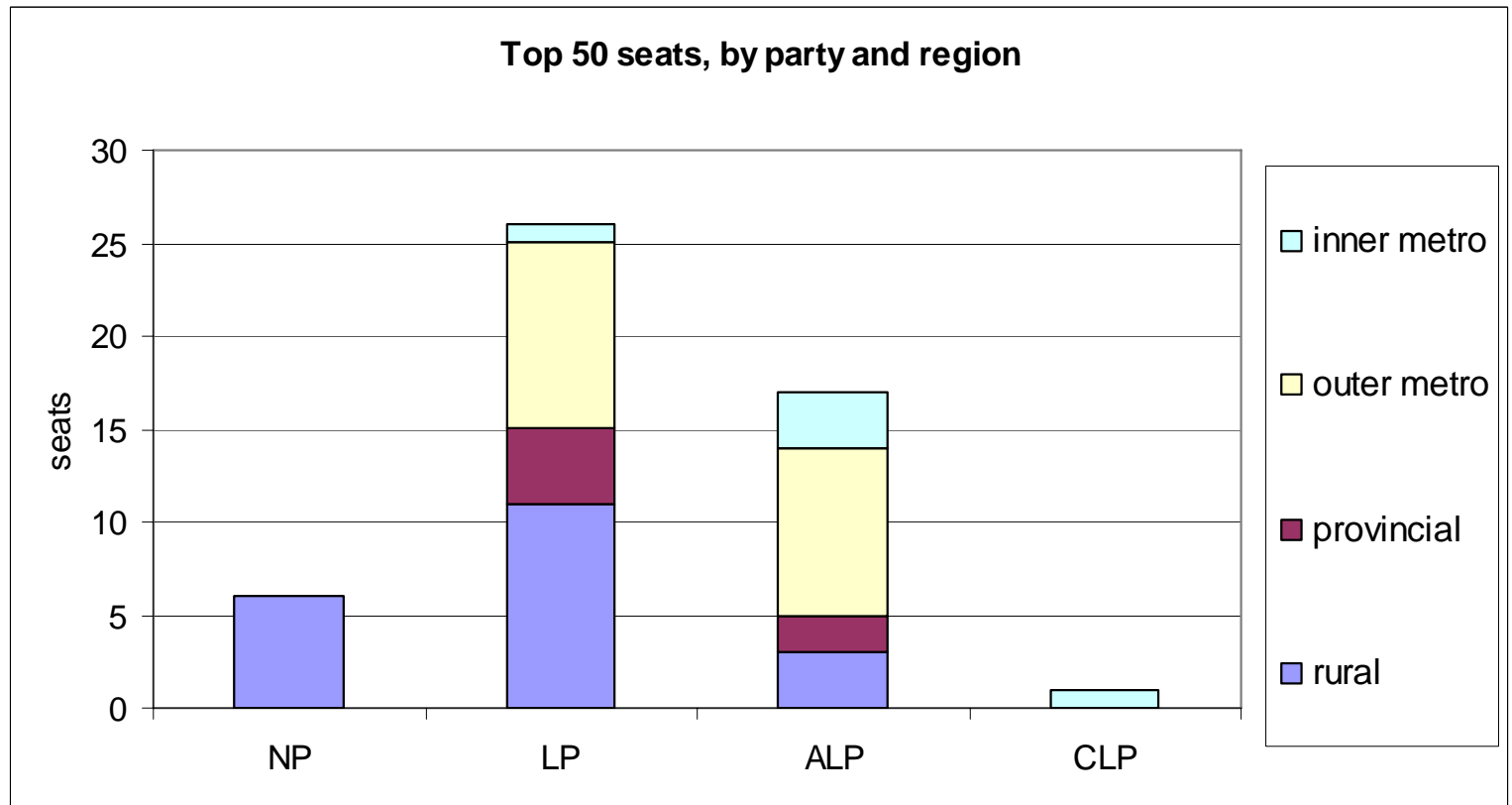
Penalties

- If activity requirements breached, could lose part or all of next payment
- If 3 breaches in one year, 8 weeks without payment – includes 'admin breaches'
- Case management

Where the 81,000 people with disabilities and 95,000 single parents worse off live



Top 50 seats worse off



Top 10 'worse off' seats

Rank	electorate	Type	State	Party	Worse off	% of electorate
1	Lingiari	rural	NT	ALP	2492	4.31%
2	Forde	rural	QLD	LP	2889	3.37%
3	Fadden	outermet	QLD	LP	2697	3.31%
4	Oxley	outermet	QLD	ALP	2737	3.04%
5	Leichhardt	rural	QLD	LP	2563	2.86%
6	Blair	rural	QLD	LP	2583	2.83%
7	Longman	rural	QLD	LP	2442	2.81%
8	Forrest	rural	WA	LP	2391	2.78%
9	Fairfax	rural	QLD	LP	2296	2.74%
10	Fisher	rural	QLD	LP	2326	2.72%



Changing words

- Integrated response
- Working together
- Focusing on those people we need to change - not preaching to the converted
- Getting active