

Appendix 1 — The AWT Package

a. Helping People to Participate

The focus of this measure was to encourage people on income support to participate in the labour market. Through the introduction of Working Credit, job seekers were able to keep more of their income support payments while working. The Literacy and Numeracy Training Supplement provided financial support to job seekers with difficulties finding work because of problems with literacy and numeracy.

b. Helping People Find Jobs

This measure provided targeted assistance to overcome specific vocational obstacles to employment. Places available under Job Network and other employment assistance programs were increased and job seekers experiencing prolonged periods of unemployment were provided with additional services to address their barriers to employment. Incentives and choice were provided to encourage active job search within the Mutual Obligation framework.

c. Getting People the Right Help

Support and assistance were provided to help people overcome or better manage their personal obstacles to employment and provide them with opportunities to access mainstream employment services, particularly Intensive Assistance. Assistance was provided to people experiencing problems such as homelessness, drug and alcohol addiction, mental illness and domestic violence through the Personal Support Program. The Personal Support Program replaced the Community Support Program to assist people with multiple, complex, non-vocational barriers. Providers assisted people on a case-by-case basis to increase both their economic participation, as well as their social engagement in the community.

d. Centrelink Personal Advisers

The aim of the Personal Advisers was to provide case-by-case assessment and assistance to people disadvantaged in the labour market. The Centrelink Personal Advisers helped people identify opportunities and goals and assist in planning to achieve these goals over time. Special help was provided to parents with school age children who faced activity requirements from September 2002.

e. Helping Parents Return to Work

Through this measure parents were provided with assistance to develop plans for return to work and presented with opportunities to undertake work and training. More child care places assisted parents of young children to enter the labour market, and the Transition to Work program provided parents with the assistance to prepare to enter or re-enter the workforce.

f. A Fair Go for Mature Age People

This was designed to address the labour market disadvantages faced by mature age job seekers such as outdated skills, little recent workforce contact or a lack of confidence. The measure also aimed to promote the value of mature age people as prospective employees.

g. A Better Deal for People with a Disability

The objective of this measure was to improve employment outcomes for people with disabilities through early intervention, better assessment and improved employment assistance services. Increased educational opportunities assisted disabled people to move from school into work or further education.

h. Community and Business Engagement

This measure aimed to increase awareness of the benefits business can gain through working with the community and providing opportunities for disadvantaged job seekers. Through this measure the social coalition was enhanced and businesses were able to take advantage of a range of skills that people with disabilities, mature age people, and other disadvantaged income support recipients can provide.

i. Promoting Self-Reliance for Indigenous Australians

This measure sought to ensure that urban, rural and remote Indigenous Australians are provided with opportunities for education, training and employment. These opportunities were provided by increased expenditure on education and training and the development of Indigenous Employment Centres in areas where employment opportunities exist. In remote areas, Community Partnership Agreements were promoted to develop local solutions to local problems aided by the Remote Area Service Centres.

Appendix 2 — AWT Legislative Requirements

The *Family and Community Services Legislation Amendment (Australians Working Together and other 2001 Budget Measures) Act 2003 No. 35, 2003* required that the evaluation of AWT should include a number of elements. The legislated information requirements are noted below.

(a) the numbers of parenting payment (single) recipients and parenting payment (partnered) recipients required to enter into participation agreements and the number of such recipients granted an exemption;

June 2004	PPS	PPP
Number required to enter into participation agreement	58 109	15 534
Exemptions	316	122

Source: Centrelink Administrative data

(b) details of expenditure on ancillary assistance provided to those affected by the measures such as expenditure on Job Network and training;

The table below includes all job seeker claims including Training Account and Job Seeker Account expenditure but not service fees.

2004–05	Expenditure in Job Network
PP	\$67 million
NSA Mature age	\$106 million

Source: Centrelink Administrative data

(c) employment outcomes of parenting payment (single) recipients, parenting payment (partnered) recipients and newstart mature age recipients targeted by the measures compared to the employment outcomes of these groups prior to the implementation of the measures;

The tables below show the incidence of paid work for all Parenting Payment recipients and Newstart mature age recipients. 2001–02 is the financial year immediately prior to the introduction of AWT. 2003–04 is the most recent financial year for which data is available. Figures are shown in percentages.

For employment outcomes for people from these groups participating in employment services managed by the Department of Employment and Workplace Relations, refer to *Labour Market Assistance Outcomes*, published on <http://www.workplace.gov.au/workplace/Category/Publications/Programme Evaluation>

Parents	PP YC < 6		PP YC 6–12		PP YC 13+	
	2001–02	2003–04	2001–02	2003–04	2001–02	2003–04
Percentage with fortnightly earnings from paid work						
Parenting Payment Single	33	34	48	49	51	54
Parenting Payment Partnered	19	19	26	26	26	29

Source: Centrelink Administrative data

Mature Age	2001–02	2003–04
Percentage with fortnightly earnings from paid work	37	38

Source: Centrelink Administrative data

(d) details of average earnings of the target population affected by the measures compared to earnings of the target population prior to the implementation of the measures;

Parenting Payment (for those with earnings)	PPS 13+		PPP 13+	
	2001–02	2003–04	2001–02	2003–04
Average fortnightly earnings^(a) (\$)	587	690	446	500

Mature age (for those with earnings)	Mature Age	
	2001–02	2003–04
Average fortnightly earnings^(a) (\$)	579	633

Source: Centrelink Administrative data

(a) Not indexed for inflation.

(e) details of compliance with the activity agreements for parenting payment (single) recipients, parenting payment (partnered) recipients and Newstart mature age recipients, including the numbers for each group in situations where a breach penalty was applied, and the reasons for applying a breach penalty;

Compliance infringements for parents are negligible, amounting to less than ten in 2004–05. For mature age recipients of Newstart, 843 activity breaches were imposed in 2004–05. Reasons for the activity breaches are outlined in the table below:

Activity Breaches	Total
Declined suitable offer of employment	138
Delayed entering into a Job Search Plan (JSP) ^(a) with a Job Network Member	61
Didn't complete activity — misconduct/violence	8
Failed to comply with JSP — unsatisfactory attendance	92
Failed to start job as planned	30
Failed to agree to terms varying JSP	17
Failed to attend job interview	47
Failed to comply with terms of JSP	311
Failed to start JSP activity on agreed date	30
Failed to attend Work for the Dole (WFD) project	8
Failed to commence WFD project	3
Failed to comply with Preparing for Work Agreement (PFWA) for Community Work (CW)	1
Failed to return Job Seeker Diary (for PFWA)	16
Failed to comply with PFWA	5
Failed to comply with terms of Community Participation Agreement (CPA)	3
Failed to enter into CPA	4
Refused to sign PFWA	9
Failed activity test	42
Failed activity test (Employer Contact Certificates (ECCS))	3
Failed to return ECCS	6
Failed to take reasonable steps to find employment	9
Total	843

Source: Centrelink Administrative data

(a) A Job Search Plan contains the Activity Agreement

(f) details of total savings resulting from breach penalties applied to parenting payment (single) recipients, parenting payment (partnered) recipients and newstart mature age recipients required to enter into activity agreements;

Savings have not occurred from breach penalties for parents, as the full amount withheld is reimbursed once the parent complies with the agreement at any time within the first 12 weeks of the breach penalty period.

For mature age customers receiving Newstart, activity breach penalties resulted in savings estimated at \$160,000 (payment rates averaged for the period 2004–05; penalty reductions not included).

(g) an assessment of the impact of the measures in Schedule 1 on children of parenting payment recipients;

This is reported in Chapter 2.

(h) a cost benefit analysis of the new participation measures applying to parenting payment (single) recipients, parenting payment (partnered) recipients and newstart mature age recipients.

A cost benefit analysis has not been undertaken at this time because of the relatively short period between the full introduction of AWT and this report. A robust cost benefit analysis of AWT would require a longer passage of time for analysis to be meaningful.

Appendix 3 — Measures Of Income Support Reliance And Participation

Measures of income support reliance

Income support receipt over a specified period reflects the amount of time (or proportion of the specified period) that individuals were reliant on income support. For an individual, it is measured as the proportion of a one year period an individual is regarded as being in receipt of an income support payment, even if their payment is zero. For an *income support recipient* group, income support receipt is measured as the percentage of income support recipients who spend nine months or more and those who spend the entire year on income support.

Exits from income support is measured by the percentage of income support recipients who are not regarded as being in receipt of an income support payment for at least three consecutive fortnights.

Participation in paid work

Participation in paid work is measured as the percentage of income support recipients who reported earnings to Centrelink at least once during a one year period.

The *distribution of fortnightly earnings* measures the percentage of income support recipients who reported average fortnightly earnings of less than \$100, \$100 to \$400 or over \$400. The average is calculated only over fortnights where earnings were reported.

Other participation

Participation in study and training includes study in an education institution such as technical college, university, study in a vocational course, apprenticeship or workplace training. A person is participating in education or training if they are enrolled in the course at the time of the survey or if they had undertaken a study course at some time over the previous year.

Participation in volunteering activities refers to work without pay for a community organisation such as a club or church group. Participation in voluntary work is measured at any time two months prior to the survey.

Appendix 4 — Information Sources

Working age longitudinal extract (WALE)

WALE is a longitudinal, administrative dataset derived from Centrelink and Department of Employment and Workplace Relations data. It is a stratified sample of around 20 per cent of all working age income support and non-income support recipients from 1998 to 2004. WALE provides fortnightly information on demographics, partner and child details, benefits and payments. For individuals who are registered as jobseekers, WALE also provides information on employment assistance programmes, the Jobseeker Classification Instrument, employment status and mutual obligation and activities.

Impact on Children Study

The Impact on Children study was conducted by the Australian Institute of Family Studies. This was a semi qualitative survey in which sixty PP recipients who had AWT activity requirements and their youngest teenage child were interviewed, in order to assess the impact of the parent's activity requirement on the child. The survey consisted of two waves of interviews conducted in June/July 2004 and March/April 2005.

Customer and Community Attitudes Survey

The Customer and Community Attitudes survey asked community members and working age income support recipients about their attitudes toward the social security system and towards the changes to the welfare system following the implementation of the AWT measures. The survey was also used to test community and customer attitudes to emerging participation policy questions, in particular participation requirements and assistance for working age groups of income support customers.

Parenting Payment New Claims Survey

The Parenting Payment New Claims Survey consists of three separate cohorts of new and existing Parenting Payment recipients selected in March 2002, 2003 and 2004 with sample sizes of about 2000 parents in each cohort.

These parents were interviewed by telephone in June and September the year of selection and then in the following September. The survey was designed to gather information about recipient characteristics, attitudes and intentions regarding paid work, barriers to employment and assistance received.

Personal Adviser Evaluation

The Personal Adviser (PA) evaluation used a mix of qualitative and quantitative research to provide information on the effectiveness of the intervention for the range of target groups. Data was collected through a two-wave telephone survey (in May and November 2004) of 3,000 people who had participated in a PA interview. A qualitative study was undertaken to provide information on the effectiveness of the PA intervention for prison release, Indigenous and other Better Assessment at Risk customers who had participated in a PA interview. Over 500 Personal Advisers were also surveyed as part of the evaluation.

AWT General Customer Survey

The AWT General Customer Survey (AWT GCS) consisted of two waves of interviews, conducted in October 2002 and October 2004, with stratified samples of income support recipients. It was designed as a supplementary survey to the main FaCS General Customer Survey. The aim was to present a picture of the levels of economic and social participation of certain income support customers in the pre-AWT period, so that they could be compared to those in the post-AWT period. The survey covers areas such as demographics and details about participation in paid work, job search, study and training and community work.

Post Program Monitoring Surveys

The Department's Post Program Monitoring (PPM) surveys measure outcomes achieved by job seekers three months after they exit labour market assistance.