

Newstart Allowance (NSA) June 2016

About NSA

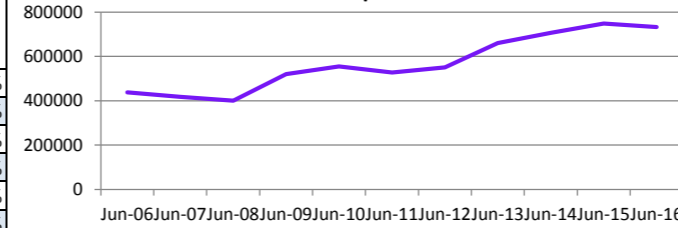
Newstart Allowance is the primary income support payment for unemployed people aged 22 years or over but less than Age Pension age. Unless exempt from mutual obligation requirements, recipients must look for work or undertake other activities to improve their employment prospects (such as study or training).

NSA June 2016						
Quick Facts		Jun-14	Jun-15	Jun-16	Change Jun-15 to Jun-16	Change Jun-14 to Jun-16
Total Population		705,814	748,719	732,100	-2.2%	3.7%
Gender	Male	374,530	398,635	382,005	-4.2%	2.0%
	Female	331,284	350,084	350,095	0.0%	5.7%
Duration	Short-term	221,974	214,596	198,444	-7.5%	-10.6%
	Long-term	483,840	534,123	533,656	-0.1%	10.3%
Earnings	Nil Earnings	556,683	594,702	576,308	-3.1%	3.5%
	Earnings	149,131	154,017	155,792	1.2%	4.5%
Partial Capacity		144,136	158,820	168,951	6.4%	17.2%
Principal Carer		116,847	121,130	115,317	-4.8%	-1.3%

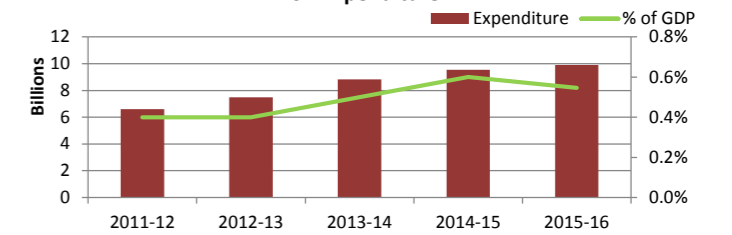
Recipients with a partial capacity to work increased by 6.4% from June 2015 to June 2016, these recipients now represent 23.1% of the NSA population.

The total Newstart population decreased by 2.2% compared to June 2015. Note: In January 2013, there was a large, one-off increase due to the cessation of the grandfathering provisions for Parenting Payment recipients who had been on the payment prior to 1 July 2006 and had a youngest child aged 6 years or over (for partnered) or 8 years (for single). Eligible recipients transferred to NSA.

NSA Population

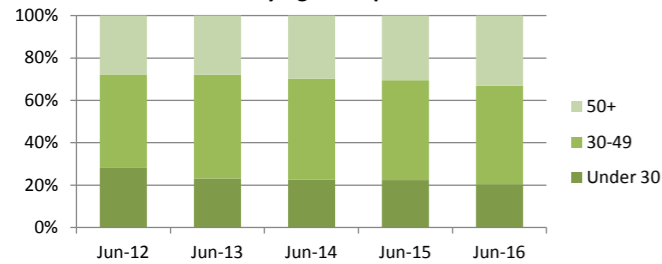


NSA Expenditure



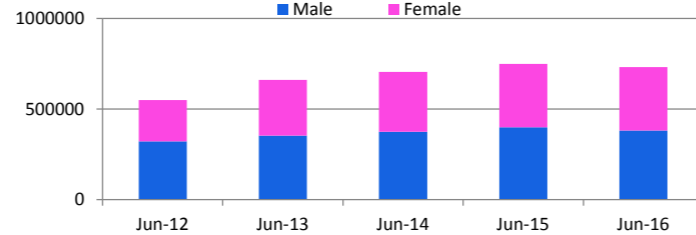
Expenditure on NSA has increased over time. This can be largely attributed to increases in payment rates due to regular indexation and higher recipient numbers as a result of changes to income support policy settings. The 2015-16 expenditure on NSA is \$9.91 billion. Expenditure on NSA makes up approximately 0.6% of Gross Domestic Product (ABS National Accounts).

NSA by Age Group



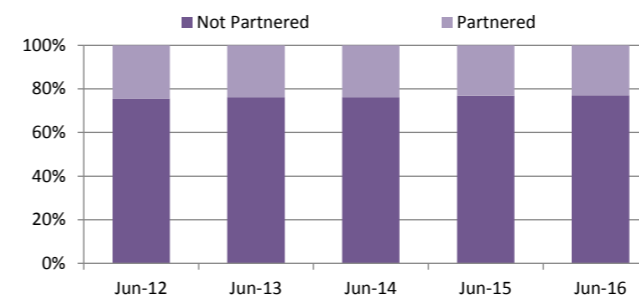
At June 2016, 20.5% of NSA recipients are aged under 30 years, while 33% are aged 50 and over. Recipients aged between 30 and 49 make up the highest proportion of all NSA recipients with 46.5%.

NSA by Gender



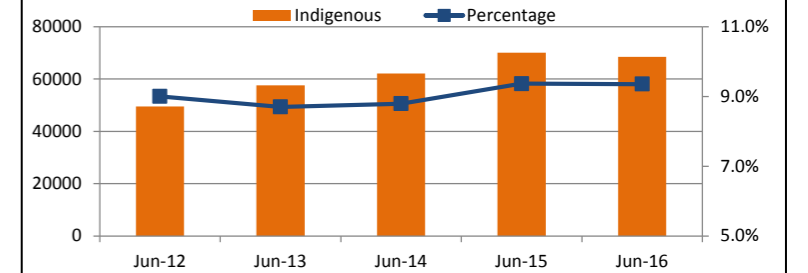
There are slightly more males than females on NSA, with 52.2% male and 47.8% female. There has been an increase in the proportion of NSA recipients who are female from 41.5% in 2012. This reflects the removal of Parenting Payment grandfathering in January 2013, the closure and phasing out of payments such as Wife Pension, Widow B Pension, Partner Allowance and Widow Allowance as well as increases to the Age Pension qualification age for women.

NSA by Relationship Status



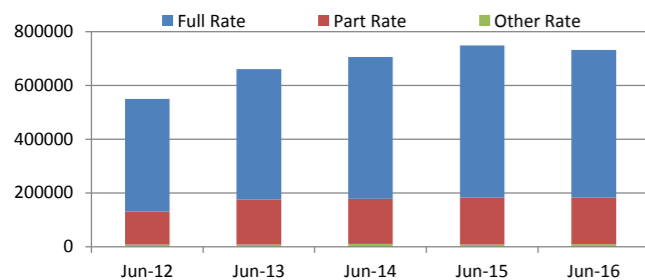
At June 2016, 77% of NSA recipients were single, the proportion has remained stable over time.

NSA by Indigenous Indicator



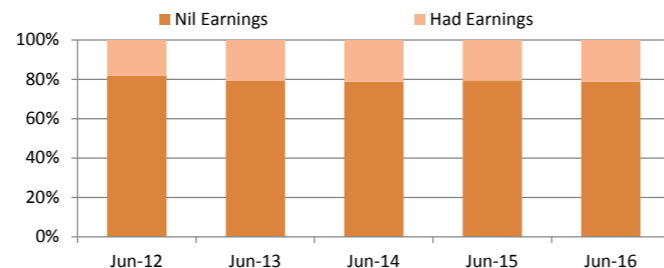
The Indigenous proportion of the total Newstart population has remained fairly stable over time. At June 2016 the Indigenous proportion was 9.4%. Indigenous recipients include only those who have voluntarily identified as Indigenous.

NSA by Rate of Payment



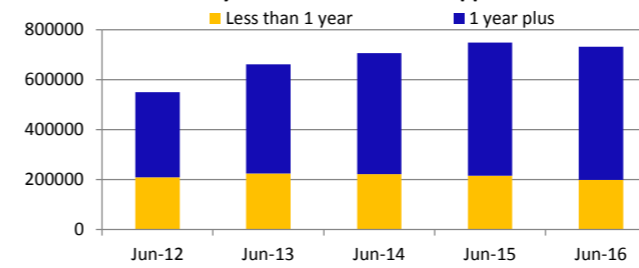
The proportion of recipients on full-rate is comparable with June 2015 with a small decrease from 75.6% at June 2015 to 75% at June 2016. 'Other' includes those recipients who were yet to be paid and accounts for around 1.2% of the total population.

NSA by Earnings



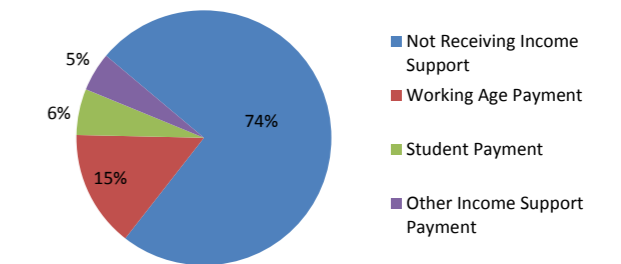
The proportion of recipients reporting earnings has remained relatively stable over time. 21.3% of NSA recipients had earnings at June 2016, up from 20.6% at June 2015.

NSA by Duration on Income Support



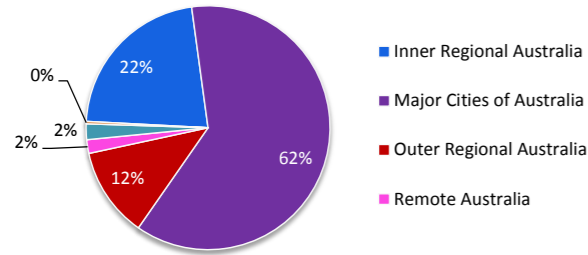
At June 2016, 72.9% of recipients were classified as long-term (1 year or more), the proportion has increased from 71.3% at June 2015. Duration refers to duration on income support and may not reflect duration on current payment type.

Circumstances before receiving NSA:



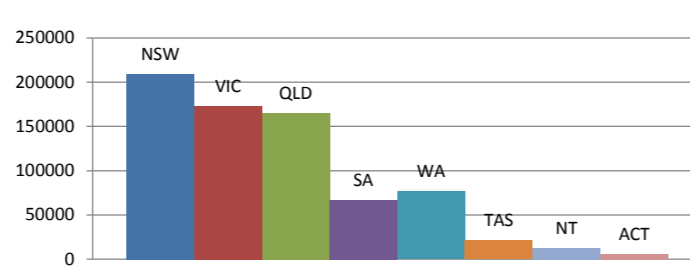
Comparing June 2015 to June 2016, the majority of recipients moving onto NSA did not transfer from another income support payment. The largest numbers of recipients transferring from another payment came from Parenting Payment Single (7.3%) and Youth Allowance (other) (4.8%).

NSA by Remoteness Area



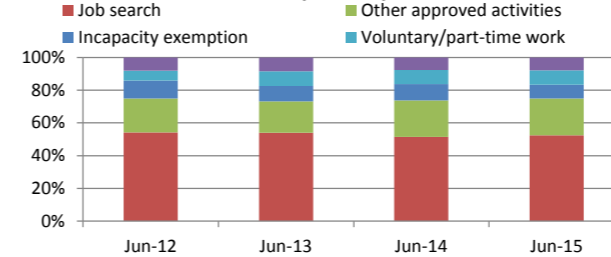
The majority of NSA recipients reside in major cities (62%). A further 34% reside in regional areas (outer and inner), while the remaining recipients reside in remote or very remote locations. By comparison, the general working age population in Australia has a higher proportion residing in major cities (71%) and lower proportion living in regional areas (27%) (ABS Census 2011).

NSA by State



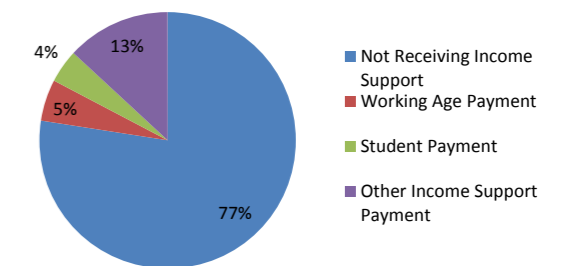
The highest proportion of recipients were located in New South Wales at 28.6% followed by Victoria at 23.7% and 22.6% in Queensland. This aligns with the general working age population in Australia.

NSA By Activity



At June 2016, 59.6% of recipients had job search as their main activity, an increase of 7.1% from June 2015 reflecting the commencement of jobactive in July 2015 which has a stronger focus on job search. A further 9.6% were undertaking other approved activities to improve their employment prospects (may include education/training) and 19.8% had a temporary incapacity or other exemption (for example, due to major personal crisis).

Circumstances after receiving NSA:



Comparing June 2015 to June 2016, the majority of recipients who left NSA did not transfer to another income support payment. Of those who did transfer to other payments, most transferred to pension payments, such as Age Pension (5.5%), Carer Payment (4.2%) and Disability Support Pension (3.4%).



Data Descriptions

Newstart Allowance: Newstart Allowance is the major payment for unemployed people aged from 22 years but less than Age Pension age. Recipients must satisfy the activity test by seeking work or participating in an activity designed to improve their employment prospects.

Recipient Numbers: Recipients of Newstart Allowance who are determined to be current (i.e. entitled to be paid) on the Centrelink payment system and are not in receipt of CDEP Participation Supplement or a zero rate of payment.

Note: Recipient numbers are point-in-time as at the end of the month, using the definition above, these numbers differ from the data in the Labour Market and Related Payments publication, which are averaged over the month.

Report Details: Payment trends and profiles report - June 2016 - Produced by the Department of Social Services

Licence: [Creative Commons Attribution 3.0 Australia](#)

Source: Department of Human Services Administrative data (DSS Extracts)

Data Date: Data as at the 24th of June 2016.

Australian National Accounts: National Income, Expenditure and Product: Table 34 Time Series Spreadsheets (cat. no. 5206.0).

Australian Bureau of Statistics Census 2011: Australian Bureau of Statistics, 2011 Census of Population and Housing, Table Builder, RA by AGE5P - Age in Five Year Groups

Glossary:

Activity: The main activity undertaken by a recipient with participation requirements.

Age Group: The age group of the recipient.

CDEP: CDEP refers to Community Development Employment Projects Scheme. This Scheme and payment of the CDEP Participation Supplement ceased on 30 June 2015.

Circumstances after NSA: This data compares two points in time, one year apart. 'Not Receiving Income Support' describes those who were in receipt of NSA at the first point in time, who were not receiving an income support payment at the second point in time. This data does not take into account Family Tax Benefit.

Circumstances before NSA: This data compares two points in time, one year apart. 'Not Receiving Income Support' describes those who were not in receipt of an income support payment at the first point in time, who were receiving NSA at the second point in time. This data does not take into account Family Tax Benefit.

Duration: Duration refers to duration on Income Support and may not reflect duration on current payment type.

Earnings: Earnings refers to employment earnings reported in the last fortnight of the reported period.

Expenditure: Expenditure amount, as reported in the Department's Annual Report. '% of GDP' is the expenditure on the payment as a percentage of Australia's Gross Domestic Product (ABS data - see data source above).

Indigenous: Indigenous recipients include only those who have voluntarily identified as indigenous. This data may therefore represent an undercount.

Partial Capacity to Work: Activity tested recipients who have been assessed in the last two years as having a capacity to work of under 30 hours per week, due to an ongoing physical, intellectual or psychiatric impairment.

Principal carer: Recipients who have principal caring responsibilities for a dependent child(ren).

Remoteness Area: Remoteness Areas are based on the recipient's geo-coded address against the Australian Statistical Geography Standard (ASGS) 2011.

Rate: The rate of the recipients payment ('other' include those recipients who, as at the data date, were yet to be paid).

Relationship Status: Partnered includes recipients who are married, de facto or registered.

State: The State or Territory recorded in the recipient's address.