

Characteristics of Disability Support Pension Recipients

June 2007

DISABILITY SUPPORT PENSION - OVERVIEW

Who is this Payment for?

From June 2006 Centrelink Disability Support Pension (DSP) is paid to people who are unable to work for at least 15 hours per week, or be re-skilled for such work, within two years because of their disability. DSP is intended to ensure that people with disabilities have adequate levels of income and maximum opportunities to participate in society.

Eligibility Requirements

To qualify for DSP a person must be 16 or over and be under Age Pension age (currently 63.5 for women and 65 for men); and

- be permanently blind; or
- have a physical, intellectual or psychiatric impairment (assessed at 20 points or more under the Impairment Tables); and be unable to do any work of at least 15 hours a week, or be re-skilled for any work, for a period of at least two years; and
- have become unable to work while in Australia, or have 10 years qualifying Australian residence.

Trends

As at June 2007, there were 714 156 people receiving DSP, an increase of 0.3 per cent over the June 2006 population of 712 163.

Of the total DSP population 57.8 per cent were male and 42.2 per cent female. The proportion of male recipients numbers have steadily been declining since June 2003; 73.8 per cent of DSP recipients were born in Australia; and, on average, they had been in receipt of an income support payment for 10.2 years.

The DSP population is primarily represented by four main medical conditions which are musculo-skeletal and connective tissue conditions 31.9 per cent, psychological/psychiatric conditions 27.3 per cent, intellectual/learning difficulties, 11.2 per cent and circulatory systems 5.0 per cent.

Since 1982 the DSP population has been steadily increasing, with the greatest growth, of 13.3 per cent, occurring in 1992 following the introduction of the Disability Reform Package (DSP replaced the Invalid Pension and Sheltered Employment Allowance in November 1991). Between 1996 and 2001 the growth rate reduced gradually from 7.5 per cent to 3.6 per cent. It increased to 5.6 per cent in 2002, dropped to 2.2 per cent in 2003 (with the introduction of the AWT Better Assessment and Early Intervention initiative) and increased again in 2004 to 3.5 per cent and 1.4 per cent in 2005. In 2006 the DSP population increased by 0.8 per cent and the growth in the DSP population from June 2006 to June 2007 was 0.3 per cent.

There were 101 642 claims for DSP in 2006-07, with 62 608 grants (61.6 per cent) and 39 034 rejections (38.4 per cent). The main rejection reason was disability short term which accounted for 28.5 per cent of total rejections.

Comparing June 2006 to June 2007 over half of the new DSP recipients came from other income support payments (32.8 per cent from Newstart, 7.3 per cent from Parenting Payments, 2.5 per cent from Youth Allowance and 1.7 per cent from Sickness Allowance), while 45.9 per cent had not been in receipt of an income support payment.

Of the people who were on DSP at June 2006, and had left the payment by June 2007, 53.3 per cent went to Age Pension, 24.1 per cent went off income support payment.

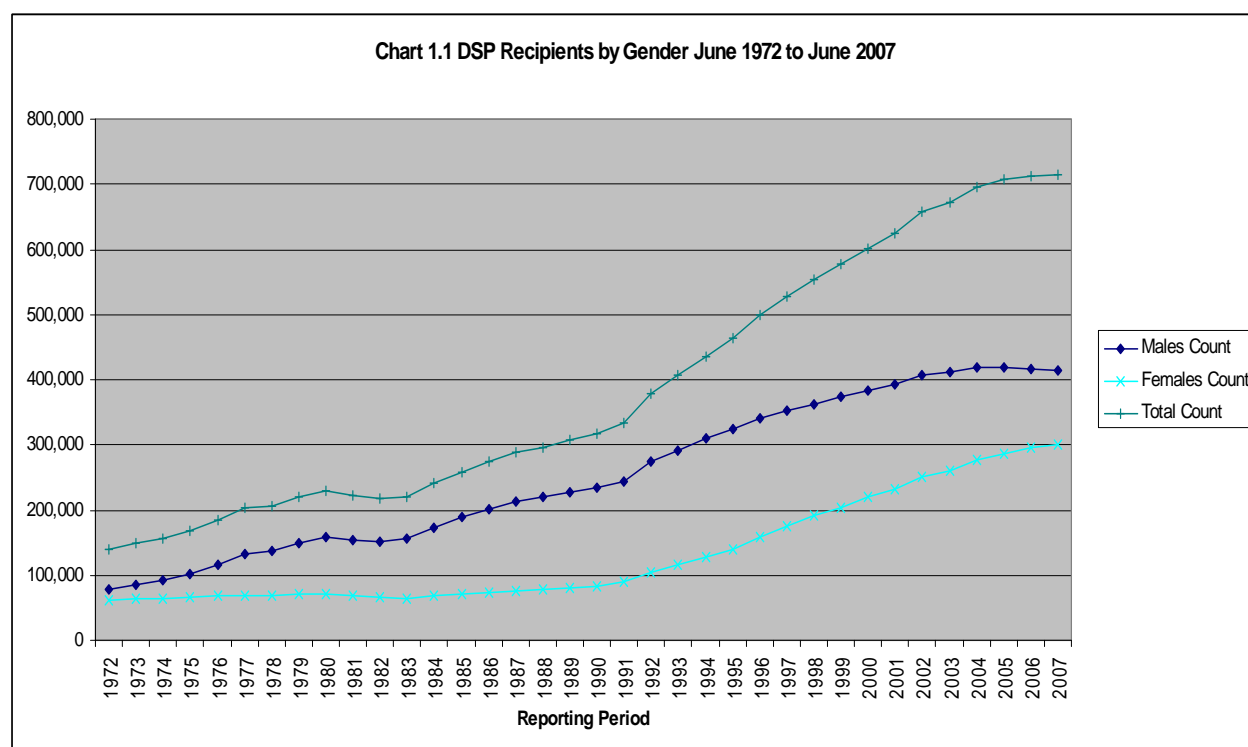
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Source of Data

The information contained in this report has been sourced from Centrelink administration data using the Bluebook dataset as at 29 June 2007. If an alternate source for data has been used it will be noted with the relevant table.

1 DISABILITY SUPPORT PENSION POPULATION CHARACTERISTICS



1.1 Recipients by Gender 1972 to 2007

As at June 2007, the number of people receiving Disability Support Pension (DSP) was 714 156 and has been increasing since 1982, with the greatest growth (13.3 per cent) occurring in 1992 following the introduction of the Disability Reform Package. The growth in DSP for 2006-07 was 0.3 per cent, down on the 0.8 per cent in 2005-06. There has been fewer claims for payment and a reduction in the proportion of claims being granted due to the new continuing inability to work change from 30hours per week to 15 hours per week effective from 1 July 2006. There have been several factors suggested as contributing to the increases in the DSP recipient numbers from the early 1990's:

There have been several factors suggested as contributing to the increases in the DSP recipient numbers from the early 1990's:

- changed eligibility criteria for disability payments following the introduction of the Disability Reform Package;
- loss of access to other forms of support such as Veterans' Affairs Service Pension, Widow B and Wife Pension;
- increases in the Age Pension qualifying age for females;
- demographic effects such as the ageing of the population; and
- changes in the labour market which have resulted in a reduced capacity for people with disabilities to retain or find work.

However, with a strong labour market the DSP growth slowed to 0.3 per cent from 2005-06 to 2006-07.

From 1972 to the introduction of the Disability Reform Package in 1991 the number of male recipients more than tripled (77,133 to 244,699). In the same period of time the number of female recipients increased by less than half (61,685 to 89,535).

At June 2007 males represent 57.8 per cent of the DSP population. When comparing June 2006 to June 2007 the overall trend is showing a change in the gender split with the female population increasing by 1.5 per cent and the male population decreasing by 0.6 per cent.

Table 1.1 DSP Recipients by Gender 1972 to 2007

At June each year	Males			Females			Total		
	Count	Change	% of Total	Count	Change	% of Total	Count	Change	% Growth
1972	77,133		55.6%	61,685		44.4%	138,818		
1973	85,305	8,172	57.0%	64,304	2,619	43.0%	149,609	10,791	7.8%
1974	92,140	6,835	58.8%	64,643	339	41.2%	156,783	7,174	4.8%
1975	102,817	10,677	60.9%	65,967	1,324	39.1%	168,784	12,001	7.7%
1976	116,118	13,301	63.2%	67,669	1,702	36.8%	183,787	15,003	8.9%
1977	133,209	17,091	65.6%	69,754	2,085	34.4%	202,963	19,176	10.4%
1978	137,245	4,036	67.0%	67,699	-2,055	33.0%	204,944	1,981	1.0%
1979	149,759	12,514	68.1%	70,084	2,385	31.9%	219,843	14,899	7.3%
1980	158,327	8,568	69.1%	70,892	808	30.9%	229,219	9,376	4.3%
1981	153,889	-4,438	69.3%	68,062	-2,830	30.7%	221,951	-7,268	-3.2%
1982	151,146	-2,743	69.8%	65,503	-2,559	30.2%	216,649	-5,302	-2.4%
1983	155,672	4,526	70.7%	64,617	-886	29.3%	220,289	3,640	1.7%
1984	173,063	17,391	71.9%	67,511	2,894	28.1%	240,574	20,285	9.2%
1985	188,713	15,650	72.8%	70,449	2,938	27.2%	259,162	18,588	7.7%
1986	200,898	12,185	73.4%	72,912	2,463	26.6%	273,810	14,648	5.7%
1987	213,290	12,392	73.8%	75,760	2,848	26.2%	289,050	15,240	5.6%
1988	219,168	5,878	73.8%	77,745	1,985	26.2%	296,913	7,863	2.7%
1989	227,285	8,117	73.8%	80,510	2,765	26.2%	307,795	10,882	3.7%
1990	233,251	5,966	73.6%	83,462	2,952	26.4%	316,713	8,918	2.9%
1991	244,699	11,448	73.2%	89,535	6,073	26.8%	334,234	17,521	5.5%
1992	273,697	28,998	72.3%	104,861	15,326	27.7%	378,558	44,324	13.3%
1993	291,471	17,774	71.7%	115,101	10,240	28.3%	406,572	28,014	7.4%
1994	309,123	17,652	70.9%	127,111	12,010	29.1%	436,234	29,662	7.3%
1995	324,672	15,549	69.9%	139,758	12,647	30.1%	464,430	28,196	6.5%
1996	340,256	15,584	68.2%	158,979	19,221	31.8%	499,235	34,805	7.5%
1997	352,607	12,351	66.8%	174,907	15,928	33.2%	527,514	28,279	5.7%
1998	361,539	8,932	65.3%	191,797	16,890	34.7%	553,336	25,822	4.9%
1999	373,340	11,801	64.6%	204,342	12,545	35.4%	577,682	24,346	4.4%
2000	382,351	9,011	63.5%	219,929	15,587	36.5%	602,280	24,598	4.3%
2001	392,354	10,003	62.9%	231,572	11,643	37.1%	623,926	21,646	3.6%
2002	406,892	14,538	61.8%	252,021	20,449	38.2%	658,913	34,987	5.6%
2003	412,777	5,885	61.3%	260,557	8,536	38.7%	673,334	14,421	2.2%
2004	418,829	6,052	60.1%	277,913	17,356	39.9%	696,742	23,408	3.5%
2005	420,073	1,244	59.4%	286,709	8,796	40.6%	706,782	10,040	1.4%
2006	415,618	-4,455	58.4%	296,545	9,836	41.6%	712,163	5,381	0.8%
2007	413,033	-2,585	57.8%	301,123	4,578	42.2%	714,156	1,993	0.3%

1.2 Recipients by Age and Gender

People aged 55 years and over represent 41.1 per cent of the overall DSP population. The proportion of females in the 60-64 years age group has increased by 1 per cent since June 2006. This is due to the Age Pension qualifying age for women increasing to 63.5 years from 1 July 2007. As the Age Pension qualifying age increases for females, it is expected that this age group will grow and eventually exceed the number in the 55-59 years age group.

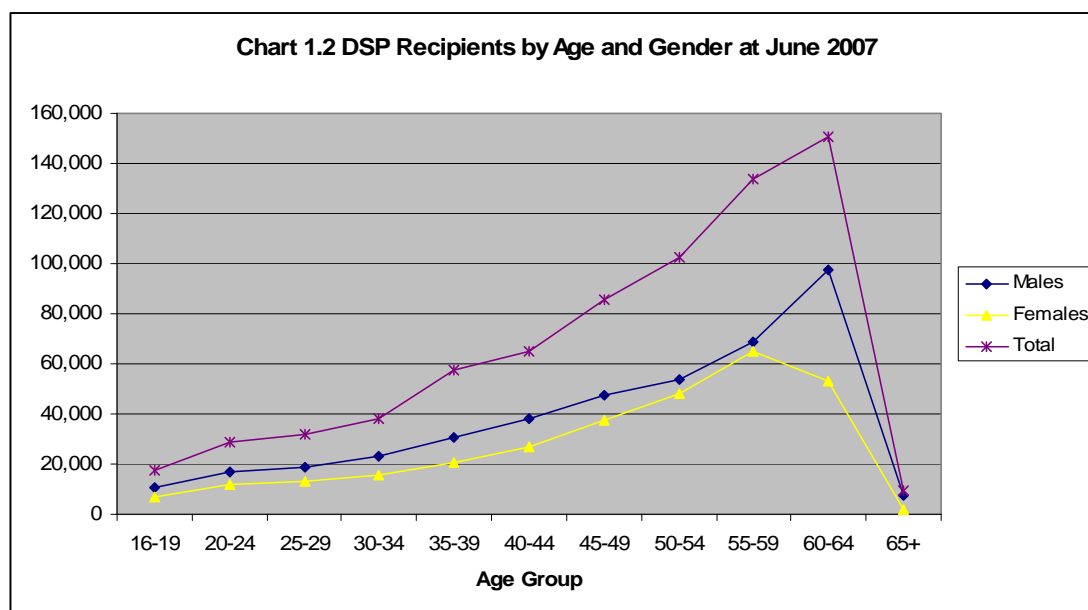


Table 1.2: DSP Recipients by Age and Gender at June 2007

Age	Males	%	Females	%	Total	%
16-19	10,536	2.6%	6,663	2.2%	17,199	2.4%
20-24	16,685	4.0%	12,129	4.0%	28,814	4.0%
25-29	18,664	4.5%	13,246	4.4%	31,910	4.5%
30-34	22,908	5.5%	15,380	5.1%	38,288	5.4%
35-39	30,730	7.4%	20,792	6.9%	57,522	8.1%
40-44	38,394	9.3%	26,713	8.9%	65,107	9.1%
45-49	47,665	11.5%	37,663	12.5%	85,328	11.9%
50-54	53,974	13.1%	48,227	16.0%	102,201	14.3%
55-59	68,668	16.6%	65,280	21.7%	133,948	18.8%
60-64	97,582	23.6%	53,009	17.6%	150,591	21.1%
65+	7,227	1.7%	2,021	0.7%	9,248	1.3%
Total	413,033	100.0%	301,123	100.0%	714,156	100.0%

1.3 Recipients by State

The majority of DSP recipients can be found in the more populous Australian States. New South Wales is the largest with 31.8 per cent of the DSP population, while the Northern Territory is the smallest with 0.9 per cent.

When comparing the ABS Census 2006 state populations, the proportion of DSP recipients by state generally aligns with the census proportions for the total Australian population by state.

Overseas recipients are included in the not specified group due to the extract source that was used.

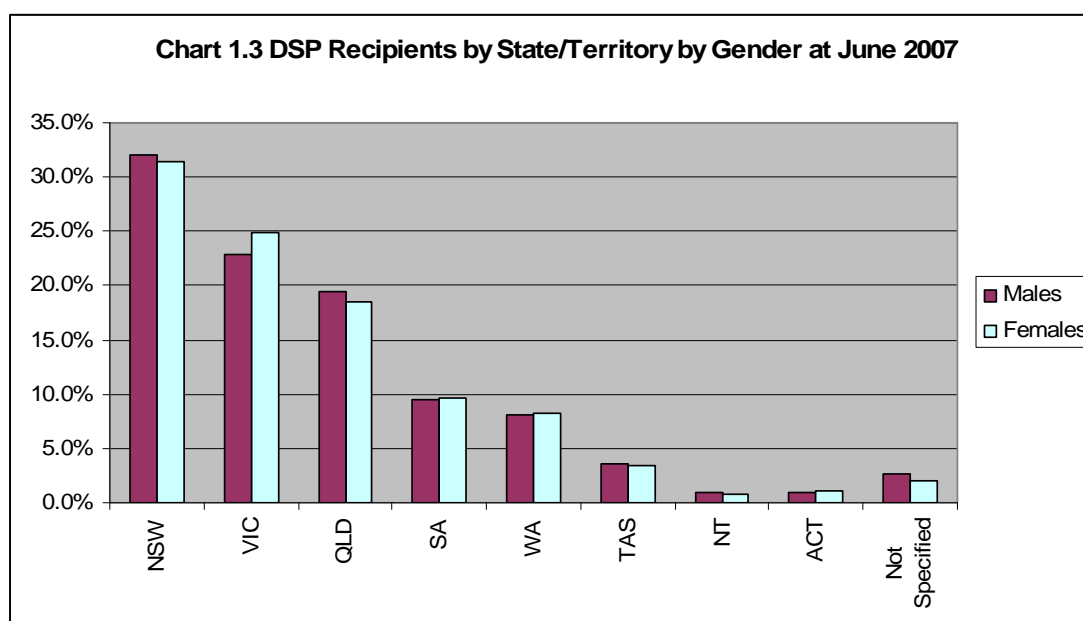


Table 1.3: DSP Recipients by State/Territory and Gender at June 2007

STATE	Males	%	Females	%	Total	State as % of Total	ABS Census 2006	ABS Census 2006
NSW	132,529	32.1%	94,426	31.4%	226,955	31.8%	33.0%	6,549,177
VIC	94,733	22.9%	74,961	24.9%	169,694	23.8%	24.8%	4,932,422
QLD	80,331	19.4%	55,532	18.4%	135,863	19.0%	19.7%	3,904,534
SA	38,937	9.4%	29,222	9.7%	68,159	9.5%	7.6%	1,514,336
WA	33,562	8.1%	24,905	8.3%	58,467	8.2%	9.9%	1,959,086
TAS	14,571	3.5%	10,377	3.4%	24,948	3.5%	2.4%	476,480
NT	3,762	0.9%	2,576	0.9%	6,338	0.9%	1.0%	192,899
ACT	3,776	0.9%	3,162	1.1%	6,938	1.0%	1.6%	324,034
Not Specified	10,832	2.6%	5,962	2.0%	16,794	2.4%	0.01%	2,320
Total	413,033	100.0%	301,123	100.0%	714,156	100.0%	100.0%	19,855,288

1.4 Recipients by Country of Birth

The ten countries of birth with the highest numbers of DSP recipients are outlined below:

The majority of DSP recipients were born in Australia (70.9 per cent). The second largest group was the United Kingdom (including Ireland) (5.2 per cent). When compared with ABS Census 2006 country of birth data, 9 out of the top 10 countries are over-represented on DSP (the exception being New Zealand). Refer to Table 1.4 below.

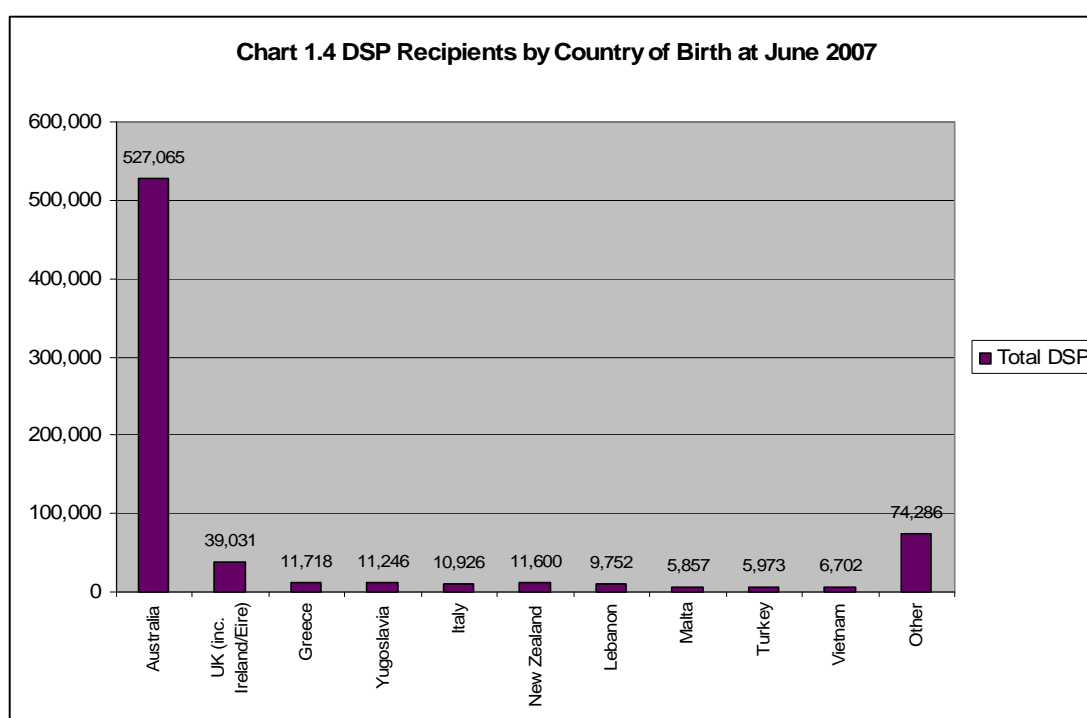


Table 1.4: DSP Recipients by Country of Birth at June 2007

COUNTRY OF BIRTH	Males	%	Females	%	Total DSP	DSP %	ABS Census 2006
Australia	304,696	73.8%	222,369	73.8%	527,065	73.8%	70.9%
UK (inc. Ireland/Eire)	23,144	5.6%	15,887	5.3%	39,031	5.5%	5.2%
Greece	6,534	1.6%	5,184	1.7%	11,718	1.6%	0.6%
New Zealand	6,681	1.6%	4,919	1.6%	11,600	1.6%	2.0%
Yugoslavia	6,753	1.6%	4,493	1.5%	11,246	1.6%	0.2%
Italy	6,388	1.5%	4,538	1.5%	10,926	1.5%	1.0%
Lebanon	6,157	1.5%	3,595	1.2%	9,752	1.4%	0.4%
Vietnam	3,940	1.0%	2,762	0.9%	6,702	0.9%	0.8%
Turkey	3,137	0.8%	2,836	0.9%	5,973	0.8%	0.2%
Malta	4,045	1.0%	1,812	0.6%	5,857	0.8%	0.2%
Other	41,558	10.1%	32,728	10.9%	74,286	10.4%	18.6%
Total	413,033	100.0%	301,123	100.0%	714,156	100.0%	100.0%

1.5 Recipients by Marital Status and Gender

The majority of DSP recipients are not partnered.

The largest group by marital status and gender of DSP recipients are single males 41 per cent males.

Proportionally, males and females are similar in the de facto category (4.8 per cent and 4.9 per cent respectively). Information shows that males are more likely than females to be in the married or single categories while the proportion of females are more likely to be in the divorced, separated or widowed category.

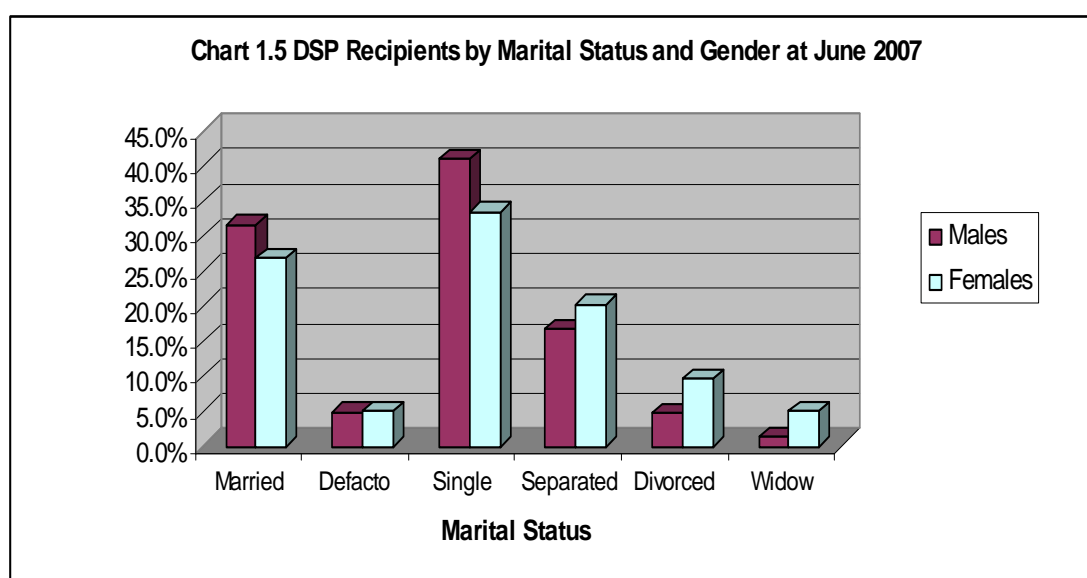


Table 1.5: DSP Recipients by Marital Status and Gender at June 2007

Marital Status	Males	%	Females	%	Total	%
Married	130,730	31.7%	80,590	26.8%	211,320	29.6%
Defacto	19,678	4.8%	14,868	4.9%	34,546	4.8%
Single	169,153	41.0%	100,864	33.5%	270,017	37.8%
Separated	69,029	16.7%	61,037	20.3%	130,066	18.2%
Divorced	19,154	4.6%	28,917	9.6%	48,071	6.7%
Widow	5,289	1.3%	14,847	4.9%	20,136	2.8%
Total	413,033	100.0%	301,123	100.0%	714,156	100.0%

1.6 Recipients by Gender and Home Ownership

The majority of DSP recipients are non-home owners (65.8 per cent). Females receiving DSP are marginally more likely to own a home, including paying it off, than males (34.6 per cent compared to 32.3 per cent).

The proportion of homeowners increased from 34.4 per cent in 1975 to 43.8 per cent in 1989. Since 1989 the proportion has been steadily decreasing and stands at 33.3 per cent at June 2007.

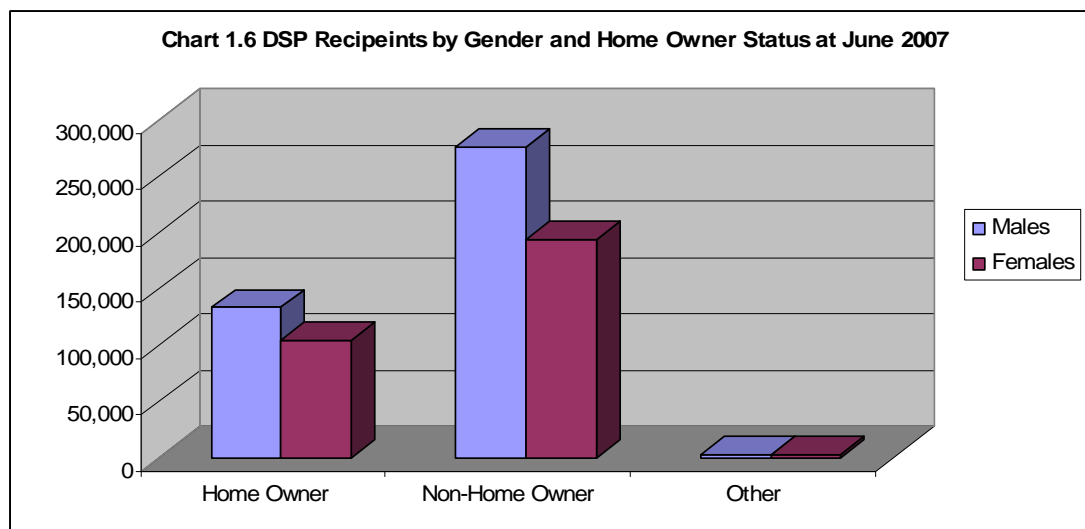


Table 1.6 DSP Recipients by Gender and Homeownership at June 2007

Housing Status	Males	%	Females	%	Total	%
Home Owner	133,437	32.3%	104,088	34.6%	237,525	33.3%
Non-Home Owner	276,151	66.9%	194,015	64.4%	470,166	65.8%
Other	3,445	0.8%	3,020	1.0%	6,465	0.9%
Total	413,033	100.0%	301,123	100.0%	714,156	100.0%

Of those who are non-homeowners 112,642 are residing in government housing (59,093 males and 53,549 females).

1.7 Recipients by Age and Home Ownership

DSP recipients who own their own home (either own their home outright or are paying it off) tend to be skewed towards the older age groups, with the 60-64 age groups being the only group containing more homeowners than non-homeowners.

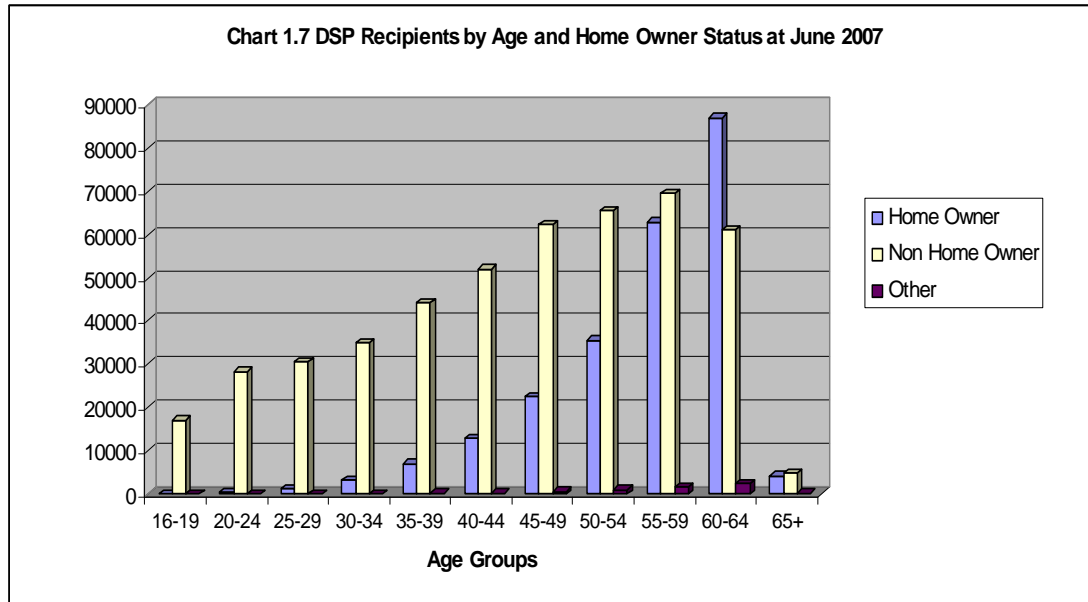


Table 1.7: DSP Recipients by Age and Homeownership at June 2007

Age Group	Home Owner	%	Non Home Owner	%	Other	%	Total	%
16-19	123	0.1%	17,031	3.6%	45	0.7%	17,199	2.4%
20-24	463	0.2%	28,340	6.0%	11	0.2%	28,814	4.0%
25-29	1,307	0.6%	30,584	6.5%	19	0.3%	31,910	4.5%
30-34	3,247	1.4%	35,000	7.4%	41	0.6%	38,288	5.4%
35-39	7,114	3.0%	44,214	9.4%	194	3.0%	51,522	7.2%
40-44	12,974	5.5%	51,979	11.1%	154	2.4%	65,107	9.1%
45-49	22,556	9.5%	62,218	13.2%	554	8.6%	85,328	11.9%
50-54	35,624	15.0%	65,531	13.9%	1,046	16.2%	102,201	14.3%
55-59	62,901	26.5%	69,387	14.8%	1,660	25.7%	133,948	18.8%
60-64	86,984	36.6%	61,122	13.0%	2,485	38.4%	150,591	21.1%
65+	4,232	1.8%	4,760	1.0%	256	4.0%	9,248	1.3%
Total	237,525	100.0%	470,166	100.0%	6,465	100.0%	714,156	100.0%

2 MEDICAL CONDITION

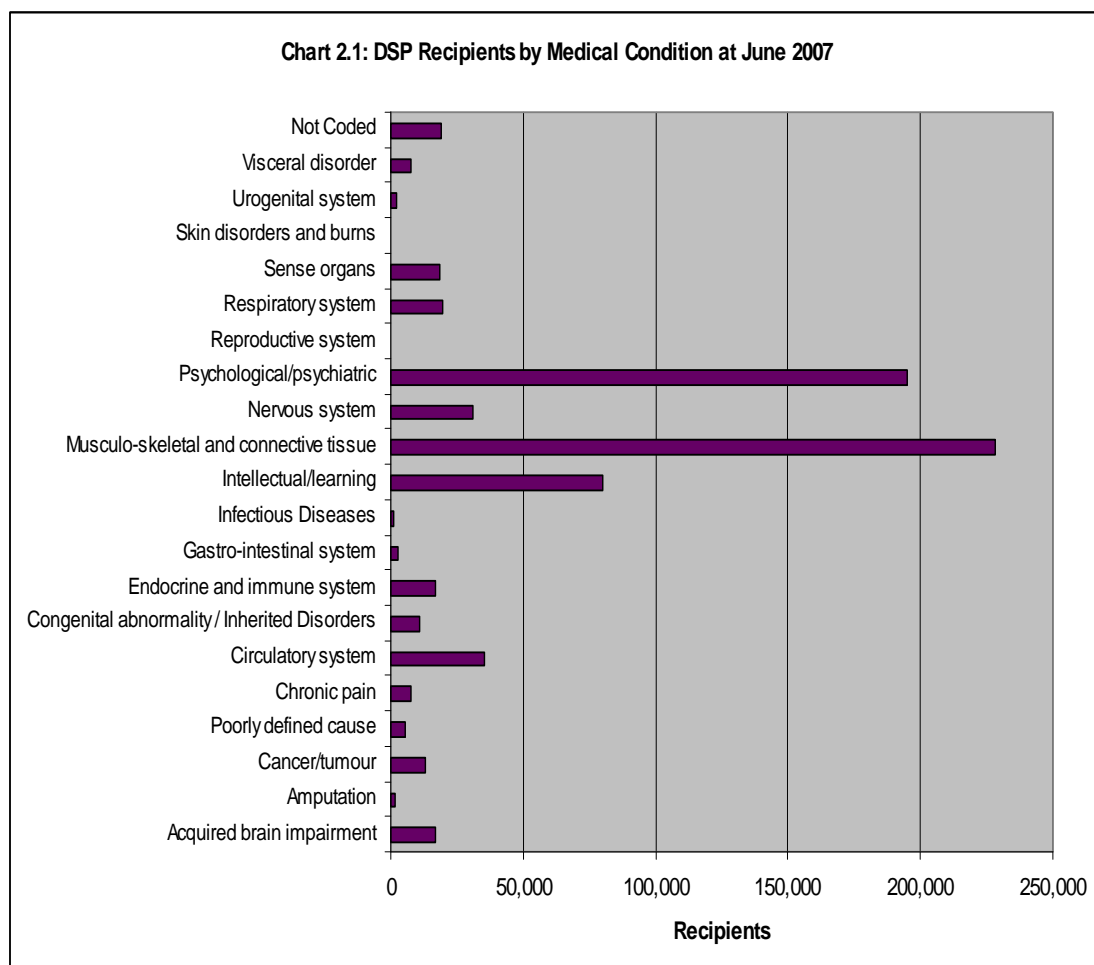
2.1 Recipients by Medical Condition

The medical conditions reported in chart 2.1 below represent the primary condition that is recorded on a recipient's record.

With the introduction of the Disability Reform Package in November 1991 those on the Invalid Pension were transferred to DSP. These recipients did not have a medical condition recorded on their Centrelink record. While they are being progressively reviewed and ascribed a medical condition, at June 2007 ex-Invalid Pension recipients without a medical condition recorded on their Centrelink record made up 2.7 per cent of the total DSP population.

The four largest groups are recipients with musculo-skeletal/connective tissue (31.9 per cent), psychological/ psychiatric (27.3 per cent), intellectual/learning medical conditions (11.2 per cent) and circulatory system (5 per cent).

11 342 (1.6per cent) of DSP recipients are identified as being blind, a slight increase from 11 063 at June 2006 (1.6 per cent of all DSP recipients).



2.2 Recipients by Medical Condition and Gender

Males and females show a similar distribution of medical conditions. The only noticeable differences (ie. a greater than 2 percentage point difference) are for recipients with circulatory conditions (6.1 per cent male and 3.5 per cent female). Table 2.2 provides a list of all medical categories by gender.

More males were former Invalid Pension recipients (granted prior to 1991) than females and therefore do not have their medical condition coded. This needs to be taken into account when interpreting the data as this may contribute to situations where the percentage of females with a particular condition appears greater than the percentage of males.

For both males and females, the most common medical condition was musculo-skeletal and connective tissue and psychological / psychiatric conditions, followed by intellectual / learning conditions. This is consistent with June 2006.

Of the medical condition groups listed in Table 2.2, females outnumbered males in four groups. These groups are chronic fatigue/post viral syndrome (57.9 per cent), chronic pain (55.8 per cent), gastro-intestinal system (57.7 per cent), reproductive system (87.7 per cent) and poorly define cause (1.3 per cent).

Male recipients make up 80.3 per cent of the amputation medical condition group. The next highest male dominated group is acquired brain impairment with 71.8 per cent followed by circulatory system with 70.7 per cent.

Table 2.2 DSP Recipients by Gender and Medical Condition at June 2007

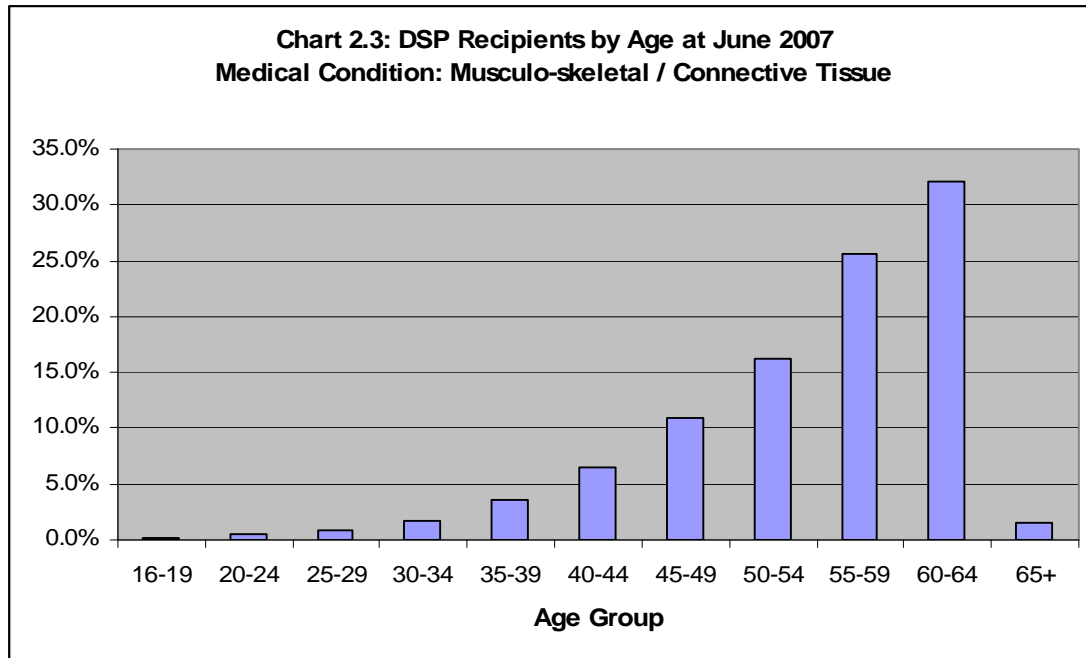
Medical Condition	Males	%	Females	%	Total	%
Acquired brain impairment	12,086	2.9%	4,741	1.6%	16,827	2.4%
Amputation	1,260	0.3%	308	0.1%	1,568	0.2%
Cancer/tumour	6,765	1.6%	6,268	2.1%	13,033	1.8%
Poorly defined cause	1,650	0.4%	3,922	1.3%	5,572	0.8%
Chronic pain	3,552	0.9%	4,044	1.3%	7,596	1.1%
Circulatory system	24,991	6.1%	10,470	3.5%	35,461	5.0%
Congenital abnormality / Inherited Disorders	5,790	1.4%	5,104	1.7%	10,894	1.5%
Endocrine and immune system	9,502	2.3%	7,228	2.4%	16,730	2.3%
Gastro-intestinal system	1,307	0.3%	1,673	0.6%	2,980	0.4%
Infectious Diseases	787	0.2%	398	0.1%	1,185	0.2%
Intellectual/learning	46,614	11.3%	33,646	11.2%	80,260	11.2%
Musculo-skeletal and connective tissue	132,596	32.1%	95,538	31.7%	228,134	31.9%
Nervous system	15,787	3.8%	15,140	5.0%	30,927	4.3%
Psychological/psychiatric	111,398	27.0%	83,661	27.8%	195,059	27.3%
Reproductive system	10	0.0%	227	0.1%	237	0.0%
Respiratory system	10,662	2.6%	8,879	2.9%	19,541	2.7%
Sense organs	10,470	2.5%	8,109	2.7%	18,579	2.6%
Skin disorders and burns	265	0.1%	184	0.1%	449	0.1%
Urogenital system	1,216	0.3%	1,064	0.4%	2,280	0.3%
Visceral disorder	4,350	1.1%	3,297	1.1%	7,647	1.1%
Not Coded	11,975	2.9%	7,222	2.4%	19,197	2.7%
Total	413,033	100.0%	301,123	100.0%	714,156	100.0%

Table 2.2.1 DSP Recipients by Age and Medical Condition at June 2007

Medical Condition	16-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65+	total
Acquired brain impairment	229	627	885	1195	1560	1911	2376	2504	2684	2699	157	16827
Amputation	13	32	51	56	86	197	228	255	301	329	20	1568
Cancer/tumour	104	208	234	288	473	805	1337	1970	3276	4158	180	13033
Poorly defined cause	84	277	317	307	418	659	988	940	971	602	9	5572
Chronic pain	17	75	131	283	519	883	1217	1347	1635	1438	51	7596
Circulatory system	107	206	295	385	695	1277	2502	4536	9170	15425	863	35461
Congenital abnormality / Inherited Disorders	923	1551	1214	1194	1283	1195	1088	877	857	695	18	10894
Endocrine and immune system	83	267	401	591	1180	1765	2461	2917	3432	3492	141	16730
Gastro-intestinal system	74	109	92	168	256	340	423	402	536	573	7	2980
Infectious Diseases	4	9	26	62	99	187	333	285	123	55	2	1185
Intellectual/learning	9744	13655	10128	8076	8535	8038	7706	6171	5075	3065	67	80260
Musculo-skeletal and connective tissue	580	1357	2076	4059	8358	14872	24739	37071	58455	73096	3471	228134
Nervous system	1034	1307	1738	1911	2466	3146	3982	4432	5444	5191	276	30927
Psychological/psychiatric	3295	7602	12378	16456	21129	24181	28545	29023	28763	22808	879	195059
Reproductive system	5	13	18	29	30	35	36	27	23	21	0	237
Respiratory system	92	223	259	297	469	866	1569	2833	5162	7382	389	19541
Sense organs	726	1049	1072	1173	1492	1735	2018	2363	3080	3603	268	18579
Skin disorders and burns	14	11	22	25	50	55	73	58	75	65	1	449
Urogenital system	51	93	72	138	190	226	317	324	444	411	14	2280
Visceral disorder	19	98	161	297	466	733	1070	1401	1637	1693	72	7647
Not Coded	1	45	340	1299	1768	2003	2320	2465	2805	3790	2363	19197
Total	17199	28814	31910	38288	51522	65107	85328	102201	133948	150591	9248	714156

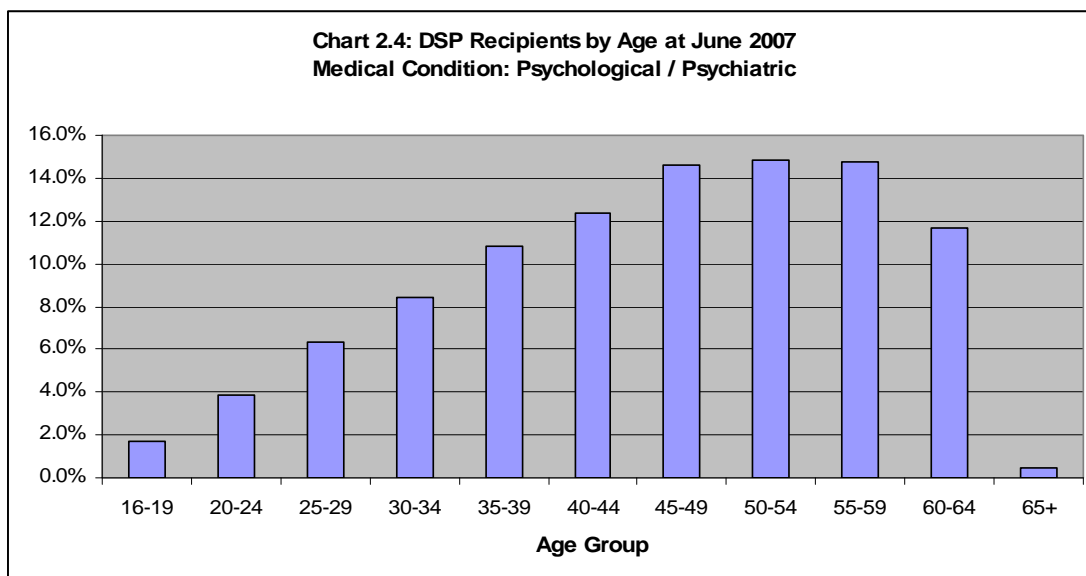
2.3 Recipients by Musculo-skeletal/Connective tissue Medical Conditions

The age distribution for recipients with musculo-skeletal/connective tissue conditions is skewed strongly towards the older age groups. This indicates a strong correlation between this type of condition and age.



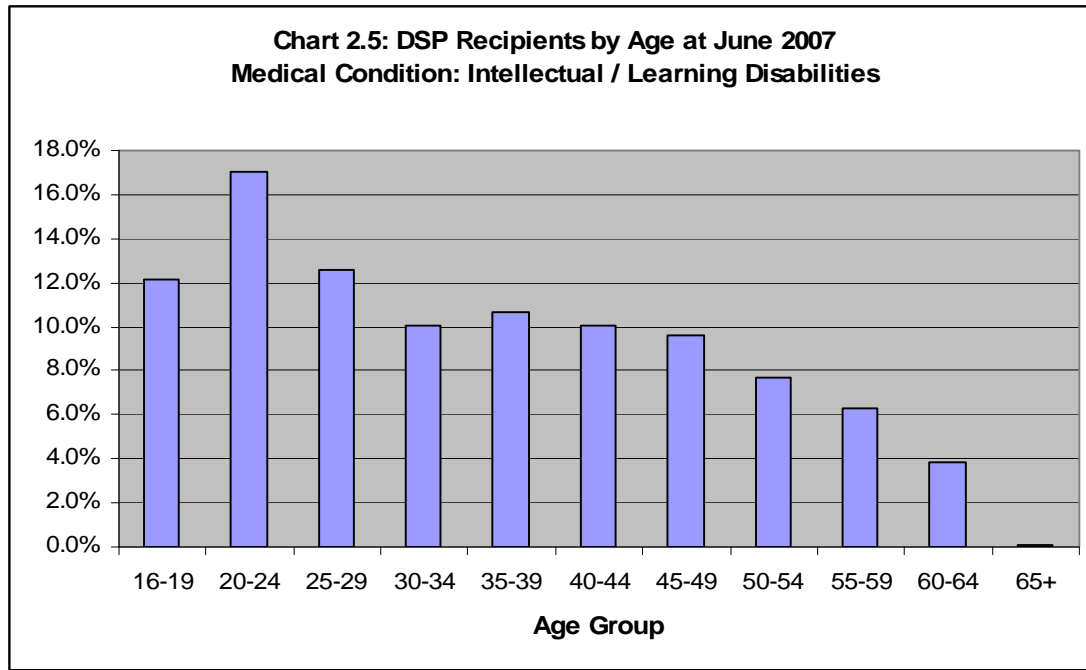
2.4 Recipients by Psychological/Psychiatric Medical Conditions

Psychological/psychiatric conditions also show a high representation in the older age groups but substantial numbers are in the younger age groups, leading to a more even distribution compared to the other main medical conditions..



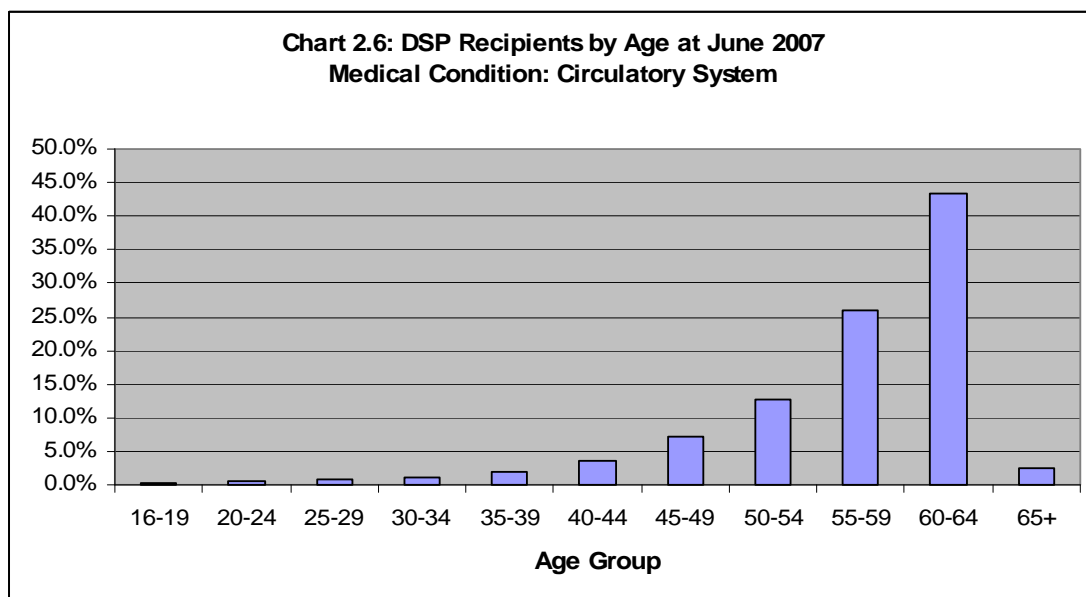
2.5 Recipients by Intellectual Medical Conditions

Recipients with intellectual/learning disabilities are predominately in the 16 to 29 year age bracket. The majority of these recipients are born with their condition and may have a reduced lifespan as a result of their condition. This is reflected in information on duration on DSP for recipients with these disabilities.



2.6 Recipients by Circulatory Medical Conditions

The age distribution for recipients with Circulatory conditions is skewed strongly towards the older age groups. This indicates a strong correlation between this type of condition and age.



2.7 Recipients by Blind Indicator

There were 11,063 recipients identified as permanently blind (1.6% of the total DSP population). Of these, 55.9% were male, compared to the total DSP population where 58.4% were male.

Recipients who are blind tend to be slightly younger than the total DSP population with nearly half (47.1%) aged 35-54.

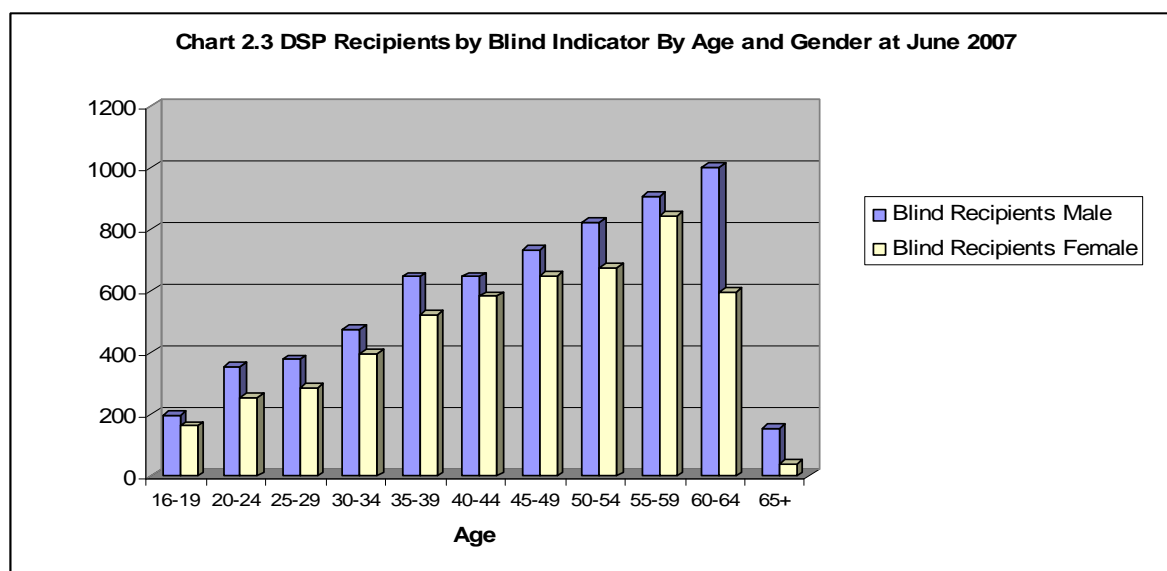


Table 2.3: DSP Recipients by Blind Indicator by Age and Gender at June 2007

Age	Blind Recipients						Total DSP recipients	
	Male	%	Female	%	Total	%	Total	%
16-19	196	3.1%	162	3.2%	358	3.2%	17,199	2.4%
20-24	356	5.6%	254	5.1%	610	5.4%	28,814	4.0%
25-29	378	6.0%	286	5.7%	664	5.9%	31,910	4.5%
30-34	477	7.5%	398	7.9%	875	7.7%	38,288	5.4%
35-39	647	10.2%	525	10.5%	1,172	10.3%	51,522	7.2%
40-44	647	10.2%	585	11.7%	1,232	10.9%	65,107	9.1%
45-49	733	11.6%	651	13.0%	1,384	12.2%	85,328	11.9%
50-54	824	13.0%	677	13.5%	1,501	13.2%	102,201	14.3%
55-59	907	14.3%	844	16.8%	1,751	15.4%	133,948	18.8%
60-64	1004	15.9%	597	11.9%	1,601	14.1%	150,591	21.1%
65+	155	2.5%	39	0.8%	194	1.7%	9,248	1.3%
Total	6,324	55.8%	5,018	44.2%	11,342	1.6%	714,156	100.0%

3 EARNINGS AND DURATION ON INCOME SUPPORT

3.1 Recipients with Earnings from Employment

In June 2007, 9.9 per cent of DSP recipients declared income from employment. This is a decrease of 0.3 percentage points from June 2006. Of DSP earners, 22.1 per cent report earnings of less than \$100 per fortnight and 19.5 per cent report earnings of between \$500 to less than \$1000 per fortnight.

Under the current income test, a single DSP recipient can earn up to \$132 per fortnight without their payment being reduced. A couple can have a combined income of up to \$232 per fortnight before the payment rate is affected.

Due to a change in extract source for June 2007, DSP earnings from employment are now reported as fortnightly income.

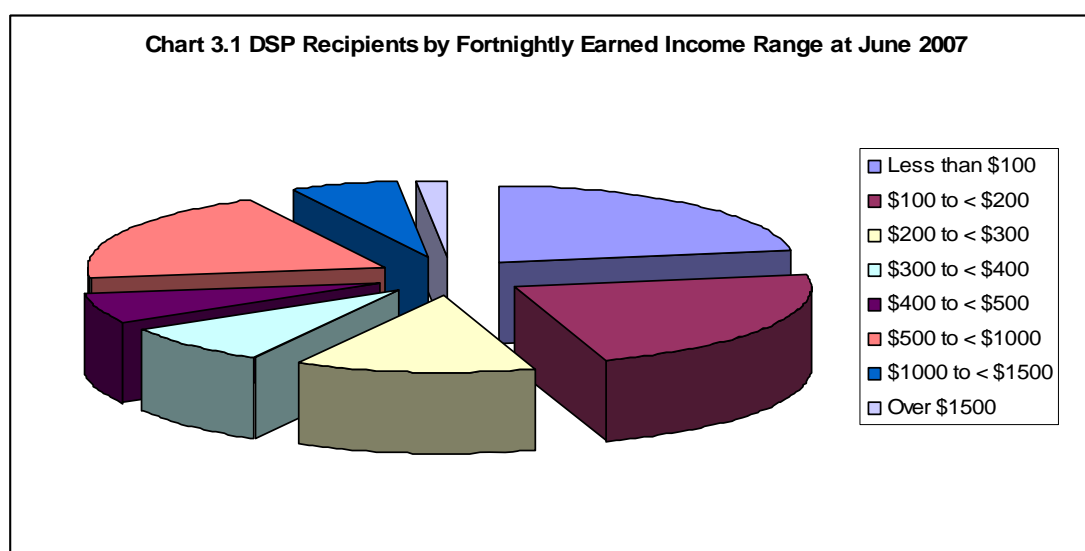


Table 3.1: DSP Recipients by Fortnightly Earned Income Range at June 2007

Fortnightly Earnings	Total	Earned only %	Total %
No Earnings	643,303	na	90.1%
Less than \$100	15,677	22.1%	2.2%
\$100 to < \$200	16,226	22.9%	2.3%
\$200 to < \$300	9,293	13.1%	1.3%
\$300 to < \$400	5,945	8.4%	0.8%
\$400 to < \$500	4,684	6.6%	0.7%
\$500 to < \$1000	13,785	19.5%	1.9%
\$1000 to < \$1500	3,975	5.6%	0.6%
Over \$1500	1,268	1.8%	0.2%
Total	714,156	9.9%	100.0%

3.2 Recipients by Duration on Income Support and Gender

Note: *Duration on income support includes the period of time a recipient has been on DSP together with the period of time the recipient may have spent on any other income support payment/s prior to being granted DSP. This differs to the methodology used for reports pre 2004. Duration data contained in the 2004 version of this report counted the time spent on any pension rather than the time spent on any income support payment.*

The distribution of DSP recipients by duration in income support is evenly spilt across less than 1 year to the less than 10 year periods. 23.3 per cent have been in receipt of an income support payment for less than 5 years with 26.3 per cent having duration of between 5 years to less than 10 and overall 49.6 per cent have been in receipt of an income support payment for less than 10 years.

The average duration on income support for male recipients was 10.0 years, female recipients 10.6 years and 10.2 years for all DSP recipients.

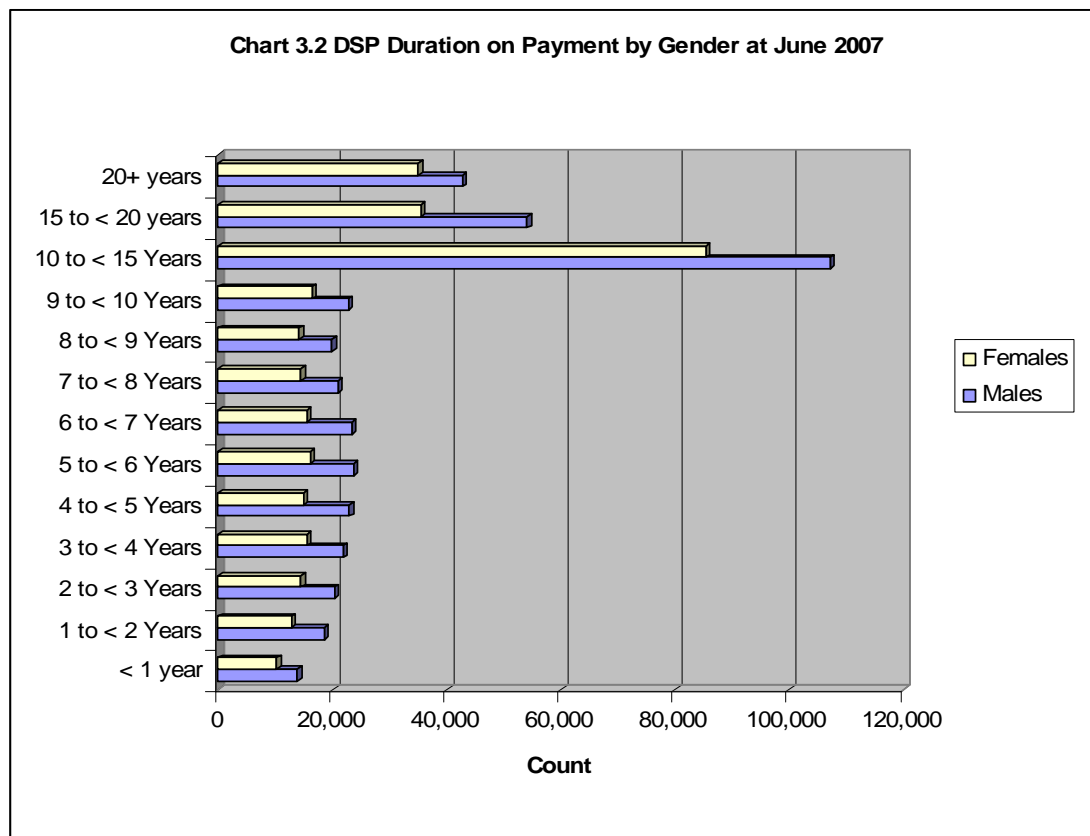


Table 3.2: DSP Customers by Duration on Payment and Gender at June 2007

Duration	Males	%	Females	%	Total	%
< 1 year	13,877	3.4%	10,276	3.4%	24,153	3.4%
1 to < 2 Years	18,698	4.5%	12,911	4.3%	31,609	4.4%
2 to < 3 Years	20,463	5.0%	14,577	4.8%	35,040	4.9%
3 to < 4 Years	21,936	5.3%	15,637	5.2%	37,573	5.3%
4 to < 5 Years	22,956	5.6%	14,999	5.0%	37,955	5.3%
5 to < 6 Years	23,688	5.7%	16,091	5.3%	39,779	5.6%
6 to < 7 Years	23,483	5.7%	15,597	5.2%	39,080	5.5%
7 to < 8 Years	20,965	5.1%	14,493	4.8%	35,458	5.0%
8 to < 9 Years	19,935	4.8%	14,256	4.7%	34,191	4.8%
9 to < 10 Years	22,831	5.5%	16,395	5.4%	39,226	5.5%
10 to < 15 Years	107,227	26.0%	85,303	28.3%	192,530	27.0%
15 to < 20 years	54,147	13.1%	35,558	11.8%	89,705	12.6%
20+ years	42,827	10.4%	35,030	11.6%	77,857	10.9%
Total	413,033	100.0%	301,123	100.0%	714,156	100.0%

Footnote: Duration is based on Income Support Duration.

3.3 Recipients by Duration on Income Support and Gender by those aged less than 50 and those aged 50 and over

Note: *Duration on income support includes the period of time a recipient has been on DSP together with the period of time the recipient may have spent on any other income support payment/s prior to being granted DSP. This differs to the methodology used for reports pre 2004. Duration data contained in the 2004 version of this report counted the time spent on any pension rather than the time spent on any income support payment.*

DSP recipients aged 50 years or over make up 55.4 per cent of the DSP population, these recipients also tend to have been on an income support payment for longer periods than recipients aged less than 50 years. The average duration on income support is current 10.2 years.

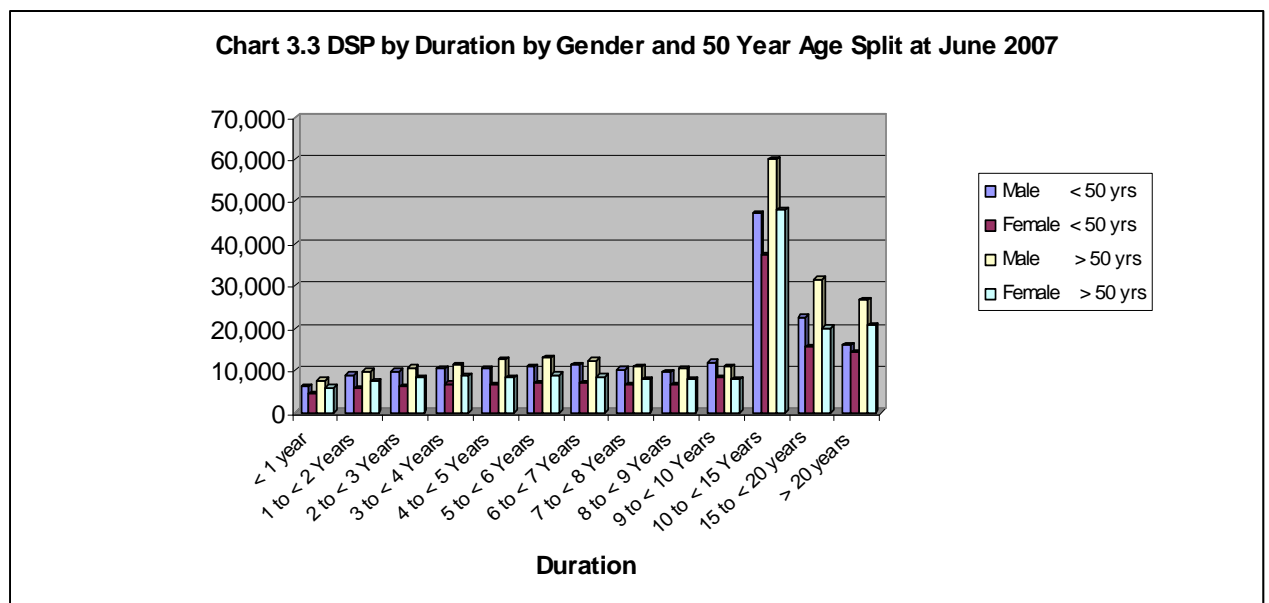


Table 3.3: DSP Recipients by Gender, Duration and 50 year Age Split at June 2007

Duration	<50 yrs				50+ yrs			
	Male	Female	Total	% of total <50 yrs	Male	Female	Total	% of total 50+ yrs
< 1 year	6,191	4,323	10,514	3.3%	7,686	5,953	13,639	3.4%
1 to < 2 Years	8,933	5,585	14,518	4.6%	9,765	7,326	17,091	4.3%
2 to < 3 Years	9,796	6,290	16,086	5.1%	10,667	8,287	18,954	4.8%
3 to < 4 Years	10,556	6,797	17,353	5.5%	11,380	8,840	20,220	5.1%
4 to < 5 Years	10,490	6,736	17,226	5.4%	12,466	8,263	20,729	5.2%
5 to < 6 Years	10,830	7,097	17,927	5.6%	12,858	8,994	21,852	5.5%
6 to < 7 Years	11,159	7,091	18,250	5.7%	12,324	8,506	20,830	5.3%
7 to < 8 Years	10,171	6,609	16,780	5.7%	10,794	7,884	18,678	4.7%
8 to < 9 Years	9,587	6,513	16,100	5.1%	10,348	7,743	18,091	4.6%
9 to < 10 Years	11,938	8,420	20,358	6.4%	10,893	7,975	18,868	4.8%
10 to < 15 Years	47,169	37,233	84,402	26.5%	60,058	48,070	108,128	27.3%
15 to < 20 years	22,618	15,566	38,184	12.0%	31,529	19,992	51,521	13.0%
> 20 years	16,144	14,326	30,470	9.6%	26,683	20,704	47,387	12.0%
Total	185,582	132,586	318,168	100.0%	227,451	168,537	395,988	100.0%

4 NEW CLAIMS

4.1 New Claims Granted by Age and Gender

During the period July 2006 to June 2007, there were 99,418 new claims for DSP processed. Of these, 62,608 were granted (63 per cent).

Males make up 54.2 per cent of new grants for DSP while females comprise 45.8 per cent, this compares with 56 per cent for males and 44 per cent for females in 2005-06. These proportions are similar to the percentage distribution of males and females in the overall DSP population (males currently make up 57.8 per cent of the total DSP population and females 42.2 per cent. The age distribution of new grants shows a higher percentage of recipients in the age groups 50- 64 years which aligns with the 2005-06 financial year.

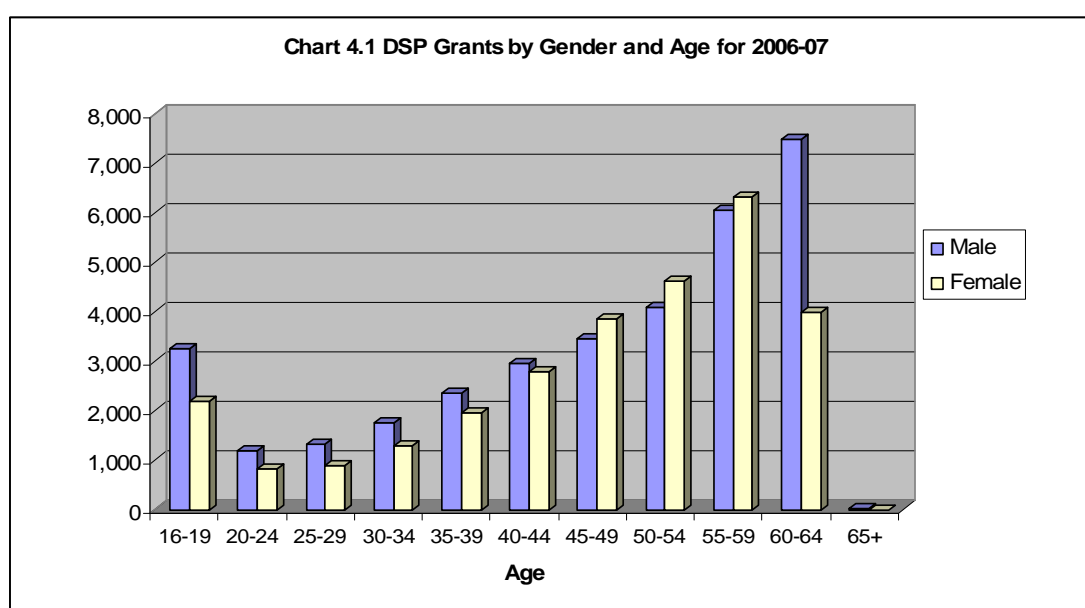


Table 4.1: DSP New Grants by Age and Gender 2006-07

Age	New grants					
	Male	%	Female	%	Total	%
16-19	3,248	9.6%	2,187	7.6%	5,435	8.7%
20-24	1,196	3.5%	819	2.9%	2,015	3.2%
25-29	1,320	3.9%	895	3.1%	2,215	3.5%
30-34	1,757	5.2%	1,278	4.5%	3,035	4.8%
35-39	2,351	6.9%	1,945	6.8%	4,296	6.9%
40-44	2,967	8.7%	2,801	9.8%	5,768	9.2%
45-49	3,461	10.2%	3,841	13.4%	7,302	11.7%
50-54	4,083	12.0%	4,602	16.1%	8,685	13.9%
55-59	6,036	17.8%	6,308	22.0%	12,344	19.7%
60-64	7,483	22.0%	3,992	13.9%	11,475	18.3%
65+	37	0.1%	1	0.0%	38	0.1%
Unknown	0	0.0%	0	0.0%	0	0.0%
Total	33,939	100.0%	28,669	100.0%	62,608	100.0%

4.2 Comparison of New Grants and Current Recipients by Medical Condition

The overall grant numbers by medical condition for 2006-07 continues to highlight the four main categories with the inclusion of cancer/ tumor at 7.8 per cent of the total grants slightly higher than intellectual / learning 5.9 per cent and circulatory system 6.8 per cent. Musculo-skeletal continues to be the main medical condition for grants with 30 per cent followed by psychological / psychiatric with 24 per cent.

However, when comparing grants for 2005-06 to 2006-07 there has been an increase in chronic pain 1.6 percentage points, gastro-intestinal system 0.9 percentage points and nervous system 1.3 percentage points.

Table 4.2: DSP New Grants and Current Recipients by Medical Condition: 2006-07

Medical Condition	Male	%	Female	%	New Grants	%	Total Recipients	%
Acquired brain impairment	763	2.2%	352	1.2%	1,115	1.8%	16,827	2.4%
Amputation	121	0.4%	28	0.1%	149	0.2%	1,568	0.2%
Cancer/tumour	2,790	8.2%	2,099	7.3%	4,889	7.8%	13,033	1.8%
Poorly Defined Cause	368	1.1%	956	3.3%	1,324	2.1%	5,572	0.8%
Chronic Pain	751	2.2%	767	2.7%	1,518	2.4%	7,596	1.1%
Circulatory system	2,943	8.7%	1,305	4.6%	4,248	6.8%	35,461	5.0%
Congenital abnormality / Inherited Disorders	388	1.1%	354	1.2%	742	1.2%	10,894	1.5%
Endocrine and immune system	705	2.1%	656	2.3%	1,361	2.2%	16,730	2.5%
Gastro-intestinal system	328	1.0%	420	1.5%	748	1.2%	2,980	0.4%
Intellectual/learning	2,235	6.6%	1,439	5.0%	3,674	5.9%	80,260	11.2%
Infectious Diseases	174	0.5%	87	0.3%	261	0.4%	1,185	0.2%
Musculo-skeletal and connective tissue	9,637	28.4%	9,170	32.0%	18,807	30.0%	228,134	31.9%
Nervous system	1,699	5.0%	1,744	6.1%	3,443	5.5%	30,927	4.3%
Psychological/psychiatric	8,140	24.0%	6,880	24.0%	15,020	24.0%	195,059	27.3%
Reproductive system	3	0.0%	71	0.2%	74	0.1%	237	0.0%
Respiratory system	1,288	3.8%	1,105	3.9%	2,393	3.8%	19,541	2.7%
Sense organs	41	0.2%	729	2.5%	1,606	2.6%	18,579	2.6%
Skin disorders and burns	877	2.6%	51	0.2%	92	0.1%	449	0.1%
Urogenital system	374	1.1%	300	1.0%	674	1.1%	2,280	0.3%
Visceral disorder	294	0.9%	145	0.5%	439	0.7%	7,647	1.1%
Not Coded	20	0.1%	11	0.0%	31	0.0%	19,197	2.7%
Total	33,939	100.0%	28,669	100.0%	62,608	100.0%	714 156	100.0%

4.3 DSP Grants by Age for the 5 main Medical Categories in 2006-07.

DSP grants for the 5 main medical conditions in the 2006-07 financial year shows that:

- new recipients with musculo-skeletal/connective tissue conditions increases for recipients aged 40 years and above, this aligns with the overall DSP population with the same condition;
- new recipients with psychological/psychiatric conditions is evenly spread across all of the age brackets. The incidence does increase from 40 years and over this aligns with the overall DSP population with the same condition;
- new recipients with intellectual / learning difficulties shows a higher incidence of grant in the 16 – 19 year age bracket. The grant numbers for this condition significantly drop from 20 years onwards.
- New recipients with cancer / tumor shows a higher incidence in the 55 – 64 age bracket this is consistent with the overall DSP population.

Refer to Table 2.2.1 for Medical Categories by age for total DSP population.

Table 4.3 DSP Grants by Age for the 5 main Medical Categories for 2006-07

	Musculo-Skeletal / Connective Tissue	Psychological / Psychiatric	Caner / Tumor	Circulatory System	Intellectual / Learning
16-19	145	1268	74	42	2716
20-24	166	1043	57	26	243
25-29	274	1197	71	44	132
30-34	528	1474	133	53	101
35-39	994	1803	214	106	110
40-44	1591	1938	350	204	113
45-49	2276	1942	606	371	113
50-54	3140	1750	851	603	63
55-59	5013	1566	1280	1197	56
60-64	4688	1036	1248	1596	27
65+	12	3	5	6	0
Total	18 807	15 020	4889	4248	3674

4.4 New Claims Rejected by Reason and Gender

During the period July 2006 to June 2007, there were 99,418 new claims for DSP processed. Of these, 36,810 were rejected (37 per cent). The main reason for medical rejections of DSP claims was disability short-term (28.57 per cent) followed by less than 20% impairment (27.65 per cent).

The non medical rejections are 33.7 per cent of total rejections with the main rejection reason being failed to supply requested information (15.66 per cent).

In 2006-07 male rejections were 54.6 per cent with females 45.4 per cent.

Table 4.3: DSP New Claims Rejected by Reason and Gender - 2006/07

Medical Rejection Reasons	Males	%	Female	%	Total	%
Less than 20% impaired	5,414	26.95%	4,765	28.49%	10,179	27.65%
Disability is short term	5,703	28.39%	4,814	28.79%	10,517	28.57%
Manifest - temporary	538	2.68%	533	3.19%	1,071	2.91%
>20% impaired/can work full time	47	0.23%	25	0.15%	72	0.20%
>20% impaired/can work 15+ hours per week	976	4.86%	702	4.20%	1,678	4.56%
>20% impaired/can be re-skilled	59	0.29%	34	0.20%	93	0.25%
Manifest - can work 15 HRS P/W	92	0.46%	81	0.48%	173	0.47%
Manifest - can work 30 HRS P/W	86	0.43%	50	0.30%	136	0.37%
Manifest - not sufficient impairment	209	1.04%	216	1.29%	425	1.15%
Not permanently blind	14	0.07%	15	0.09%	29	0.08%
Non-medical Rejection Reasons						
Failed to supply requested information	3,225	16.06%	2,540	15.19%	5,765	15.66%
Fail to attend assess/medical exam/interview	529	2.63%	442	2.64%	971	2.64%
Excess income/Assets no medical exam	33	0.16%	42	0.25%	75	0.20%
Assets over limit	240	1.19%	144	0.86%	384	1.04%
Other	2,922	14.5%	2,320	13.87%	5,242	14.24%
Total Rejections	20,087	100%	16,723	100%	36,810	100%

5 WHERE DSP RECIPIENTS ARE COMING FROM AND GOING TO

5.1 Where DSP Recipients Are Coming From

There were 61,063 people receiving DSP in June 2007 who were not receiving DSP in June 2006. These “new recipients” represent 8.6 per cent of the total DSP population as at June 2007. The largest group of people entering DSP are those who were not previously receiving an income support payment 44.2 per cent, followed by Newstart 34.1 per cent which is up from 32.8 per cent in 2005-06.

21.6 per cent of recipients moving onto DSP have their origins from a range of other payments, being Parenting Payment (Single & Partnered), Youth Allowance, Sickness Allowance and Partner Allowance. The numbers from each payment are small and these proportions have remained fairly static for at least the last few financial years.

It should be noted that figures for recipient transfers do not exactly match those for new grants due to the different business rules used in extracting these data sets, for example, some new grants can be for the same recipient or a recipient may be granted DSP and then leave DSP within the same year.

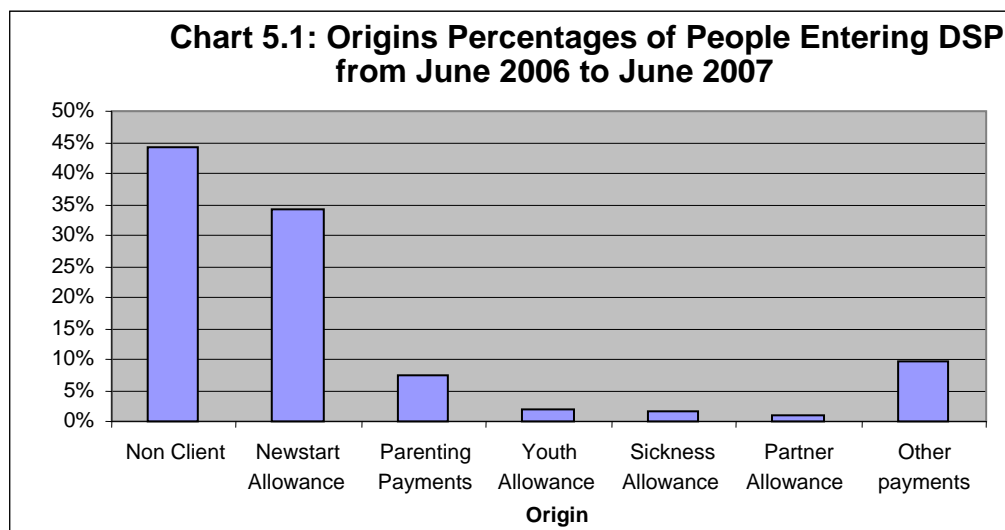


Table 5.1: People Entering DSP from June 2006 to June 2007

Origin	Count	%
Non Client	27,008	44.2%
Newstart Allowance	20,839	34.1%
Parenting Payments	4,471	7.3%
Youth Allowance	1,276	2.1%
Sickness Allowance	958	1.6%
Partner Allowance	617	1.0%
Other payments	5,894	9.7%
Total	61,063	100.0%

5.2 Where DSP Recipients Are Going To

The majority of recipients who were on DSP in June 2006 but were not on DSP in June 2007 moved on to Age Pension (53.3 per cent).

Of the people who left DSP, 24.1 per cent left payments entirely. A substantial proportion (16.6 per cent) of exits from DSP was because of the death of the recipient.

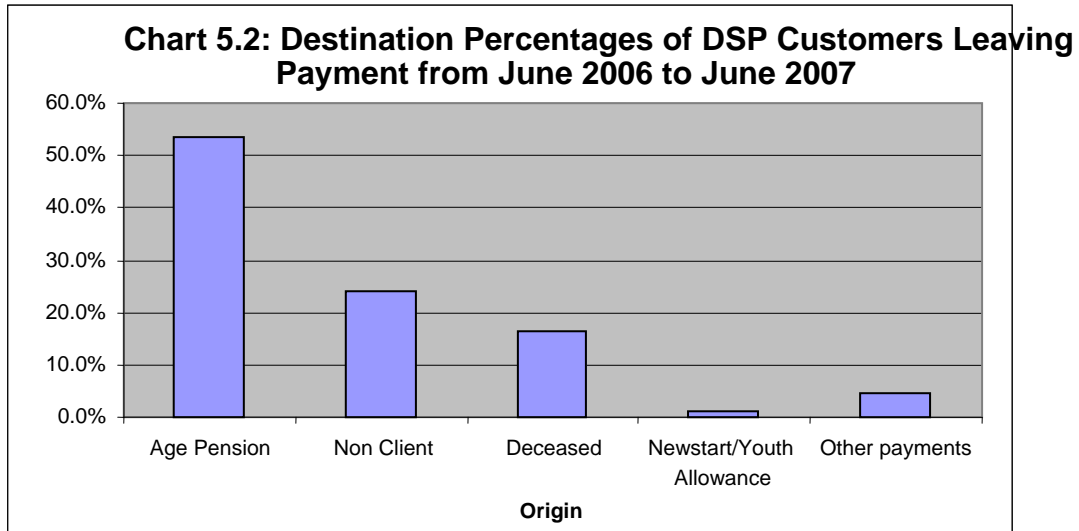


Table 5.2: DSP Recipients Leaving Payment from June 2006 to June 2007

Destination	Count	%
Age Pension	32,160	53.3%
Non Client	14,507	24.1%
Deceased	9,987	16.6%
Newstart/Youth Allowance	784	1.3%
Other payments	2,857	4.7%
Total	60,295	100.0%