

Retrenched or leaving your job



centrelink

job seekers

If you've taken a redundancy or leave payment from your employer, we can provide you with support while you're looking for another job.

Payments you may be eligible for

Newstart Allowance

Newstart Allowance provides financial help if you are looking for work and supports you while you take part in activities that may increase your chances of finding a job.

Parenting Payment

Parenting Payment provides help to parents or guardians who are raising children. Parenting Payment is paid to the main carer of a child. Only one parent or guardian can receive the payment.

Youth Allowance

Youth Allowance provides financial help for young people. You may be able to get Youth Allowance if you are studying full-time, undertaking a full-time Australian Apprenticeship, training, looking for work or are sick.

Mature aged job seekers

Job seekers aged between 55 and age pension age may still need to apply for Newstart Allowance and have the same activity test requirements as any other job seeker.

If you have reached the age pension age, you should apply for Age Pension. Visit humanservices.gov.au for more information about Age Pension.

Waiting periods

Leave and redundancy payments are designed to provide you with enough money to cover the cost of living for a period of time after you leave work. If you receive a redundancy payment, you may be subjected to a waiting period before you can get an income support payment from Centrelink. This period is usually the length of time the redundancy covers.

Before you take any action with your redundancy payment, make sure you check the terms of your redundancy package, including the period of time the payment is supposed to cover. A one-week waiting period applies to most people who claim Newstart Allowance. This may be in addition to any other waiting period. You should contact Centrelink as early as possible to discuss your individual situation.

The Income Maintenance Period

The Income Maintenance Period is a period of time where leave and redundancy payments you or your partner have received are treated as income. For example, a 10-week redundancy payment would result in a 10-week Income Maintenance Period from the date it was received.

The only exception is if some of your payment is rolled directly into superannuation under the Transitional Employer Termination Payment provisions.

Seasonal Work Preclusion Period

If you or your partner have finished doing some seasonal, intermittent or contract work in the six months before you make a claim, you may have to wait to be paid because of the money you received while working. This is called a Seasonal Work Preclusion Period.

Liquid Assets Waiting Period

Liquid assets are any funds, including monies owed by your employer that are readily available to either you or your partner. You will need to wait a period of time before being paid an allowance if you have funds equal to or above \$5500 (if you are single with no dependants) or \$11 000 (if you are partnered, or single with dependants). This is called the Liquid Assets Waiting Period.



Australian Government
Department of Human Services

humanservices.gov.au

Serving multiple waiting periods

You may need to serve multiple types of waiting periods. However these waiting periods can be served at the same time.

Spending your money

If you spend your money (leave entitlements or termination payments) on expenses that are not considered to be unavoidable or reasonable, you will still have to serve the waiting period. Examples of these include:

- lump sum payments on a mortgage or rent
- holidays
- credit cards or other personal debt owed.

If you spend the money on expenses that are considered unavoidable or reasonable, your income maintenance period may be reduced. Examples of this include:

- essential repairs to a person's car or home
- essential medical expenses.

Centrelink has a free and confidential Financial Information Service. A Financial Information Service Officer can help you understand the different parts that make up your termination payments.

We can also help you if you experience financial hardship while serving a waiting period, or need assistance in budgeting.

Job Services Australia assistance

We can refer you to a Job Services Australia or Disability Employment Services provider in your area that can help you look for work. They can help you access job search assistance and training, job vacancies in your area and things like computers, telephones and stationary.

Voluntary Unemployment

An Unemployment Non-Payment Period may apply from the date you ceased employment, where this was due to:

- voluntary unemployment, or
- dismissal due to misconduct as a worker.

Leave payments

If you or your partner are taking a temporary leave of absence, and intend to resume work with the same employer immediately afterwards, this is treated as employment income. You will have the same reporting requirements with Centrelink as if you had earned the income at work.

Cashing out your leave

If you or your partner receive income for accrued leave but do not actually take a leave of absence from work, you will still need to report this to Centrelink. This is called accrued leave.

How to find out more

Visit humanservices.gov.au/jobseeker for more information.

You can also call us on one of the following numbers or visit a service centre.

Employment Services (Looking for work 22 and over)	132 850
Youth and Students (Looking for work under 22)	132 490
Families and Parents	136 150
Disability and Carers	132 717
Older Australians	132 300
Financial Information Service	132 300
Indigenous Call Centre	Freecall™ 1800 136 380
To speak to us in languages other than English	131 202
TTY* enquiries	Freecall™ 1800 810 586

*TTY is only for people who are deaf or have a hearing or speech impairment. A TTY phone is required to use this service.

For information in languages other than English visit humanservices.gov.au

Note: Calls to '1800' numbers from your home phone are free. Calls from public and mobile phones may be timed and charged at a higher rate. That rate may vary from the price of a local call and may also vary between telephone service providers.

Calls from your home phone to '13' numbers from anywhere in Australia are charged at a fixed rate.

Disclaimer

The information is intended only as a guide to payments and services. The information is accurate as at January 2013. If you use this publication after that date, please check with us that the details are current.