

SUMMARY OF CHURCH SUBMISSIONS TO THE INQUIRY INTO EMPLOYMENT AND WORKPLACE RELATIONS LEGISLATION AMENDMENT (WELFARE TO WORK AND OTHER MEASURES) BILL 2005 AND FAMILY AND COMMUNITY SERVICES LEGISLATION AMENDMENT (WELFARE TO WORK) BILL 2005

http://www.aph.gov.au/senate/committee/clac_ctte/welfare_to_work/submissions/sublist.htm

This summary was prepared by Julie Delaforce, UnitingCare NSW.ACT

SUB #	ORGANISATION	SUMMARY
12	UnitingCare Australia	<p>http://www.aph.gov.au/senate/committee/clac_ctte/welfare_to_work/submissions/sub12.pdf</p> <ul style="list-style-type: none">• While UnitingCare Australia supports reform measures that allow for joint & meaningful participation between Government, individuals, families & communities, & the services that enable reform to occur, it is essential that these reform measures seek to utilise empowerment rather than compliance or they risk endangering their very objectives

Recommendations

1. No cuts to payments & no tighter income tests We recommend:
 - Maintain pension rates of income support for people with disabilities assessed as able to work part-time & sole parents whose youngest child is aged 6 – 15 years.
 - Maintain pension concessions & supplements for these groups including Pensioner Education Supplement & Rent Assistance for those studying in approved courses.
 - Income tests for payments for these recipients should continue to encourage part time employment.
2. More investment in programs to get people into jobs We recommend:
 - More places should be funded in specialist programs to help people overcome barriers to work, including Open Employment for people with disability, vocational education & training, the Wage Assist wage subsidy program for very long-term unemployed people, & the Personal Support Program.
 - Customised Assistance should be at least as accessible for disadvantaged jobseekers as it is presently.
 - Greater investment in a national employer education media campaign to help overcome misconceptions about the work capacity of people with disability, & mature aged workers.
 - A high proportion of the extra child care places should be set aside for jobless parents & capital grants should be offered to organisations seeking to establish outside school hours care services in areas where no such service exists.

3. Legislative guarantees that activity requirements are relevant & reasonable We recommend:
 - Recently announced temporary exemptions for parents of disabled or ill children, for four or more dependent children, victims of domestic violence, recipients with caring responsibilities for adults, foster carers, distance educators, & home schoolers should be legislated. There should be a presumption that exemptions will apply unless in the opinion of Centrelink the recipient is able to undertake required activities.
 - Temporary exemptions should be extended to parents who have recently separated, people who are undergoing a personal or family crisis, & people who due to homelessness or an episodic illness or disability, are temporarily unable to comply with activity requirements.
 - Legislation should specify that the activity requirements for parents are conditional upon availability of affordable child care considered suitable by the parent.
 - Activity requirements for parents, people with disabilities, & mature aged people should be circumscribed in legislation to take account of their inability to engage in fulltime work & activity, parenting responsibilities, time & costs taken to travel to work or activities, the need to ensure personal safety of domestic violence victims, & other participation costs.
 - Participation in approved education or training courses should be accepted as fully meeting activity requirements
4. A fair compliance system with less severe penalties We recommend:
 - The maximum penalty should be substantially less than the proposed eight weeks.
 - Recipients should be able to reduce this penalty by re-engaging with service providers or undertaking mutual obligation activities.
 - The maximum penalty should not apply to 'minor' breaches like not attending interviews.
 - Recipients referred to 'full-time Work for the Dole' should be able to seek review of that decision by Centrelink of SSAT.
 - Full-time Work for the Dole should not extend beyond 10 months.

In Conclusion

UnitingCare Australia supports the concept of fair & equitable opportunities for work for all Australians, including for those income- support recipients who have a genuine capacity to work. UnitingCare Australia is keen to work with Government towards welfare reform that ensures better economic & social outcomes for those most disadvantaged in Australian society.

- 15 The Uniting Church in Australia – Synod of Victoria & Tasmania – Justice & International Mission Unit http://www.aph.gov.au/senate/committee/clac_ctte/welfare_to_work/submissions/sub15.pdf
- This submission recommends that welfare reform should promote human dignity
 - Concerned that the changes to welfare payments (& compliance mechanisms) could
 - Introduce greater strain on welfare provision by the church
 - Concerned about the connection between the current proposed changes to industrial relations & welfare systems in Australia. These changes are underpinned by the Federal Government's commitment to successive large budgetary surpluses as well the current push by both major political parties to decrease levels of taxation for the wealthy in our society.

Recommendations for consideration by the committee

1. Safeguards should be in place so that people do not lose Commonwealth welfare payments if they do not accept a job offer which requires them to give up such award conditions as annual leave, personal/carer's leave, parental leave, & maximum ordinary hours of work entitlements.
2. Given significant levels of budget surpluses at State & Federal level (while there are substantial needs for people in poverty & hardship within our communities) we ask that the Federal Government review the level of surplus that budgets are being run at (currently running at \$13.6 billion surplus - \$4.4 billion over estimates); & urge that budget surpluses be used to provide greater resources to social security & assistance for enterprises taking on disadvantaged jobseekers.
3. That there will be no reduction of payments for future sole parents & people with disabilities requiring Commonwealth welfare support from the Commonwealth.

To conclude

- Hope that the Committee will take into account the three recommendations of the Unit when deliberating on the proposed legislative changes

33 Catholic Welfare
Australia

http://www.aph.gov.au/senate/committee/clac_ctte/welfare_to_work/submissions/sub33.pdf

- Under the first term of reference, changes in eligibility criteria will make it harder for those targeted by the Welfare to Work legislation to participate in employment services & related assistance. These changes should be reversed & appropriate activity tests introduced for Parenting Payment & Disability Support Pension recipients to achieve the policy objectives of the legislation. A range of improvements should then be made to current employment programs, including Job Network, the Personal Support Program & Work for the Dole. Services for the very long term unemployed should be made available to all Newstart recipients who have been receiving payment for more than 12 months, & those with no recent labour market experience. Child care should be completely subsidised for parents returning to the workforce.

Recommendations

a) provision of employment services & related assistance

Recommendation 1

- Changes to eligibility criteria for Parenting Payment Single (PPS) & the Disability Support Pension (DSP) proposed by the Welfare to Work legislation should not be enacted in order to maintain job seekers on their current level of income support.
- Suitable activity tests for PPS & DSP recipients are introduced to meet the policy objectives of the Welfare to Work package.

Recommendation 2

To encourage participation in the workforce by income support recipients targeted by the Welfare to Work legislation, a flexible participation package should be introduced to achieve greater integration between employment programs.

Recommendation 3

The definition of 'Highly Disadvantaged' under the Job Seeker Classification Instrument should not result in fewer job seekers meeting this definition.

Recommendation 4

Changes are introduced to the Intensive Support Customised Assistance fee structure to provide Job Network with more resources to assist disadvantaged job seekers participate in the labour force.

Recommendation 5

To increase the effectiveness of the Personal Support Programme at increasing participation in the paid workforce, the following changes need to be made to the program:

- Personal Support Programme fees should be set with reference to Job Network fees with a 20% loading in recognition of the degree of disadvantage experienced by Personal Support Programme clients;
- A brokerage account should be introduced for Personal Support Programme providers, which would be set with reference to Job Network fees, with a 20% loading in recognition of the degree of disadvantage that is experienced by Personal Support Programme clients
- Number of places in Personal Support Programme should be increased by a sufficient amount to ensure that all income support recipients targeted by the Welfare to Work legislation who require a place in the program would be able to access one.

Recommendation 6

To emphasise the objective of the Work for the Dole program to increase participation in the paid workforce, the name of the program should be changed to the 'Work for the Future' program.

Recommendation 7

A 'Work First' program should be introduced for income support recipients targeted under the Welfare to Work legislation. This program would be better suited to addressing the barriers to employment that are faced by these individuals. The focus of this program is on 12 months subsidised employment in real workplaces on award wages.

Recommendation 8

Extend Wage Assist beyond the Very Long Term Unemployed to include Newstart recipients receiving benefits for more than 12 months & other income support recipients with no recent labour force experience.

Recommendation 9

Full-time Work for the Dole should be restructured to provide vocational training leading to a recognised qualification

Recommendation 10

Responsibility for determining if a Newstart recipient is required to undertake full-time Work for the Dole should be removed from Job Network providers. An alternative assessment tool should be developed to determine the most appropriate form of assistance for Newstart recipients who have received payment for 12 months or longer.

Recommendation 11

Once a participant completes full-time Work for the Dole, they should be reassessed to determine the most appropriate form of assistance. This could include re-entering full-time Work for the Dole or referral to an alternative activity.

Recommendation 12

Single parents re-entering the workforce from Parenting Payment Single should have complete subsidisation of child care costs.

b) a responsive compliance system that encourages & rewards active participation

Recommendation 13

The proposed 8 week non-payment period for income support recipients should be abandoned. The impact of financial penalties on participation is, at best, ambiguous, & is dominated by the pernicious effects on housing, family relationships & health. At this stage, it is also unclear how single parents & people with a disability will be affected by an 8 week non-payment period.

Recommendation 14

To better encourage participation, an alternative compliance system should be introduced to provide escalating levels of assistance & to re-engage income support recipients with their income support requirements who may be non-compliant for a range of reasons.

Recommendation 15

While still preferring that the 8 week non-payment period is abandoned, subsection 624(2) should be amended so that the definition of a 'reasonable excuse' includes inability to meet participation requirements due to a current waiting list for that particular program.

Recommendation 16

While still preferring that the 8 week non-payment period is abandoned, subsection 629(1)(e) should be amended so that payment is only suspended for 8 weeks for failure to participate in full-time Work for the Dole. This would then reflect Government policy announced at the time of the Budget.

Recommendation 17

Other special family circumstances for which temporary exemptions can be granted should be included in the Employment & Workplace Relations (Welfare to Work & Other Measures) Bill. As a minimum, these should include parents providing the primary caring role for a relative or spouse (in the case of those who would have received Parenting Payment Partnered). Special consideration should also be given to parents in rural & remote communities with limited job opportunities.

Recommendation 18

Though our preferred position is reflected in Recommendation 1 - the Employment & Workplace Relations (Welfare to Work & Other Measures) Bill should be amended so that all individuals who are exempt from activity test requirements due to special family circumstances receive an income supplement that increases their income support payment to the equivalent of the Parenting Payment Single rate.

Recommendation 19

To better respond to the needs of single parent families, all current Parenting Payment Single (PPS) recipients who are moved off PPS should be able to return to the payment if their circumstances change in the future & they still meet eligibility requirements.

Recommendation 20

Subsection 601(2A)(ba) is amended to acknowledge that the affordability of child care is a reason for not meeting activity test requirements.

Recommendation 21

Subsection 601(1B) is amended to acknowledge that a principal carer cannot be required to accept work involving more than 25 hours of work per week.

Recommendation 22

The Employment & Workplace Relations (Welfare to Work & Other Measures) Bill should be amended so that individuals with either a continuing or temporary incapacity to work are not expected to meet activity test requirements.

Recommendation 23

Individuals that cannot meet the work capacity test of 15 hours a week at the time of applying for income support are eligible for the Disability Support Pension until such time as they can meet the work capacity test.

Recommendation 24

Individuals with a temporary incapacity to work remain exempt from participation requirements.

Recommendation 25

That data is collected on the implementation of the Welfare to Work legislation & provided to the Parliament on at least an annual basis. This data should include information on income, employment & other matters effecting those income support recipients targeted by the Welfare to Work legislation.

35 Anglicare Australia –
Brotherhood of St
Laurence

http://www.apf.gov.au/senate/committee/clac_ctte/welfare_to_work/submissions/sub35.pdf

Sole Parents

- Support government initiatives which support sole parents to move back into the workforce, but not in a way that leaves families as much as \$90 worse off per week

Recommendations:

- Allowing parents to remain on Parenting Payment until their youngest child turns 16
- Increasing funding to cover all child-care costs for low-income parents returning to work for a period of six months and for those undertaking training until completion
- Increasing child-care places in areas of high disadvantage and demand and consider ear-marking new Out of School Hours Care (OSHC) places in the welfare reform package for income-support recipients
- Making more places available in the Transition to Work and Jobs, Education and Training programs

- Increasing discretionary funding for employment services to help sole parent job seekers overcome barriers (e.g. obtain a drivers licence)
 - Improving access to training and education for sole parents (e.g. giving more weight to education outcomes in employment services, and covering the costs of education)
 - Working with state governments to improve public transport, especially in outer metropolitan and regional areas
 - Allowing sole parents to retain concession cards for 12 months after starting employment
 - Ensuring that staff in employment programs are skilled at working with people with anxiety and depression. Focusing on obligations may jeopardise success with this group
 - Allowing sole parents with limited education to complete their schooling and/or further training as an alternative to immediate job search.
- Legislation should specify that any participation requirements must be reasonable, taking account of children's needs, parents education, employment and training history and goals, and barriers to participation such as disabilities
 - Sole parents should be able to meet activity test requirements by participation in education and training
 - Some provision for temporary exemptions from participation requirements has already been made, for example for parents with four or more school-aged children and those who care for a child with an illness or disability. However we think there is a wider range of special circumstances ought to be recognised, including periods of family crisis such as: recent separation, divorce proceedings or incidence of domestic violence.

People with Disabilities

- Support initiatives to help people with disabilities get into employment, so long as people are not made worse off. However, the proposed changes to DSP are likely to result in reduced incomes for people with disabilities.

Recommendations:

- Eligibility for DSP should be based on barriers to employment rather than simply ability to work a certain number of hours per week. This would mean people need not fear losing their pension if they try working.
- In addition, people on DSP who start a job should be able to return immediately to DSP if their job falls through, whatever the reason for the work ceasing.
- To ensure that people with a disability have greater access to employment without being worse off, we recommend that the Australian Government:
 - Increase the number of places in disability open employment services
 - Provide education and incentives to employers to employ people with disabilities

- Introduce a 'costs of disability allowance' to cover the extra costs associated with having a disability. This would continue if the person started work
- Reconsider its decision to make people who are only able to work 15-30 hours per week ineligible for DSP

Long Term Unemployed

- Support government initiatives which support long-term unemployed people to move back into the workforce. These should aim to reverse the harm caused by long periods of inactivity and provide intensive personal assistance, appropriate training and be connected to employment.

Recommendations:

- Increase the level of assistance and support provided to long-term unemployed people to facilitate their reintegration into the labour market.
- Implement labour market programs that are developmental and emphasise education training and skill development.
- Significantly increase the number of places available through Wage Assist, which provides employment subsidies to the long-term unemployed.
- Restructure the Job Network model to better target long-term unemployed and highly disadvantaged job seekers and to encourage sustainable rather the short-term employment.
- Provide better integration between employment and social services.
- Increase the focus on life-long learning, and ensure enhanced access is provided for vulnerable groups and those furthest from the labour market.
- Significantly improve funding levels to labour market programs as a proportion of GDP, and bring Australia back in line with the OECD average

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Welfare & Industrial Relations Reform

- If the proposed IR reforms are to be implemented we ask the Government to consider five policy initiatives to protect those on low incomes:
 - Instruct the Fair Pay Commission to adopt a strategy and targets not only for the creation of jobs, but also for incrementally raising the living standards of the low-paid
 - Increase investment in education and training designed to help people out of the low-skill, low-wage sector of the job market.
 - Introduce measures through the taxation system to boost the family incomes of the low-paid.
 - Protect the unemployed from being coerced into accepting jobs, stripped of entitlements that the more advantaged enjoy.
 - Adopt a social objective of reducing poverty.

51 The Salvation Army
(NSW)

http://www.aph.gov.au/senate/committee/clac_ctte/welfare_to_work/submissions/sub51.pdf

Preparation for Work

- Provision of 'prepare for work' training programs alone or in isolation to other social needs will be sufficient to achieve readiness for work.
- Pre-work training needs to be intentional, intensive and yet flexible to allow for individuals to achieve long-term life changing education, that prepares them for the work place. It should be noted that our experience is that the majority of individuals we work with are prepared to engage in work. The real issues that limit or stop their engagement are generally structural and come because they cannot achieve a prescribed milestone through the available processes

- Infrastructure needs of rural and remote communities be considered, so that these communities will not be further negatively impacted by the increase in work place readiness demands.

Development of the Guidelines

- Request that Government engage broader than itself on the development of said guidelines and 'test' the outworking of such guidelines as widely as possible using current data available. The Salvation Army would be happy to work with the Government on such an activity.

Impact on Rural Remote Communities

- We would encourage government to work with existing employers through all its facets to be a catalyst for creative dialogue that will return work capability to the rural sector.
- Encourage Government to establish showcasing capacity of existing entrepreneurial activity by employers who are providing pre-work readiness programs that result in employment in the rural sector. The 'showcasing' may result in other as yet unengaged employers emulating the success of such projects
- Look at means of encouraging 'cottage industry' or 'small business' activity where genuine existing employment may not be available. This may mean identifying business possibilities and resourcing 'establishment' costing against a holistic pattern of business planning, training and loan repayments schemes with suitable tax incentives on achieving determined milestones.

Non-Compliance

- Even with the recent amendments, the penalties that ensue with non-compliance are harsh and will create a resultant increase in welfare demands against agencies such as ourselves.
- Such an increase in welfare support through the charitable sector would not achieve the real aim of the Bill to move people from welfare-assisted living to independence.