

## PER CAPITA SUBMISSION

# SUBMISSION TO THE SENATE STANDING COMMITTEE ON EDUCATION AND EMPLOYMENT COMMITTEE INQUIRY INTO THE SOCIAL SERVICES LEGISLATION AMENDMENT (STREAMLINED PARTICIPATION REQUIREMENTS AND OTHER MEASURES) BILL 2021

## Per Capita

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Per Capita is an independent progressive think tank, dedicated to fighting inequality in Australia. We work to build a new vision for Australia based on fairness, shared prosperity, community and social justice.

Our research is rigorous, evidence-based and long-term in its outlook. We consider the national challenges of the next decade rather than the next election cycle. We ask original questions and offer fresh solutions, drawing on new thinking in social science, economics and public policy.

Our audience is the interested public, not just experts and policy makers. We engage all Australians who want to see rigorous thinking and evidence-based analysis applied to the issues facing our country's future.

## Submission

The Social Services Legislation Amendment (Streamlined Participation and Other Measures) Bill 2021 contains significant amendments to the the Social Security Act 1991 and Administration Act 1999 that relate to the treatment of, and support offered to, un- and under-employed people seeking work, specifically in relation to the 'compliance' requirements under the activation model of employment services by which job seekers are bound to enter into 'mutual obligation' requirements in order to qualify for working age income support payments.

Given the scope of these amendments, and the far-reaching implications they will have for the more than 1.4million people currently in the *jobactive* system, Per Capita's primary concern is that the legislation is apparently being rushed through the Parliament without adequate consultation, in order to realise budget savings in the 2021-2022 financial year.

Legislative changes that have the potential to cause harm to vulnerable people should be subject to thorough scrutiny by the Parliament, and affected citizens and stakeholders given reasonable opportunity to analyse proposed changes and provide advice to the Department and Parliament on necessary considerations and amendments to ensure that the legislation does not have adverse consequences for vulnerable people seeking government assistance and support.

Per Capita's key recommendation, therefore, is that the Bill not be listed on the Notice Paper for upcoming sittings of Parliament, but rather that the Minister should publish an Exposure Draft of the Bill for full public consultation over a period of not less than six weeks.

Based on a (necessarily rushed) analysis of the Explanatory Memorandum and the text of the Bill against Per Capita's previous research and analysis of the *jobactive* system, *JobSeeker* and related payments and relevant social security legislation, we make the following recommendations, while noting that a more thorough analysis of the Bill would almost certainly result in further recommended changes.

## Key Recommendations

- The Minister should publish an Exposure Draft of the Bill for formal consultation with stakeholders over at least a 6 week period, and the Bill be postponed until the August sitting of Parliament.

## PER CAPITA SUBMISSION

- A clause should be embedded in Schedule 1 to the effect that no legislated requirement for a job seeker to move to digital or online services shall result in harm.
- The Bill should include provisions to ensure that job seekers entering into digital or online service provision have adequate access to digital tools and to the internet, and adequate levels of digital literacy to navigate the system. Particular attention must be paid to cohorts known to experience digital disadvantage, such as older people, those from non-English speaking backgrounds, people fleeing family violence and those with inadequate income to access online tools and resources.
- The Bill should include provisions to protect the privacy and data of people being forced into online service provision in order to receive income support.
- The Bill should include an explicit provision that no job seeker enrolled in digital or online service provision can have their income support payments suspended in the event of a failure of online systems, at either the provider or user end.
- The opportunity should be taken to separate compliance functions from job search support: IE: to remove responsibility for assessing and reporting on breaches of mutual obligation requirements from the person assigned to support a job seeker to find work. Compliance functions should be returned wholly to the Australian Public Service, with direct reporting lines to the Minister.
- Assessments of 'job readiness' should be made by a qualified vocational counsellor, employed directly by the Commonwealth, to ensure that people are not inappropriately 'streamed' into online-only service provision when they are in need of more personalised support.
- The requirement under Schedule 8 for people to enter into online job plans before receiving their first income support payment is coercive and could result in inappropriate unrealistic job plans being accepted by job seekers without genuine consultation due to the need for income support. This Schedule should be removed entirely.
- The opportunity should be taken to reform Work for the Dole and similar programs to ensure that they are subject to the same workplace protections, including health and safety laws, before any job seeker is required to enter into work-like activities as a condition of their job plan.
- The rate of JobSeeker should be increased to at least the relative poverty line, with a permanent increase of at least \$200 a fortnight.