



**Australian Government**

**Department of Education, Employment and Workplace Relations**



**Submission to the House Standing  
Committee on Family, Community,  
Housing and Youth**

**Inquiry into Homelessness Legislation**

**August 2009**



## Introduction

Primary responsibility for homelessness at the Australian Government level is located in the Families, Housing, Community Services and Indigenous Affairs portfolio. The Department of Education, Employment and Workplace Relations (DEEWR) has a role under the White Paper on homelessness, *The Road Home, A National Approach to Homelessness*, in relation to the delivery of employment services and income support policy and programs. The Department is working with other departments and organisations to achieve the goals set for 2013 and 2020.

As stated in the White Paper, “Homelessness is not just a housing problem. Homelessness has many drivers and causes, including the shortage of affordable housing, long term unemployment, mental health services, substance abuse and family relationship breakdown” (page i). Education, training and workforce participation are central to DEEWR’s goal of creating a productive and inclusive Australia – one that values diversity and provides opportunities to build rewarding social and economic lives. DEEWR implements policies and programs to provide education and training opportunities, increase employment participation, and ensure safe and fair workplaces.

The Australian Government’s Social Inclusion Agenda provides a policy framework and approaches that aim to engage individuals and communities experiencing disadvantage. With a vision of a socially inclusive and fairer Australia, this agenda is about enabling all individuals, regardless of background or circumstance, to fully participate in the economic, social and civil life of their local community. One of the Social Inclusion Board’s priorities is addressing homelessness.

Many of DEEWR’s policies and programs have a legislative framework. However some, such as Job Services Australia, are administered through contractual arrangements with service providers. The contracts legally bind both the Department, and through it the Australian Government, and the service providers to ensure services are delivered according to government policy.

Legislation for the portfolio’s programs and services does not focus on homelessness, but homeless people are among the beneficiaries of many of the services. The Department’s submission outlines the programs and services administered by the Department that assist job seekers, particularly disadvantaged job seekers, to increase their opportunities to participate in education, training and employment. The submission addresses the first two Terms of Reference only.

## **1. The principles that should underpin the provision of services to Australians who are homeless or at risk of homelessness.**

Homelessness causes instability in people's lives, making it harder to find and/or remain in employment, maintain education, and retain contact with family and friends. Conversely, people who are disconnected from the workforce for long periods of time may be vulnerable to homelessness.

The principles underpinning the provision of services to assist homeless people and people at risk of homelessness are similar to the principles applicable across the range of services available to assist disadvantaged Australians. A key principle is that services should be designed to meet the needs of individuals, recognising that the causes of, or triggers for, homelessness can be varied. Many homeless people and people at risk of becoming homeless may face multiple disadvantages and need assistance with several issues.

For people at risk of homelessness, early intervention and prevention are critical components of service provision. In many instances, the assistance required to prevent homelessness may be more appropriately delivered by services other than homeless services. For example, timely employment assistance may help to prevent homelessness.

Building on the above, it is important for services to be flexible and tailored to individuals and their families. Services need to be able to offer the support required by homeless people, and people at risk of homelessness, to enable them to achieve stable housing and resolve their other issues, which could encompass unemployment, social exclusion or exclusion from education. The likelihood of multiple disadvantage among homeless people highlights the critical principle of communication between providers of different types of services at the local level. Cross-referrals to services and/or collaborative provision of services can increase the effectiveness of all services for individuals and assist them to achieve sustainable outcomes more quickly.

Economic and social participation are critical to overcoming homelessness and the associated isolation. Education, employment and training enable people to build their capacity to engage with their community and maintain a sense of social inclusion. The policies, programs and income support arrangements that DEEWR administers reflect the Government's commitment to providing support and assistance to improve people's employment prospects and opportunities.

### Employment

Job Services Australia replaces seven separate employment services programs and ensures Australians receive employment services appropriate to their needs. These services provide more personalised help, better targeted services and greater access to training opportunities and work experience in areas of skill need. Job Services Australia is demand driven, ensuring that all job seekers eligible to receive assistance will be able to select their provider of choice.

All Job Services Australia providers have been selected following a rigorous competitive tender process taking into account their capacity and strategies to assist the full range of job seekers. In addition, organisations were able to tender to specialise in assisting job seekers with particular barriers to employment.<sup>1</sup> There are five employment services providers delivering 10 specialist services to people who are homeless or at risk of homelessness.

Job seekers are placed in one of four streams based on their level of disadvantage as assessed by the Job Seeker Classification Instrument (JSCI) or, where required, a Job Capacity Assessment (JCA)<sup>2</sup>. Services

<sup>1</sup> Specialist Job Services Australia providers can also receive and assist generalist job seekers.

<sup>2</sup> From 1 July 2009, responsibility for Job Capacity Assessments lies within the DEEWR portfolio, allowing for the delivery of holistic services to job seekers.

within each Stream are tailored to the individual needs and circumstances of each job seeker with Streams 3 and 4 supporting the most disadvantaged. All services for job seekers will be delivered within a framework that recognises other factors relevant to the individual for example, homelessness or unstable accommodation, irrespective of the Stream.

Job Services Australia providers receive Employment Pathway Fund (EPF) credits into their notional pool of funds for each fully eligible job seeker commensurate with the job seeker's level of disadvantage. The EPF can be used across all Stream Services to purchase vocational and non-vocational goods and services that will assist the job seeker in gaining employment. The EPF can also be used for Stream 4 participants to provide assistance with rent and crisis accommodation, food and utilities, and medical costs.

The Department is currently working in partnership with the National Employment Services Association and Homelessness Australia on the development of a Service Level Agreement (SLA) and Training Package. The SLA will underpin and help facilitate collaborative working relationships between the employment and accommodation service provider sectors, ensuring that homeless job seekers or those at risk of homelessness, receive the most appropriate services, given their circumstances.

The Homelessness White Paper states that the Government will review the way that Centrelink and employment services providers define and share information about people who are homeless or at risk of homelessness (page 34). This work directly supports the principles of tailored services provision and collaboration across services. DEEWR will work with Centrelink and the Department of Families, Housing, Communities Services and Indigenous Affairs (FaHCSIA) to address this.

In addition, under the new compliance framework, Job Services Australia providers have greater scope to consider personal circumstances, including homelessness, which might impact on the ability of job seekers to meet their obligations. Job Services Australia providers have the discretion to determine the most appropriate method of securing the job seeker's ongoing participation. Centrelink can also place a vulnerability indicator on the record of a homeless job seeker or a job seeker who is vulnerable for another reason. The indicator is intended to ensure providers and Centrelink are aware of a job seeker's circumstances and consequently of the need to exercise caution when deciding whether to take compliance action.

If a job seeker's non-compliance is reported to Centrelink, the job seeker's housing situation is one of the things that Centrelink must, under social security law, take into consideration as a possible reasonable excuse for the job seeker's non-compliance. A job seeker who incurs an eight week non-payment penalty for voluntary unemployment can have their penalty waived if they are found to be homeless or at risk of homelessness and in financial hardship.

#### Education and Training

Engaging in education and training can assist a person who is homeless or at risk of becoming homeless to participate in the community and make connections with community services. The Australian Government is committed to making Australia one of the most educated and highly skilled workforces in the world. In general, higher educated individuals earn more, are less likely to be unemployed and enjoy better health.

In November 2008, the Council of Australian Governments (COAG) agreed to major new Education Revolution reforms in interlinked National Partnerships (NPs) in early childhood education, schooling in low socio-economic communities, teacher quality, literacy and numeracy skills and workforce development. The Education Revolution will be delivered in the classroom through major policy reforms – in the areas of transparency and reporting, quality teaching, additional support for

disadvantaged school communities, literacy and numeracy and the development of a national curriculum.

The Smarter Schools NP for Low Socio-Economic Status School Communities will facilitate reforms to support the educational needs and wellbeing of students in disadvantaged schools, including tailored learning opportunities and extended school services. The Government will contribute \$1.5 billion over seven years to this initiative.

The Smarter Schools NP for Literacy and Numeracy will drive reforms to deliver accelerated literacy and numeracy improvement, with a priority focus on primary aged students most in need of support. The Australian Government will provide \$540 million over four years to this initiative.

The Smarter Schools NP on Improving Teacher Quality reforms target critical points in the teacher “lifecycle” to attract, train, place, develop and retain quality teachers and leaders in our schools and classrooms. The reforms aim to sustain and improve teacher quality as a platform for improving student outcomes. The Australian Government will provide \$550 million over five years for this initiative.

The Government is investing in vocational education and training (VET) to provide Australians with the skills needed to enter the workforce for the first time, to re-enter the workforce, to retrain for a new job and to upgrade from an existing job. Under the National Skills and Workforce Development Agreement with the states and territories, the Government will invest more than \$6.5 billion for training over the next five years.

The Australian Apprenticeships Access Program provides vulnerable job seekers who experience barriers to skilled employment with nationally recognised pre-vocational training, support and assistance. The Program is provided at no cost to participants and assists them to obtain and maintain an Australian Apprenticeship. Nine thousand five hundred base program places are available nationally each year, with an additional 5,500 places available during 2009 – 10 to support young job seekers and those over 25 years made redundant. The Program will also support 2,000 ceiling insulation installers, upon completion of installation work, over the period 2010 – 12. The Program currently includes a minimum of 150 hours of pre-vocational training linked to an Australian Apprenticeship pathway, up to 13 weeks of job search support, and 13 weeks post-placement support.

The Productivity Places Program (PPP) is another program designed to develop skills in areas of existing and expected future demand. Commenced in April 2008 as part of the Skilling Australia for the Future initiative, the PPP will provide an additional 711,000 training places over five years to ensure Australians develop the skills that industry needs. Of these places, 392,000 will be allocated to existing workers wanting to gain or upgrade their skills and 319,000 places (including 20,000 places for redundant and recently retrenched workers) will be allocated to job seekers.

The Australian Government delivered job seeker places through the PPP until 30 June 2009. In November 2008, COAG negotiated an NP Agreement for PPP which enables state and territory governments to deliver PPP progressively from 1 January 2009 until June 2012. Seven state and territory governments have signed the NP. The Victorian Government has negotiated separate arrangements for the delivery of training places.

The Office for Youth, located within DEEWR, works across all levels of Australian Government providing youth specific policy advice about young people’s needs. The Office for Youth also supports the Federal Minister for Early Childhood Education, Childcare and Youth, the Hon Kate Ellis MP, to better engage with Australia’s 3 million youth (around 14% of Australia’s total population) and the youth sector, and to represent their needs and perspectives within government.

As the White Paper states, young people aged 12-18 are the largest group experiencing homelessness and the highest users of specialist homelessness services. The Australian Government, through the Office for Youth, currently funds the two programs specifically targeted at homeless youth or youth at risk of becoming homeless.

The Ladder Mentoring Program supports homeless youth by providing a stable living environment, social and emotional support, vocational training, health and fitness, and pathways to independent living. Ladder will harness the collective power of the Australian Football League (AFL) industry to help tackle youth homelessness. Past and present AFL players will also be leading activities other than mentoring, based on their off-field interests and qualifications, for example, running fitness programs and cooking/nutrition programs. Ladder also receives funding from the Victorian Government.

The White Paper reports that young people leaving care of child protection systems report high levels of homelessness. Nearly half of all people seeking the support of specialist homelessness services are under the age of 18. The Transition to Independent Living Allowance (TILA) is a one-off allowance for up to 2,500 youth aged between 15-25 years transitioning from formal or informal care to independent living. The allowance of up to \$1,500 is available for the purchase of essential goods or services that will assist young people to make a successful transition to independence. Southern Youth and Family Services is contracted as the national service provider for the TILA program.



## **2. The scope of any legislation with respect to related government initiatives in the areas of social inclusion and rights.**

### Social Inclusion Initiatives

An Australian Social Inclusion Board was established in May 2008 to advise the Australian Government on ways to achieve better outcomes for the most disadvantaged in our community. The Board comprises members of the Australian community from a variety of backgrounds, with the common goal of making a significant contribution to Australian society by advancing the Social Inclusion Agenda. One of the Board's priorities is addressing homelessness.

Social inclusion initiatives managed by DEEWR include the Jobs Fund and the Innovation Fund. These funds do not have a legislative base, but are managed through funding agreements.

The \$650 million Jobs Fund supports the Government's commitment to increasing the participation of Australians in community life by creating jobs and increasing skills. Through the Jobs Fund the Government is investing in one-off capital projects and providing seed funding for social enterprises. The aim of the Jobs Fund is to create jobs, build skills and produce long-term improvements in communities affected by the global economic recession.

The \$41m Innovation Fund is a Government initiative that specifically focuses on innovative ways to connect disadvantaged job seekers to training and employment. The Fund supports projects that offer innovative place-based solutions to address barriers to employment for groups of the most disadvantaged job seekers. This could include people in locations with entrenched disadvantage, the homeless, people with mental health conditions, and job seekers in jobless families.

Four projects to be funded under the first round of the Innovation Fund are specifically targeted to people who are homeless or at risk of homelessness:

- Southern Youth and Family Services Association, *The Foyer and Case Management Project*
- NSW Technical and Further Education Commission, *Promising Futures – Partners in Learning and Community Enterprise (PLACE)*
- Catholic Care NSW, *Educational and Motivational Program of Activities Targeting Homeless Youth*
- Joondalup Youth Support Services, *Community Youth Outreach Program*

As part of the Social Inclusion Agenda, DEEWR has also developed a Family-Centred Employment project (FCEP) designed to assist members of jobless families move into work. The initial objective of the FCEP is to develop and test new service delivery models to support jobless families. In early 2009, a community engagement exercise with jobless families and local stakeholders took place in Broadmeadows, Victoria; Goodna, Queensland; and Mansfield Park, South Australia. The FCEP, which will commence later in the year, has adopted a social inclusion approach designed to redress discrimination and overcome disadvantage, including the risk of homelessness.

### Income Support

The income support system is designed to provide a safety net for people who require financial assistance, and incentives and assistance for people to achieve self-reliance through employment. Participation in the workforce is a secure path to long-term financial independence for individuals and families, including those at risk of homelessness. DEEWR provides a range of employment services and income support payments that assist in building Australia's workforce capacity and productivity and reduce social exclusion and economic marginalisation.

Income support entitlements and conditions of receipt are specified in social security law. Payments are intended to assist those most in need based on eligibility criteria, are subject to means testing

arrangements and are delivered by Centrelink. Recipients of activity tested income support payments can be subject to financial penalties if they fail to meet their requirements without reasonable excuse. Job Services Australia providers and Centrelink are expected to consider the effect that disadvantage, such as homelessness or the risk of homelessness, may have on an individual job seeker's ability to comply with their job seeking or other requirements. Where homelessness is found to have contributed to a person's failure to meet their requirements, it is considered a reasonable excuse.

There are some aspects of social security law which vulnerable people, including the homeless, may find difficult to meet, such as the legislative requirements that a person provide proof of their identity and a valid address in order to qualify for an income support payment. DEEWR and Centrelink have developed policy and operational solutions to address these barriers. DEEWR monitors its programs closely to ensure issues are resolved quickly.

Provisions within social security legislation allow vulnerable people, including people who are homeless or at risk of homelessness, to access income support quickly if they are experiencing severe financial hardship.

DEEWR is working with FaHCSIA and Centrelink to implement the Homelessness White Paper initiative to pay income support entitlements weekly to Centrelink's most vulnerable customers, including people who are homeless. More frequent payments reduce the need for urgent Centrelink payments and allow customers with precarious financial circumstances and difficulty complying with participation requirements to improve their financial management and independent living skills.

#### Disability Employment Services

Disability employment services administered by the Department are underpinned by the *Disability Services Act 1986* which makes provisions for the delivery of employment services to people with disability. The Act sets out minimum requirements to which providers of disability employment services must adhere. Contracts are also negotiated with individual service providers to ensure services meet the needs of job seekers.

#### Child Care

Availability of quality child care and assistance with the associated costs facilitates engagement in education, training and employment, and can, therefore, help to prevent homelessness. Child care services are governed through the *Child Care Act 1972*. Provisions for financial assistance with child care are contained in *A New Tax System (Family Assistance) Act 1999*.

Child Care Benefit (CCB) is a government subsidy for families to reduce their child care fees. CCB is an income tested payment targeted to people most in financial need. CCB is available to parents, foster parents or grandparents with a child in their care attending a child care service approved by, or registered with, the Australian Government. Most families using approved child care receive this subsidy as a fee reduction at the time they pay their fees. Some receive it as a lump sum at the end of the year. The maximum rate of CCB for approved care for one non-school child is \$180 for 50 hours care in 2009 –10.

The Child Care Rebate (CCR) is additional assistance for families using approved child care for work, training, or study related reasons. From July 2008 the CCR increased from a maximum \$4,354 to up to \$7,500 (indexed and now \$7,778 in 2008-09) per child per year. This amount now covers 50% of out-of-pocket costs (remaining child care fee after CCB is deducted), up from 30% prior to July 2008. The CCR is not income-tested so working families using approved child care can receive this assistance regardless of their income. From July 2008 onwards, families have been able to receive their CCR as a quarterly payment, rather than as an annual payment.



Jobs Education and Training (JET) Child Care fee assistance provides extra help with the cost of approved child care for eligible parents. Parents are eligible if they are on income support and they need to take up child care to either voluntarily participate in work, study or job search activities, or meet their mandatory participation requirements. In addition, parents must be receiving maximum rate of CCB to qualify. JET Child Care fee assistance is paid directly to the approved child care service, so that parents' fees are reduced. JET Child Care fee assistance pays most of the 'gap fee' – the difference between the total child care fee and the amount covered by CCB up to a person's eligible CCB hours limit. All parents make a contribution of 10 cents per JET Child Care fee assistance hour per child plus the cost for any additional hours over their eligible hours limit.

There are limits to the length of time JET Child Care fee assistance is paid for an activity, for example, for the initial 26 weeks of a job for paid and unpaid work.

Improving access to child care for children at risk is a measure under the National Framework for Protecting Australia's Children 2009-2020. The Framework is a long term coordinated national approach to ensuring the safety and wellbeing of Australia's children. It recognises that protecting children is a shared responsibility – within families, and across communities, professions and services, and governments. A \$36.6 million measure to better assist services to recognise where a child is eligible for Special Child Care Benefit (SCCB) and to increase awareness of the availability of SCCB was included in the 2009 – 10 Budget.

SCCB is a component of the CCB Program and is designed to assist eligible families with the cost of child care. The SCCB rate covers up to the full cost of care and is available for:

- a 'child at risk' of serious abuse or neglect
- families experiencing hardship – exceptional cases where a family's income does not truly reflect their capacity to pay the normally charged fee.

For children that are at risk of serious abuse or neglect, SCCB rate may be used to help sustain or increase a vulnerable child's participation in child care if the cost of care becomes an issue for a family, or to secure a place in a child care centre for a vulnerable child that is not already enrolled in care where the cost of care is a barrier. Where a child is at risk of serious abuse or neglect, they may also receive an increase in their weekly limit of CCB hours, which will also be covered by the SCCB rate.

For families experiencing hardship, the SCCB rate is designed to assist the family while they adapt to their new circumstances by helping them maintain access to child care. Applying the SCCB rate for families experiencing hardship may also help prevent the family's situation from deteriorating further, which can occur when the effects of a financial crisis become compounded. Where a family experiences an event that causes financial hardship and a need for increased hours of child care, they may also be eligible for an increase in their weekly limit of CCB hours due to exceptional circumstances. The additional hours of care may also be covered by the SCCB rate.

SCCB was the primary form of child care assistance that was made available to affected families in the recent Victorian bushfires that left many families homeless or displaced for periods of several weeks.

### Workplace Relations

Maintaining decent employment standards is important for workers who may be struggling financially or who are at risk of homelessness for other reasons such as relationship breakdown or domestic violence. The Government's new workplace relations system, which commenced on 1 July 2009, is based on the fundamental principle of fairness and balances the interests of employers and employees.

The *Fair Work Act 2009* (FW Act) provides a safety net of minimum employment conditions and wages. The safety net comprises two parts – the National Employment Standards (NES) and new modern awards. The NES consists of 10 legislated employment entitlements covering essential conditions such as maximum weekly hours of work, leave and the right to request flexible working arrangements. Modern awards build on the NES and may include an additional 10 minimum conditions of employment, tailored to the needs of the particular industry or occupation. Both the NES and modern awards will commence on 1 January 2010.

The FW Act is based on a system of enterprise level collective bargaining underpinned by good faith bargaining requirements. Importantly, the new bargaining framework does not include the capacity for employers to offer Australian Workplace Agreements. The FW Act also provides for multi-employer bargaining for low paid employees. This is particularly important for vulnerable classes of employees who are often employed in low-paid industries that have not traditionally had the benefits of collective bargaining.

The FW Act has enhanced anti-discrimination protections to provide remedies for ‘adverse action’ taken against employees or prospective employees on discriminatory grounds, including dismissal.

In addition, the FW Act establishes Fair Work Australia (FWA) to act as a one-stop shop for information, advice and assistance on workplace issues.

Many vulnerable workers may not be fully aware of their rights and entitlements or may not have the confidence or knowledge to lodge a complaint if they are not receiving their entitlements. The Office of the Fair Work Ombudsman (which forms part of FWA) is responsible for safeguarding the rights of all workers, including those most vulnerable. It does this by:

- targeting education and compliance campaigns which proactively enforce compliance with federal workplace relations laws;
- providing information on its website in 22 languages other than English;
- allowing individual complaints to be lodged through several avenues – including via the website, by post, over the phone or through a third party (such as a local member of parliament or community group);
- providing the option for people to initiate confidential complaints or provide information anonymously; and
- creating awareness of workplace rights amongst employers and employees through the media and communication campaigns.