

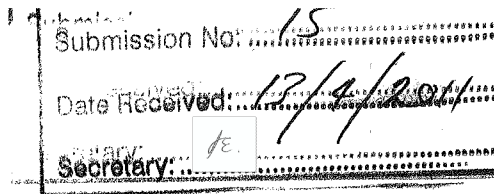


St Vincent de Paul Society
 NATIONAL COUNCIL *good works*

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Committee Chair
 Amanda Rishworth MP
 House Standing Committee on Education and Employment
 Australian Parliament House
 Canberra, ACT 2000
 By Email: ee.reps@aph.gov.au



Dear Ms Rishworth,

Social Security Legislation Amendment (Job Seeker Compliance) Bill 2011

The National Council of the St Vincent de Paul Society welcomes the opportunity to make a submission to the House Standing Committee on Education and Employment regarding the inquiry into the Social Security Legislation Amendment (Job Seeker Compliance) Bill 2011 (“the Bill”).

Background

The St Vincent de Paul Society (“the Society”) assists people on a person to person basis. Our 40,000 members and volunteers in Australia visit people in their homes every day that are struggling to make ends meet. Many of these people are job seekers who rely on the social security system in order to meet their basic needs. The Society also provides nearly 2500 beds of crisis accommodation each night. Sadly, some of those beds are filled with people that have active job seeking requirements. Equally, the Society has a number of community based mental health programs, again many of the participants have job seeking requirements.

In a time of growing prosperity with relatively low unemployment, Australia has an obligation to make sure that everyone who seeks full employment can find it and that those who can not find employment are adequately supported with training and financial support, rather than punitive measures. The Society does not believe that leaving a person without an income is a meaningful way of achieving social inclusion or strengthening workforce participation. The Society is concerned about the impact of the Bill on all jobseekers, particularly those already experiencing marginalisation and exclusion such as those experiencing homelessness or mental illness. Rather than being genuine and responsive policy innovation, the Bill politicises poverty.

Social outcomes of tougher rules for jobseekers

The Bill risks further excluding some of the most vulnerable Australians. The Commonwealth Ombudsman has provided a number of critical reports about the manner in which Centrelink has implemented the former Government’s welfare to

work reforms, in particular the use of eight week non payment periods, differing interpretation of policy and procedure, suspension of payment without a decision, timeliness of decisions, denial of appeal rights and dealing with seriously ill clients.

It appears that the Bill is an attempt to return to this era.

Reviewable decision, natural justice and immediate impact.

This Bill revives parts of Welfare to Work, without providing any remedy to already recognised problems. It is engineered to produce the outcome that a person experiencing unemployment, and therefore likely to be already living below the poverty line, will feel the impact of the financial penalty more immediately and therefore more fiercely. It is shameful that a Government that professes a commitment to fairness would desire such punitive outcomes under the guise of increasing employment participation.

The Bill will force Centrelink to make quicker decisions and leave a person at immediate risk of eviction notices and loss of utilities such as electricity and telephone. This is combination that the Commonwealth Ombudsman has already critiqued. While Centrelink will do all it can to ensure proper decision making, the Government is forcing it into a situation where it is likely to make mistakes and those mistakes will again have immediate impact on the most marginalised Australians.

It is not without significance that the Bill is likely to result in an increase in homelessness, flying in the face of the Government's own laudable Homelessness targets.

Risks presented to vulnerable jobseekers by the immediate non-payment of income support

The infamous case of 'Mr C' appears set to return. The case study used in the Commonwealth Ombudsman's Annual Report 2006-7 involved a male who suffered an epileptic seizure while waiting for his appointment at Centrelink, was taken to hospital after Centrelink was advised of his identity and then discharged to find that Centrelink had suspended his payment. This time, Mr C may be a job seeker experiencing poor mental health and as a result of failing to attend an interview is set to attend a second reconnection appointment but before the appointment is hospitalised. The Government response might be to burden the health system with the responsibility of notifying Centrelink, but really what hope has the new Mr C got of avoiding non payment as a result of a reconnection failure when the original Mr C had the seizure in a Centrelink office and the health professionals identified him immediately to Centrelink?

The Society will always be there to support people who lose their social security payments as a result of poor government policy. We have always maintained, however, that income support is a matter of justice, not charity. It is unconscionable

for a government to effectively make charity the default form of income support for vulnerable jobseekers.

The Society is aware of and supports the good work of Centrelink in flagging clients who have a recognisable vulnerability. Like Centrelink, the Society is aware that some clients will not be recognised. In any event the Bill and the explanatory memorandum make no mention of protections for those that are flagged with a vulnerability indicator. The Society recommends that a person flagged with a vulnerability indicator should never experience a suspension or reconnection failure.

The fairness of tightening of reasonable excuse provisions

The Society is concerned about the tightening of reasonable excuse provisions. Reasonable excuse provisions will also be tightened so that, even if a job seeker has a reasonable excuse on the day for not attending an appointment or activity, it will not be accepted if they could have given advance notice that they couldn't attend but didn't do so.

Participation outcomes of further disengaging jobseekers who fail to attend interviews

Anecdotal evidence suggests that many of those recently disengaged from the workforce during the Global Financial Crisis are having difficulty attending interviews and participating in an unfamiliar social security system. If this is true, and it is hard to tell unless Centrelink is required to reveal such data, this may in some part resolve the question of how to reduce the apparently increasing number of do-not-attends. Instead of using punitive measures that will only serve to further disengage those that are already experiencing marginalisation, the Government should be looking to groups of jobseekers such as those who were forced to exit the workforce during the GFC to find appropriate responses to increase engagement and, therefore, attendance.

The whole phenomenon of the GFC should have taught us as a nation that rather than blaming and demonising individuals we should be looking at the structural causes of unemployment. This Bill appears to be evidence that we have learned very little.

Compliance with the Universal Declaration of Human Rights

The Society promotes and supports economic, social and cultural rights, like the right to social security, health and education. The Society is concerned that the Bill appears to again alter the right to social security in Australia, if payment can be suspended immediately and potentially never repaid. In a prosperous country like Australia, particularly when employment is so high, social security should be a protection against poverty and further marginalisation. It should be a means of real social security rather than a weapon with which to threaten the imposition of social insecurity.

The Society understands that it is apparently accepted that the legislation would not be in contravention of Articles 22 and 25(1) of the Universal Declaration of Human Rights. However, the Society fears that the implementation of the legislation is open to impacts far greater than intended and that, in practice, it will be those whose rights are already alienated that will experience the further erosion of their right to social security, such as those that have lost their right to housing or health services. We are also deeply concerned about the human rights implications of children dependent on penalised jobseekers effectively being punished along with their parents.

Conclusion

For too long the current government and the previous Coalition government have taken a harsh approach to the long-term unemployed, wielding a punitive stick on the back of those already doing it tough. The Society calls for real political leadership so that Centrelink no longer carries the tag of whipping the poor, but rather enabling and empowering those who are forced to live on the edges of society. Real political leadership would focus on skills and training for the long-term unemployed and more spending on, and better targeting of, job services.

Real political leadership would also consider the adequacy of the Newstart Allowance for singles. The current rate is too low to allow people to attend to health and medical needs or to find decent clothing to attend job interviews. The Government should look to incentives for the unemployed to find work rather than exclusionary practices that will further push them out of mainstream society. Australia needs more flexible and tailored assistance to help those who are most disadvantaged, not punitive suspension periods and reconnection failures.

Yours sincerely,

Dr John Falzon
Chief Executive Officer

13 April 2011