

MINORITY REPORT

AUSTRALIAN DEMOCRATS

FAMILY AND COMMUNITY SERVICES LEGISLATION AMENDMENT (SPECIAL BENEFIT ACTIVITY TEST) BILL 2002

The Australian Democrats consider this legislation to be very flawed.

We know that many TPV recipients will not be able to fully understand either their obligations or the administrative requirements associated with them, given their language and cultural barriers and no experience of the Australian Social Security system. Negotiating and understanding activity test agreements and requirements, the completion of job search diaries, obtaining Employer Contact certificates, and responding to correspondence will be particularly difficult for TPV holders. Notwithstanding they may be looking for work and undertaking all efforts to locate work, they will still be fined hundreds of dollars because of their illiteracy and lack of administrative system understanding.

Many TPV holders are not eligible for public housing and will experience housing crises, they have limited access to accommodation support, health assessment, and community support and orientation assistance. Many still experience mental health problems, and are without access to medical practitioners to certify incapacity.

Concerns raised by the Ombudsman's inquiry into breaching report and also the Independent Review into breaching consistently report no attempt by Centrelink to discuss the circumstances of or reasons for, the persons action before imposing a breach penalty. Impossible and unreasonable burdens of proof are set and TPV holders because of their limited understanding of Centrelink practices will be unable to navigate the complexities of administrative review and appeal process. This is already borne out by indigenous clients.

The income testing provisions, rates of payment and financial impact of activity test breaches will operate to disadvantage TPV holders undertaking job search activities.

TPV holders do not have an income-free area and face an effective marginal tax rate of 130 per cent.

The Democrats endorse the principle that work-ready, workforce age special benefit recipients should actively seek employment. However, newly released TPV holders with little or no English, high levels of poverty, unstable accommodation, no understanding of administrative practices are least able to sustain the devastating impact of breaching. Consideration should be given to exempting newly released TPV holders from imposition of breaching for 26 weeks post grant of TPV, while providing access to language, literacy, job search and employment programs.

The Democrats will explore amendments to try and address the concerns with the legislation we have expressed in this report, and would not be inclined to support the Bill if such amendments were not successful.

Senator Brian Greig

Democrats' Spokesperson for Family & Community Services