

# NCSMC

National Council of Single Mothers and their Children Inc.

220 Victoria Square *Tarndanyangga* Adelaide SA 5000 Ph: 0882262505 Fax: 0882262509

[ncsmc@ncsmc.org.au](mailto:ncsmc@ncsmc.org.au)

<http://www.ncsmc.org.au>

The Secretary  
Senate Employment, Workplace Relations and Education Committee  
Parliament House  
CANBERRA ACT 2600  
Email: eet.sen@aph.gov.au

14 September 2007

Dear Secretary

Please find attached NCSMC's response to the **Social Security Amendment (2007 Measures No. 2) Bill 2007**.

Thank you for the invitation to provide a response. NCSMC notes that the short time allowed to respond seriously limits the organisation's available time to draft a response.

Yours sincerely

**Dr Elspeth McInnes AM**  
Convenor NCSMC

**Ms Jac Taylor**  
Executive Officer NCSMC

The National Council of Single Mothers and their Children Incorporated was formed in 1973 to advocate for the rights and interests of single mothers and their children to the benefit of all sole parent families, including single father families.

NCSMC formed to focus on single mothers' interests at a time when women who were pregnant outside marriage were expected to give up their children for adoption by couple families and there was no income support for parents raising children alone. Today most single mothers are women who have separated from a partner. Issues of income support, child support, paid work, housing, parenting, child-care, family law, violence and abuse continue as concerns to the present day.

NCSMC has member organisations in states and territories around Australia, many of which also provide services and support to families after parental separation.

NCSMC aims to:

- Ensure that all children have a fair start in life;
- Recognise single mother families as a viable and positive family unit;
- Promote understanding of single mothers and their children in the community that they may live free from prejudice;
- To work for improvements in the social, economic and legal status of single mothers and their children.

NCSMC notes the **Amendments to the Social Security Amendment No. 2 2007** state:

The purpose of the bill is to implement government initiatives announced in the 2007-08 Budget. The changes include:

- Extending the participation exemptions to principal carers who are relatives but not parents of children;
- Providing the Minister with the ability to make guidelines regarding the determination of a person's capacity to work;
- Updating the terms in the impairment tables in Schedule 1B of the *Social Security Act 1991*;
- Allowing smoother transfers from one payment to another, where the Secretary has decided the person should be transferred and removing the need for a claim for the new payment; and
- Clarifying that the recovery of a social security debt is not able to be waived due to special circumstances if the debt has arisen due to a person knowingly failing or omitting to comply with the act.

With regard to

- Extending the participation exemptions to principal carers who are relatives but not parents of children

NCSMC welcomes the extension of participation exemptions to principal carers who are relatives but not parents of children because the amendment will reduce the incidence and level of harm being experienced by children whose primary carer is required to comply with the demands of the workforce participation system and care for dependent children.

A significant number of parents who are recognised as principal carers are reporting to NCSMC their extreme difficulties in managing the demands of the

Welfare to Work system, especially where they have care of dependents with special needs whose level of need is not adequately recognised.

**Case Study:**

*Jane<sup>1</sup> is a single mother of two children who has been studying a Bachelor of Science, majoring in Psychology, on a part time basis for the past five years. Government policy at the time she commenced her degree encouraged her to do so through subsidised fees and child care fee assistance, and this encouragement strongly influenced Jane's decision to undertake this degree. Jane has done extremely well academically and been awarded entry into the Dean's Honours List. Now Jane's studies are in jeopardy as under 'Welfare to Work', Jane is required to register with a Provider of Australian Government Employment Services and to seek 15-25 hours of paid work as her part-time study does not satisfy the activity test. Jane is not able to study full time due to her caring responsibilities.*

*One of Jane's children has a diagnosis of autism and as this is a recognised disability she receives Carer's Allowance. Jane chose to study Psychology to help her child and spends considerable time with him to support his engagement with social activities (highly recommended treatment for his disorder). However, Jane's request for an exemption from the activity test due to her caring responsibilities for a child with a disability was rejected.*

*In Jane's words:*

*I take every avenue and opportunity to get my son the help he needs (involve him in social groups, extracurricular social activities, I attend hospital appointments, parenting programs and even take subjects and select essay topics at uni) in order to understand and facilitate the best outcomes for him. In providing him with what he needs most, his disability is effectively 'masked', then through ridiculously stringent exemption criteria, his behaviour is effectively interpreted as though he doesn't have a disability.*

*In addition to being unable to be granted an exemption from the activity test as a carer of a child with a disability, and being unable to continue her study part time, Jane's course also requires her to undertake post graduate study to*

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<sup>1</sup> All identifying information has been removed.

*become a registered psychologist. She was dismayed to read in the Social Security Guide:*

While PP recipients with mandatory participation requirements are able to enrol in and complete higher degrees, such as a Doctor of Philosophy or most Masters degrees, this should be discouraged. PP recipients should be encouraged to undertake courses that will help them get a job and which are of a vocational nature.

*Jane is now faced with the excruciating decision of having to undertake her study full time, knowing that this will significantly reduce the time she has available to spend with her children (and the subsequent impact this will have on her child with autism), or to give up her studies. She is currently at risk of having her payment suspended as she has not yet signed her activity agreement and attended a Job Network Agency. Centrelink have advised her that she must sign an agreement prior to being able to appeal yet the very act of signing may then be used as evidence that she did 'agree' to their decision, and undermine her case during an appeal process. However, if she refuses to sign, her payment will be suspended until she does so. Jane feels that when she made the decision to undertake her degree she would have the necessary government support to complete it. She has accrued a HECS debt while undertaking this study. She now feels that government policy is making it impossible for her to complete her degree and support her children that best suits their needs.*

The Job Network system is geared to deal with individuals and there are no adequate mechanisms in place to investigate and assess the ACTUAL level of ongoing demand created by the needs of dependent others.

Job Capacity Assessors should be additionally supported to assess how care demands impact on workforce participation availability in cases where people report complex care for dependent others involving illness or disability.

Current rules require parents to balance the needs of the vulnerable dependent against the need to continue to receive a survival income.

**NCSMC recommends** that as a matter of urgency workforce participation exemption and Job Capacity Assessment processes be broadened to include

access to Dependent Care Audits where a person is responsible for supporting the high demand complex needs of dependents.

With regard to

- o providing the Minister with the ability to make guidelines regarding the determination of a person's capacity to work

NCSMC is concerned that the Minister's capacity to make guidelines regarding the determination of a person's capacity to work is informed by human rights principles and the need for people who are unable to work due to illness, disability, care demands or crisis circumstances to live in dignity whilst they are dealing with the situation. This demands flexibility at the point of implementation to protect and support people in need. These are likely to be eroded by Ministerial guidelines.

The 'work-first' approach which has informed the Welfare to Work policy has increased the demands and distress affecting people dealing with difficult circumstances. NCSMC has received numerous repeated reports of parents struggling with life-threatening conditions being forced to continually manage harassment, maladministration and misinformation from the Centrelink and Job Network systems.

Key performance indicators and output targets of the Welfare to Work system do not apparently currently pay due regard to the achievement of supporting a person to deal with difficult circumstances. NCSMC receives complaints from parents being continually contacted by Centrelink and threatened with loss of payment while they are dealing with major problems including:

- heart disease
- cancer
- two children with high rates of hospitalisation for chronic conditions
- homelessness

**NCSMC recommends** that whoever is empowered to make any guidelines with regard to determining a person's partial capacity to work adheres to human rights principles and enables people dealing with illness, disability, care demands or other crisis circumstances to be supported without being required to respond to continuing harassment, demands and penalties to satisfy participation requirements.

With regard to

- updating the terms in the impairment tables in Schedule 1B of the *Social Security Act 1991*

NCSMC is concerned that the need for medical advice and judgement with regard to the impact of a medically diagnosed condition on a person's workforce capacity is being reduced to the assessment of persons without a medical qualification. As noted above, people are already reporting serious distress arising from workforce participation demands which they cannot meet.

**NCSMC recommends** that medical qualifications and clinical judgement remain the primary source informing determination of a person's capacity for work where they have a medically diagnosed condition.