



# Homelessness Australia

*Creating a framework for ending homelessness*

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Submission to the Senate Education,  
Employment and Workplace Relations  
Committee

Inquiry into the Social Security Legislation  
Amendment (Employment Services Reform) Bill  
2008

31 October 2008

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## **Introduction**

Homelessness Australia is the national peak body for the homelessness sector. We represent more than 1,000 agencies as well as individuals and others who work with people experiencing homelessness. Our policy work is guided by three reference groups which provide advice about key issues and represent diverse parts of the homelessness sector.

We welcome this opportunity to make a submission to Inquiry into the Social Security Legislation Amendment (Employment Services Reform) Bill 2008.

We focus on the key issues with the Social Security Legislation Amendment (Employment Services Reform) Bill 2008 as they are likely to affect those experiencing or at risk of homelessness.

We believe it is in everyone's interest to have a social security system that enables the homeless and unemployed to engage upon a course of action to access employment and maintain sustainable housing, with the final goal of establishing long term employment and meaningful community interaction.

To do this, the social security system needs to do two things:

- give people a sustainable pathway out of homelessness, and
- minimise the risk of people becoming homeless.

## **Summary of recommendations**

- Include the definition of primary, secondary, and tertiary homelessness in the Social Security Legislation Amendment (Employment Services Reform) Bill 2008.
- Amend the definition of homelessness under the *Social Security (Reasonable Excuse) (DEWR) Determination 2006*, to reflect the definition used in the Census night count
- Put into legislation the ability to adjust participation requirements where employment service providers believe that an individual's chances of finding and retaining work would benefit from optional activities provided for under proposed section 606 1 (D)
- Include the Comprehensive Compliance Assessment in the Social Security Legislation Amendment (Employment Services Reform) Bill 2008. This should set out the procedures for the conduct of these assessments, including how the individual will be linked with appropriate alternative service options.
- Develop a hardship test to identify whether an individual who has had their payments breached is at risk of losing their housing.



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## **Pathways out of homelessness**

To give people a sustainable pathway out of homelessness, we need to acknowledge the impact homelessness has on the ability of people to meet participation requirements.

It may seem intuitive, but it is worth acknowledging that is difficult to meet participation requirements without having stable accommodation. This includes applying for a prescribed number of jobs each fortnight, attending Centrelink interviews, work for the dole and other activities. Participation requirements can have a positive impact on people's attempts to resolve homelessness, but need to be applied in a sensible manner where the individual is linked with support.<sup>1</sup>

Ad hoc data provided by the Australian Institute of Health and Welfare (AIHW) shows that 40% of people using homeless services and receiving a Centrelink payment have participation requirements. According to the AIHW, 28% of people receiving income support are on Newstart Allowance, and 12% are on Youth Allowance. Another 28% are receiving Parenting Payment (Partnered and Single) and some proportion of these would have participation requirements under the changes to the Social Security Act enacted by the previous Government.<sup>2</sup>

We feel it would be beneficial for those experiencing or at risk of homelessness to be protected explicitly via legislation. Homelessness Australia believes the way to achieve this is to include a definition of homelessness, and make an explicit reference to the types of homelessness in the Bill.

The definition of homelessness that we recommend is the cultural definition used in *Counting the Homeless*, the official count of the number of people in Australia on Census night. This definition of homelessness distinguishes between primary, secondary and tertiary categories of homelessness.

Primary homelessness includes all people without conventional accommodation, such as persons living on the streets, sleeping in parks, squatting in derelict buildings, or using cars or railway carriages for temporary shelter.

Secondary homelessness includes people who move frequently from one form of temporary shelter to another, including those residing temporarily with other households because they have no accommodation of their own, people staying in homeless services, and people staying in boarding houses on a short-term basis.

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<sup>1</sup> For example, see Campton, J and Pickles, S 2008, 'Welfare to work, Centrelink and homelessness: the stories of 10 men experiencing homelessness and unemployment in early 2008', St Vincent de Paul Society

<sup>2</sup> Australian Institute of Health and Welfare 2008, ad hoc data request



Tertiary homelessness refers to people who live in boarding houses on a medium to long-term basis. They are homeless because their accommodation is below the minimum community standard of a small self-contained flat.

On Census night in 2006, there were

- 16,375 people in primary homelessness,
- 48,856 people staying temporarily with family and friends,
- 19,849 people staying in homeless services, and
- 21,596 people staying in boarding houses.<sup>3</sup>

While homelessness is included under the 'reasonable excuse' instrument at present, this definition is very limited. It only refers to whether someone "is living in a non-permanent location on the streets or is using emergency accommodation or refuge at the time that the failure or refusal occurred".<sup>4</sup> It only refers to a minority of people experiencing homelessness and is manifestly inadequate.

### **Recommendation**

- Include the definition of primary, secondary, and tertiary homelessness in the Social Security Legislation Amendment (Employment Services Reform) Bill 2008.
- Amend the definition of homelessness under the *Social Security (Reasonable Excuse) (DEWR) Determination 2006*, to reflect the definition used in the Census night count

Homelessness Australia warmly welcomes the ability for employment service providers to place optional activities into Employment Pathway Plans in proposed section 606 1 (D). This will allow providers to work with jobseekers, such as those experiencing homelessness, to address non-vocational barriers to finding and maintaining employment. This is likely to increase their ability to successfully enter the workforce.

Many people who have experienced homelessness have a complicated set of issues that they need help to resolve. This can be seen from looking at research on the Personal Support Program (PSP). Research found that around 30% - 50% of PSP clients had been homeless in the last 5 years. On average, PSP clients had 8 barriers to finding employment. The four most common barriers

<sup>3</sup> Chamberlain, C and MacKenzie, D (2008) *Counting the Homeless 2006*, Canberra Australian Bureau of Statistics, Catalogue No. 2050.0.

<sup>4</sup> Social Security (Reasonable Excuse) (DEWR) Determination 4 (2) (a)



were family relationship breakdown, confidence or self-esteem problems, mood disorders including depression, and social isolation or alienation, all affecting more than half of participants in the sample.<sup>5</sup>

We recommend that the ability to list optional activities should be supported by giving the ability to employment service providers to adjust individuals' participation requirements. Finding and keeping employment is more likely to occur where an individual is able to address barriers like those identified by the PSP study.

### **Recommendation**

- Put into legislation the ability to adjust participation requirements where employment service providers believe that an individual's chances of finding and retaining work would benefit from optional activities provided for under proposed section 606 1 (D)

## **Minimising the risk of people becoming homeless**

The changes to the Social Security system proposed by the Government also need to minimise the risk of people becoming homeless.

We would ask the Committee to be mindful of the likely impact on people's housing where they have their income support payment suspended. A study by the Social Policy and Research Centre (SPRC) indicated that just over 70% of people being breached under the old social security system had their housing negatively affected as a result. For example, more than 65% of people breached said they had problems paying household bills, while 11% of people breached said they lost their accommodation.<sup>6</sup>

With this in mind, we would like the Committee to consider what safeguards need to be put in place under the compliance system to ensure that people are not at risk of homelessness when their payment is suspended.

We welcome the decision by the Government to introduce a comprehensive compliance assessment. The Request for Tender for Employment Services 2009-12 Document outlines a Comprehensive Compliance Assessment procedure as a key part of the new compliance arrangements.

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<sup>5</sup> Perkins, D, *Making it Work: Promoting participation of job seekers with multiple barriers through the Personal Support Program*, Summary, Brotherhood of St Laurence, 2007

<sup>6</sup> Eardly, T; Brown J; Rawsthorne, M; Norris, K; Emrys, L. 2007, *The Impact of Breaching on Income Support Customers*, Social Policy Research Centre, viewed 27 October 2008, <http://www.sprc.unsw.edu.au/reports/ImpactofBreaching.pdf>



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However, it is currently not referenced in the Bill. This makes it relatively straightforward for the assessment to be repealed or replaced with another assessment tool.

### **Recommendation**

- Include the Comprehensive Compliance Assessment in the Social Security Legislation Amendment (Employment Services Reform) Bill 2008. This should set out the procedures for the conduct of these assessments, including how the individual will be linked with appropriate alternative service options.

We welcome the announcement by the Government that the 8 week non-payment period will not be applied to people who would be in severe financial hardship. However it is our understanding that this exemption will apply to families with dependant children, and people relying on medication to manage a disability.

It is our view that a hardship test needs to identify the risk of the individual losing their accommodation. It would appear from the SPRC research that a sizeable majority of people who have their income support suspended have their housing affected in some way.

### **Recommendation**

- Develop a hardship test to identify whether an individual who has had their payments breached is at risk of losing their housing.