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Jeff Lawrence

Mr John Carter
Committee Secretary
Senate Education, Employment and Workplace Relations Committee
Department of the Senate
PO Box 6100
Parliament House
Canberra ACT 2600
Australia

Dear Sir,

The ACTU welcomes this opportunity to provide comment to the Inquiry into the Social Security Legislation Amendment (Employment Services Reform) Bill 2008.

The ACTU supports decent safety nets and active labour market programs.

The ACTU welcomes the emphasis in the Bill on encouragement of participation, and re-engagement, as noted in the Objects of the Bill:

- (1) The object of this Division is to encourage people to participate in employment and engage with employment services. It is also the object of this Division to secure compliance with a person's obligations and requirements in relation to participation payments, and to ensure that those who do not comply are re-engaged with employment services as quickly as possible.
- (2) However, this Division is not intended to punish a person who has a reasonable excuse for failing to comply with such obligations.

The ACTU notes that, in order to promote greater participation, the Bill provides for someone facing a serious failure non-payment period of 8 weeks, the non-payment period may be ceased if the job seeker commences a particular *serious failure requirement*.

The ACTU also welcomes the provision in the Bill of discretion of the Secretary to take individual circumstances into account in determining that someone did not commit a serious failure, despite having met the criteria of such a failure.

The ACTU notes that a person's participation payment will be not payable for a period of eight weeks if they are unemployed due to a voluntary act (unless the voluntary act is reasonable) or are dismissed from employment due to misconduct (other than misconduct that would constitute minor transgressions).

The ACTU believes that consideration should be given to providing such a person the same opportunity, as a job seeker who commits a serious failure, to re-engage with the system by undertaking a particular requirement.

The ACTU also notes that the Bill includes provisions to ensure persons undertaking work experience activities under an Employment Pathway Plan are not treated as employees under Commonwealth legislation, unless the activity they are undertaking is paid work.

The ACTU is concerned that the Bill does not appear to include a time limit on participation in such unpaid work experience activities.

Thank you again for this opportunity.

Yours sincerely

Sharan Burrow

President