

Coalition senators' Dissenting Report

Introduction

1.1 Coalition senators do not support the Committee majority's recommendations, and consider that the bill in its entirety should be considered by the Senate as soon as possible.

Importance of workforce participation

1.2 Coalition senators' primary objections to the majority report have their foundation in their strong support for initiatives that promote workforce participation and provide appropriate incentives to encourage those who are out of the workforce to find and maintain paid employment.

1.3 In this sense, the bill represents a continuation of the important changes implemented by the Howard Government's Welfare to Work initiative. At that time, the Labor party vehemently opposed the measures.¹ Coalition Senators are pleased to note that despite initial reservations, the current Labor government fully accepts the Howard Government's Welfare to Work changes and, by removing the grandfathering clause, is legislating to ensure that those changes apply to all Australians.

1.4 The Department of Education, Employment and Workplace Relations cited evidence that indicates that children who grow up in jobless families are themselves much more likely to experience unemployment as adults:

Children who grow up in jobless families are far more likely to be out of work as adults compared to those who had a working parent. It is therefore vital that the income support system seeks to incentivise work in order to break the dependency cycle. The system must provide the right balance of support and incentives to work to ensure that parents are in a position to benefit from the opportunities the economy has to offer, particularly as their children get older and the parent's capacity for work increases, and provide their families with positive role models and greater financial security.²

1.5 At the public hearing in Melbourne the committee heard how important it is for Australians to be engaged in the workforce. For example, while not in favour of Schedule 1 of the bill, Ms Netty Horton, Territorial Social Program Director, Salvation Army, explained to the committee:

We would like to be very clear in that we are fully supportive of moving as many people as possible—single parents or unemployed people in general—towards being able to work, and some of the focus of our submission has been around our experiences in working with the most

1 Australian Labor Party, Australian Democrats and Australian Greens, 'Dissenting Report', Senate Community Affairs Legislation Committee, *Inquiry into the provisions of the Employment and Workplace Relations Legislation Amendment (Welfare to Work and Other Measures) Bill 2005 and the Family and Community Services Legislation Amendment (Welfare to Work) Bill 2005*, 28 November 2005, para 1.26–1.27.

2 Department of Education, Employment and Workplace Relations, *Submission 19*, p. 3.

disadvantaged group of those people in our community and recognising that they need additional support and incentives to move them into the paid workforce. We recognise that that is the best way out of poverty and the best way to ensure participation both for them and for their children in the community.³

1.6 Coalition senators believe that the bill would introduce measures to further promote workforce participation, which can only be a good thing for not only those who are out of work but for the country as a whole.

1.7 Coalition senators do not support the recommendations contained within the Chair's report.

**Senator Chris Back
Deputy Chair**

3 Ms Netty Horton, Territorial Social Program Director, The Salvation Army, *Proof Committee Hansard*, 9 August 2012, p. 1. Witnesses supported employment participation but did not support the bill.