

10th June 2015

STANDING COMMITTEE ON COMMUNITY AFFAIRS

Legislation Committee

community.affairs.sen@aph.gov.au

Dear Committee

Social Services and Other Legislation Amendment (Youth Unemployment and other measures) Bill 2015

Who we are

The National Council of Single Mothers and their Children Incorporated (NCSMC) is an organisation dedicated to single mothers. The Council has become a platform whereby both the community and the government can communicate; it has led the way in obtaining a range of beneficial outcomes; has actively sought to reduce systemic prejudice; continually challenges existing norms, and over many years has achieved improved opportunities and outcomes for single mothers and their children.

One of our greatest strengths is our expertise and commitment in working with and for the advancement of women and children due to poverty, violence, exclusion and gender inequality.

Social Services and Other Legislation Amendment (Youth Unemployment and other measures) Bill 2015

NCSMC has elected to comment on the areas where we have a focus and knowledge. We also wish to endorse the submission presented by the Australian Council of Social services, the National Welfare Rights and note their detailed submissions.

Our Recommendations

1. Institute a targeted and sustainable social security system that quarantines Australians from poverty. This is best achieved by an independent process similar as the system used to determine the appropriate level of payments for Members of Parliament.
2. A more sophisticated and well-targeted social security system would provide a safety net that accurately reflects the employment patterns of contemporary Australia. Extending and simplify the ordinary waiting period for those, who are deemed 'job ready and or do not have an exemption is out of step with obtainable employment as well as casual, insecure, contract and



or seasonal work. Employment rates are not a static e and neither is it equally obtained between population groups, all of which mitigates the need for a permanent fixed waiting period.

3. There is no justification for young Australians (up to 30 years) to be without access to income support. The bill introduces a new 4 week waiting period (to be known as an “Income Support Waiting Period, ISWP”). NCSMC understands that it will apply to young people aged under 25 on unemployment payments who are “job ready”, unless an exemption applies. A 6 month waiting period was first announced in May 2014. Intuitively we know that money is required for the basics such as shelter, health care and food and without these we perish. Since a waiting period was first announced there has not been any reassurance provided that those who do not have access to income support can obtain these essentials items elsewhere.
4. We support the exemptions for parents with primary responsibility and, people who have been in State care for the previous 12 months. We further support general special circumstances exemption and carer exemption. NCSMC views these important exemptions as an understanding of the hardship that a waiting period would cause, which in itself raises concerns for those who are expected to endure 4 weeks. NCSMC is particularly concerned for the health and well-being of a pregnant woman and her unborn child.
5. In the spirit of deregulation and streamlining it would be most sensible to completely abolish any waiting period. Furthermore, as an organisation who supports women to seek ‘exemptions’ on the grounds of domestic violence, we are fully aware that they are not known or granted in the manner that legislation intends. The cost of administration, along with the harm that it would produce, far exceeds the projected savings.
6. This bill also amends the Newstart allowance age to 25 (previously it was 22). There is a sense of the ‘goal post changing’ as to what constitutes a ‘young person’ and that the change of age rarely benefits the young person. In determining what a modest, but liveable amount is, it is important to note that living cost will not reduce for those who are between the age of 22 and 24 when compared to Australians who are 25 years of age. It is an artificial boundary which bears no resemblance to the lived experience.
7. We oppose the freezing of indexations. We note that the impact will be endured by those who can least afford a reduction (in real terms) and whilst they experience an increase in cost.

