

Social Security Legislation Amendment (Further Strengthening Job Seeker Compliance) Bill 2015

**Willing Older Workers W.O.W! Inc.'s
Submission to the Senate Committee**

16th October 2015



Introduction

1. Formed in 2011, Willing Older Workers W.O.W! Inc. supplies emotional, social, and practical support to unemployed older workers and their families. W.O.W! actively assists members in returning to work.
2. W.O.W! has been collecting stories from members regarding their experiences with Centrelink. For most, the experience has been one of stress and indignity. For those lucky enough to qualify for Newstart, (many are deemed to be Asset Rich, Income Poor), their subsequent experiences with Employment Service Providers has not been pleasant either. These members report being given wrong dates for interviews, being sent to a job interview that did not exist, being given a job description that was incorrect, being referred to a position that did not take into account the medical history (a member with a heart condition was sent to apply for a bus driver position) being given wrong information about their obligations, being treated rudely by the ESP staff, and in some cases experiencing what amounts to being intimidated or bullied by their case manager.
3. W.O.W! welcomes the opportunity to make a submission to the Senate. Furthermore, W.O.W! seeks the opportunity to appear before the committee. We feel that having the voices of mature-aged Newstart recipients heard at this Senate Committee is essential in order to achieve measured and appropriate policy in this area.
4. W.O.W! recommends that some aspects of this Bill be reviewed and further amendments made.

About the Bill

The *Society Security Legislation Amendment (Further Strengthening Job Seeker Compliance) Bill 2015* proposes changes to the social security law, some of which may adversely affect Newstart recipients.

THE BILL AND W.O.W!'S PROPOSALS

The Bill proposes:

- *strengthening and aligning financial penalties for failure to enter into an Employment Pathway Plan;*

W.O.W! proposes:

- a. that an Employment Pathway Plan Review Period (EPPRP) be implemented
- b. that it be a minimum of two weeks but preferably four weeks
- c. that benefits not be withheld during this time.

Reasons:

1. Some members report that they do not fully understand their EPP while others say their interpretation of their EPP differs from that of their case manager.
2. This proposed EPPRP would give a job seeker time to read and understand their Employment Pathway Plan (EPP) and seek help to understand it, if necessary.

The Bill proposes:

- *suspending participation payments and applying financial penalties for failure to behave in an appropriate manner at an appointment.*

W.O.W! proposes:

- a. that the term “appropriate manner” be defined in a simple, clear and easy to understand document to be given to all Newstart applicants.
- b. that reported “inappropriate manner” be reviewed by an independent Advocate or by a Centrelink staffer who has proven advocacy skills, thus eliminating the possibility of personality clashes.
- c. that while the review is being held, the Newstart recipient still receives benefits.

Reasons:

1. Our research shows that people interpret the term “appropriate manner” differently. Some of our members are shocked by the behaviours of some other people who are waiting to be seen by a Centrelink or Employment Service Provider staff.

The Bill proposes:

- *enabling more immediate application of financial penalties for failure to participate in activities or job interviews*

W.O.W! proposes:

- a. that there be a list of Acceptable Reasons for missing, being late or failing to attend job-related activities
- b. that if someone does “breach” they be required to provide a reason that can be documented.

Documentation can be a simple form that can be signed/verified by the relevant authorities.

Examples: Medical, Studies, independently arranged Job Interview, Public Transport or heavy traffic delays.

- c. The Newstart recipient should make every effort possible to notify the relevant supervisor or their case manager that they are going to be late or will not be attending.
- d. A dedicated 1800 number be established so Newstart recipients can record their lateness or non-attendance and that calling this number be a requirement of the EPP.

Please Note:

Notifying of lateness to attend or non-attendance via MyGov is not advisable as we are getting many reports that the MyGov site does not work properly.

The Bill proposes:

- *suspending participation payments for inadequate job search*

W.O.W! proposes:

- a. that clarification be made as to who will make the decision to suspend payments.

Reasons:

1. Currently, some Newstart recipients are being told by their case managers that it will be the Employment Service Providers while others are told it will be a Centrelink decision.
2. W.O.W! is concerned that if ESPs are authorised to suspend payments there will be the opportunity for breach of privacy.

Our concern arises because we received a letter from an ESP with details relating to the son of one of our members. W.O.W! is registered with Centrelink as the nominee for the adult son because we helped him get Youth Allowance. He has now registered for Newstart while he looks for work. We determined that he never gave Centrelink permission to give any details to the ESP, in relation to his nominee arrangement with W.O.W! nor has W.O.W! had anything to do with this ESP.

W.O.W! proposes:

- a. that further amendments be made to this bill that will allow all mature-aged job seekers to be registered with Centrelink, even if they have assets and do not qualify for a benefit
- b. that all mature-aged job seekers be given assistance from ESPs.
- c. that all applicants aged eighteen and over be assessed on their own worth and not that of their parents.
- d. that the criteria for receiving Newstart be reviewed and that if someone has assets they be given a HECS style benefit, so they are not forced to become extremely poor before they qualify for assistance.
- e. that the Work For The Dole programme be reviewed and that each position on a WFD project be made a Mentoring opportunity, with an older and a younger participant job sharing and learning from each other.
- f. that the Work For The Dole programme employs mature-aged, unemployed workers as the Supervisors on projects

- g. that there be a register of these skilled older workers kept in a data base at Centrelink, to be supplied to the WFD coordinators in each area. W.O.W! would be prepared to help establish this data base.

Reasons:

1. Unless someone qualifies to receive a Centrelink benefit, they are left to flounder alone.
2. Currently young people, under 25, who apply for Youth Allowance are required to provide a full list of their parent's assets. This causes some hardships because a parent may be estranged, or have paid off their house but have huge repair bills etc.
3. If someone applies for Newstart they are asset tested.
This test does not take into account any of the costs their asset incurs. These costs can be rates, insurances, bank fees and maintenance on rental properties; costs on a failed small business or even rates etc. on their personal home, if they used it as collateral for a business loan.
Hence the mature-aged job seeker is forced to use any savings they may have had and many have lost their homes. Some have even suicided, after they determined that their Life Insurance would pay out on suicide.
Being deemed Asset Rich, Income Poor has been described by one man as "having a noose around my neck and being hanged for working hard all my life, paying taxes and saving for my retirement."

Finally W.O.W! commends the Senate on it's work to make life fairer for all who are unemployed or underemployed.