



13 October 2022

Kate Campbell
Committee Secretary (A/g)
Senate Standing Committee on Community Affairs

Dear Ms Campbell

Social Services and Other Legislation Amendment (Workforce Incentive) Bill 2022

The Benevolent Society welcomes the opportunity to comment on the Social Services and Other Legislation Amendment (Workforce Incentive) Bill 2022, currently before the Committee for review, to amend social security law and the *Veterans' Entitlements Act 1986*, to support engagement in paid employment by age pension, disability support pension, carer payment and veterans' entitlements recipients over age pension age.

For more than 200 years The Benevolent Society has been a supporter of those who are ageing, people with disability, children, young people and their families. In the last financial year, we supported over 150,000 individuals across Australia. We use our practice wisdom to mobilise social movements that advocate for anyone in need and create social change.

Our campaigning was integral to the introduction of the aged pension and we continue to advocate for the interests of children, young people, families, older people and people with disability every day. Our services speak to and inform our social change work. Our social change activities shape and respond to the wider world we operate in. Since 2018 we have also led a national coalition-based campaign, EveryAGE Counts, to end ageism directed at older people. EveryAGE Counts has contributed to and drawn upon a growing body of international and Australian evidence that the overwhelming barrier to retaining or regaining employment for older people is community, employer and personally internalised ageism, beginning at around 50 years of age.

The Benevolent Society supports the proposed package of measures contained in this Bill. It signals a commitment to improving the standard of living and social and economic participation of those older people in our community with the lowest incomes and fewest assets (outside of possible home ownership). For some, such as full pensioners with little or no superannuation or savings living in the private rental market, the proposed legislation will importantly provide the potential to stay just ahead of poverty.

We particularly welcome this Bill as a step towards more systemic public policy thinking around the interactions between the social welfare system and labour market participation. As our society ages, longevity increases and older people's expectations of social and economic engagement change, we require greater innovation and open-mindedness about the organisation and interface of work and social support. However, we would also encourage the Committee to note the absence of and call for innovative and effective policy and program responses directed at long-term unemployed older workers.

We know that older long-term unemployed workers (like their younger unemployed counterparts), are too often forced to live below the poverty line, with Jobseeker payments insufficient to cover basic life necessities. Those over age 45 form more than 50% of Jobseeker Allowance recipients, with those aged 55-64 being the largest cohort that have been in receipt of the benefit for at least 10-years. Mature-age job seekers also tend to remain unemployed for twice as long as those aged 25 to 54. Many become so discouraged they withdraw from the labour market altogether. Key to the wellbeing and employability of all those, including older people, who rely on Jobseeker is an immediate rise in the Jobseeker rates to lift recipients out of poverty.

It is also important to note that while this Bill is an important first step, there is scope to consider additional measures that would support the Bill's objectives, including:

- addressing the barrier of ageism, on the demand side, that often poses the greatest blockage for pension recipients seeking paid employment, and
- offering enduring support beyond 2023 to help address secure, ongoing inclusion of older people as a legitimate, welcome part of the workforce and to alleviate poverty and financial stress in older age.

I would be pleased to expand on the issues raised in this letter if that would be of assistance to the Committee.

Yours sincerely,

Lin Hatfield-Dodds
Chief Executive Officer