

Family Assistance and Other Legislation Amendment Bill 2011

To the Senate Standing Committees on Community Affairs

PO Box 6100

Parliament House

Canberra ACT 2600

Australia

The Pushmi-Pullyu¹: Easing Disability Support Pensioners back into the labour force.

A submission by

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14 June 2011.

¹ Pronounced “push me pull you” is a mythical animal from Hugh Lofting’s children’s’ books featuring Dr Doolittle and a range of animals. The pushmi-pullyu is portrayed as a "gazelle-unicorn cross" which has two heads (one of each) at opposite ends of its body. When it tries to move, both heads try to go in opposite directions. (Source: Wikipedia).

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Acronyms

ACOSS	Australian Council of Social Services
DEEWR	Department of Education, Employment and Training
DES	Disability Employment Service
DSP	Disability Support Pension
ESAt	Employment Services Assessment (to commence 1 July 2011)
FaHCSIA	Department of Families, Housing, Community Services and Indigenous Affairs
Hon	Honourable
JCA	Job Capacity Assessment (to be phased out 30 June 2011)
JSA	Job Services Australia
MP	Member of Parliament
NESA	National Employment Services Association
NSA	Newstart Allowance
PSP	Personal Support Program (ceased 30 June 2009)

Introduction

This submission is addressed to:

The Senate Standing Committees on Community Affairs

PO Box 6100, Parliament House Canberra ACT 2600 Australia

With reference to the Inquiry into the Family Assistance and Other Legislation Amendment Bill 2011, Schedule 3 – Assessing qualification for disability support pension.

I thank the Committee for considering my submission entitled *“The Pushmi-Pullyu: Easing Disability Support Pensioners back into the labour force.”*

Three Ministers are named as implementers of the proposed *Building Australia’s Future Workforce* policies², therefore I am seeking an across-Government discussion of policy and implementation.

There has been talk of “whole of Government”³ approaches, and here is an opportunity and indeed a challenge for this to occur in a holistic response. The three Ministers are:

- the **Hon Jenny Macklin MP**, Minister for Families, Housing, Community Services and Indigenous Affairs in her role of responsibility for social policy development, advice, and announcements.
- the **Hon Tanya Plibersek MP**, Minister for Human Services in her role as minister responsible for Centrelink, C.R.S. and Social Inclusion.
- the **Hon. Kate Ellis MP**, Minister for Employment Participation and Minister for Childcare in her role overseeing Job Services Australia (JSA) and Disability Employment Services (DES).

Recommendation One: That all ministers and policy staff from the three portfolios manage across-policy discussions, to maintain best practice and knowledge of each other’s portfolio interests in the *Building Australia’s Future Workforce* policies as this relates to the *Family Assistance and Other Legislation Amendment Bill 2011*.

Recommendation Two: That the new govdex⁴ wiki platform be used to support multiple portfolio collaborations between Ministers and staff.

This submission advocates for some very disadvantaged people, flag-waving if you like for Disability Support Pensioners and DSP applicants. The aim is that their needs are not overlooked or trampled in current and future policy directions in the rush to have them brought back into the fold of the labour force, and, that the implementation concerns are fully considered .

² Dept. of FaHCSIA (2011). *Building Australia’s Future Workforce – Supporting Australians with Disability into Work*, p.4.

³ DEEWR (2011c) *Social Inclusion Principles*

⁴ Australian Government (2011), *About govdex*.

To begin I will establish my credentials for making this submission as an advocate and individual who has worked and studied in service delivery and co-ordination in employment services.

There will be a discussion of federal government *Building Australia's Future Workforce and Social Inclusion* policies and frameworks and assumptions used to develop these. I will go on to consider what I believe is an inherent flaw in the implementation of the first policy, with implications for this proposed legislation, leading to competing drivers for people who consider that their disability is serious enough to prevent them from working, and who will seek to meet the requirements of evidence of inability to obtain work at all costs, (what I have called the “pushmi-pullyu” effect), despite coercion from JSA or DES providers. I will demonstrate how this will lead to increased frustration and greater disparity between what JSA providers need to achieve to remain financially viable in this time of relatively low unemployment, and what some DSP applicants will be seeking to achieve in order to qualify for the pension.

I will then discuss the increasingly competitive market of Job Services Australia, and will cite an example of increasing tensions within and between providers using a case-study, and then extrapolate this to tensions in Disability Employment Services providers (DES), CRS and Centrelink. There are proposed imminent reforms to DSP assessment processes, new impairment tables being produced, new participation requirements for most DSP recipients and increasingly punitive measures applied for first and subsequent missed appointments for jobseekers. Importantly, from a human rights perspective, I will show how these levels of compliance requirements may cause some vulnerable DSP applicants enormous stress and even some to withdraw from the labour market and the financial and other support it may provide, placing them at greater risk.

I will make concluding comments and provide a summary list of recommendations and a bibliography as an attachment.

Establishing my Position

I make this submission as a private individual who has worked in human services and employment services, now Job Services Australia, (JSA) industries in various capacities, mostly in service delivery over more than twenty years. I am currently studying a Master of Social Work at Griffith University, and I am a student member of Australian Association of Social Workers, (A.A.S.W.). Before returning to study I worked as a caseworker in the federal employment services Personal Support Program (PSP)⁵ until it ceased at the end of June 2009. I worked in that role for 3 ½ years on the far-north coast of N.S.W. for a not-for-profit organisation, case-managing some of the most disadvantaged

⁵ Australian Government (2008), *Your Guide to the Personal Support Programme*.

clients in the labour market including those on Newstart Allowance (NSA) and Disability Support Pension (DSP). The clients on a PSP caseload included those experiencing mental health issues, homelessness, substance use, family / domestic violence, family breakdown, illness and disability and social isolation. My role was to administer the PSP program as a case-worker, providing counselling, advocacy, and referral services over a two-year period. Prior to working in the PSP program I have worked as a trainer and case-manager in what was the Job Network and longer ago as co-ordinator of numerous government programs in the not-for-profit sector. My submission derives from my position of having worked closely with people such as those who will be affected by proposed changes to the eligibility and preparatory labour market requirements for DSP applicants. Whilst these changes will impact both positively and negatively, there are issues to be raised prior to implementation of the proposed legislation, and which will have further repercussions for future federal policy directions. Many of these people would be unable to access the resources to put their cases and it as an advocate that I make this submission utilising experience gained from rural Australia.

Current Legislation under consideration

The *Family Assistance and other Legislation Amendment Bill 2011*, Schedule 3 – Assessing qualification for disability support pension: proposed amendments to the Social Security Act 1991, was introduced to both houses on 2 June 2011. If passed, this will “refine the test for determining whether a person has a continuing inability to work.”⁶ The reforms include:

- DSP recipients able to work for up to 30 hours and retain part-rate pension.
- Introducing quarterly reviews for those under 35 with some work capacity.
- Improved work capacity assessments (ESAts recently announced).⁷
- Provision of personal helpers / mentors to assist people with mental illness in process of claiming DSP.
- Auditing a sample of claims lodged.⁸
- Participation in open employment services or vocational rehabilitation for new applicants for DSP and some current recipients for 12 – 18 months in an attempt to locate work.
- Fast-tracking of claims for DSP for people with severe disability.

Whilst this bill includes some positive support, it falls in line with the current Government’s aim to reduce welfare dependency, requiring more welfare recipients to engage in participation

⁶ FaHCSIA,(2011). Macklin, J. *Speeches*.

⁷ DEEWR (2011). *Employment Services Assessment (ESAt) Fact Sheet*.

⁸ Australian Government & Yeend (2011) *Disability Support Pensions – reforms*.

requirements. There are increasing pressures on very disadvantaged Australian people on social security to “take responsibility” for their situation, even when they find themselves in dire circumstances, through little or no fault of their own⁹. This assumption of responsibility filters from the Prime Minister down into policy makers, bureaucrats and service providers, and appears in several policies, including *Social Inclusion*¹⁰ and the recently announced *Building Australia’s Future Workforce*¹¹ package announced by the Hon. Kate Ellis in May this year, at the NESA Practitioners Conference. The ACOSS paper¹² “Beyond Stereotypes: Myths and Facts About People of Working Age who Receive Social Security” dispels several myths, however these stereotypes persist in the media, and are used by Ministers when it suits their purposes. As recently as 2nd June 2011 when legislation was introduced to Parliament the Hon. Jenny Macklin chose to announce sweeping imminent changes to the DSP¹³ by being interviewed by a radio announcer who displayed overt bias and a “blaming the victim”¹⁴ viewpoint.

Recommendation Three: That Ministers be mindful of the setting and impression they make through choice of interviewer particularly when announcing sensitive policy decisions to the Australian public.

Many of the current Federal Government’s policies appear to come from a neo-liberal perspective, seeing people in receipt of welfare as deficient,¹⁵ and these stereotypes appear in the media and inform the opinion of many Australians. I am aware of some of the conflicting tensions inherent in determining socially and fiscally responsible federal policies, including managing the large expenditure of social services. However, I am concerned that some people are suffering because of

⁹ “The Australian” 10 February 2011, interview of Julia Gillard, Prime Minister.

¹⁰ Dept. of Prime Minister and Cabinet, (2011a) *Social Inclusion Principles for Australia. Principle 3.*

¹¹ Dept of FaHCSIA (2011). *Building Australia’s Future Workforce – Supporting Australians with Disability into Work.*

¹² ACOSS (2011). *Beyond Stereotypes: Myths and facts about people of working age who receive social security.*

¹³ Federal Parliament (2011). *Family Assistance and other Legislation Amendment Bill 2011, Schedule 3 – Assessing qualification for disability support pension: proposed amendments to the Social Security Act 1991.*

¹⁴ Macklin, J., (2011). Transcript Disability Support Pension 2GB Afternoon Show interview with Chris Smith on 2 June 2011. In that interview the interviewer used terminology such as, “not all legitimately disabled,” “the system is being rorted,” “and then bingo you get the pension,” “lazy culture out there” “doctors quite happy to tick boxes” “we need to be a little bit tougher” “we’ll police this properly so if people don’t toe the line...” “what percentage of those who receive this pension are actually rorting the system?” and from the Minister, a more reasonable approach with “much better that they get that work than have a lifetime spent on income support,” that (rate of granting of DSP) certainly has started to come down, but we do realise that we’ve got more to do” “if you’re capable of working at least a day a week work out what support you need to get you back into the workforce.” “if people don’t turn up to their interviews, then they can have their pensions suspended.”

¹⁵ Bell & Quiggin, (2006). *Unemployment Policy: Unemployment, Underemployment and Labour Market Insecurity in McClelland, A. & Smyth, P. (eds). (2010), 2nd edition, Ch 8, pp 145 – 157.*

the policies and their implementation. I am arguing for more of a “rights” based application of social welfare for those who are most in need, and calling for more of a compassionate approach. Such an approach can be adopted in making policy choices, and can filter down to a more compassionate approach in implementation at service delivery level. I refer the committee members to the ACOSS paper¹⁶ for information about the actual situation with statistics around DSP recipients as a percentage of the working-age population, which has levelled out and is under 5.5% of working age Australians. ACOSS are to be commended for giving a voice to the voiceless.¹⁷ Additionally, Australia fared well through the Global Financial Crisis¹⁸ and has one of the lowest unemployment rates of the OECD countries,¹⁹ although there remains a large factor of underemployment.^{20, 21}

Implications of Policy Implementation

I would like to remind the committee members of how some of the rhetoric and policies are impacting on welfare recipients, and have potential to impact on the staff implementing the policies, and the relationship between them. The report by Australian Greens dissenting to the Job Seeker Compliance bill (2011) noted a recurring theme in the responses to the bill, that even after years of reform the social security system was seen as “confusing and bewildering” and that there was a great risk that JSA and DES providers being more “punitive could lead to further distrust and disengagement.”²²

Moving to the “pushmi-pullyu” theme, I think that there will be greatly conflicting compulsions between some JSA and DES providers, and their clients. If they are existing DSP recipients, they may well have acquired a sense of “entitlement” and belief that they are incapable of work, and importantly, come to see the DSP as a very secure safety-net. The “pushmi-pullyu” effect will also be particularly evident when JSA and DES providers are required to place clients into sustainable work to obtain funding, whilst DSP applicants need the very opposite, that is, evidence that they have been *unable* to obtain work over the 12 – 18 months of being in open employment or vocational rehabilitation! Whilst it might be argued that these opposing goals have already applied for NSA recipients, the stakes will be much higher for a person who believes that their injury or illness is such

¹⁶ ACOSS (2011). Beyond Stereotypes: Myths and facts about people of working age who receive social security, p. 13.

¹⁷ Mendes, 2008 cited in McClelland, Chapter 4, p. 79 of McClelland & Smyth, (2010).

¹⁸ Swan, W. (2010). *Remember those doing it tough this Christmas*, Sydney Morning Herald 24 December 2010.

¹⁹ OECD (2010). *Employment Outlook 2010: How Does Australia Compare?*

²⁰ OECD *ibid*.

²¹ Bell & Quiggin, (2006). Unemployment Policy: Unemployment, Underemployment and Labour Market Insecurity in McClelland, A. & Smyth, P. (eds). (2010), 2nd edition, Ch 8, pp 145 – 157.

²² The Australian Greens (2011). The Australian Greens’ dissenting report, p. 70.

that they are incapable of work and who wishes to seek the security of being granted a DSP, and of course the additional financial impetus over the Newstart Allowance (NSA).

Competing Tensions

There is no doubt that JSA and DES providers are having to become more tightly financially controlled in this contract, and I see this reflected in people with financial management, human resource management and business skills being appointed to positions which were once held by people with very different skills and values. Performance measures are used increasingly to improve financial outcomes for the organisations. My concern is what this is meaning for the clients who are increasingly placed under stressful circumstances. Many Australians have been or are recipients of social security, but the power imbalances, the stresses and stereotyping, the “blaming of the victim” are worse than ever.

Recommendation Four: That the committee members and responsible Ministers “dress down” and anonymously join a queue at a JSA, DES, CRS or Centrelink office to get a sense of power imbalances and what’s happening at these services.

I would like to demonstrate some of the inherent tensions with a very recent case study.

Case Study Robert²³

The following incident occurred last Thursday in a JSA office, only four days ago, and the new legislative changes under discussion aren’t even here yet. Through research for this submission I spoke with several case-managers in numerous JSA offices, one of whom had been alarmed to hear raised voices in another office, where a client was being interviewed, with the noise level increasing, and loud repeated banging on a desk in a very heated exchange. Whilst this experience is not particularly uncommon in Centrelink, JSA or DES offices, the perpetrator was discovered to be Robert, a newly appointed case-worker (and not the client). Having worked in this industry, the story distresses me, and we can only imagine the distress this caused to the client and other workers. No client deserves to be treated like this. My interpretation is that JSA and DES providers are being squeezed hard in this contract. Staff are being laid off, case-loads are enormous, new staff are hired for their hard-nosed business nous, not for their values of social justice or any values that are consistent with human services work with vulnerable people. Training in a very complex contract environment is done “on the job.” In this instance the relatively new case-manager had not realised that the 60 year old man in front of him WAS satisfying the work requirement by participating fully in a Work for the Dole Project, and his resistance to be referred for a menial job WAS both

²³ A pseudonym to protect his identity and that of the JSA agency.

understandable and allowable. In these times of relative low unemployment rates, the clients are either newly registered, perhaps due to being “between jobs” in frictional unemployment, or they are the long or very long- term unemployed. Some have issues which won’t just disappear by being placed in a job. The foundations have to be fixed first. Otherwise the whole lot is likely to tumble down. To quote the ACOSS paper again, “employment participation policies will fail if they ignore hurdles to employment.”²⁴ JSA and DES providers will be reliant on income from a new lot of “jobseekers” soon to be referred, that is those applying for DSP and some who are in receipt of the pension already. The stresses and tensions at the level of the street-level bureaucrats desk at JSA and DES providers and at Centrelink and CRS are about to get magnified.

Recommendation Five: That DEEWR consider providing cultural competence training for all staff at Centrelink, CRS, JSA and DES providers to provide an understanding of some of the presenting issues for people with disabilities, and particularly how changes in legislation will affect them. This may have components of ethical awareness, values and human rights aspects.

Recommendation Six: That DEEWR consider providing training materials online or via CD for both the DSP recipients and potential DSP applicants, with an option to view this information at Centrelink or JSA or DES provider offices. These materials to advise clients of the changes to the legislation and how this impacts on them, and advising of them of their options, rights and responsibilities.

Support for the Most Disadvantaged

I will ask who will be advocating for those most in need if their disability is not “manifestly” apparent and they don’t meet the guidelines for immediate allocation of the DSP pension and yet may be at risk of “giving up” attempting to attain the allocation? An example would be a former indigenous client, a 33 year old man who had not attended a health service in many years, and who therefore required extensive support to acquire evidence, complete very complex forms, drive him to and from appointments, attend the JCA appointment with him, and so on. This man had been homeless living in the streets for many years, was found to have chronic depression, substance use issues, hepatitis C, liver damage and acquired brain injury, none of which had previously been diagnosed. Without support he would not have applied for DSP, and would have been at high risk of non-compliance and disengaging with Centrelink and Newstart payments through incapacity to comply. Whilst Centrelink staff had “given him the forms” to apply for DSP this was a long way short of the support he required. I know that there will be some Centrelink Social Workers in the new policy

²⁴ ACOSS (2011). *Beyond Stereotypes: Myths and facts about people of working age who receive social security.*

implementation who will be supporting clients to complete the process, however there are tensions in them being employed by a government which is stating that they want to reduce the new allocations of DSP. Additionally, their capacity to provide the intense support described above will be constrained.

Recommendation Seven: That consideration be given to appointing independent support people, similar to the Mental Health personal helpers and mentors to assist more vulnerable clients, not just those with mental illness to negotiate the maze of options and responsibilities of engaging with JSA, or DES providers, or CRS or Centrelink, and in gathering required evidence of disability.

Recommendation Eight: That there be a support line available to people who are considering applying for DSP and/or those who are already DSP recipients and who wish to discuss their options and responsibilities.

Recommendation Nine: That current DSP recipients be able to access support and counselling from independent counsellors regarding imminent changes to their benefits and responsibilities.

Conclusion

In concluding, I remind the committee members of Australia's responsibility to take care of the most disadvantaged people and to ensure that the new policies and their implementation do not add to their distress and experience of disengagement, disadvantage nor indeed *reduce* their social inclusion. An alternate or at least complementary responsibility of this Government is to increase the number and range of jobs available, to reduce the "churning" of disadvantaged people through a small number and range of available jobs, and therefore reduce the competition between the jobseekers and between the providers who are competing for a small number of available employment opportunities.

List of Recommendations

Recommendation One: **3**

That all ministers and policy staff from the three portfolios manage across-policy discussions, to maintain best practice and knowledge of each other's portfolio interests in the *Building Australia's Future Workforce* policies as this relates to the *Family Assistance and Other Legislation Amendment Bill 2011*.

Recommendation Two: **3**

That the new govdex²⁵ wiki platform be used to support multiple portfolio collaborations between Ministers and staff.

Recommendation Three: 6

That Ministers be mindful of the setting and impression they make through choice of interviewer particularly when announcing sensitive policy decisions to the Australian public.

Recommendation Four: 8

That the committee members and responsible Ministers “dress down” and anonymously join a queue at a JSA, DES, CRS or Centrelink office to get a sense of power imbalances and what’s happening at these services.

Recommendation Five: 9

That DEEWR consider providing cultural competence training for all staff at Centrelink, CRS, JSA and DES providers to provide an understanding of some of the presenting issues for people with disabilities, and particularly how changes in legislation will affect them. This may have components of ethical awareness, values and human rights aspects.

Recommendation Six: 9

That DEEWR consider providing training materials online or via CD for both the DSP recipients and potential DSP applicants, with an option to view this information at Centrelink or JSA or DES provider offices. These materials to advise clients of the changes to the legislation and how this impacts on them, and advising of them of their options, rights and responsibilities.

Recommendation Seven: 10

That consideration be given to appointing independent support people, similar to the Mental Health personal helpers and mentors to assist more vulnerable clients, not just those with mental illness to negotiate the maze of options and responsibilities of engaging with JSA, or DES providers, or CRS or Centrelink, and in gathering required evidence of disability.

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That there be a support line available to people who are considering applying for DSP and/or those who are already DSP recipients and who wish to discuss their options and responsibilities.

²⁵ Australian Government (2011), *About govdex*.

Recommendation Nine:

10

That current DSP recipients be able to access support and counselling from independent counsellors regarding imminent changes to their benefits and responsibilities.

Reference List

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