

Carol Rolls

To the Senate Committee for Community Affairs Inquiry into the Adequacy of Newstart and Related Payments -Terms of Reference H & L

My name is Carol Rolls and I am 65 years old [REDACTED]. I live in Toowoomba, Queensland. I have obtained a Master of laws and a Grad Dip Education.

I am willing to speak at the enquiry.

I am one of the fortunate people on Newstart as I have a home to live in and great family support. Others are not so lucky, and as lucky as I am, I find it incredibly difficult to make ends meet.

I receive \$616 per fortnight. I have deducted from my payment via Centrepay the following: \$130 for rates and water; \$42 for phone and internet; \$40 electricity; \$35 gas. I then have house, contents & car insurance \$55; medication/petrol \$100 (I never reach the threshold because two of my medications are not on the PBS and so do not count towards the threshold); lawn mowing \$30; current centrelink advance \$38; \$100 for food. I also have to pay \$340 car registration every six months. I do not have money for haircuts, clothes and shoes, makeup, car services, plumbing or house repairs, eating out or entertainment. My family have needed to pay for plumbing services over the last few years which cost over \$2000 and have bought me a stove, dryer and air conditioning. The former were due to necessity and the latter two were due to health issues.

I am allowed to earn \$100 per fortnight and then Centrelink deduct 60% of my gross wage, and then tax is deducted. For the past year I worked 18 hours per fortnight and received \$420.00 gross, from this amount I was only \$145 better off due to Centrelink reducing my payment and having tax deducted. I did get tax back at the end of the year though which enabled me to get a car service, new tyres, have my toilet system replaced and pay six months car registration. I am no longer able to work due to work stress and continuing anxiety but would not be eligible for a disability pension due to the strict requirements.

Many people are forced Newstart who are not medically fit to work. If you have a combination of mental health and poor physical health you have to meet 20 points in one or the other areas, and not combine the symptoms to add up to 20 points. Also, you have to be fully diagnosed, fully stable and fully treated, which means that a person diagnosed with cancer may fail the test because they are receiving chemotherapy or other treatment and therefore are not classed as fully stable or fully treated. This applies to other conditions as well. The expense associated with not being able to work and treatment is impossible for people who receive Newstart. You receive \$926 if you are a single person on a disability pension or aged pension and in my case \$616 if you are over 60 years old, less if you are younger.

In the past when I was on Newstart and did supply teaching, there was a tiered rate of deductions with the highest rate being 50%, so it made it more desirable to do casual work if you could not get a

full time position. We are told the Newstart payment has not gone up in 25 years, we are not told that they have made it even worse if you have a small job because they have changed the amount you are allowed to earn.

Also, I mentioned I have 4 payments deducted to pay my bills. I rang Dept of Transport as I would like to pay my car rego by Centrepay deductions on a fortnightly basis. They told me that they do not offer that service because the Federal government charge the supplier .99 cents for each transaction. Centrelink is receiving over \$100 per year from the utility suppliers for my 4 fortnightly deductions.

Another thing I would like to mention is the Robo debt, I can understand how this occurred, although I am not affected by it. Your payment was not always inline with your wages and so you had to adjust your reporting, this would be hard for most people. Also if you received high income at times and no income other times, you may have reported your exact earnings, but the computer program has not been programmed correctly and spreads your income over a period of time (averages) rather than the way it was required to be done. Again, I understand the correct way, it would be hard for many to know what was happening. The government knows that the Robo system is flawed but continue to use the system and many are suffering because of it.

My Centrelink payment is mine and I have control over how I spend it. However, for people under the Indue scheme that is not the case. Indue owns the money and not the Centrelink recipient. The federal government is also paying \$10,000 (as far as I know) per person to Indue so they can have control over the money and the money no longer belongs to the individual but to Indue. It does not allow the recipient to seek out the best deal as only a selected amount of retailers are authorised under the scheme.

Cutting people off benefits because they have drug or alcohol addictions will save Centrelink money but Society will end up paying the price because addicts still need to eat, a place to live and the necessities of life and to fuel their addiction. The government needs to provide free detox and rehabilitation places to all people with addiction. Addictions do not go away because of lack of Centrelink payments, rather the money will come from other places, either charity or by illegal means. A person who has an addiction and is unemployed either cannot get a job, keep a job or is incapable of working until they are fully treated and that means there must be places available to them for rehabilitation and support.

People are made to attend Job networks that are up to 90 minutes away from rural towns. I spoke to a person at a Job network and he had just been released from Brisbane a few days earlier. He lived about an hour from Toowoomba and he had to get himself to Toowoomba, stay at an acquaintance's place and get home after that. He had no transport and no money.

My work capacity was 9 hours per week and I was expected to look for 20 jobs per month. I have not seen any jobs advertised in the last year where they only want you to work 9 hours per week.

My recommendations are:

1. Newstart allowance be increased to \$926.00 for people over the age of 60 years and for people who have a medical certificate from their Medical Practitioner that states that their combined medical problems prevent them from being able to work on a day to day basis.
2. Newstart allowance be increased to \$700.00 for people who are deemed able to work and that they are able to earn up to the amount of the pension before their Centrelink payment is reduced.

3. The prescription allowance be increased to reflect the actual amount being spent by the Newstart recipient. (I spend approximately \$100 per month but am paid and allowance for 2 pbs scripts even though two of my scripts are not on the pbs but are essential to my health).
4. Centrelink stop charging the supplier .99cents per transaction for deductions to pay bills. This cost should be borne by Centrelink.
5. Centrelink should use the \$10,000 per participant that they are paying Indue to pay for rehabilitation places for Addicts and to train young people so they have the skills to get a job. Scrap Indue as it is an extra cost to the Government and there are other options.
6. Centrepay is a great way to help me budget and pay my bills each fortnight, however the Utility Supplier should not have to pay .99cents per transaction, it should be free.
7. Stop making people who have a Robo debt responsible for proving they do not have a debt, by hiring staff who can look at the debt and determine whether it is a true debt or not. The onus should be on Centrelink to prove there is a debt, not on the recipient to prove there is not a debt.
8. Redirect payments made to Job networks to people on Jobsearch. The job networks take credit for getting the unemployed into jobs when it is the unemployed person who does the finding of the job and attains the job through their own effort.
9. Allow people who get a part-time or casual job to earn at least \$200.00 per fortnight and then a tiered deduction up to 50% of the net wage before their Centrelink payment is cut. As it is now, you lose 60% of your gross amount over \$100.00 per fortnight.