

# ASKING THOSE WHO KNOW



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A survey of Australians on Centrelink payments

DECEMBER 2020



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## INTRODUCTION

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# Asking those who know

Anglicare Australia believes that a fair society is one where everyone can live a dignified life and nobody lives in poverty. People are entitled to support while they look for work, to help when they study for the future, or get a pension to support themselves if they have a disability. Decent incomes are key to building a fair society, yet people on government payments have been left behind on low incomes that come with draconian conditions.

This survey was designed to explore the experiences of these Australians. The findings confirm what the evidence has been telling us for years – that government payments are not helping the people who need it. They are poverty traps that are leaving pockets so bare that people can't afford to go about their lives without daily struggle and sacrifice. In many cases, this survey shows that people's own resourcefulness and sacrifice is the only thing that keeps them afloat.

The survey also sheds light on what it's like to interact with the system. Instead of supporting the people that it's supposed to help, it is subjecting them to pointless tasks that do not help them find work. In some cases the system makes it harder for people to look for work, and in others, it gets in the way of other activities that they find meaningful. At its worst, it punishes people for minor errors – or for no reason at all.

In their responses, our survey participants offer a way forward on how the system could and should work. Overwhelmingly, they want more support to look for work or to contribute society in other ways. They are willing to engage with that support. Many are already volunteering and working to make their communities better. These efforts should be valued and enabled by a system that is designed to truly help people, instead of punishing them. Our hope is that the insights from this survey can be used to help realise that vision.

## Background

Anglicare Australia conducted this survey at a time of major upheaval for the social security system. In March 2020, the Government announced a \$550 fortnightly supplement for people receiving the JobSeeker Payment, Youth Allowance, Austudy, Abstudy, the Parenting Payment, and the Special Benefit. The full supplement began on 27 April 2020. From 24 September 2020 the supplement was cut to \$250.

Before the introduction of this supplement, the rate of the JobSeeker payment had not been raised in real terms for 26 years. JobSeeker payments (formerly Newstart), along with related payments, were well below the poverty line.

Mutual obligations had also been suspended when the survey was first circulated, although they began to be phased back in soon after. From 4 August 2020, people with Jobactive providers were required to apply for jobs, agree to a Job Plan, and accept suitable paid work. Jobseekers were also required to participate in at least one phone or online appointment with their provider, and to participate in any activities their Jobactive providers asked them to do.

Job search obligations have also fluctuated throughout the year. Before March, most jobseekers were required to apply for 20 jobs per month. At the beginning of the survey period, this requirement had been suspended. It was phased back in from 28 September, with jobseekers required to apply for eight jobs per month.

These obligations did not apply for all jobseekers. People living in Victoria were exempt throughout the survey period, and most newer jobseekers had not yet been assigned Jobactive providers. Work for the Dole was not required throughout the survey period.

Finally, the Government's Targeted Compliance Framework had been suspended throughout the survey period. This is the system that sees jobseekers breached or issued with 'demerit points' if they fail to meet their mutual obligation requirements. This means that newer recipients of Centrelink payments had not been exposed to breaches or payment suspensions.

## **Methodology**

The data collection for the survey was conducted from Monday 27 July to Monday 2 November 2020, with a total sample of 618 respondents. It was circulated with the support of Anglicare Australia's Financial Wellbeing Network, who assisted in the distribution of the survey to clients across the Anglicare Australia Network. The survey was also promoted more broadly outside the Network. The breakdown of the number of participants in each State and Territory, as well as age, gender and regional demographics are outlined below in Table 1.

Table 1. Breakdown of participants by demographic characteristics

		(#) Participants
Region	Metropolitan	463
	Rural, regional or remote	155
State	NSW	220
	VIC	108
	SA	52
	ACT	5
	WA	70
	TAS	16
	NT	11
	QLD	136
Gender	Male	284
	Female	334
Age	18 to 24	111
	25 to 34	105
	35 to 44	67
	45 to 54	203
	55 to 64	130
	65 +	2
Aboriginal and/or Torres Strait Islander	Yes	4
	No	614
English a second language	Yes	26
	No	592
Total		618

Although the focus of the survey was on people with mutual obligation requirements, it was open to anyone who getting Centrelink payments. The breakdown of the number of participants by payment type is outlined below at Table 2, along with the length of time spent receiving payments and seeking work. Around two thirds of survey respondents (62 percent) were receiving the JobSeeker payment. Others were receiving Youth Allowance (18 percent), Parenting Payment (14 percent), and the Disability Support Pension (6 percent). Two respondents (0 percent) were on the Age Pension.



Table 2. Breakdown of participants by payment and jobseeking characteristics

	(#) Participants	
Length of time receiving Centrelink payments	Less than three months	62
	Three to six months	37
	Six to twelve months	42
	One to two years	119
	More than two years	358
Length of time looking for work	Less than three months	59
	Three to six months	32
	Six to twelve months	36
	One to two years	221
	More than two years	226
	N/A (not looking for work)	44
Payment type	JobSeeker	383
	Parenting Payment	87
	Youth Allowance	111
	Disability Support Pension	35
	Age Pension	2
Total	618	

Most questions were asked of all survey participants, and therefore tables and figures assume a baseline of 618. The exceptions to this are for follow-up questions that exclude some respondents based on previous answers. Where this occurs, the baseline will be shown as part of table.

Tables in this report are used to show the responses given by all respondents. However, parts of the written analysis present responses for particular cohorts and analyse the differences between different groups.

In parts of the survey, respondents were asked yes or no questions regarding their own experiences with Centrelink. In other parts, respondents were asked to rate their agreement with statements on a scale from strongly agree to strongly disagree. Except where there are significant trends, results are reported below according a net 'agree' (combined 'agree' and 'strongly agree' responses) and net 'disagree' (combined 'disagree' and 'strongly disagree' responses).

In addition to these statements, respondents were also asked how they managed low incomes. Because the survey was conducted at time when payments had been temporarily increased, participants were also asked how they managed financially before payments were raised. This allows us to gauge the impact of payment increases, and to explore the different experiences of those who began receiving payments for the first time this year. The full survey is provided at Appendix A.

For simplicity, the term 'significant' will be used only when describing a statistically significant finding. The term 'significant difference' means that we can be 95 percent sure that the difference observed between two groups of respondents reflects a true difference in the respondents, and is not a result of chance.



## PART I

# Income and payments

The first section of the survey was designed to gauge experiences of hardship among the respondents, to explore how they managed low incomes, and to understand the impact of payment increases handed down in March. These responses also allow us to explore how these experiences influence attitudes in other parts of the survey.

The survey showed that 9 percent of respondents have had to couch-surf<sup>1</sup> or stay in irregular accommodation while getting Centrelink payments (Table 3). When looking at age differences, those aged 18 to 24 (14 percent) and 25 to 35 (12 percent) were significantly more likely to have lived in irregular accommodation than those aged 35 years or older (7 percent).

Younger people were also most likely to report skipping meals, and skipped them more often. Among those aged 18 to 24, almost half (46 percent) reported skipping three to four meals a week before rates were raised in March, compared to those aged over 25 (35 percent). Alarmingly, another 7 percent reported skipping at least one meal per day. By contrast, only 2 percent of respondents aged over 25 reported skipping meals this often.

Table 3. Experiences managing Centrelink payments before March increase

		(%) Participants
Experience couch-surfing	Some experience while receiving payments	9%
	No experience while receiving payments	91%
Experience skipping meals	Never skipped meals to save money	9%
	Sometimes skipped meals, but not regularly	7%
	Skipped 1-2 meals a week	16%
	Skipped 3-4 meals a week	37%
	Skipped 5-6 meals a week	16%
	Skipped 7 or more meals a week	4%
N/A	Not getting Centrelink payments before March	12%

Questions: While getting Centrelink payments, have you ever been couch-surfing or staying in irregular accommodation – like boarding houses, shelters, or sleeping rough outdoors? Before rates were raised in March, were you skipping meals to save money?

It's important to note that all cohorts reported skipping meals, although not to the same degree as young people. A staggering 72 percent of all survey respondents regularly skipped meals, and another 7 percent reported skipping meals occasionally. Just 9 percent have never skipped a meal to save money. The reasons for this become clearer when examining Table 4.

Before payments were increased in March, almost two in three respondents (59 percent) had less than \$100 in weekly income left over after housing costs. At most this comes to \$14 per day, leaving little room for nutritious meals. 41 percent of respondents were left with left with \$50 per week, or \$7 per day.

Table 4. Weekly income after housing costs

	(%) Participants	(%) Participants
Less than \$50	41%	18%
\$51-\$100	18%	17%
\$101-\$150	17%	13%
\$151-\$200	7%	23%
More than \$201	5%	29%
Not getting Centrelink payments before March	12%	N/A

Questions: Before rates were raised in March, how much income did you have left per week after paying your rent or mortgage? At present, how much income do you have left per week after paying your rent or mortgage?

Table 4 also shows the impact of payment increases. Income after housing costs has increased across the board since March, and the percentage of respondents living on less than \$50 a week has more than halved. Interestingly, people who have been getting Centrelink for less than six months are more likely to be living on \$100 a week or less. 42 percent of newer recipients are in this position, compared to 34 percent of those who have been receiving payments for six months or more. If payment increases are made permanent, they could help longer-term recipients move into more stable housing (see Table 5). 58 percent of respondents said that new payment rates would help them move into more stable accommodation.

Table 5. Housing and Centrelink payments

	(%) Participants
Yes	58%
No	42%

Questions: Question: Will new payment rates help you move into more stable accommodation?

**PART II**

# Mutual obligations and activities

The second part of the survey explored experiences and attitudes towards Centrelink obligations. Respondents were asked whether they participated in a range of jobseeking activities and mutual obligations in a typical fortnight. Some of these, such as appointments with a Jobactive provider, are compulsory for many people receiving Centrelink payments. Others, such as volunteering, are discretionary. Mutual obligations had been suspended when the survey was first circulated, although some activities had resumed in a non-compulsory capacity by the time the survey closed (for example, Work the Dole had resumed but was not compulsory). In light of these changes, respondents were asked about their activities both before and after March.

Table 6. Jobseeking activities and mutual obligations

	(%) Participants	(%) Participants
Report my income	97%	91%
Contact with a Jobactive provider	60%	49%
Voluntary work	41%	38%
Search for up to 9 jobs a fortnight	66%	12%
Search for 10 or more jobs a fortnight	18%	10%
Training	24%	12%
Part-time employment	12%	6%
Work for the Dole	27%	6%
Paid work with a wage subsidy	0%	0%
I was not getting a payment before March	12%	N/A

Questions: Before March, would you do any of the following in a normal fortnight? At present, are you doing any of the following in a normal fortnight? Select all that apply

Before March, the most common activities were reporting income to Centrelink (97 percent) and searching for jobs (84 percent). This is not surprising. Income reporting is compulsory for most Centrelink payments, and jobseekers are required to search for jobs unless they have an exemption. Around one in ten (12 percent) had casual or part-time work, and these were significantly more likely to be young people aged 18 to 24 (26 percent) compared to those aged 25 and over (9 percent). In addition to jobseeking activities, a high number of respondents also reported volunteering in a typical fortnight (41 percent), and this was the activity that remained the most consistent in the wake of the Covid-19 pandemic (38 percent continued to volunteer after March). Almost one in three respondents typically participated in Work for the Dole (27 percent). It is noteworthy that 6 percent of respondents continued to participate in Work for the Dole after March. Work for the Dole was not compulsory at any point during the survey, yet there have been anecdotal reports since August of Jobactive providers giving their clients the impression that they need to participate in the program.<sup>2</sup>

Although the survey showed a high level of compliance with Centrelink obligations and jobseeking activities, many respondents did not consider these activities to be useful (Table 7).

Table 7. Attitudes to Centrelink obligations

	My Centrelink activities are helping me find paid work	My Centrelink activities are tailored to my situation	Centrelink activities stop me from doing things I find meaningful and important	My Centrelink activities feel pointless	I find it easy to engage with Centrelink	Centrelink is giving me the support I need to find paid work	I am confident that I will find paid work
Strongly Agree	3%	9%	12%	34%	3%	5%	20%
Agree	8%	10%	44%	45%	9%	8%	18%
Neutral	19%	31%	25%	12%	3%	2%	27%
Disagree	33%	31%	16%	6%	48%	49%	25%
Strongly Disagree	37%	19%	3%	3%	37%	36%	10%

Question: Rate your agreement with these statements. You can skip any that don't apply to you

When asked about their attitudes to Centrelink obligations, very few respondents agreed that Centrelink activities were helping them find paid work (11 percent), that their Centrelink activities were tailored to their needs (19 percent), or that Centrelink was giving them the support needed to find work (13 percent). Responses to the latter were particularly damning, with a staggering 85 percent of respondents disagreeing with the statement that Centrelink is supporting them to find work. This includes 36 percent of respondents who strongly disagreed.

Overall, respondents do not appear to be positive about their prospects for finding paid work in the future. 35 percent of respondents disagreed that they would find paid work again, and 27 percent gave neutral responses. 38 percent believed that they would find paid work in the future. These responses were influenced by the age of respondents. Respondents aged 45 and over were significantly more likely to be pessimistic about their future work prospects, disagreeing with the statement that they will find paid work (52 percent) compared to those aged 44 and under (15 percent). Those aged 18 to 35 were the most likely to agree that they will find paid work.

Attitudes towards Centrelink obligations, and Centrelink itself, were overwhelmingly negative. 79 percent considered their Centrelink activities pointless, while 56 percent thought these obligations prevent them from participating in more meaningful activities. Just 12 percent found Centrelink easy to interact with.

These attitudes appear to be heavily influenced by when respondents began receiving payments. Respondents who were receiving payments for less than six months were significantly more likely to agree that their Centrelink activities are tailored to them (26 percent agreement compared to 18 percent among those receiving payments for more than six months) and that it is easy to engage with Centrelink (18 percent compared to 11 percent). They gave more neutral responses about Centrelink activities helping them find work (9 percent), getting the support they need to find paid work (5 percent), and Centrelink activities being pointless (12 percent). They were more likely to disagree that Centrelink activities are stopping them from doing things that are useful and important (31 percent compared to 17 percent).

These issues are further explored in Table 8, which explored whether Centrelink commitments interfere with other activities.

Table 8. Interference of Centrelink commitments with other activities

	Spending more time with my family	Volunteering for causes that I care about	Doing activities that make my community better	Studying or building new skills	Caring for sick or elderly relatives
Yes	29%	59%	53%	59%	38%
No	71%	41%	47%	41%	62%

Question: Do your Centrelink activities make it harder to do any of the following? You can skip any that don't apply to you

Around one in three respondents (29 percent) reported that Centrelink activities make it harder to spend time with friends and family, and 38 percent considered these activities an obstacle to caring for sick or elderly relatives. 53 percent thought these activities made it harder to study and build new skills, and interestingly, 59 percent thought it was harder to volunteer. This figure is interesting when compared to Table 6, which shows a high rate of volunteerism.





## PART III

# Penalties and compliance

The survey looked at penalties and compliance, including debts, breaches, and payment suspensions. Most compliance measures, including the suspension of payments and the issuing of ‘demerit points’ to jobseekers who breach their requirements, were lifted at the time the survey was first circulated. They were gradually reintroduced in the weeks after the survey closed. Newer payment recipients were therefore the least likely to have experienced these measures.

Table 9. Experience incurring debts

		(%) Participants
Incurred a debt	Yes	58%
	No	42%
Reason for debt <i>Base n = 358</i>	Client at fault	33%
	Centrelink at fault	47%
	Not sure	20%

Questions: Have you ever incurred a Centrelink debt? Was the debt: 1. Because of an error Centrelink made; 2. Because of an error you made; or 3. Not sure

A significant majority of survey respondents have incurred a Centrelink debt (58 percent). This number appears to be large, but it is difficult to verify to whether it is an overrepresentation. Centrelink has not published information on the percentage of its clients who have incurred debts. Worryingly, of those who had incurred a debt, nearly half (47 percent) believed it to be the result of a Centrelink error. Another 20 percent were unsure who was at fault. This highlights a feature of Australia’s compliance framework that is unique by international standards – governments in other developed countries do not levy debts on people who have been overpaid through no fault of their own due to system errors.<sup>3</sup>

The regime of breaches and ‘demerit points’, which can lead to payments being suspended, is also thought to be unreliable. For example, there have been reports of Jobactive providers breaching clients for failing to attend meetings that have never been scheduled, or scheduled without notice. Around one in three respondents (31 percent) have incurred a breach while receiving payments (Table 10). Of those, nearly half have had their payments suspended as a result of being breached (54 percent).

Table 10. Experience with breaches and demerit points

		(%) Participants
Incurred a breach	Yes	31%
	No	69%
Breach led to a suspension <i>Base n = 358</i>	Yes	54%
	No	46%

Questions: Have you ever been breached by Centrelink? Did that breach lead to your payments being suspended or cut-off?

Those who had experienced suspensions were asked further questions through the survey (Table 11). Only a third agreed that they had been given enough warning before Centrelink took action (34 percent), and fewer still agreed that they had been given a clear, fair reason for the suspension (28 percent). Less than a quarter believed they had an opportunity to show that they had done nothing wrong (24 percent). Most respondents reported that they had to turn to charity or personal connections for help as a result of having their payments suspended (54 percent). Very few believed that being breached made it more likely that they would find work (9 percent), and an overwhelming majority rejected this statement (69 percent).

Table 11. Experience with breaches and demerit points

	I was given a clear explanation for the breach and the reasons were fair	I was given enough warning before Centrelink took action	I was given enough warning before my payments were affected	I was given a chance to show that I hadn't done anything wrong	Being breached has made me feel pressured to get off Centrelink payments	Being breached has made it more likely that I will find paid work	Being breached meant I had to turn to family, friends, or charity for help
Yes	28%	34%	42%	24%	38%	9%	54%
No	62%	49%	45%	73%	37%	69%	46%
Not sure	10%	17%	13%	3%	25%	22%	0%

Question: Do you agree with these statements? You can skip any that don't apply to you

## PART IV

# Attitudes towards the system

The final part of the survey looked at attitudes towards the social security system. Respondents were asked to rate their agreement with a series of statements, but unlike the other questions in the survey, these were not designed to explore participants' own experiences. Instead they were value statements, designed to explore how they think and feel about the system as a whole.

Table 12. Attitudes to social security and mutual obligations

	I deserve to get help when I need it	Everyone should get help if they need it	I feel supported by my government	Our safety net is designed to help people like me	Some people on Centrelink payments give the rest of us a bad name	I am willing to do Centrelink activities that are fair	I am willing to do Centrelink activities that help me find paid work
Strongly Agree	26%	30%	11%	14%	24%	36%	37%
Agree	56%	58%	27%	28%	43%	38%	38%
Neutral	12%	6%	25%	32%	9%	14%	17%
Disagree	3%	4%	19%	15%	19%	6%	3%
Strongly Disagree	3%	2%	18%	11%	5%	6%	5%

Question: Rate your agreement with these statements

An overwhelming majority of respondents agreed that they deserve to get help when they need it (82 percent), and even more agreed that everyone should get help if they need it (88 percent). However it seems that the system is failing to deliver on this expectation for many participants. A minority of respondents believed that the system was designed to help people like them (42 percent), and a third remained neutral (32 percent). Even fewer reported feeling supported by their government (38 percent, with 25 percent remaining neutral).

Some demographic and background characteristics influenced these responses. People aged 45 and over were even less likely to feel supported by the government and less likely to agree that the system was designed to help them (32 percent and 38 percent respectively). People on the Disability Support Pension were also less likely to agree with these statements (34 percent and 39 percent respectively). This is unsurprising when compared to employment trends, which show that mature-age jobseekers and people with disabilities are less likely to find paid work than their younger, able-bodied counterparts.<sup>4</sup>

People who had entered the system in the last six months were again the most likely to hold positive attitudes. They were more likely to report feeling supported by the government (45 percent), to feel deserving of help (92 percent), and agree that the system was designed to help people like them (51 percent). Interestingly, they were also the least likely to agree with the statement that some people on Centrelink give others a bad name (53 percent, compared with 78 percent across the rest of the cohort). They were more likely to reject this statement (24 percent disagreed).

Finally, 74 percent of respondents agreed that they would be willing to participate in Centrelink activities that are fair. 75 percent are willing to participate in activities that lead to work. These findings are interesting when compared to Table 7, which showed that most people held negative attitudes towards the activities they were being asked to do.

## PART V

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# Analysing major trends

Although the responses in this survey were broadly consistent among different demographics and cohorts, there were some significant trends. Clear impacts could also be observed as a result of changes made to the system as a result of the Covid-19 pandemic. These trends are explored below.

### **Payment increases made a major impact on people's lives**

Before March, almost two in three respondents were living on less than \$14 a day after paying for accommodation. Over a third were left with less than \$7 per day. After payments were increased, people were left with more income across the board. The exception to this trend were people who had been getting Centrelink payments for less than six months, who had less income left over after housing costs. It seems likely that this cohort, who began receiving payments in the wake of the Covid-19 recession, are locked into higher housing costs than their counterparts.<sup>5</sup>

If payment increases are made permanent, many survey respondents could be helped into better, more stable housing. Almost two thirds said that new payment rates would help them move into more stable accommodation. In reading these results, it's important to remember that payment increases were reduced while the survey was in the field. Further cuts are planned in 2021. This means that some respondents will not realise their ambition to move into more stable housing.

### **Younger people are materially worse off**

Younger people were more likely to have couch-surfed or lived in insecure accommodation, more likely to skip meals to save money, and more likely to skip meals more often than their older counterparts. Worryingly, this cohort is the most likely to report skipping one or more meals per day. This is likely to be a result of the lower rate of Youth Allowance – the base rate of Youth Allowance begins at \$231.25 a week, compared to \$282.85 for the JobSeeker payment. This helps explain why they are more likely to work casually or part-time while getting payments. The low rate of Youth Allowance could be unworkable without additional income.

In spite of these trends younger people were more optimistic than older respondents, being more likely to agree that they will find paid work. This optimism could help shed light on some of the ways younger people manage on a low income – casual work, couch-surfing, and regularly skipping meals could be difficult to sustain in the long-term, but it may be easier to cope with if this lifestyle is believed to be temporary.

### **Older people are more pessimistic about the system and their prospects**

Respondents aged 45 and over were significantly more likely to be pessimistic about their future work prospects compared to those aged 44 and under. Many believed that they would never find paid work again. Unfortunately, this cynicism is supported by government data. Workers who lose their jobs later in life are much less likely to find work again.<sup>6</sup> This helps explain why many people aged 45 and over reported feeling unsupported by the government, and why they do not believe that the system was designed to help them.

### **People getting payments show high rates of volunteering and participation**

In addition to jobseeking activities, a high number of respondents regularly volunteered. Volunteering remained consistent before and after the Covid-19 pandemic, with most volunteers sticking with their commitments beyond March. In spite of the numbers, most survey participants believed their Centrelink activities made it harder to volunteer. This should not come as a surprise. Governments have been restricting the amount of volunteering that people on Centrelink payments can do. There are especially onerous obstacles for younger people,<sup>7</sup> who volunteer in spite of disincentives to do so.

More allowances are given to older jobseekers, who are allowed to gain exemptions from mutual obligation activities if they volunteer in approved activities. However even then, there are restrictions. People over 60 receiving the JobSeeker payment are allowed to volunteer for up to 30 hours a week, while those aged 55 to 59 are not allowed to volunteer for more than fifteen hours a week.<sup>8</sup> It is noteworthy that people over 55 comprised 21 percent of all survey respondents, and volunteered at higher rates (47 percent of respondents over 55 engaged in voluntary work, compared with 39 percent of those under 55). Given the high rates of volunteering observed among all respondents, a reduction in obligations and more flexibility could encourage more volunteering.

### **People who entered the system more recently have more positive attitudes**

Throughout the survey, attitudes were influenced by the date that respondents entered the system. Those who were receiving payments for less than six months were more likely to have positive experiences with Centrelink, and they had the least hostile attitudes towards Centrelink activities. With many mutual obligations either suspended or made non-compulsory during the survey period, these respondents are also the least likely to have had to participate in compulsory activities and would not have had to interact with Centrelink as frequently. Those with exposure to these activities had much more negative attitudes to them.

People who had entered the system in the last six months were also more likely to report feeling supported by the government, to feel deserving of help, and to agree that the system was designed to help people like them. They were also the least hostile towards other people on Centrelink payments. This finding is interesting when compared with the results of an Anglicare Australia-Ipsos survey conducted in 2018, which showed that Australians with recent experiences of hardship held the least sympathetic views towards others.<sup>9</sup>

This survey, as with the 2018 research, cannot offer a definitive explanation of the reasons for this trend. One possibility put forward by social researchers is that people feel attacked for being on government payments.<sup>10</sup> Instead of blaming those who lead the attacks, they hold their own counterparts responsible for negative stereotypes. This phenomenon is most prevalent when social security payments are targeted and conditional.<sup>11</sup> This would help explain why people who began receiving payments more recently are less susceptible to this phenomenon – the narrative surrounding people out of work in the wake of Covid-19 is a much more supportive one, breeding less resentment and hostility. More research is needed to understand the factors at play here.

### **Centrelink obligations are seen as ‘pointless’**

Very few participants in this survey believe that that Centrelink activities are tailored to their needs, or that Centrelink is giving them the support they need to find work. Even fewer believe that these activities are helping them find paid work. An overwhelming number of survey participants consider their Centrelink activities to be pointless, and a majority see these obligations as obstacles that prevent them from participating in more meaningful activities.

In spite of this, two thirds agreed that they would be willing to participate in Centrelink activities that are fair. Even more would be willing to participate in activities that lead to work. This suggests that people want more support to find work, and that they are willing to engage with that support if it was available. It also underscores the shallowness of the activities that people are forced to participate in. Government reviews have repeatedly shown that programs such as Youth PATH,<sup>12</sup> Work for the Dole,<sup>13</sup> and the Community Development Program<sup>14</sup> are expensive failures at placing people in work. Other activities, ranging from ineffectual training activities to Jobactive appointments, can only be described as throughput and busywork. It is natural that people forced to participate in these measures, which are failing to place them in work, would resent the futility of them.





## PART VI

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# Recommendations

Over the last two decades Governments have littered the social security system with reporting, meetings, and even government-directed labour through Work for the Dole and other programs. At the same time it has made it more and more difficult for people who are out of work to get help. The irony is that while adopting the language of 'mutual' obligation, governments have focused on increasing the obligations on people while reducing the support it offers them.

This survey has shed light on what it's like to interact with this system day to day. Instead of supporting the people that it's supposed to help, it is subjecting them to pointless tasks that do not help them find work. In some cases the system makes it harder for people to look for work, and in others, it gets in the way of other activities that they find meaningful. At its worst, it imposes breaches and 'demerit points' on people with little cause. In many cases, this is leading to suspensions with almost no opportunity for recourse. This system is underpinned by Jobactive providers, who are paid to run and police this system. The findings of this survey point to many failures in the social security system. Yet it also contains vital insights on what a truly supportive and helpful system would look like. Anglicare Australia calls for action in the following areas.

### **Raise the rate for good**

This survey shows that the old rate of JobSeeker was pushing people to skip meals, live on an average of \$14 per day, and in extreme cases, couch-surf without stable accommodation. Higher rates of JobSeeker gave people a temporary reprieve, halving the percentage of people forced to live on \$7 a day and allowing people to eat nutritious food. A permanent increase could also allow more people to move into stable homes. Instead, all of the gains made from the Jobseeker increase will be put at risk if the Government goes ahead with its planned cuts to payments. It is time to raise the rate for good and make sure that everyone can live in dignity while they search for work.

### **Abolish Jobactive**

For years, we have known that Jobactive is failing people out of work. This survey shows that people are aware of the failures – those surveyed overwhelmingly see the activities they are subjected to as pointless, and they have correctly identified that these activities are not leading to work. Worse still, Jobactive providers are paid enormous sums to breach and issue 'demerit points' to their clients – an activity they have resumed since the survey closed. People cannot be breached into jobs, and judging from the responses to this survey, people who have experienced this aspect of the system agree.

The hamster wheel of obligation and punishment is failing and must be abandoned. We no longer have time to tinker with the failing, wasteful Jobactive system. Its funding should be redirected to job creation and training in known areas of demand. The regime of punishment and compliance that has grown up around Jobactive should be replaced with a system that looks more like the one survey participants want, with less busywork, more genuine support, and tailored assistance for people who want it.

### **Rethink participation**

The survey shows that it is time for governments to align their notions of participation in society with those of the community. Governments value participation solely in terms of paid employment. Yet these narrow definitions do not reflect the reality of the ways people contribute to their communities. That includes many who participated in this survey, who are finding meaning through unpaid and unrecognised contributions to society.

The rates of volunteerism in our survey are high, but they also align with broader trends across society. Nearly six million Australians are engaged in formal volunteering.<sup>15</sup> Another 2.7 million provide unpaid care work, a third of whom are primary carers.<sup>16</sup> Half of these provide care for more than 20 hours a week. This is outside of the core care work of raising children.

Anglicare Australia can attest to the value of these volunteers. They play a vital role in our aged care work, op shops, disaster recovery work, and countless other areas. Many are out of work or no longer in the labour force, but it would be an insult not to describe their contributions as real work. The disincentives for people on Centrelink payments to volunteer should be removed.

We must move to a system where these efforts are rewarded and enabled. They are far more beneficial to individuals than the tasks and obligations they are currently required to do, and they offer enormous benefits to society as a whole.

## CONCLUSION

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# A way forward

This survey was designed hear the voices of people who have turned to their Government for help, and to understand their experiences. Parts of this survey may come as a surprise to some – people getting Centrelink payments already contribute to society, they want more support to work and participate, and they are willing to engage with that that support.

Other parts of this report will confirm what many of us already know. Government payments are simply too low. In the wake of growing unemployment, the Government was finally forced to raise JobSeeker payments because they could no longer ignore the gaping holes in our safety net. Perversely, we are now being forced to fight to keep the Government's own solution as it tries to 'snap back' to a normality that was never working.

The first fundamental question is how to support people back into work. This is a challenge, but as this survey shows, it also an opportunity to rethink our systems and formally recognise participation. There is no need for this recognition to be conditional. People contribute to the making of communities and the resilience of our society in many ways. Recognising their contributions means ensuring that they have a decent income, instead of forcing them to live in poverty and search for jobs that simply aren't there.

We must redesign our systems to include everyone. This is the most important lesson we can take from this survey. This principle must inform how we take the next steps, both to look after those enduring hardship now, and to build a system that supports everyone into the future. We must reimagine how we support each other to ensure help goes to those who need it most, and demand that governments reorganise its systems to make this happen.

This is not a question of funding, because supporting people to contribute and live well benefits all of us. It is a question of compassion, and what our collective dream for a better society looks like. Surely it is one that values the contribution of every person, supports us all to build our capabilities, and ensures the strength of our communities by helping everyone participate.

## **Further information**

This survey was conducted by Anglicare Australia as part of a broader project to understand the attitudes and experiences of people on Centrelink payments.

The next steps in this project are to draw on the survey responses to develop interview questions. From there, qualitative interviews will be conducted to further explore the themes that emerged from this survey.

For more information about this project, contact:

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## REFERENCES

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