

Social Security Commission Bill Review

To: The Standing Committee on Social Policy and Legal Affairs

From: Daniel Berk

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My submission concerns an administrative practice that adversely affects the under-employed, and which the proposed Social Security Commission would be well-placed to address. Newstart recipients are expected to declare income from casual work when it is earned, rather than when it is received. In response, Centrelink downwardly adjusts their next Newstart payment even if the extra income from casual work is still weeks away.

As I'm sure you are aware, Newstart is paltry, and if reduced even further, becomes next to impossible to live on. The whole rationale of reducing Newstart to factor in extra income from casual work is undermined by making that adjustment before extra income is received. Most job-seekers live from week-to-week, not from month-to-month.

This Centrelink procedure, current as recently as last year, not only makes budgeting impossible, it also acts as a disincentive to take on casual work.

Asking Newstart recipients to declare casual income only once they have access to it and adjusting Newstart after that would make life a bit better for the under-employed. It would also make engaging in working life more practical.

Of course, in the absence of the proposed Social Security Commission, the Standing Committee on Social Policy and Legal Affairs could also recommend changes to this one small yet deleterious Centrelink practice. After all, it is not only what social security recipients receive, but how they receive it, that affects their ability to function as members of Australia's society and economy.