

Senate Standing Committee on Education and Employment

QUESTIONS ON NOTICE Budget Estimates 2017 - 2018

Outcome 1 - Employment

Department of Employment Question No. EMSQ17-004221

Senator Kakoschke-Moore provided in writing.

Question

Definition of a reasonable excuse

- In the new budget measure 'better targeting of assistance to support jobseekers' it states that without a reasonable excuse a person will have their payment cut. Will the definition of a reasonable excuse be changing?
- Can you confirm that the same guidelines from the Job Seeker Compliance Framework Guideline will be used?
- What is currently considered a reasonable excuse?

Answer

In the new budget measure 'better targeting of assistance to support jobseekers' it states that without a reasonable excuse a person will have their payment cut. Will the definition of a reasonable excuse be changing?

Yes. Two minor amendments to the reasonable excuse instrument will be implemented as part of the *Better Targeting of Assistance to Support Jobseekers* 2017–18 Budget measure:

- a) From 1 January 2018, as part of the package of measures to address drug and alcohol issues among income support recipients, the decision maker must not take into account drug or alcohol dependency when considering reasonable excuse if the job seeker has previously been offered, but has refused to undertake, available and appropriate treatment for their dependency. Job seekers who are unable to participate in treatment, or for whom treatment is unavailable, will continue to have their reasonable excuse assessed under current rules.
- b) The current instrument states that, in order for a circumstance to be considered a reasonable excuse, it must have significantly impacted on a job seeker's ability to meet their requirements. From 1 July 2018, as part of the job seeker compliance changes, the instrument will be amended to make this point clearer and provide that the circumstance must have directly impacted the job seeker's capacity to comply.

Can you confirm that the same guidelines from the Job Seeker Compliance Framework Guideline will be used?

Relevant policy guidelines will be updated as appropriate to implement the changed definition of reasonable excuse.

What is currently considered a reasonable excuse?

Currently, under section 42U of the *Social Security (Administration) Act 1999*, the Secretary is required to determine by legislative instrument matters that must be taken into account in

deciding whether a person had a reasonable excuse. The current determination, *Social Security (Reasonable Excuse— Participation Payment Obligations) (DEEWR) Determination 2009 (No. 1)*, lists the factors that must be taken into account in determining if a job seeker had a reasonable excuse. These factors include:

- their access to safe, secure and adequate housing, or used emergency accommodation or a refuge;
- their literacy and language skills;
- if they had an illness, impairment or condition requiring treatment;
- if they have a cognitive or neurological impairment;
- if they have a psychiatric or psychological impairment or mental illness;
- if they have a drug or alcohol dependency;
- any unforeseen family or caring responsibilities;
- if they were subject to criminal violence (including domestic violence and sexual assault);
- if they were adversely affected by the death of an immediate family member or relative; or
- if they were released from prison within 28 days before the failure.

The determination states that if one of the above factors exists but does not have a significant effect on the job seeker's capacity to comply with their requirement, then it must not be taken into account. The legislation is also clear that this list is not exhaustive and other factors can be taken into account.