



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

BILLS

**Social Security Legislation Amendment
(Job Seeker Compliance) Bill 2011**

Report from Committee

SPEECH

Wednesday, 11 May 2011

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Questioner
Speaker Ms RISHWORTH

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(Kingston) (NaN.NaN pm)

Ms RISHWORTH (Kingston) (09:11): On behalf of the Standing Committee on Education and Employment I present the committee's report entitled *Advisory report on the Social Security Legislation Amendment (Job Seeker Compliance) Bill 2011*, incorporating a dissenting report from the member for Melbourne, together with the minutes of proceedings.

Ordered that the report be made a parliamentary paper.

Ms RISHWORTH: by leave—The bill was referred by the House Selection Committee to the House Standing Committee on Education and Employment on 24 March 2011 for inquiry and report. This is the second bill referred to the education and employment committee under the new arrangements that provide for the Selection Committee to refer a bill to a committee for an advisory report.

The inquiry received 16 submissions and took evidence from government departments, employment and social security peak bodies, employment service providers and other stakeholders in two public hearings that were held in Melbourne and Canberra. We are especially grateful to the people, organisations and departments who participated in the inquiry.

The committee was struck by the passion for social welfare, commitment to employment participation and breadth of knowledge expressed in many submissions and by numerous witnesses. Although the committee recognises that broader issues were raised in relation to the social security and welfare systems as a whole, the committee's focus must, of course, remain on the measures proposed by this bill. This bill seeks to tighten the compliance regime currently applicable to job seekers receiving participation payments by introducing payment suspensions for job seekers who fail to attend appointments with their employment service providers until they agree to reschedule that appointment.

There is no doubt about the crucial role that sustained and meaningful employment participation plays in the lives of all Australians. The minister echoed the words of our Prime Minister when she indicated that the benefits of employment stretch far beyond the receipt of a pay packet. Employment participation brings with

it a suite of benefits including not only economic security but also dignity, purpose and direction. A central element of fostering employment participation is encouraging job seekers to interact and engage with their employment service providers. A lot of people have spoken about this as a punitive action, but the government and the committee saw it as a way to engage job seekers and to get them to talk with their employment services, which is critical and important. The committee believes that this bill is a step in the right direction in this regard. I would like to respond to some of the assertions in the dissenting report, in particular that there was not support for this measure. In response to this claim, I draw the attention of the House to, for example, the evidence from Dr Prins Ralston, Executive Leader of Employment Solutions at Mission Australia, who said that these measures will:

... assist employment providers by encouraging job seekers to properly engage with the system. That is the core of what we believe—that these amendments will be a tool that will help us to better engage job seekers.

Ms Sinclair, CEO of the National Employment Services Association, said:

The amendments outlined in the current bill are considered welcome improvements to the job seeker compliance framework and we believe should put a greater emphasis on engagement and participation.

While recognising that there were mixed views expressed in the report of the CPSU, the union that represents the front-line workers, its submission said:

The majority of CPSU members felt that the proposed changes would likely increase compliance by job seekers as payments would not be made until job seekers attended appointments. A majority of members also said that changes to notification for reconnection requirements would improve job seeker compliance.

We recognise that some issues with the bill were brought up, especially in the administration of the system, and the committee's report contains 10 recommendations which we believe will enhance the communication and equitable administration of the measures proposed in the bill.

A strong message to the committee received from peak bodies and other stakeholders was that the social security system is complex and often confusing. Therefore, a key recommendation in our report centres on the production of plain English explanations of the changes proposed in the bill and the impact that they will have. The purpose of this recommendation is to combat and minimise complexity in order to enable effective communication of the changes proposed in the bill to all job seekers and to ensure that job seekers fully understand their obligations and are able to meaningfully engage with employment service providers. In a similar vein, the committee has recommended that the word 'special' be removed from the reasonable excuses provision proposed by the bill, again in order to simplify and clarify the measures proposed by the bill and ensure that they are implemented as intended without an unnecessary level of complexity.

The committee has also recommended the development of consistent guidance and training materials for those who will be involved in the administration of the proposed compliance regime and the provision of comprehensive training to Centrelink and employment service provider staff. These measures will ensure the consistent and equitable application and administration of the proposed compliance regime across the board. Furthermore, the committee has recommended the collection of data in relation to why job seekers without a reasonable excuse miss appointments and a review of the impact of the measures proposed by this bill. These recommendations are targeted at filling a perceived gap in the research conducted in the area of job seeker compliance and ensuring that a concerted effort is made to continue to monitor and evaluate the effectiveness of the proposed compliance regime.

In relation to vulnerable job seekers, about whom many witnesses and submissions expressed concern, the committee has recommended that employment service providers utilise all re-engagement methods available to them, not only compliance action, in order to re-engage these job seekers. The committee recognises that vulnerable job seekers do have special needs that must be addressed properly. The committee has also recommended that additional training and resources be provided to Centrelink staff in order to raise awareness of vulnerable job seekers and ensure that their vulnerabilities are being identified and managed in a manner that is conducive to assisting these job seekers to find and maintain employment.

The committee also acknowledges the concerns that were raised about the capacity of Centrelink staff to implement the proposed measures, given their current workload. I and the committee were pleased that

the Department of Human Services has indicated that it will monitor this impact in consultation with Centrelink staff and rearrange working arrangements accordingly. The committee agrees that this monitoring should occur to ensure that no undue stress or unreasonable workloads are put on front-line staff.

In closing, I would like to thank all the committee members who worked on this. There was a lot of constructive discussion and engagement on this. I would also like to thank the committee secretariat for their support—in particular, Sara Edson and Larisa Michalko for their hard work on this inquiry. I commend the report to the House.

(Kingston) (NaN.NaN pm)