

11 April 2011

Amanda Rishworth, MP

Chair

House of Representatives Standing Committee on Education and Employment

PO Box 6021

Parliament House CANBERRA ACT 2600

Dear Ms Rishworth

Submission No:

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RE: Social Security Legislation Amendment (Job Seeker Compliance) Bill 2011

This letter makes brief comment on the Social Security Legislation Amendment (Job Seeker Compliance) Bill 2011 which strengthens the current job seeker compliance framework.

Australia is enjoying its lowest unemployment rates and highest rates of workforce participation in many years. Job seekers dependent on government benefits for any period of time then will include many of the nation's most deeply disadvantaged and marginalised families and individuals who will almost by definition require more support to move into employment.

Much has been written by Anglicare member agencies and other organisations about the background and circumstances of those people dependent upon government benefits; and any legislation that affects their income support should be informed by evidence that the action is both called for, and likely to be effective. Anglicare Australia recommends that the committee seeks that evidence from the Department and service providers as a matter of urgency.

The Prime Minister's Council on Homelessness has recognised this calling for extra and targeted support homeless to re-enter, or enter for the first time, the employment market.

Anglicare Australia draws the Committee's attention to the tone of political debate in the lead up to that election and since, at least in so far as it applies to welfare, for it provides the grounds for these new rules. It is an argument and a world view that is framed as hard-nosed realism, but in essence lacks compassion. It entirely ignores the day to day reality of life for individuals and families whose poverty and isolation is compounded by insecure housing, unaffordable rents, and skyrocketing utility and food costs. It reinforces the notion of the deserving and the undeserving poor, and further excludes people from wider society.

That is compounded by the complicated, disempowering and costly relationship many people have with Centrelink, as Anglicare Tasmania found in 2008 [See <u>Caught in the safety net.</u>] Introducing legislation that requires Centrelink staff to judge what is and isn't a reasonable excuse for not attending meetings and activities, as this Bill does, will further compromise that connection.

While any loss of payment will be keenly felt, we have no doubt that for many people in this situation such a penalty will simply push them further in to disengagement.

Anglicare Australia shares with most Australians a view that a healthy society is built on reciprocity, and that social security benefits, for example, should be matched by some social commitment from welfare recipients. But we are concerned that introduction of broad brush stand alone measures such as this, which are intended to force changes in behaviour of pensioners and beneficiaries, without strong evidence of the outcomes of those measures, is more punitive than reciprocal.



The costs of administering these changes would not seem to gain the amount of benefit in outcomes. The money targeted for the administration of these changes might better achieve the outcome of getting people in to work if it were used in different ways. The cost of calling someone that might be deemed likely to miss an appointment to remind them for example would be much less than the proposed action and would be more likely to drive engagement. And time spent in case management for those who do miss appointments rather than in study of the merits of a submitted excuse might also be time better spent. In some cases this approach already exists; through increasingly sophisticated 'flagging' Centrelink has been able to offer some case management to those that are homeless.

The evidence from Anglicare Australia network organisations who work with those who this bill will target is that engaging with individuals and communities, and building their capacity, is a better path to work and independence. And seeking to harness and invest in people's strengths, while intensive, has better outcomes in the long term than taking a behavioural and conditional approach to delivering employment services. [See here our compendium of inclusionary work].

Anglicare Australia recommends the committee asks Government for cost benefit analyses for compliance legislation such as this, which compares the expected outcome to the benefits of investment in more individually targeted support or intervention.

And, more urgently and importantly, reviews the responsibility of society in this reciprocal equation in addition to ensuring people who are unable to find work and dependent on income support do access employment services and training and appropriate activities. The agencies of government have a responsibility to respect their dignity, provide adequate income support and ensure they can access secure housing, healthy food, and the other basic elements of a decent life in this society; all of which in turn are much more likely to drive a long term outcome of employment.

Yours sincerely

Kasy Chambers
Executive Director

Anglicare in every community

Anglicare Australia Work On Social Inclusion: Summaries

A. Keeping Connected in the Community

http://www.anglicare.asn.au/documents/Sept09 KeepingConnectedintheCommunity AreportforAnglicareAustralia 001.pdf

This paper is a report on a combination of projects funded by the Department of Health and Ageing under the banner of *Keeping Connected in the Community*, aimed at addressing the social exclusion of older people in our society. The project highlighted clearly that social relationships and networks have an important role to play in promoting health and well-being for older people and that addressing social isolation needs to be built not just into the goals of health promotion strategies, but into the goals and funding formulas of programs such as Home and Community Care. Furthermore, very isolated older people, who may have experienced social exclusion at many points during their lives, will require extra support and resources.

Human beings have inherent dignity and it is the moral obligation of any society to develop in such a way as to include all as equal citizens. Working towards a socially inclusive society is the vision Anglicare Australia has described for itself and the Keeping Connected in the Community projects have demonstrated our commitment to that vision. The diversity of older people and the life challenges that they often face, including health and mobility difficulties, changing social roles and relationships, widespread ageism and discrimination mean that it is incumbent upon bodies such as the Anglicare Australia network to make special efforts to ensure that their philosophies and practices incorporate an active approach to the social inclusion of older people.

B. Social Inclusion

http://www.anglicare.asn.au/documents/discussion paper social inclusion.pdf

This paper asserts that so far as possible, social inclusion policy should be integrated with economic policy; but also justified on independent, moral grounds. The emphasis of the Government's agenda is on the first of the five elements in Labor's election policy statement: securing jobs. At the very least, it is necessary to adopt a conceptual framework that includes the whole population in such a way that the majority of elements of Labor's social inclusion agenda are available to all. It requires a different approach to fusing economic and social participation.

To be sure, employment is a most desirable outcome for those who are employable. But social participation and all that is necessary for it is an end in itself, one of the conditions of being a member of society: of being (in a moral, rather than legal, sense) a *citizen*.

Instead, then, of prosperity, our aim should be prospering. Sustainable macroeconomic growth is an essential means to this end. And investment in human capital is a crucial means of realizing such growth; but only a subset of the more fundamental right and obligation of maximizing the human capabilities of all members of society.

C. How to Exclude Without Really Trying- Parity: Homelessness and Social Inclusion edition

http://www.anglicare.asn.au/documents/AnglicareAust Parity Vol23 Issue4 pp1920 001.pdf

In an article published in the Homeless and Social Inclusion edition of *Parity* Anglicare Australia argued that we need to ensure that we offer the opportunities to build the capacity that people need to fulfill their obligations as citizens and address issues such as oppression through language, a lack of affordable housing and limited community grace which detract from this.

When it comes to social inclusion and homelessness it won't be possible to make everyone the same. Instead we need to get back to living with diversity and difference. So we need a broader social understanding to build our communities to be inclusive, in terms of education and capacity building at the one end, and in terms of urban development at the other. It is only when all developments in our suburbs and cities, and the activities within them, include a social mix of citizens as a matter of course, that housing will no longer be a tool of exclusion.

D. State of the Family 2009. Beyond Economics

http://www.anglicare.asn.au/documents/SOTF09Final.pdf

This report focuses on the impacts of the global financial crisis (GFC) on families and the work of Anglicare Australia. Under circumstances such as those resulting from the GFC, it is more important than ever to articulate and further the interests of those with the weakest voices and least influence.

We should be encouraged to examine the current crisis in a different light. It is not only financial and economic but also cultural, political and social — and above all moral. As Anglicare Australia has long argued, the predominant concentration of public policy on matters economic represents a serious failure of both imagination and will.

So the 'wicked' problems thrown into relief by the global financial crisis, such as emergency relief, child protection, resilience and relationships of families in the face of economic downturns and sustainable economic and social participation, do have a distinct ethical dimension and cannot be resolved by technical policies alone. The challenges we face go well beyond the niceties and pieties of financial, economic, let alone party political argument, to take in the deeper questions of life: ultimately, what it is to be human, what it takes to create a civil society, and, in particular, what responsibilities we have to those with whom we share the planet.

E. State of the Family 2008: Creative Tension

http://www.anglicare.asn.au/documents/StateoftheFamily2008 FinalCopy.pdf

This report maintains that the Social Inclusion agenda should not be *solely* built on economic terms and reliance on participation in the 'free market'. Through a detailed investigation of

employment and workforce participation, housing affordability and early childhood the assertion is made that at a time of unprecedented prosperity it is unacceptable and inefficient that significant sections of the community are excluded from mainstream social and economic participation.

The social inclusion agenda is a good starting point, but it needs to be both broader and more precise than an appeal to compassion or the prospect of getting a job. The reliance of senior government ministers on the primacy of economic prosperity as a means of promoting social inclusion is inadequate. We need a renewed vision of the common good or common wealth and a complex understanding of society's intermediate associations, working from the 'bottom up' rather than 'top down'. This has to be the outcome of a national conversation.

The basic issue is not that of state intervention versus laissez faire, but of a clear understanding of how and why government should intervene. The view that morality derives solely from self-interest demonstrates an impoverished view of human dignity and potential. We must go beyond such a narrow, economistic position to one that embraces something we might term, cautiously, the self-interest of morality.

F. Living Without Shame: A submission to the Australia's Future Tax System Review

http://www.anglicare.asn.au/documents/HenrySubmissionFinal 000.pdf

In this paper it is in the context of the tax and transfer system that an argument is made for a form of social contract theory; that as citizens, a reciprocal social and moral obligation exists between us to ensure that the each person has the opportunity to enjoy the full realisation of their capabilities.

In summary, the social contract has a number of defining characteristics, all variants of the fundamental insight that social and economic spheres of life are not separate.

- The individual is to be considered above all a citizen (as distinct from, but as well as, other roles, such as 'consumer' or 'taxpayer'). This entails mutual responsibility, or the collective rights and obligations of participation in civil society.
- Growth as a basic aim of government policy has to give way to a larger conception of 'the common wealth'. This is in line with mainstream economic thinking about indices of wellbeing other than GDP.
- The identification of 'productive' and 'nonproductive' forms of participation has to be broadened, to include many nonmonetised activities like volunteering and caring.
- The distinctions between capital and labour and public and private spheres have, similarly, to be revised.

The moral underpinning of market society, as covered by classical economists, is reinforced by the interdependence of fairness and efficiency. In particular, non-contractual relations based on trust and reciprocity are fundamental to the development of workable bargains.