THE SENATE

BILLS

Social Services Legislation Amendment (Miscellaneous Measures) Bill 2015

Second Reading

SPEECH

Wednesday, 4 May 2016

BY AUTHORITY OF THE SENATE
Senator SIEWERT (Western Australia—Australian Greens Whip) (10:49): I rise to also make a contribution in the debate on the second reading of the Social Services Legislation Amendment (Miscellaneous Measures) Bill 2015. We cannot support this bill in its current form, and that is why I have amendments that I have circulated and will discuss in the committee stage. This bill, on the surface, looks like it is about fixing up technical things in the act, but there are some schedules here that are, once again, a continuation of the government’s approach to the most vulnerable members of our community: people living on income support. Either the government are purposely making life more difficult for people trying to survive on income support or they just do not get it and do not understand that making even small changes to people’s payments means that people fall below the poverty line or, if they are already there, fall even further below the poverty line. They simply do not get it.

We see that again in the budget last night, which I am aware we will be talking about again this afternoon, because it is the subject of a matter of public importance that we will be talking about. But it is quite clear that this is a continuation of what really started under the Howard government, most significantly, when people were dropped onto Welfare to Work and single mothers were transferred off parenting payment single onto Newstart. That was continued by the Gillard government, who also dropped those single parents that were grandfathered onto Newstart, significantly dropping their income and therefore dropping them into poverty. Since then, the Abbott government made a number of harsh budget cuts that are still on the books. They did change the policy of dropping young people off income support for six months; they changed that to a month—or, when you add the normal waiting period, five weeks. That is still on the books. All those other cuts to people with disabilities and to students are still on the books, and that was confirmed in the budget last night.

In this particular bill, there are a number of changes that we are deeply concerned about. In particular, we are opposed to the changes to the special benefit. Schedule 1 of this bill would make changes to the special benefit. It would mean that people who are serving an income maintenance period for another payment cannot receive special benefit. I would like to quote comments that the National Welfare Rights Network made in their submission to the inquiry into this bill:

“This is a bill that would give effect to a policy that has, in our opinion, been illegally applied for some time. It is not "minor housekeeping" but rather a decision to close of the "last resort" payment in our safety net which catches a very small number of deeply disadvantaged people.

Again, this is ripping into our safety net in this country, which unfortunately is being ripped and ripped and ripped so that is in fact no longer a safety net. This is a small but critical part of our safety net. The National Welfare Rights Network tells us that there are a small group who depend on this payment. They are people who are serving an income maintenance period, often a very long one, when, for whatever reason, something goes wrong.

Two academics, Susan Regan and Professor Whiteford, have examined the reasons why people fall through the system during an income maintenance period. These include lack of awareness of income maintenance periods; spending behaviour; and adverse life events and ongoing problems. Some examples of these were given to us during the inquiry. We believe we need a safety net that supports people in need. The safety net is meant to deal with situations where something goes terribly wrong. For the few people who need to use this, that is in fact what happens. Some people do not understand the restrictions that relate to income maintenance periods. Some people may not have the ability to manage large sums of money, and again something may go terribly wrong. Most of all, life happens. Things happen that have adverse impacts on your life: an illness, a divorce, a separation, a mental illness or an accident. These are things that can and do happen to all of us—challenges that we all encounter or have the potential to encounter. For people who are serving an IMP, an income maintenance period, this can be a devastating incident. Support networks can fall apart, or, for some people, they may have been non-existent in the first place. Who do people turn to then? That is why we have a safety net in this country. That is why we have systems in place—so that people do have a last resort to turn to. Basically, what this says is that people are going to be left out in the cold, and we do not agree that in this country we should be allowing that. If we can afford
to give tax breaks to the rich we can afford to look after the most vulnerable—the very few people who actually need this as a last resort. We can afford that if we can afford those tax breaks for the wealthy in this country.

I will now read from one of the case studies that was provided by the National Welfare Rights Network:

Ron received a termination payment of around $230,000 in July 2013. Although he had been granted a disability support pension it was not payable as he was required to serve an IMP to February 2017.

In March 2015, two years into his IMP, he lodged a claim for special benefit with the assistance of a welfare rights advocate. His claim was rejected by DHS—

the Department of Human Services—

one week later. Four months later an Authorised Review Officer affirmed the rejection and the next day he lodged an appeal against the decision with the Administrative Appeals Tribunal (the tribunal).

…   …   …

At the time of the hearing Ron was living in Liverpool Hospital, unable to be discharged because he was homeless and could not be placed in assisted housing without an income support payment. He had a range of health issues, which met the medical criteria for DSP and had been admitted with suicidal ideation …

He had worked for his employer for 28 years when he was made redundant in July 2013. At that time, he was still grieving the loss of his mother. He was unaware of the IMP. He invested in online businesses which failed. He did not have the skills to manage large sums of money. His occupational therapist assessed him as partially dependent for personal care and basic activities of daily living, medication management, shopping and housework and fully dependent for money management … In March 2015 he was forcibly evicted. His occupational therapist explained that crisis accommodation was not suitable as it was not set up to support his physical needs.

…   …   …

The tribunal was satisfied that he had no reasonable means of support and was unable to earn a sufficient livelihood due to his health and homelessness. It noted his homelessness, isolation, unresolved grief and ongoing vulnerability to self-harm. While his spending had been unwise it needed to be considered in the context of his whole circumstances: his lack of awareness of the IMP, his impaired decision making capacity, his ongoing attempts to find work and absence of money management skills.

What would this government have happen to Ron if we got rid of this part of this legislation? What would they do? We oppose schedule 1 of the bill. It is ill thought out and an undisguised move to again reduce funding and our safety net for the most vulnerable in our community. It would cut away a small but important part of the safety net. It would stop people in need receiving the support that they need.

We also oppose schedule 3 of this bill. Under the current legislation, students can qualify for income support by studying a full-time load between two different courses. The change in the bill would mean that only one course of education would be considered. This legislation would allow for combined courses like an arts-science double degree. While the change only affects a small number of students, it would reduce the support for a small group.

The National Union of Students wrote that the changes might:

… restrict student choice and undermine the rhetoric of student centred learning that has dominated higher education policy considerations over the last decade.

We are concerned about the impact this will have. Again, it might affect a smaller group of people than some of the other changes and policy approaches this government has taken with people who are trying to survive on some form of income support. These people are important. Again, in a nation as wealthy as Australia, where we can afford to give tax cuts to the well off, we can afford to support students who have a more complicated study schedule than others. We oppose this schedule, the same as we oppose schedule 1. We cannot support this legislation unless these changes are made.