

Working it Out: Unemployment, Employment and Homelessness

Chapter 3: Models of Employment Assistance

Homelessness, Employment Assistance and the Welfare to Work package

Simon Smith
Catholic Social Services Australia

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One of the most striking and yet under-acknowledged aspects of the Welfare to Work legislation is the lack of a 'whole of government approach' to addressing homelessness.

The Welfare to Work legislation provides for a range of reasons where someone receiving Newstart allowance (aka 'the Dole') might be exempt from having to meet their participation requirements. Participation requirements include applying for a certain number of jobs a fortnight, and undertaking a 'mutual obligation' activity after being unemployed for 6 months or longer. This involves completing 150-390 hours of voluntary work over 6 months, depending on age and family circumstances. The default mutual obligation activity is Work for the Dole.

One of the reasons someone might be given an exemption from these requirements is where they are defined as 'homeless'. However homelessness is limited to situations where someone is sleeping rough, or using a SAAP service. Under the legislation, a person will have a reasonable excuse for not meeting their participation requirements if:

'the person is living in a non-permanent location on the streets or is using emergency accommodation or refuge at the time that the failure or refusal occurred'.¹

This is in stark contrast to the definition of homelessness under the Supported Accommodation Assistance Act, where someone is defined as homeless if he/she has inadequate access to safe and secure housing:

Inadequate access to safe and secure housing includes situations where the only housing to which the person has access:

- (a) damages, or is likely to damage, the person's health; or*
- (b) threatens the person's safety; or*
- (c) marginalises the person through failing to provide access to:
 - (i) adequate personal amenities; or*
 - (ii) the economic and social supports that a home normally affords; or**
- (d) places the person in circumstances which threaten or adversely affect the adequacy, safety, security and affordability of that housing.²*

¹ Social Security (Reasonable Excuse) (DEWR) Determination 2006 at s.4(2)(a)

² Supported Accommodation Assistance Act 1994, 4(2)

This definition is obviously far more broad. It includes situations where people are ‘couch surfing’, ie staying with friends or relatives and with no other usual address. It also includes situations where someone is not actually homeless, but the only housing they have access to threatens their safety. This is particularly applicable to women and children living with domestic violence.

The use of differing definitions of homelessness is significant, because the majority of people who are homeless in Australia do not ‘sleep rough’ but are ‘couch surfers’. According to data from the Australian Institute of Health and Welfare (AIHW), of the 99,900 people estimated to be homeless on the 2001 Census night, 49,000, or about half, were people staying with family and friends.³

The use of such a limited definition of homelessness under the Welfare to Work legislation raises a number of important issues.

Will homeless people get access to the most appropriate form of employment assistance?

For homeless Australians to get a job, they need access to appropriate forms of employment assistance.

Many people who are homeless also have a range of other personal issues that they need help to address. It is widely acknowledged that the causes of homelessness are many and varied, and include issues such as mental illness, drug and alcohol addiction, and coping with family breakdown including the effects of having left a situation of domestic violence.

There are a number of Government employment programs that are specifically designed to address homelessness, and the factors that have caused someone to be homeless, in holistic way. This includes the Personal Support Program (PSP), where people are appointed a case worker (usually a social worker or psychologist) who works with them to address what are termed their ‘non-vocational’ barriers to employment.

Under Welfare to Work, people homeless people who are staying with friends/relatives will still be expected to look for work, which will include participating in a Government funded employment assistance program.

However, waiting lists for PSP and other specialist programs mean that many homeless people are denied access to the most appropriate form employment assistance. While figures are not provided on a regular basis, there were 3,800 people on the waiting list for PSP in January 2005.⁴

In this situation, the homeless may well end up in mainstream employment programs, such as Job Network. It is not clear how well Job Network providers will be able to work with the particular circumstances of homeless clients.

³ Australian Institute of Health and Welfare 2005, *Australia's Welfare 2005*, AIHW cat. no. AUS65, Canberra, p.320

⁴ *Hansard*, Senate Employment, Workplace Relations and Education Legislation Committee, 17 February 2005, p.133

How will homeless people be expected to meet their participation requirements?

Under the Welfare to Work legislation, homeless people who are staying with relatives/friends will still have participation requirements, including applying for a certain number of jobs, and fulfilling 'mutual obligation' requirements.

If they fail to meet these requirements, they will register a 'participation failure'. Three participation failures in 12 months, or one a set of more serious participation failures, will result in their income support payment being suspended for 8 weeks.

It is difficult to see how suspending a person's income support in this situation will help them to find employment or housing. Instead, it seems more likely to further exacerbate the factors that led them to become homeless in the first place.

Clearly, more thought needs to be given to what sort of participation requirements are realistic for homeless people staying with friends/relatives.

Will the new breaching system put other people at risk of homelessness?

The 8 week non-payment period could also drive other Newstart recipients into homelessness.

According to research undertaken by the Social Policy Research Centre (SPRC) at the University of New South Wales, many of those who have been breached are unable to pay for basic household bills, including housing costs. The SPRC found that of those who had their income support payment either partially reduced, or suspended altogether, 36% lost their accommodation.⁵

The Federal Government has recently announced a financial case management service for people who have their payments suspended for 8 weeks. However this service will be limited to income support recipients who require medication to manage a disability, medical condition or impairment, either for themselves or for dependant children, and do not have sufficient funds to purchase this medication.

Further information on the welfare-to-work package is available at http://www.centrelink.gov.au/internet/internet.nsf/services/welfare_work.htm (Centrelink material) and at www.welfarerights.org.au/wrtraining/introduction.htm (overview prepared by the National Welfare Rights Network).

⁵ Eardley, T et al 2005, *The Impact of Breaching on Income Support Customers*, SPRC Report 5/05, p.79