

Social Security Measures

ACOSS Briefing Note

February 2018



There are a number of Social Services bills currently before the Parliament, including:

1. Welfare Reform Bill
2. Cashless Debit Card Bill
3. Payment Integrity Bill
4. Better Targeting Student Payments Bill
5. Housing Affordability Bill

This briefing note provides an overview of each bill, and the reasons why they should all be rejected.

Welfare Reform Bill

ACOSS opposes this Bill. [Click to learn more.](#)

The *Social Services Legislation Amendment (Welfare Reform) Bill 2017* cuts the incomes of people in need, forces people to wait longer for critical income support, and makes it harder for people to comply with mutual obligations, at the same time as toughening up penalties for people who fail to meet those obligations.

This Bill is comprised of 18 schedules. The key concerning schedules of the Bill are:

Schedule 10: Start day for some participation payments

The denial of back-pay to people claiming unemployment payments means the longer the Department takes to process claims lodged, the less money people receive.

Schedule 11: Removal of intent to claim provisions

The removal of the intent to claim protections cuts payments to people who because of their difficult circumstances, like being in hospital, escaping domestic violence and being a victim of a natural disaster, cannot get a completed claim to the Department in a timely manner.

Schedule 13 and 14 – Changes to reasonable excuses

Removes exemptions and reasonable excuse protections for people who use drugs or alcohol. This will increase the number breaches for failing job search requirements.

Schedule 15 – Targeted compliance framework

The redesigned jobseeker compliance framework is unnecessarily harsh with 80,000 people losing at least one week's payment, increasing homelessness and destitution.

Proposed amendments

ACOSS opposes the above schedules in the Bill. However, if the Bill proceeds, the government should amend Schedule 10 to ensure people are back-paid to the date they lodged their claim. Schedule 15 should be amended to allow waivers, ensure Centrelink makes all decisions about loss of demerit points and allow people to avoid loss of payment through re-engagement.

Cashless Debit Card Bill

ACOSS opposes this Bill. [Click to learn more.](#)

The *Social Services Legislation Amendment (Cashless Debit Card) Bill 2017* conflates receipt of income support and anti-social behaviour. This Bill would allow cashless debit to apply to anyone receiving an income support payment, irrespective of whether they have an addiction to alcohol, drugs or gambling, despite not being backed by reliable evidence.

The cashless debit card bill seeks to:

Lift caps on the number of people who could be subjected to the cashless debit card and the number of sites where the card could be trialled, therefore allowing the card to be expanded nation-wide, imposing a costly income management scheme on low income people and communities without proper consultation and consent.

Payment Integrity Bill

ACOSS opposes this Bill. [Click to learn more.](#)

The *Social Services Legislation Amendment (Payment Integrity) Bill 2017* denies pensions to people on the basis of their previous receipt of income support, cuts payments to pensioners who spend six weeks or more overseas, and doubles the Liquid Asset Waiting Period, forcing some people to wait six months before they can access a payment.

The key concerning parts of this Bill are:

Schedule 1 – Enhanced residency requirements for pensioners

Denies recent migrants a pension for up to 15 years, and introduces a dangerous precedent of denying people income support if they have accessed it in the past.

Schedule 2 – Stopping the payment of pension supplement after six weeks overseas

Cuts payments to pensioners who spend more than six weeks overseas, further reducing pensioners' incomes because they already lose various supplements after being overseas.

Schedule 4 – Liquid Assets Waiting Period (LAWP)

Doubles the Liquid Assets Waiting Period making 13,800 people wait up to six months to access an income support payment. This forces people to run down savings making them less able to cover expenditure needs later on and increases the risk of deprivation.

Better Targeting Student Payments Bill

ACOSS opposes this Bill. [Click to learn more.](#)

The *Social Services Legislation Amendment (Better Targeting Student Payments) Bill 2017* cuts payments to low income people who are studying, adversely affecting their financial ability to continue education and thereby reducing future employment outcomes.

The key concerning parts of this Bill are:

Schedule 2: Education Entry Payment

Cuts up-front payments to help cover the cost of education to single parents, people with disability and carers, affecting 56,100 people on low incomes.

Schedule 3: Pensioner Education Supplement

Cuts fortnightly payments to people in education or training, including total loss of payment during semester breaks. 39,700 people will lose income due to non-payment periods during semester breaks and 32,300 people will receive a lower payment during study.

Housing Affordability Bill

ACOSS opposes this Bill. [Click to learn more.](#)

ACOSS opposes Schedules 1 and 2 of this Bill. The *Social Services Legislation Amendment (Housing Affordability) Bill 2017* implements automatic deductions for rental payments.

The key concerning elements of Schedule 1 and 2 are:

Schedule 1 and 2—Social security and Family assistance amendments

Allows social housing tenants' rents to be automatically deducted Australia-wide, despite evidence showing 99% of tenants pay their rent on time, creating further possible financial hardship for tenants as they would no longer have control over when their rent is paid.

Proposed amendments

ACOSS opposes the above schedules in the Bill. However, if the Bill proceeds, the Bill should be amended to allow automatic rent deductions as a last resort option for social housing tenants who are facing immediate eviction because of arrears. Only state tenancy tribunals would have the power to order automatic rent deductions.

©ACOSS

Ph (02) 9310 6200

Fax (02) 9310 4822

info@acoss.org.au

www.acoss.org.au