

rights review

NEWS & COMMENT ON SOCIAL SECURITY ISSUES

20 years of Welfare Rights work

The Welfare Rights Centre, Sydney recently marked the 20th anniversary of its establishment with the launching of "Welfare Rights in black and white" (see p 2 & 12) at an award ceremony and party in Redfern Town Hall, where the Centre first commenced operations in 1983.

This special edition of "rights review" also celebrates the 20 years of welfare rights work undertaken by the Centre through:

- ◆ acknowledging the vision and drive of the Centre's founders;
- ◆ recognising the many hundreds of volunteer workers who have contributed to the Centre over the years; and
- ◆ identifying some of the key issues and events in Social Security advocacy since 1983.

In the early 80's the Secretary General of ACOSS, Joan McClintock received a Justice Administration Travel Grant from the Law Foundation of NSW. She spent a number of very productive weeks throughout the UK examining the "provisions for appeals....including the arrangements of Social Security tribunals and the support for appellants appealing before them". She visited numerous Citizens Advice Bureaux and many Welfare Rights centres and services and on her return prepared a thorough report which not only detailed the reason for, and role of, Welfare Rights services throughout the UK, but also the overwhelming need for similar independent information, advice and advocacy services in Australia. The report contained a number of recommendations for changes to the system of Social Security appeals in Australia as well as the clear recommendation:

"that the Commonwealth provide funding for Welfare Rights and Tribunal Assistance Units in all states independent of the Department of Social Security."

Unfortunately, the Commonwealth did not respond positively to this recommendation and the years of lobbying that followed it, until 1993 (see Neal Blewett award, page 6). However, the ACOSS

Law and Social Justice Policy Coordinating Committee (see "creation of Centre" award, p 6) kept working to get the Welfare Rights Centre idea off the ground and in 1982 changed direction to seek funding from the NSW Government when a particular opportunity and need presented itself.

In 1982, the State Government decided to cut out the provision of Emergency Financial Assistance grants and in view of this, the Treasurer, Ken Booth, was persuaded by his Treasury Secretary, Percy Allen, who's partner Philippa Smith was the Policy Analyst at ACOSS, to fund the establishment of a Welfare Rights Centre. They were convinced that, without emergency grants it was essential to ensure that every NSW citizen was able to obtain their full Social Security entitlements through at least being able to gain information, advice and assistance from a Welfare Rights Centre. Thus the 1982 Budget provided for about \$250,000 to commence in 1983 for this purpose and this money, along with CPI adjustments, has been provided by the NSW Department of Community Services every year since. At the same time, the Sydney City Council also decided to provide some assistance with a premises and enough funding to cover one worker, and this funding lasted for almost 10 years (see "creation of Centre" award, p 6). ▲



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Available at www.welfarerights.org.au
Poster size guide to social security
payments!

Contact details for Welfare Rights

The contact details of the Welfare Rights Centres involved in the publication of the "rights review" are contained below. For contact details of all member organisations of the National Welfare Rights Network please refer to the website www.welfarerights.org.au

Adelaide

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Building, 220 Victoria Square,
Adelaide, SA 5000
Postal address: As above
Telephone contact number:
(08) 8226 4123, 1800 246 287
Fax: (08) 8226 4124
TTY: None
Email: wrcsa@wrcsa.org.au

Brisbane

Welfare Rights Centre
Street address: Suite 3, 28 Old
Cleveland Rd, Stones Corner,
QLD 4120
Postal address: As above
Telephone contact number:
(07) 3847 5532, 1800 358 511
Fax: (07) 3421 2500
TTY: (07) 3847 5533
Email: wrcqld@uq.net.au

Sydney

Welfare Rights Centre
Street address: Level 5b, 414
Elizabeth St, Surry Hills,
NSW 2010
Postal address: As above
Telephone: (02) 9211 5300
and 1800 226 028 for people
calling from outside the Sydney
metropolitan area
Fax: (02) 9211 5268
TTY: (02) 9211 0238
Email: welfarerights@welfarerights.org.au

special edition of "rights review"

Welcome to a special edition of "rights review". This edition celebrates 20 years of the existence of the Welfare Rights Centre Sydney and is dedicated to the many wonderful volunteer workers who have worked at the Centre over the last 20 years.

From humble beginnings as the first Welfare Rights Centre in Australia at the back of the Redfern Community Legal Centre, the Centre is now part of the National Welfare Rights Network Inc (NWRN) which comprises a Welfare Rights Centre in each capital city as well as welfare rights advocates in generalist Community Legal Centres in five regional centres of Townsville, Wollongong, Geelong, Launceston and Fremantle.

The NWRN is now able to assist people with Social Security problems throughout Australia through the publication of the Independent Social Security Handbook (which is also available on-line), through the network of

Welfare Rights Centres/advocates throughout Australia, and through the National Welfare Rights Network website (www.welfarerights.org.au).

A number of the articles in this edition of "rights review" have been taken from our recently published book "Welfare Rights in black and white" which is subtitled "Key issues and events in Social Security advocacy 1983 – 2003". This edition of "rights review" also reproduces a number of the many brilliant cartoons drawn over the years by the Centre's cartoonist Greg Gaul whose cartoons have so often more accurately depicted the key issues than the story around them. ▲

Welfare Rights in black and white

Key issues and events in Social Security advocacy 1983-2003.

As part of its 20th year celebrations the Welfare Rights Centre has published a new book "Welfare Rights in black and white". Covering a number of key issues in Social Security advocacy since the inception of the Centre, each of the 77 articles is accompanied by a cartoon which captures the issue at hand.

For a flavour for the book see pages 12 to 15 of this edition of "rights review".

At \$15 each (\$10 for each additional copy) it's nearly a giveaway!

Buy your copy now as only limited stocks are available.

See the subscription form at the back of "rights review" if you wish to purchase a copy. ▲

breaching the safety net - a national sport over 10 years

Prior to September 1990, Social Security breach penalties were only applied to Unemployment Benefit and the penalty for a person who failed the activity test was non-payment for a fortnight. This meant in theory that a person would receive no Social Security payment for a two week period, however, the penalty was often not applied as DSS workers would take into consideration a person's financial situation.

no limit penalties

In September 1990 the penalty system became much more severe. The Labor Government of the day decided that the two week penalty system was not sufficient for a person who had "failed" the activity test. With blatant disregard for some of the most vulnerable people in society, the Parliament introduced a penalty system where there was no cap on the length of the non-payment period. The new rules meant that the first breach in a three year period resulted in a two week non-payment period, the second breach resulted in a six week non-payment period and subsequent breaches resulted in a further six weeks being added to the non-payment period each time. During the time this no limit penalty system was in place, the Centre had two Aboriginal clients who on contacting the Centre had nearly served their respective 18 week and 24 week non-payment periods! Appeals were lodged on behalf of both people and in each case, the original decisions were overturned, but this was only after they had been without any Social Security payment for months.

breaches increase

The denial of income support for such lengthy periods to some of the most vulnerable people in the community led to a campaign by the community sector which brought about a further change to the penalty system. The Coalition Government proposed to Parliament a less severe penalty system which was passed and

came into effect in September 1997. Under the new penalty system, the first two activity test breaches attracted a "rate reduction" penalty rather than the immediate cancellation of a person's payment. These rules, which are still in place, mean that a first breach attracts an 18% reduction for 26 weeks whilst a second breach results in a 24% reduction in a person's payment also for 26 weeks. A third penalty results in a non-payment period of eight weeks.

While the Coalition Government may have introduced a less harsh penalty system, breach levels soon begun to skyrocket under its rule, with breaches peaking at 385,000 in 1999-2000, producing an estimated savings of \$170m for the Government.

extension of breaches

In 2003, the penalty regime was extended to also apply to Special Benefit and Parenting Payment, where the recipient's youngest child is aged 13-15. While the breach penalties for Parenting Payment are the same as they are for Newstart Allowance (NSA) and Youth Allowance (YA) there is a significant difference. Where a person in receipt of Parenting Payment has a breach imposed and they subsequently comply with their activity requirement within 13 weeks of the imposition of the breach, not only is their payment fully restored, but full arrears are also paid. Where a person complies after the 13 week period, then full payment is restored from the date of compliance.

The National Welfare Rights Network lobbied strongly against the extension of the breaches regime to Parenting Payment, on the basis that penalising people is not the way to encourage them to re-enter the workforce. However, the restoration of a person's Parenting Payment to the full rate upon compliance is a very positive feature and one that should be extended to all other Social Security payments that are subject to breach penalties.

some reduction in penalties at last

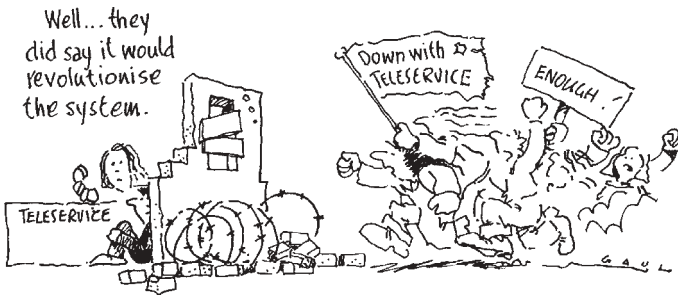
The NWRN, along with ACOSS and many other community sector organisations, also campaigned to have the welfare reform legislation blocked until there was a reduction in the penalties for unemployed people and a shift from punishment to compliance as the purpose of any sanctions. In the end, some significant movement was achieved in that the Opposition parties did block the legislation until the Government agreed to reduce penalties for unemployed people to eight weeks where a person subsequently complies with their activity test requirement within ten weeks of a breach being imposed.

This penalty reduction, and the 50% reduction in breach numbers over the last 18 months, stands as a significant Welfare Rights achievement and as a strong example for our casework based policy advocacy. ▲

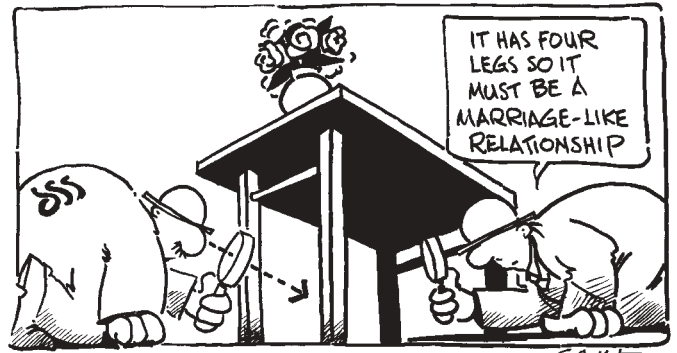
every cartoon tells a story

Since the first edition, "rights review" (and its predecessor Welfare Rights Centre Newsletter) has used a number of cartoonists (principally Greg Gaul) to highlight the topical Social Security issues of the day. Each of the cartoons on these pages has been taken from a previous edition of "rights review" and each also appears in the Centre's recently published book "Welfare Rights in black and white".

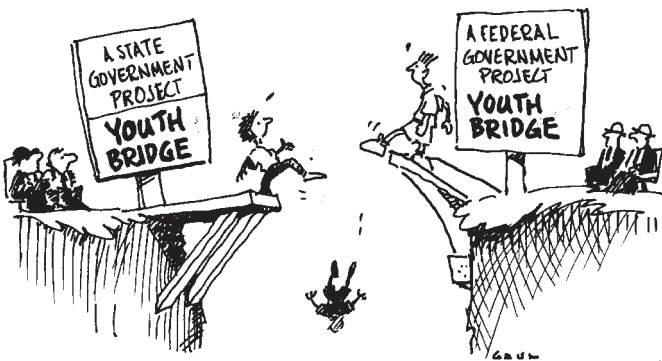
While some were printed over 10 years ago, many are still hauntingly relevant to current Social Security issues and to people in the system today.



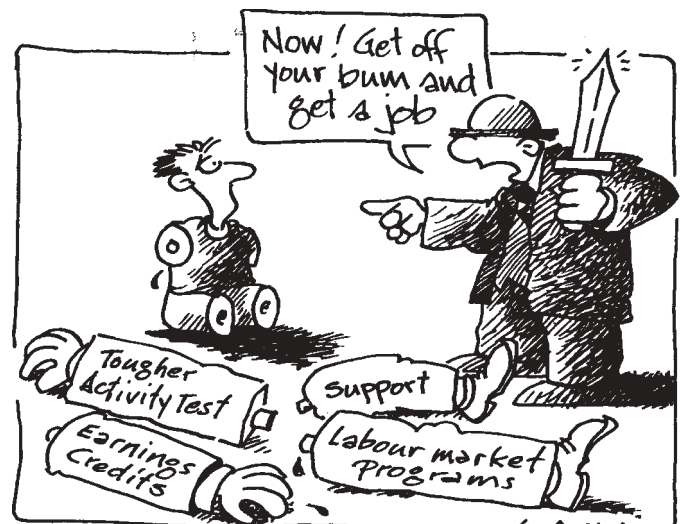
March 1993



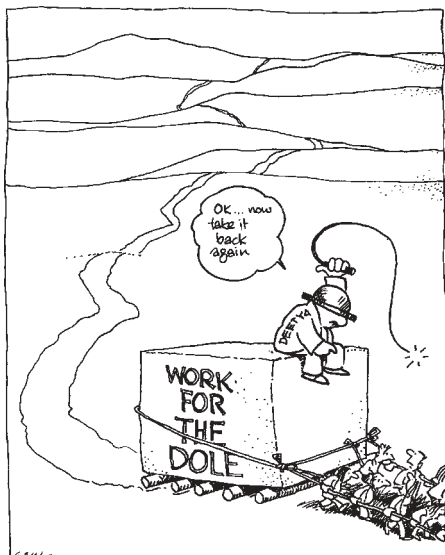
March 1996



December 1994



September 1996



June 1997



June 1998



December 2000



June 2002



December 2002

Welfare Rights Centre 20th anniversary awards

At the Welfare Rights Centre Sydney 20th anniversary book launch and party, held on 28 November at the Redfern Town Hall, a number of Welfare Rights awards were presented to people who had played a special role in the life of the Centre in a voluntary capacity. These awards were designed to recognise the value and importance of voluntary work in the establishment of the Centre (see story p 1) and in the ongoing operations and achievements over 20 years.

Set out below are the winners of a number of the special awards. In addition to this list, every current and past volunteer worker present was acknowledged and presented with a copy of the Centre's special 20th anniversary publication "Welfare Rights in black and white – Key events and issues in Social Security advocacy 1983 -2003".

In recognition of outstanding roles and invaluable contributions towards the creation and establishment of the Welfare Rights Centre

Presented by: Roger West, First Co-ordinator, Welfare Rights Centre

- | | |
|---|---|
| ◆ Joan McClintock – Director ACOSS* | ACOSS Law and Social Justice Policy Co-ordinating Committee* |
| ◆ Philippa Smith – Policy Analyst ACOSS* | ◆ Percy Allen – Secretary NSW Treasury* |
| ◆ Julian Disney – Co-convenor, ACOSS Law and Social Justice Policy Co-ordinating Committee* | ◆ Ken Booth – NSW Treasurer Government* |
| ◆ Clare Petre - ACOSS Law and Social Justice Policy Co-ordinating Committee* | ◆ Robert Tickner – Chair, Sydney City Council Finance Committee* |
| ◆ Sue Armstrong - ACOSS Law and Social Justice Policy Co-ordinating Committee* | ◆ Bill Fitzgerald –Director, Community Services, Sydney City Council* |
| ◆ Robyn Lansdowne - | (*positions at the time) |

In recognition of outstanding contributions through voluntary labour

Presented by Robert Fitzgerald, NSW Community Services Commissioner & Chairperson, National Roundtable of Nonprofit Organisations.

Dedication Award – for outstanding contribution as the longest serving volunteer worker-

- ◆ Sr Sheila McMahan - 12 years as a volunteer worker.

Sheila McMahan, a Brigidene nun and former school Principal, completed law studies in 1990 and immediately became a volunteer caseworker at the Centre (and also at Redfern Community Legal Centre) She has assisted on the Monday afternoon shift, with only occasional absences ever since.

In recognition of outstanding contributions through voluntary labour

Presented by: Robert Fitzgerald

For outstanding, long and faithful service as a volunteer worker

- | | |
|-----------------|--------------|
| ◆ Peter Smythe | ◆ Sue Morgan |
| ◆ Ralph Laube | ◆ Ron Bryant |
| ◆ Shirley Innes | ◆ Mary White |
| ◆ Norma Laird | |

In recognition of outstanding voluntary service in the role of Chairperson of the Board of Directors

Presented by: Robert Fitzgerald, NSW Community Services Commissioner & Chairperson, National Roundtable of Nonprofit Organisations.

- ◆ Clare Petre (82 -83 - Steering Committee)
- ◆ Joan McClintock (83) (deceased)
- ◆ Gillian Sutton (84 -87)
- ◆ Linda Adamson (87 -88) (deceased)
- ◆ Christine Vizzard (88 - 89)
- ◆ Peter Star (89 -93)
- ◆ Jill Iliffe (93 -98)
- ◆ Rod Plant (98 -03)

In recognition of outstanding voluntary service as a very long serving Board Member (over 6 years)

Presented by: Alan Kirkland, current Chairperson – elected October 2003

- ◆ Joan McClintock (84 – 91) (deceased)
- ◆ Carol Howard (92 –present)
- ◆ Diana Covell (97 – present)
- ◆ James Campbell (97–present)
- ◆ Rod Plant (97 -03)

Special award for an exceptional contribution to the Welfare Rights movement in Australia

Presented by: Michael Raper, President, National Welfare Rights Network

- ◆ Dr Neal Blewett, former Minister for Social Security (Dec 91 – Mar 93), for securing \$1m in funding from the Commonwealth Government (from DSS and Attorney Generals) to fund Welfare Rights Centres throughout Australia – 1992.

The money was passed over to Attorney Generals to administer as a separate Welfare Rights fund within the Community Legal Centre program.

20 years - 65,000 clients helped along the way

Since opening its doors in 1983, the Welfare Rights Centre, Sydney has:

- ◆ assisted over 65,000 clients,
- ◆ conducted hundreds of test cases in various tribunals,
- ◆ proposed thousands of amendments to Social Security legislation,
- ◆ met with and lobbied each of the nine Commonwealth Government Social Security Ministers,
- ◆ analysed almost every piece of Social Security legislation and provided advice to both the Government and Opposition parties in relation to each,
- ◆ campaigned vigorously on a number of major reform issues including disability, welfare and breaches reform proposals,
- ◆ conducted thousands of community education seminars,
- ◆ produced 78 quarterly editions of “rights review”,
- ◆ published four (soon to be five) editions of the Independent Social Security Handbook and more recently, the ONLINE EDITION.

Much of this activity has achieved direct, positive outcomes for many clients and for Social Security recipients generally. In commenting on the Centre’s achievements at the recent 20th anniversary, former Coordinator, Julian Disney observed that much of the Centre’s success had come from its distinctive combination of the legal and the social, casework and policy, micro and macro in all its endeavours. This has given the Centre great strength of purpose and approach in endeavouring to both assist clients immediately and build a better system generally. ▲

recognition time

Where better to hold the 20th year celebrations of the establishment of the Welfare Rights Centre than at the place where it all started! Over 150 people who have been connected with the Centre over the last 20 years came along to the Redfern Town Hall to watch, and in many cases to participate in, the award ceremony and to enjoy the festivities. Former Directors, former Ministers for Social Security and plenty of volunteers all had a great night, with each person in attendance having made a significant contribution to the Centre at some stage in the last 20 years.

Roger West (far right), first Coordinator of the Centre in 1983, presents Welfare Rights awards to (l to r) Robert Fitzgerald (on behalf of his father Bill), Clare Petre, Julian Disney, Philippa Smith and Percy Allen - in recognition of the outstanding role and invaluable contribution of each towards the establishment of the Welfare Rights Centre in 1983. For other "creation" awardees not in the picture, see Awards p 6.



Alan Kirkland, Chair of WRC Board, presents "outstanding service as a volunteer worker" awards to a large group of present and former volunteers at the 20th anniversary. Reading book in centre is Geoff Barnett a former casework volunteer who recently provided invaluable assistance in the early stages of the preparation of "Welfare Rights in black and white".

Michael Raper and Robert Fitzgerald (NSW Community Services Commissioner) present a very special award to Sr Sheila McMahon "for outstanding contribution as the longest serving volunteer worker" at the Welfare Rights Centre - 12 years!





Shirley Innes and Werner Masur - two longstanding volunteer workers after receiving their special volunteer service awards



20th Anniversary guests party after the presentations

Dr Neal Blewett, former Minister for Social Security received a special award for an exceptional contribution to the Welfare Rights movement in Australia through securing \$1m in funding from the Commonwealth Government to fund Welfare Rights Centres throughout Australia in 1992.

The funding, drawn from DSS and Attorney General, (AG's) was handed to AG's to administer in a new Welfare Rights Section of the CLC funding program. It enabled the expansion of Welfare Rights Centres in all capital cities and five provincial centres throughout Australia.



casework the cornerstone

As a community legal centre, the Welfare Rights Centre's primary function is to assist people with Social Security problems. Since its inception, the Centre has broadened its role and now has: a Policy Officer whose major role it is to scrutinise proposed Social Security legislation and develop policy responses; an Education Officer whose role is to conduct education seminars for community workers in NSW; and a Publications Officer who assists with the production of various publications produced by the Centre.

However, it is the Centre's casework service which forms the cornerstone of all our work. The Centre assists approximately 4,000 people each year, with assistance ranging from the giving of advice to representing people at the Social Security Appeals Tribunal (SSAT), the Administrative Appeals Tribunal (AAT) and, occasionally even at the Federal Court. It is the casework service which keeps staff in daily contact with people experiencing Social Security problems and which feeds the Centre's policy, education and publications work. The casework service is also what keeps us in direct contact with, and allows us to provide, assistance to the thousands of community workers who have contacted the Centre over the years seeking advice for their clients.

volunteer workers make it possible

As with most Community Legal Centre's, the central casework service could be provided without the very generous and invaluable assistance of volunteer workers. Over the last 20 years, thousands of volunteer workers have participated directly in the provision of direct casework service to over 65,000 clients. It is volunteer workers who often answer the telephone, speak directly to clients and after consulting with the staff supervisor, convey information and advice direct to the clients.

Set out below are a number case studies which demonstrate some of the more difficult cases handled by the Centre over the years. They

have been taken from previous editions of "rights review" and are indicative of the range and nature

of the casework undertaken by the Centre and our dedicated band of volunteer workers. ▲

saria's persistence pays

In the last edition of rights review we recounted the story of Abdul and Saria, a young couple from Bangladesh. They had saved and spent over \$10,000 on airfares and medical and English tuition fees to come to Australia. When they arrived they found it difficult to find work and claimed Social Security.

They were told to wait two years before they could receive any assistance. Neither the High Commission in Thailand nor Bangladesh had informed them of this waiting period.

four months of poverty

Since June, the Welfare Rights Centre has advised Saria to claim Special Benefit again because her circumstances have changed further. Saria had no money, was depressed, had lost 6 kg in weight and had come to Australia as her husband's partner, not as a skilled migrant. Abdul, her husband holds a Masters in Agricultural Science from the Agricultural University of Bangladesh and has had difficulty finding a job in Australia. He damaged his back when he undertook one day's labouring work and was not paid for his 13 hours of labour. Saria had left her family and friends in Bangladesh, and her studies at the Agricultural University of Bangladesh to come to Australia with her husband under the impression that she would have a better life. Her dreams were shattered. Instead she faced

living in Sydney bellow the poverty line, with no income for four months, frequent visits to St Vincent de Paul and Salvation Army for food and cash handouts and dependency on "Bangladesh country men" for food and accommodation.

saria claims and appeals again

Saria tried to lodge a second claim for Special Benefit. She was turned away by DSS officers because they thought that she could not lodge a second claim whilst she was appealing to the Administrative Appeals Tribunal. After much confusion, Saria's claim for Special Benefit was accepted. However, DSS rejected her claim so she appealed and won on the grounds that "her circumstances had changed and she was unable to have a sufficient livelihood". The Ministerial Guideline that had been so restrictive had been removed, so Saria was paid from the 26 June 1997. ▲

("rights review" - September 97)

debt waived

When Stan retired after 40 years in the workforce, he contacted Centrelink and inquired about his eligibility for a Seniors Health Card. The Centrelink officer advised Stan he should apply for the Age Pension instead and so he lodged the relevant forms based on this advice. He also declared all his assets and the minimal income he received from an investment.

When Centrelink processed his Age Pension claim however, it did not take into account his assets when assessing his rate of payment. On being advised of his pension rate Stan asked the Centrelink officer to make sure that the rate was correct. He was advised that it was but he again contacted Centrelink at a later date to make sure his payment was correct. Again he was advised that he was receiving the correct rate of payment.

Stan made further contact with Centrelink, this time visiting his local office, after an acquaintance of his questioned the rate of payment he was receiving. It was at this interview that the Centrelink officer, who originally granted him the Age Pension, told Stan that he had been overpaid by more than \$15,000. Centrelink had failed to take into account his assets and an overpayment had accrued from the date of the first Age Pension payment.

centrelink error

Stan appealed the decision but it was upheld by the Original Decision Maker (ODM) on the basis that Centrelink had sent letters to him and these letters required that he notify Centrelink of his income and assets. Stan felt something was wrong with this decision as he had always declared his assets to Centrelink.

An appeal was then lodged to an ARO. The ARO saw matters differently to the ODM. The ARO accepted that the debt arose due to Centrelink error and was also of the opinion that Stan had complied with the requirements set out in the Centrelink letters which had been sent to him. Those letters required Stan to tell Centrelink if his financial investments were above a certain level. As Stan had already done this it was decided that he had complied with the

requirements set out in these letters.

money recovered in "good faith"

Centrelink also accepted that Stan received the payments in "good faith" (ie he did not know that he was being paid the incorrect rate). The relevant factors in Centrelink reaching its decision that the "good faith" test was passed were that Stan had provided all the

information to Centrelink about his assets, he had never been in receipt of Social Security payments before and he had been advised by Centrelink officers on numerous occasions that he was receiving the correct rate of payment.

The ARO waived the debt under the "administrative error and good faith" provisions of the Social Security Act. ▲

("rights review" - September 00)

\$21,600 windfall for client - DSS negligence

DSS errors. You've heard about them. Your friends have heard about them. The question is what can you do about them (besides complain).

Fortunately most DSS errors are minor and can be corrected without the client missing out on any money. However in a small number of cases the errors result in the client not being paid substantial amounts of money to which they were entitled.

If the Social Security Act does not allow for payment of arrears the person must lodge a negligence claim against DSS in an attempt to receive the money. Negligence claims (or Finance Direction 21/3 payments as they are called) can be successful.

peter's case

In a recent case handled by the Centre, Peter had enquired a number of times with DSS over a period of five years, about eligibility for Age Pension. Each time he was told that he was not eligible as he was receiving a Total and Permanently Incapacitated Pension (TPI) from the Department of Veteran Affairs. He was told there was no point in lodging a claim. Peter's wife was receiving the Age Pension in her own right and in working out her rate of payment.

DSS were (correctly) treating the TPI pension can be paid at the same time. The TPI pension is simply income for Social Security purposes; it doesn't preclude someone from receiving Age Pension.

dss negligence

When Peter finally started receiving Age Pension (at age 70) he enquired about arrears for the preceding five years. He was told that arrears could not be paid under the Social Security Act, as no Age Pension claim had been lodged. To receive the arrears, Peter had to lodge a claim for a Finance Direction 21/3 payment and prove that he suffered an economic loss as a result of DSS negligence. Due to the size of the arrears, the matter was referred to the Australian Government Solicitor Office which accepted that DSS was negligent in giving our client incorrect information about his eligibility for Age Pension. The result - a \$21,000 Xmas present for Peter. ▲

("rights review" - March 97)

Welfare Rights in black and white

As part of the 20th year anniversary celebrations, the Welfare Rights Centre has published a book "Welfare Rights in black and white". The book is subtitled "Key events and issues in Social Security advocacy 1983 – 2003" and draws on the cartoons and articles of previous editions of "rights review" as its inspiration and sole source of information.

"Welfare Rights in black and white" is dedicated to the many volunteer workers who have worked at the Centre since its inception and whose work has been the cornerstone of the Centre's efforts to help people experiencing Social Security problems over the last 20 years.

The book starts by highlighting that the Welfare Rights Centre (WRC) was partially established to assist people deal with the

increasing complexity of Social Security law and ends with the issue that Social Security breaches, which originally only applied to Newstart Allowance and Youth Allowance have now been extended to Special Benefit and Parenting Payment and that breach rules are different depending on which Social Security payment a person is in receipt of. Yes, the complexity issue is still a burning one.

The articles on the next four pages are taken from this recently published book and for many readers, the selected articles will no doubt provide a trip down memory lane.

If you are interested in purchasing "Welfare Rights in black and white" for \$15 please contact the Welfare Rights Centre on telephone 9211 5300 or 1800 226 028 for people calling from outside the Sydney metropolitan area. ▲

January 83 – Welfare rights for black and white

"Welfare Rights in Black and White" is not primarily about Social Security and Indigenous Australians – but this is a good place to start.

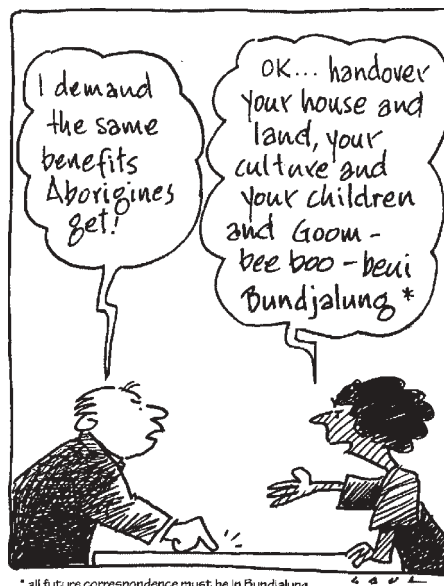
The proportion of Aborigines and Torres Strait Islanders who depend on Social Security for their income is far higher than for non-Indigenous Australians. This has often led to stereotyping and racist myth-making in the popular press. In 1998, at the height of "Hansonism" and towards the end of the decade of reconciliation, an effort to address this, and many other issues relating to Indigenous Australians and Social Security, was made through publishing a special edition of "rights review". This special edition:

- debunked many of the myths about Indigenous Australians getting special treatment and extra payments in the Social

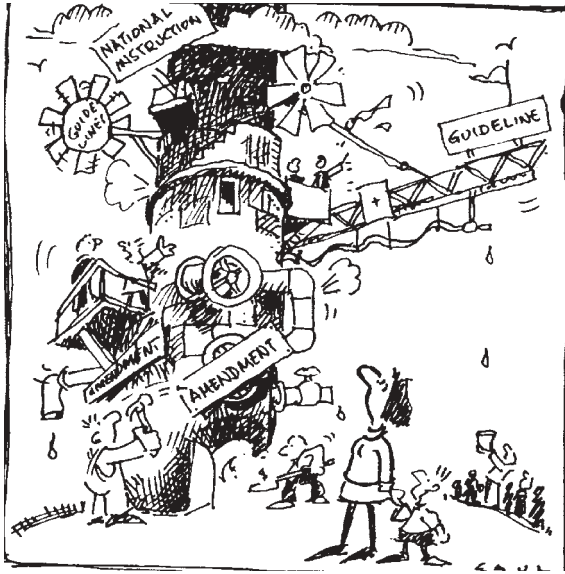
Security system, pointing out that the only special treatment had been mistreatment, particularly in the forms of dispossession of land, removal of children and denial of access to the Social Security system until 1966;

- exposed the fact that Indigenous

Australians were penalised for activity test failure twice as often as non-Indigenous people; and - demonstrated the strong connection between dispossession and dependence, land rights and welfare rights. ▲



September 95 – Crippled by complexity



With the passing of each new amendment, the introduction of each new guideline and the issuing of each new National Instruction, the Social Security system had become ever more complex. Since the introduction of the 1991 Act, there had been

39 amending bills and 24,000 new clauses by September 1995 and Social Security provisions were spread across five Acts. Little wonder the Welfare Rights Centre called for a complete rethink and a major simplification.

Throughout the 80s. and 90s, the

Social Security system had been used extensively as a source for budget savings with massive swathes being cut through almost every program. Layer upon layer of complexity was imposed as the system was then “band-aided” back together by repair jobs designed to ameliorate unintended consequences of fiscally motivated, rather than policy motivated, expenditure cuts.

In addition, numerous other measures which did have policy merit, were introduced in bits and pieces over a number of years such that the whole became far more complex than the sum of the individual parts. A classic example was the replacement of Unemployment Benefit with Job Search Allowance, Newstart Allowance, Youth Training Allowance, Mature Age Allowance, Mature Age Partner Allowance and Partner Allowance – all for unemployed people! ▲

March 97 – Migrants abandoned for two years

After months of debate, the Senate finally passed a Bill extending the waiting period for newly arrived residents from 26 weeks to two years. This measure had been promised by the Coalition in the lead up to the election and was supported by the Labor Opposition in the Parliament. Effective from March 1997, the waiting period applied to almost all Social Security payments, thus preventing many new migrants, unable to find employment, from obtaining any income support from the Australian Social Security system.

The one possibility of relief was through payment of Special Benefit which was only available in very limited circumstances. Where a newly arrived resident suffered “a change in circumstances beyond their control”, Special Benefit could be



granted at a rate determined by DSS.

However, the new Government also introduced harsh changes to the provision of Special Benefit so that a new migrant would only be eligible if in “financial hardship” as

a result of “a significant change of circumstances, after arrival, for reasons beyond the control of the migrant.” At the same time, the Government toughened the definition of “financial hardship”.

[see September 99] ▲

September 98 – Parental means test or mean parental test?

The introduction of Youth Allowance, under which unemployed 18 to 20s were subject to a Parental Income Test (PIT) for the first time, resulted in 47,650 people having their Social Security payments reduced or cancelled.

The PIT meant that the rate of Youth Allowance for 18 to 20s was dependent on the income of their parents, regardless of whether or not the person lived at home. Consistent with the Coalition Government's increased targeting of Social Security payments, the rate of Youth Allowance was reduced (by \$1 for every \$4 of family income) once combined parental income reached a threshold of \$23,400. For a family with one child aged 18 to 20, living at home, Youth Allowance cut out when combined parental income



reached \$41,579.

Aside from reducing payments to modest income families, there were a number of flow-on effects from reduced rates of Youth Allowance which made it more difficult for young people to fulfill

activity test requirements such as attend interviews and seek employment. For example, the half-fare transport concession card for public transport was withdrawn if a person was not on the full rate of Youth Allowance. ▲

September 99 – Department concedes but baulks at policy change



In recognition that they had no other source of financial support, various Tribunals, since 1991, had been granting Special Benefit to Australian children in the custody of non-resident parents at a higher rate than was specified in

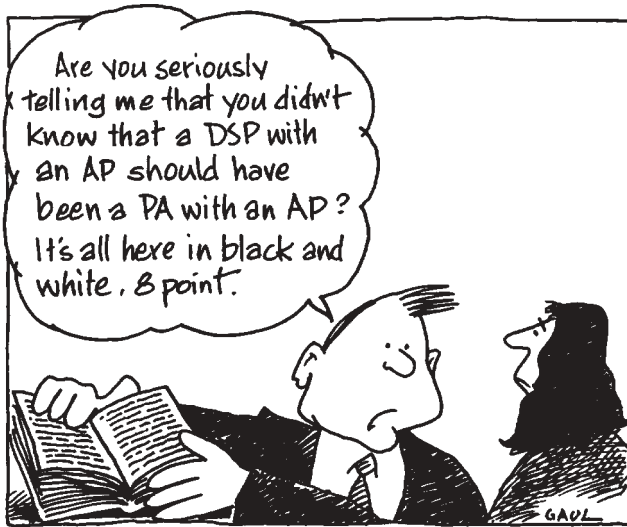
Department policy. Rather than basing Special Benefit on Family Allowance, the Tribunals chose a rate equivalent to JSA, at home, and then, once it was introduced, Youth Allowance for a person under 18 living at home (\$146 per

fortnight in September 1999).

In the late 1990s, the Social Security Appeals Tribunal heard a number of such cases and consistently recommended that Special Benefit should be increased to the higher rate of Youth Allowance for people under 18 living independently (\$267 per fortnight plus Rent Assistance). For eight such higher rate SSAT decisions in 1999 and 2000, the Department lodged appeals to the AAT and then withdrew at the last minute. Although in each case the children benefited from this withdrawal, the Department also prevented the possibility of a precedent against it. Hence Centrelink policy guidelines remained unchanged, and other children in these circumstances had to mount individual appeals to the SSAT to receive the higher rate.

[see September 02] ▲

December 99 – Ombudsman finds room for Centrelink improvement



In October 2002, the Commonwealth Ombudsman released two critical reports concerning Centrelink: "Balancing the Risks" and "To Compensate or Not to Compensate?" Both reports raised serious issues about the

way Centrelink administered the Social Security system and how it treated its clients.

The Ombudsman reports identified a major problem in the "self-assessment" approach at the heart of the Social Security system.

Under this approach, Centrelink requires a person to claim the correct payment, to ask all the right questions, to identify for themselves any errors in Centrelink's assessment of their entitlement and to bring these to Centrelink's attention within a specified period. The Ombudsman questioned the fairness of requiring the consumer to bear the "risk" of any error, given that consumers "are less able to understand or indeed to comply with the increasingly complex rules such agencies implement". In addition, the Ombudsman noted that within Centrelink's customer population there are significant groups with special needs, or who are particularly vulnerable, and are "thus even less able to reasonably bear the risks associated with the complex system they deal with". ▲

June 03 – Penalty reductions unlock "welfare reform" package

The Federal Government finally secured the passage of its "welfare reform" legislation in March 2003, after nearly two years of planning, negotiating and refining. In the end, an agreement reached with the Democrats to reduce the harsh and unfair penalty regime applying to unemployed people unblocked the package in the Senate. The changes, representing the first reduction in penalties since they were first increased in 1993, could cut the penalty for an unemployed person for a first "offence" from 26 weeks to eight weeks. This amounted to a reduction in the breach "fine" from \$890 to \$275.

Based on recommendations submitted by the Independent Review of Breaches and Penalties, community welfare groups had encouraged the Opposition parties to block the

legislation to extend the penalty system to parents and mature age unemployed people, until it was revised for unemployed people.

Under the changes won, a first breach penalty could be reduced from 26 weeks to eight weeks if the recipient complied within 10

weeks of receiving the new 14 day notice of an impending breach. While this represented a significant victory and a shift away from punishment towards compliance, the penalty system nonetheless remained unnecessarily harsh.▲



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