



NESA's Submission to the

Inquiry into the Adequacy of Newstart and related payments and alternative mechanisms to determine the level of income support payments in Australia

October 2019



About NESA

The National Employment Services Association (NESA) established in 1997 is the peak body of the Australian employment services sector. NESA is dedicated to a vision of opportunity for everyone through employment and inclusion.

Employment inclusion and participation are cornerstones of the economic and social health of society. For the individual, employment participation is more than a means to an income; it provides connection, purpose and inclusion. Employment participation and productivity are key drivers of economic growth and underpin the quality of life of all Australians enabling access to such things as a well-functioning health system, quality education and strong social safety net.

The Australian employment services sector plays a critical role in preparing Australians to participate productively in the labour market and connecting them to employment opportunities.

NESA's mission is to lead a sustainable, effective and diverse employment services sector to support individual job seekers and employers and to help our nation achieve employment participation objectives. NESA membership encompasses the breadth of Australia's diverse labour market assistance programmes including jobactive, Disability Employment Services (DES), the Community Development Programme (CDP), Transition to Work (TTW), Youth Jobs PaTH, ParentsNext, Time to Work, Career Transition Assistance and Vocational Training & Employment Centres (VTEC). A large proportion of NESA members deliver multiple programmes including State funded initiatives such as Jobs Victoria Employment Network (JVEN).

Our membership is extensive and diverse, and open to all contracted providers (for-profit, not-for-profit and public). To illustrate, of providers of Australia's largest employment programme – jobactive – NESA members have a collective footprint covering 100% of Employment Service Regions.

NESA delivers intensive policy, operational and capacity building support to member organisations. NESA works collaboratively with Government Departments, agencies and non-government stakeholders to support the effective delivery of labour market assistance and social policy. The National Employment Services Association welcomes the opportunity to contribute to the Inquiry into the Adequacy of Newstart and related payments and alternative mechanisms to determine the level of income support payments in Australia.

Executive Summary

Unemployment is a phenomenon with serious economic and social impacts throughout the fabric of a nation. A socially inclusive society is one in which its members are afforded the resources, support and opportunity to fully participate in the social and economic life of the community, and the social security systems plays a critical role in achieving this.

Newstart is the primary social security benefit for working age Australians who need support during periods of unemployment. The discussion regarding the extent to which the Newstart Allowance is adequate, gives rise to consideration of what constitutes an acceptable standard of living in Australia, including the cost of safe and secure housing. Many studies by Government Agencies in relation to pension and benefit rates have defined adequacy in relation to 'providing a basic acceptable standard of living, accounting for prevailing community standards'. In this context to be adequate the rate of Newstart must have at least a reasonable expectation of preventing its recipients from falling into poverty.

Key points and recommendations in our submission include:

- Poverty in Australia is higher than the OECD average despite its record of economic growth and resilience through the Global Financial Crisis. This is detrimental from a social perspective with potential negative consequences for social cohesion, the economy's productive potential and economic growth.
- It is estimated more than 3 million people live below the poverty line in Australia, with those experiencing poverty at the highest rates reliant on Government allowances including 64% of Youth Allowance and 55% of Newstart recipients.
- Australia has amongst the lowest unemployment income replacement rates of OECD countries. Maintaining low unemployment income replacement rates to drive incentive to work assumes a high rate of voluntary joblessness and labour market opportunity for all who want work. There is no evidence that these conditions exist in Australia.
- The labour market is tighter than the unemployment rate suggests and competition for available vacancies has risen to 19 applicants for every job vacancy.
- The labour market is increasingly demanding higher skills, with the demand for the lowest level Skill Level 5 (commensurate with a Certificate I or secondary education) falling by 18.4% over the past 5 years, and such vacancies now only represent 10.5% of all job advertisements.
- Skills mismatch sees employers report difficulty filling vacancies while there is parallel experience of persistent unemployment. Employers difficulty recruiting does not mean job seekers are not looking for work or snubbing opportunity as evidenced by the increase in the number of applications per vacancy.
- Human capital development strategies are needed to build the skills of the unemployed in line with labour market demand and assist their transition from welfare to work.
- Australia's employment services framework features strong activation and work first policy and investment in services and supports for job seekers has diminished significantly since 1998.
- There is a view in fair exchange for support recipients should to the extent that they are able, participate in and undertake activity that will increase their prospect of independence. Mutual Obligation has been a central feature of the Australia social security system with requirements increasing sharply since the introduction of Work for the Dole in 1997. Neither Newstart nor the approved program of work supplement have kept pace with the increased requirements and associated participation costs.
- An inability to meet costs and fulfil requirements creates compounding disadvantage and hardship where job seekers are subject to compliance action as a result.
- Arguably, the unemployment income replacement rate offered by Newstart is geared to frictional unemployment and does not reflect contemporary experience of long term unemployment or underemployment. The average duration people are on Newstart Allowance has grown from an average of 125 weeks in 2016 to 294 weeks in 2019.
- Job seekers competitiveness for employment diminishes where they do not have sufficient means on the income provided by Newstart to maintain resources such as a vehicle and registration.

- It is challenging for job seekers to build their employment prospects through gaining skills such as undertaking accredited training or acquiring a drivers licence if relying on income provided by Newstart.
- An inability to meet costs and fulfil requirements creates compounding disadvantage and hardship where job seekers are subject to compliance actions as a result.
- The jobactive caseload is indicative of the profile of Newstart recipients and its caseload continues to feature a high proportion of job seekers with low educational attainment, low levels of literacy (digital and language)/numeracy, no post-secondary qualification and a large and growing proportion of mature age job seekers. The increasing prominence of job seekers facing multiple and complex barriers to employment cannot be overlooked and should inform evidence based review of labour market assistance and income support requirements.
- NESAs observations of the financial stress that Newstart recipients are experiencing common issues including job seekers:
 - Inability to meet cost of physical, mental and dental health care including medications
 - Increased demand for referral to welfare assistance for household basics such as food as well as financial aid
 - Inability to pay household bills such as utilities
 - Prevalence of housing crisis (evictions), couch surfing and homelessness
 - Inability to afford hygiene products
 - Inability to mechanically maintain and/or register private vehicle
- NESAs indicate financial stress has a detrimental effect on job seekers employability and further marginalises them from the labour market. Most concerning is reports regarding the frequency that job seekers verbalise thoughts of self harm in relation to their financial circumstance.
- The capacity to afford adequate housing should form part of any test of the acceptable standard of living provided by social security in a civil society. Stress arising from the risk of becoming or being homeless has significant impacts on labour market prospects and sustainability of employment. Few rental properties are affordable on Newstart income and Department of Social Services data indicates high levels of rental stress with nearly half a million income support recipients paying more than 30% of their income in rent.
- The Welfare Reform Review commented that “The effect of different indexation measures, changing priorities and ad hoc policy responses have led, over time, to a ‘patchwork quilt’ income support system that is inequitable and lacks coherence.”

Summary of Recommendations:

1. Increase investment in Australian government contracted Employment Services as well as increase funding in human capital development for jobseekers.
2. Increase the rate of Newstart to ensure it provides for an acceptable standard of living. NESAs support the view of the Australian Council of Social Services through its research that this requires a rise of at least \$75.
3. Implement an increased supplement for approved work programs rate to adequately assist job seekers meet the cost of participation and implement indexation to ensure it maintains alignment with increases in costs
4. Increase the maximum rate of rental assistance.
5. Establish an independent commission to provide advice to Government on rates of payment to support an equitable social security system and evidence informed policy responses.

1. Introduction

Unemployment is a phenomenon with serious economic and social impacts throughout the fabric of a nation. A socially inclusive society is one in which its members are afforded the resources, support and opportunity to fully participate in the social and economic life of the community, and the social security systems plays a critical role in achieving this.

Newstart is the primary social security benefit for working age Australians who need support during periods of unemployment. The discussion regarding the extent to which the Newstart Allowance is adequate, gives rise to consideration of what constitutes an acceptable standard of living in Australia, including the cost of safe and secure housing. Many studies by Government Agencies in relation to pension and benefit rates have defined adequacy in relation to 'providing a basic acceptable standard of living, accounting for prevailing community standards'. In this context to be adequate the rate of Newstart must have at least a reasonable expectation of preventing its recipients from falling into poverty.

2. Unemployment and Poverty in Australia

Research has consistently shown that unemployment is a strong predictor of poverty and those reliant on income support are heavily featured amongst those experiencing deprivation in Australia. The OECD working paper *Income Poverty of Households in Australia* (OECD, 2015)¹ reflected "Australia is a successful developed economy with high living standards. It has had an impressive track record of economic growth in recent decades, and, the 2008-9 global financial crisis affected it less adversely than most other OECD economies. Yet, not everyone has shared equally in this success. Quite a significant share of people live in poverty. This is detrimental from a social perspective and can have negative consequences for social cohesion. Furthermore, it detracts from the economy's productive potential and economic growth".

It is estimated more than 3 million people live below the poverty line in Australia, with those experiencing poverty at the highest rates reliant on Government allowances including 64% of Youth Allowance and 55% of Newstart recipients².

3. Income Replacement Rates

There is a sound body of research that indicates that unemployment income replacement rates should provide social security adequate for basic standards of living and avoidance of poverty, while maintaining an incentive to work. In the absence of a real increase in 25 years there has been a widening of the gap between the rate of Newstart payment and average levels of earnings, household incomes and pension payments³.

Australia has amongst the lowest unemployment income replacement rates of OECD countries⁴. Maintaining low unemployment income replacement rates to drive incentive to work assumes a high rate of voluntary joblessness and labour market opportunity for all who want work. There is no evidence that these conditions exist in Australia.

4. Unemployment and Competition for Employment

More Australians are achieving paid work than ever before with a national workforce participation rate of 66.2% and an unemployment rate of 5.3% as at August 2019. While these statistics give rise to perceptions of strong labour market opportunities there is a deeper underlying story. Australia uses the standard adopted by the International Conferences of Labour Statisticians to measure labour force status. Using these definitions many citizens without and wanting work are unaccounted for in the official unemployment rate. According to the ABS, this includes approximately 1 million Australians that want a job and are available to start work, that are commonly referred to as the hidden jobless.

20% of the 686,328 Newstart recipients have declared earnings and recorded hours of work (one hour or more paid work - cash or in kind) and therefore do not meet the definition of unemployed for the purpose of the official unemployment rate⁵. Of all working Australians, 8.3% (approximately 1.1 million workers) are underemployed, growing from an estimated 6.6% a decade ago.

¹ Sila, U. and V. Dugain (2019), "Income poverty in Australia: Evidence from the HILDA survey", OECD Economics Department Working Papers, No. 1539, OECD Publishing, Paris, <https://doi.org/10.1787/322390bf-en>.

² Davidson, P., Saunders, P., Bradbury, B. and Wong, M. (2018), *Poverty in Australia, 2018*. ACOSS/UNSW Poverty and Inequality Partnership Report No. 2, Sydney: ACOSS.

³ Saunders, P., & Bedford, M. (2017). *New Minimum Income for Healthy Living Budget Standards for Low-Paid and Unemployed Australians*. (SPRC Report 11/17). Sydney: Social Policy Research Centre, UNSW Sydney. <http://doi.org/10.4225/53/5994e0ca804a4>

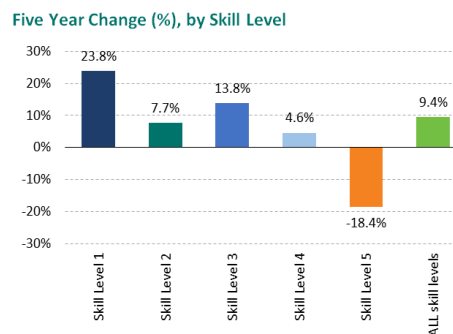
⁴ The OECD tax-benefit data portal, <http://www.oecd.org/social/benefits-and-wages/data/>

⁵ DSS demographic data March 2019 accessed at data.gov.au

The I Want to Work paper on New Employment Services⁶ rightly acknowledges; the vast majority of job seekers want to work. The Department of Jobs and Small Business data from the 2018 Survey of Employers Recruitment Experiences indicates that over the past decade job seekers are experiencing greater competition for available jobs. Employers received a consistent number of applications from candidates deemed suitable for each job over the past decade; however the total number of applications per vacancy has increased sharply.



Structural unemployment arises when there is a mismatch between the skills employers demand and those offered by candidates. The labour market is increasingly demanding higher skills⁷. While vacancies for all skill levels have recently fallen, the largest drop (12.4%) was recorded for Skill Level 5 (commensurate with a Certificate I or secondary education). This trend over the five years to August 2019 has seen job advertisements for Skill Level 5 fall by 18.4%, and such vacancies now only represent 10.5% of all job advertisements.



The balance of supply and demand for labour is a central cause of unemployment. Soft labour market conditions deliver fewer job opportunities than there are people available for, and who want to work. Even where there is a perception of balance in overall demand and supply, the geographic distribution of available jobs and workers suited to those positions often do not align. This situation is evident in high and entrenched joblessness in a number of regional, rural and remote communities.

Skills mismatch sees employers report difficulty filling vacancies while there is parallel experience of persistent unemployment. Employer difficulty recruiting does not mean job seekers are not looking for work or snubbing opportunity as evidenced by the increase in the number of applications per vacancy.

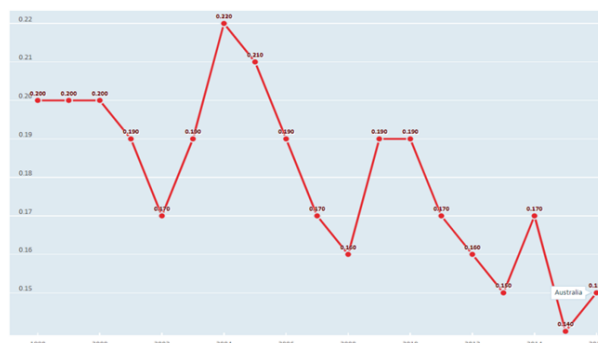
The misalignment between those available for work and demands of the labour market arises for many reasons including technological advancement. In response human capital development strategies are needed to build the skills of the unemployed in line with labour market demand and assist their transition from welfare to work.

Australia's employment services framework features strong activation and work first policy. The OECD Employment Outlook (2005) noted while work-first strategies have a short-term impact on employment; mixed strategies involving human capital development have potential to parallel or exceed expected employment or total earnings. Early intervention to address employability and vocational skills assists job seekers move from welfare more sustainably than focus on quickest point of labour market entry. Train then place

⁶ The Department of Jobs and Small Business, I want to work, Employment Services 2020 Report, © Commonwealth of Australia 2018

⁷ Department of Employment, Skills, Small and Family Business, Vacancy Report August 2019, Release date: 25 September 2019

models with an emphasis on ensuring training addresses necessary skills for labour market entry pre-placement and continuing in work, enhances job seeker pathways from insecure work and achievement of career advancement. The OECD Employment Outlook 2019 highlights imperatives to build skills in order to maintain productivity and address inequality in the context of technological transformation of work. In this context the adequacy of labour market assistance to income support recipients to improve their employment prospects is also relevant. NESAs notes there has been decline in expenditure on Australian public employment services and administration as a proportion of GDP since the commencement of contracted employment services in 1998, as illustrated in the graph below.



Public Spending on Labour Markets – Public Employment Services & Administration, % of GDP, 1998 - 2016

Source: OECD Public spending on labour markets - PES (indicator)

Recommendation:

Increase investment in Australian government contracted Employment Services as well as increase funding in human capital development for jobseekers.

5. Newstart and meeting the cost of participation

As a society Australians value our social safety net and believe there should be adequate support for citizens who are unable to support themselves. There is a view that in fair exchange for support recipients should to the extent that they are able, participate in and undertake activity that will increase their prospect of independence⁸.

The negative effects of unemployment are significant and with its duration, the probability of workforce re-entry declines. Skills atrophy can occur quickly, particularly in context of the rapid pace of technological advancement currently occurring. There are benefits to maintaining and developing new skills from well designed activation programs.

Mutual Obligation has been a central feature of the Australian social security system with requirements increasing sharply since the introduction of Work for the Dole in 1997. There are real costs involved in participating in mandatory requirements with job seekers facing potential reduction, suspension or cancellation of income support if they fail to meet them. A review of the adequacy of Newstart must consider the extent the cost of undertaking mandatory requirements is consuming income support.

Neither Newstart nor the approved program of work supplement has increased in pace with Mutual Obligation requirements, which include attendance at appointments with employment service providers and DHS, job search and annual activity. To illustrate, the approved program of work supplement of \$20.00 was introduced in 1997 as part of the Social Security Legislation Amendment (Work for the Dole) Act 1997 to assist job seekers meet the additional costs of participation in the activity. The supplement is taxable, but is exempt from the income test.

⁸ Article Source: Patterns of Welfare Attitudes in the Australian Population; Schofield TP, Butterworth P (2015) Patterns of Welfare Attitudes in the Australian Population. PLOS ONE 10(11): e0142792. <https://doi.org/10.1371/journal.pone.0142792>

In 1997 the maximum number of hours per fortnight in a Work for the Dole program for those under 21 years was 24 hours and 30 hours for job seekers over 21 years of age or older. Requirements and those subject to them have expanded and currently include the following hours per fortnight of Work for the Dole or another approved activity for six months of each year:

- 18 to 49 years - 50 hours
- 50 to 59 years - 30 hours, (can include volunteering for Work for the Dole).
- 60 years of age or over up to Age Pension age - 10 hours per fortnight (can include volunteering for Work for the Dole).
- Jobseeker with a partial capacity to work or principal carer parents 18 to 30 years - 30 hour requirement and 30 to 59 years - 15-16 hours

Other than 80 cents added with the introduction of the GST, there has been no change to the supplement, despite requiring job seekers to undertake vastly more requirements. In isolation, the cost of transport to activities often exceeds the entire supplement and consumes part of the Newstart Allowance. In regional, remote and rural Australia where available approved activities are more limited and public transport is generally inadequate or unavailable the situation is exacerbated and cost of participation increased.

The supplement is only paid to recipients during engagement in Work for the Dole or the National Work Experience Program despite there being costs associated with other activity options available. The cost of participation can vary according to local circumstances and infrastructure particularly transport. Many of the expenses incurred meeting requirements reflect the resources also necessary to secure employment. These include but are not limited to:

Phone and Internet access: Job seekers increasingly require mobile phones and access to online services to job search effectively and meet requirements. Completing self management and reporting of Job Plan activities, undertaking job search, applying for vacancies (which are increasingly published online) and receiving responses from employers and notices from DHS and their employment services provider requires investment in phones and data plans. While job seekers may access public internet services e.g. library or employment service provider offices, transport costs are still incurred. With the growing proportion of lower skilled vacancies being casualised work a mobile phone is essential to achieve a basic foothold into the labour market.

There is widespread consensus in competition for employment presentation matters. Unsuitable presentation is often misinterpreted as a lack of motivation rather than reflective of the person's financial means. Investment in clothing/shoes (including cost of washing), hair cuts, dental and hygiene products are essentials of daily living and resources necessary to ensure suitable presentation at job interviews and activities such as work experience placements.

Transport represents a significant cost for job seekers and is required to attend appointments with employment service providers or DHS, undertake courses, job interviews or to cold canvass employers. A lack of drivers licence and access to private transport is also a major barrier to employment with both being considered an essential prerequisite by many employers particularly in Regional locations and other areas not suitably supported by reliable public transport, even where the job itself does not involve driving. Job seekers competitiveness for employment therefore diminishes where resources cannot be maintained. Feedback from NESA members suggests a significant proportion of job seekers, particularly amongst those long term unemployed, have been unable to maintain their vehicle and registration on the income provided by Newstart. An inability to meet costs and fulfil requirements creates compounding disadvantage and hardship where job seekers are subject to compliance actions as a result.

Equally challenging is building employment prospects through gaining skills such as undertaking accredited training or acquiring a drivers licence relying on income provided by Newstart. The cost of gaining a licence varies between jurisdictions but is significant. For example, the cost of gaining a Provisional Licence in NSW is approximately \$2,646 assuming success on first attempt of each required element as indicated below.

Learner Licence	- Driver Knowledge Test \$45 each attempt non-refundable if failed
	- Licence Fee \$24
Provisional Licence	- 20 hours of professional instruction, \$70 per hour lesson: \$1400
	- Fuel costs for 120 hours practice assuming 6 litres per hour at an average of \$1.42/L = \$1022
	- Hazard perception test - \$42 non-refundable if failed
	- Provisional licence fee: \$57 non-refundable if failed
	- Driving test: \$56 non-refundable if failed

Additional support may be provided to eligible job seekers to assist with the cost of participation through the Employment Fund. However, there are expectations about targeted use of the Fund and a number of restrictions of what additional support may be funded, for example additional transport support to attend Work for the Dole is not permitted for those receiving the supplement. The Employment Fund is a limited resource and there has been reduction in the amount available to assist job seekers with the Government ceasing the separate funded wage subsidy pool in January 2019 and commencement of the Career Transition Assistance Program in July 2019 with job seeker program participation funded via the Employment Fund.

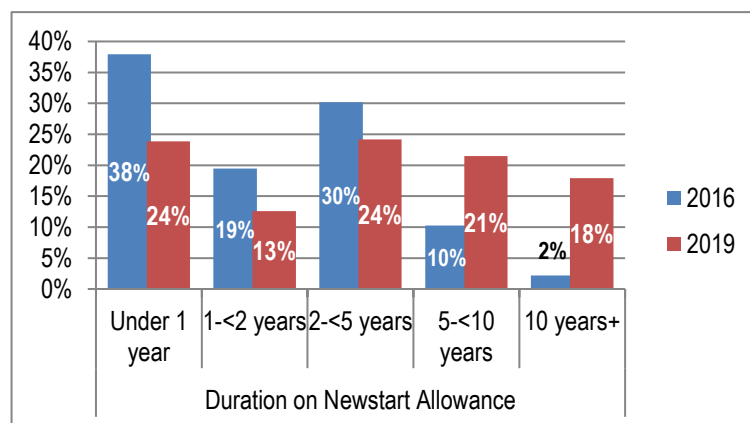
Recommendation:

Implement an increased supplement for approved work programs rate to adequately assist job seekers meet the cost of participation and implement indexation to ensure it maintains alignment with increases in costs

6. Circumstance of Newstart Recipients

Review of the adequacy of Newstart should consider the circumstance of the people who rely on it for support. Arguably, the unemployment income replacement rate offered by Newstart is geared to frictional unemployment and does not reflect contemporary experience of long term unemployment or underemployment. This view was reflected in the welfare reform report, A New System for Better Employment and Social Outcomes⁹. In its observation it comments that Newstart Allowance does not appropriately support people who have an expectation of gaining only part time work such as people with a partial capacity to work or such as people with a disability or a mental health condition that are more likely to need the payment in whole or part for a long duration¹⁰.

The average duration people are on Newstart Allowance has grown from an average of 125 weeks in 2016 to 294 weeks in 2019¹¹.



The effects of joblessness are compounding with potential negative impacts on physical, mental, social and financial wellbeing creating further barriers to gaining employment, adding concern regarding the trend in long term unemployment.

The jobactive caseload is indicative of the profile of Newstart recipients and its caseload continues to feature a high proportion of job seekers with low educational attainment, low levels of literacy (digital and language)/numeracy, no post-secondary qualification and a large and growing proportion of job seekers are of mature age. The increasing prominence of job seekers facing multiple and complex barriers to employment cannot be overlooked and should inform evidence based review of labour market assistance and income support requirements. Data presented in the Next Generation of Employment Services paper illustrates, who has been left behind in pursuit of employment. In May 2018 of the jobactive caseload, the majority of whom are in receipt of Newstart Allowance:

- 27.1% had a disclosed disability
- 9.7% were homeless
- 17.5% were parents
- 13.1 had disclosed mental health issues
- 10.9% had identified themselves as Indigenous

⁹ Department of Social Services A New System for Better Employment and Social Outcomes - Interim Report of the Reference Group on Welfare Reform to the Minister for Social Services, 2015

¹⁰ Department of Social Services A New System for Better Employment and Social Outcomes - Interim Report of the Reference Group on Welfare Reform to the Minister for Social Services, 2015

¹¹ Data Source DSS Demographic Data March 2016 and DSS Demographic Data March 2019 accessed at data.gov.au

- 5.3% were refugees
- 19.1% were CALD
- 11.3% were disclosed ex-offenders
- 8.3% had a disclosed Drug and Alcohol issue

These figures include cohorts that disclosed their circumstances on these selected issues. Non disclosure of circumstance is common with job seekers often hesitant to have sensitive information including Indigeneity, recorded in a Government database. There are many other issues prevalent on the jobactive caseload such as but not limited to family violence, survivors of torture or trauma and illiteracy with data held by the Department of Employment, Skills, Small and Family Business.

NESA members have offered feedback in relation to their observations of the financial stress that Newstart recipients are experiencing. Examples of the common issues raised included job seekers:

- Inability to meet cost of physical, mental and dental health care including medications
- Increased demand for referral to welfare assistance for household basics such as food as well as financial aid
- Inability to pay household bills such as utilities
- Prevalence of housing crisis (evictions), couch surfing and homelessness
- Inability to afford hygiene products
- Inability to mechanically maintain and/or register private vehicle

NESA members indicate that from their observations financial stress has a detrimental effect of job seekers employability and further marginalising them from the labour market. Most concerning is reports regarding the frequency that job seekers verbalise thoughts of self harm. A large not for profit employment service provider reviewed their incident report register and estimates that on average one job seeker per day speaks of self harm in response to their financial circumstances.

Recommendation:

Increase the rate of Newstart to ensure it provides for an acceptable standard of living. NESA supports the view of the Australian Council of Social Services through its research that this requires a rise of at least \$75.

7. Housing Affordability:

The capacity to afford adequate housing should form part of any test of the acceptable standard of living provided by social security in a civil society. Stress arising from the risk of becoming or being homeless has significant impacts on labour market prospects and sustainability of employment.

Anglicare Australia's rental affordability snapshot report indicates that nationally only 4% of all properties were affordable and appropriate for households on government income support payments. Single income support recipients were particularly financially excluded with just 1 of more than 69,000 properties identified that were affordable and suitable for Youth Allowance and only 2 for a single person on Newstart. The report further states that data from the Department of Social Services indicates high levels of rental stress with nearly half a million income support recipients paying more than 30% of their income in rent.¹²

As indicated earlier almost 10% of all job seekers participating in jobactive are formally identified as homeless. This must indicate the rate of Newstart combined with other supplements including rental assistance is inadequate to meet standards of acceptable living in relation to housing. Job seekers living in social housing face additional stress from increases in rent that can diminish contribution to standard of living when they transition to employment, particularly in part time or casual work.

Recommendation:

Increase the maximum rate of rental assistance.

¹² Anglicare Australia Rental Affordability Snapshot National Report / April 2019

8. Maintaining unemployment income replacement rates in line with acceptable standards of living

The Welfare Reform Review commented that “The effect of different indexation measures, changing priorities and ad hoc policy responses have led, over time, to a ‘patchwork quilt’ income support system that is inequitable and lacks coherence. People with similar basic living costs and similar capacities to work may receive very different levels of financial support, and have different participation requirements”. There are differing views about what methods and instruments should be used to assess adequacy of income to provide acceptable living standards and poverty.

Recommendation:

Establish an independent commission to provide advice to Government on rates of payment to support an equitable social security system and evidence informed policy responses.

#weR4jobs

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