

Welfare to Work forum a success

Summer 2007: View from the Peak

Almost 50 people attended MHCC's information forum on Welfare to Work on 13 February, where Melissa Coad from the Welfare Rights Centre presented the most recent information on the legislation. The feedback overall was very positive, with many suggesting MHCC should continue to run these events regularly to help people stay up to date, and have the main aspects of the legislation explained in Plain English.

Some things about Welfare to Work you may not know

The following aspects of the Welfare to Work legislation have recently been brought to our attention thanks to one of our members. We welcome input from all members if you come across something you think others should know about. Contact Rachel at MHCC with your ideas. Did you know about the following?

Newstart 'Partial Capacity to Work'

The Newstart Partial Capacity to Work benefit is available for consumers who are ready to work, but for fewer than 30 hours per week. The obligations are less than what is required of other Newstart recipients, and the person can access some of the benefits of the disability pension. People receiving Newstart who are assessed in their Job Capacity Assessment as having a "partial capacity to work" (which means they can work between 15 and 30 hours per week) will have reduced activity requirements compared with those on the full Newstart.

To have a partial capacity to work a person must:

- have a psychiatric, physical or intellectual impairment that prevents 30 or more hours work per week, and
- because of that impairment not be able to undertake a training activity that would enable 30 or more hours work in the next two years.

People with a partial capacity to work will only have part time participation requirements and will only have to look for part time work of between 15 to 25 hours per week. If a person is already working 15 hours per week there will not be any additional activity requirements. People with a partial capacity to work may also receive (where eligible), the Pensioner Concession Card, Pharmaceutical Allowance, Telephone Allowance, a higher rate of Mobility Allowance and a higher rate of Employment Entry Payment.

Vulnerability Flag

Centrelink has a system whereby a person assessed as being vulnerable will have a "flag" placed on their record. The intention is that this information allows Centrelink and Employment Service Providers to be aware of circumstances which may affect a person's ability to comply with their activity requirements. The presence of the vulnerability indicator on a person's record will not necessarily mean that they will not have participation failures recorded. It only means that staff will exercise more caution in imposing them.

Currently Department of Employment and Workplace Relations policy requires that medical evidence is provided in order for Centrelink to record vulnerabilities where the person has a medical condition. Other "categories" of vulnerability, such as homelessness do not require medical information and can be recorded by Centrelink staff.

MHCC believes this can be a disincentive to people to voluntarily look for work. It is hoped the government will look at changing this so that a person who voluntarily register with an Employment Service Provider does not risk losing their DSP eligibility to do so.

Disability Pension Assessments

This matter has caused a lot of confusion among the community. Currently a person receiving the disability pension (DSP) is not required to look for work. However if s/he wishes to look for work and voluntarily registers with an Employment Service Provider, s/he will have to undertake a Job Capacity Assessment. This Assessment may result in the decision that they are capable of work and therefore no longer eligible for the DSP.

Anyone who was receiving DSP prior to 10 May 2005 will be assessed under the old rules (which means they may be able to retain the DSP if they are assessed as being unable to work more than 30 hours per week). But anyone who started receiving DSP after 10 May 2005 will be subject to the new rules. This means if they are assessed as being able to work more than 15 hours per week, they may be placed on a different benefit such as Newstart or the Youth Allowance that requires them to undertake activities such as looking for work. MHCC believes this can be a disincentive to people to voluntarily look for work. It is hoped the government will look at changing this so that a person who voluntarily registers with an Employment Service Provider does not risk losing their DSP eligibility to do so.

Our thanks to Melissa Coad from the Welfare Rights Centre, Sydney, for providing this information in response to our questions.