

Welfare to Work consultations - a wealth of feedback

Fear, confusion, and disincentives to seek work have emerged as key themes from MHCC's consultations about the first 12 months of the Government's Welfare to Work laws.

MHCC has consulted with consumers, carers, and people working in the mental health and disability employment areas to compile a report outlining the experiences of people affected by this legislation since it came into effect on 1 July 2006. Many of the comments relate to the inadequacy of the laws to address the support needs of people with mental illness, especially the episodic nature of many mental illnesses and how this affects employment capacity.

The findings are being written up into a report with recommendations for changes to the legislation.

A re-cap of the Welfare to Work changes:

People who apply for income support now need to complete a Job Capacity Assessment (JCA). If the assessment indicates they can work 15 or more hours per week, they cannot access the Disability Support Pension (DSP). Instead, they may receive an Allowance level payment such as Newstart, Youth Allowance, or Austudy. Previously the cut-off work capacity was 30 hours per week for the DSP.

Allowances are lower than the DSP, and recipients must undertake job search activities and/or other obligations such as Work for the Dole.

There is also a tough new compliance and penalty system, which applies a suspension of payment for 8 weeks for a "serious" breach of the rules - including refusing a job offer or leaving a job. Similarly, three less "serious" breaches will see payments cut off for 8 weeks. For those deemed especially vulnerable, there is the option of financial case management, which involves charities and other community based organisations providing financial counselling and arranging for essential bills to be paid.

Following is a summary of the main issues that have come so far from the MHCC consultations.

Understanding the changes

Most respondents reported being confused about the changes, with many saying that they had never received information that was clear, concise and relevant. Carers commented they felt left out of the loop, and only some were aware they could request copies of all correspondence as a primary carer.

Need for more flexibility between DSP and Allowances

There was general support for any efforts to help people with mental illness into the workforce, but consumers expressed fear that by entering the workforce, they would not be able to secure the Pension again if they became unwell and could not work. Unlike most other disabilities, mental illness is episodic, and people can be well for several years and then have a breakdown and become unable to work. It is at this point they need early and timely support, including access to financial support. There was a strong perception among consumers and carers that the new system makes it more difficult to access this support when needed.

Employment itself can exacerbate illness. One example presented was of Bill (not his real name), who secured part time employment, performed well, and was pressed by his employer to accept additional hours and responsibilities. For a time, all was going well, until the stress became too much, the employer would not reduce his hours, and Bill became acutely unwell very quickly. He was then forced out of the workforce completely for quite some time.

One recommendation is that Centrelink be flexible in allowing people with mental illness to move between the Pension and employment/Allowance arrangements in line with their episodes of illness.

The lack of flexibility and the fear that by working, consumers will lose the Pension forever, has actively discouraged many from seeking employment.

Dealing with Centrelink

Consumers reported mixed experiences of dealing with Centrelink, but the main concern expressed was that there was often no-one on staff who seemed to understand mental illness, particularly when a consumer expresses frustration at the system and loses their temper. The suggestion made was that there be at least one trained staff member, such as a social worker, available to manage these situations, and help consumers navigate the often frustrating and confusing system. One consumer suggested that “having Centrelink people not trained is like opening a Centrelink office without a wheelchair ramp”.

Job Capacity Assessments (JCA)

There was a lot of feedback about the JCA process, with the main concern being that many JCAs have no experience or expertise in assessing capacity due to mental illness. The general feeling was that consumers feel compelled to present themselves as positively as possible, and their capacity on any given day may vary considerably depending on whether they are well or unwell. Many consumers may have capacity to work in a flexible environment where hours can vary, but this cannot be captured by the JCA process unless the JCA has a good understanding of mental illness.

Employers need to be better informed

There is a strong need for employers to be better informed about mental illness, as there is still discrimination and misinformation in the workplace.

There are potentially great roles out there for consumers

Consumers identified some potential employment opportunities in educating and training government staff, employer groups, and/or the general community. Such positions would have the dual advantage of increasing employment and addressing people's lack of knowledge of mental illness. One consumer said her “years of experience as a consumer” could be an asset to share with others.

Disclosure vs non-disclosure

Consumers are often faced with the difficult decision of how much to disclose about their illness to potential employers for fear of discrimination. This is made more complex by the need to disclose everything to a JCA as part of an accurate assessment. Some expressed fear that the information would be shared among other government departments, and potentially impact insurance and superannuation.

Emphasis is too much on getting people into work, not supporting them to stay there

There was cynicism expressed about the Welfare to Work legislation's focus on gaining employment with very little ongoing support to maintain employment. Ongoing long-term support is needed by many consumers to manage the stresses of employment and their own episodes of illness. Disability-specific job network providers tend to be very good at offering ongoing support, but many respondents were concerned that people are being referred to generalist job network providers who do not have this knowledge or level of support.

All members will receive a copy of the report once it is finalised, and it will be available on the MHCC website shortly.

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